

CHAPTER 20

TRADE AND COMMERCE

1. Trade and commerce have played a pivotal role in shaping the development of Delhi's economy by making a significant contribution in terms of tax revenues and providing gainful employment. Delhi is the biggest consumption centre in North India. Delhi distinguishes itself as a centre for entreport trade which means that large part of its economic activity is concerned with the redistribution of goods produced elsewhere and imported for local sales as well as for export to other states i.e. interstate sales. It has attained the status of a major distribution centre by virtue of its geographical location and other historical factors, availability of infrastructure facilities etc. That it is a major distribution centre is borne out by the fact that 49% of fuel oil, 47% of food- grains, 44% of iron and steel and 78% of fruits and vegetables imported into Delhi are re-exported. The wholesale markets in Delhi deal with about 27 major commodities, covering textiles, auto parts and machinery, stationery, food items and iron and steel (Master Plan document 2001 of DDA).

TRADE IN NON-AGRICULTURAL PRODUCTS:

There is no single satisfactory way to measure the volume of trade & commerce and its contribution to gross domestic product, employment etc. in respect of non-agricultural trading activities in both the organised and un-organised segments. However, information available under the Value Added Tax, work force data from population census and gross state domestic products estimates brought out by Directorate of Economics & Statistics, Govt. of NCT of Delhi, do provide some meaningful estimate on the relative importance of the sector.

"Trade, hotels and restaurant" taken together accounted for 19.63% of GSDP of Delhi in 2004-2005. (Constant prices) In monetary terms, this sub-sector's contribution in GSDP (At constant prices) has increased from Rs. 9084.88 crores in 2002-2003 from Rs. 10337.32 crores in 2004-2005, indicating an annual growth 13.78% during the first three years of tenth five year plan.

In case of employment as per population census the number of workers in "trade and commerce" have increased from 4.20 (6.76%) lakh in 1981 to 7.10 (23.9%) lakh in 1991.

Statement 20.1 provides vital parameters of trade & commerce with the aid of data available from Trade & Taxes Department of Govt. of NCT of Delhi.

Statement 20.1

REGISTERED DEALERS & RECEIPTS UNDER SALES TAX ACT IN DELHI.

(Figures In Rs. lac)

| Year | Number of Registered Dealers | Sales Tax Receipts (Rs. In Crores) | | |
|-----------|------------------------------|------------------------------------|---------|---------|
| | | Local | Central | Total |
| 1980-1981 | 71090 | 92.38 | 62.62 | 155.00 |
| 1990-1991 | 113357 | 448.58 | 241.39 | 689.97 |
| 2000-2001 | 155868 | 2675.25 | 704.34 | 3379.59 |
| 2001-2002 | 161824 | 2992.76 | 697.60 | 3690.36 |
| 2002-2003 | 167446 | 3082.27 | 784.70 | 3866.97 |
| 2003-2004 | 171868 | 3584.91 | 848.96 | 4433.87 |
| 2004-2005 | 161283 | 4201.38 | 997.07 | 5198.45 |
| 2005-2006 | 186086 | 5560.64 | 939.18 | 6499.82 |

The number of dealers registered under the Delhi Sales Tax Act has increased from 71090 in 1980-81 to 1.56 lakh in 2000-2001 and thereafter to 1.85 lakh in 2005-2006 (excluding dealers registered under Central Sales Tax Act). Similarly receipts from sales tax increased from Rs. 155 crores in 1980-81 to Rs. 3379.59 crores in 2000-2001 and thereafter to Rs. 6499.82 crores in the year 2005-2006.

ECONOMIC CENSUS

2. The 4th Economic Census undertaken in 1998 covered all types of enterprises in the agriculture (except crop production, plantation) and non-agricultural sector in Delhi. The final results indicate that there were 6.85 lakh enterprises in Delhi in 1998, registering an increase of 37% over the 3rd Economic Census of 1990. Non-agricultural enterprises accounted for 98.96% of total enterprises. 95.69% of the enterprises were in urban areas and 4.31% in rural areas. Own account enterprises operating with household members accounted for 48% of total enterprises. There were 2.68 lakh trading enterprises accounting for 39.09% of the total enterprises employing 6.94 lakh persons in Delhi during 1998. As per fifth Economic Census conducted during 2005 there were about 7.54 lakh no. of enterprises and the total employment therein was 40.80 lakh. (figures from provisional reports). The sector wise break-up will be available after the release of final report.

ROLE OF THE UN-ORGANISED TRADING SECTOR IN DELHI

Directorate of Economics & Statistics conducted a survey during 1997 on un-organised trading activity in Delhi under the 53rd National Sample Survey Round (State Sample) sponsored by NSSO, Government of India. The coverage of the survey included two types of enterprises i.e. Own Account Trading Enterprises (OATEs) operated by household members without any hired workers and Non-Directory Trading Enterprises (NDTEs) run with atleast one hired worker on fairly regular basis but less than 6 workers including family members. The survey estimated the total number of un-organised trading enterprises as 1.99 lakhs and the number of persons employed as 3.18 lakhs in Delhi. The contribution of this sector which is measured in terms of Gross Value Added to the economy of Delhi was estimated at Rs. 1.01 lakhs per enterprise per annum.

ROLE OF THE UN-ORGANISED SERVICE SECTOR IN DELHI

Directorate of Economics & Statistics conducted a survey between July 2001 and June 2002 on un-organised service sector activity in Delhi under the 57th National Sample Survey Round (State Sample) sponsored by NSSO, Government of India. The total number of enterprises were 244873 and out of these 169577 (69.25%) were Own account Enterprises (Enterprises operating without any hired labour) and 75296 (30.75%) were establishment operating with at least one hired worker. The total employment provided by the un-organised service sector was about 5.92 lakhs. The gross value Added per annum per enterprises in the unorganised service sector was Rs. 1.52 lakhs. The Value Added per worker in this sector was estimated as Rs. 62998 per year. Value added per worker in OAE's was Rs. 37844 and that of establishment was Rs. 77939 per annum.

MARKETING OF AGRICULTURAL PRODUCE

3. Marketing of agricultural produce in Delhi is through a network of regulated markets. The Delhi Agricultural Marketing Board (DAMB) is the apex body established in 1977 under the Delhi Agricultural Produce Marketing (Regulation) Act 1976 which was replaced subsequently by a new Act in 1998. The Board exercises supervision and control over various agricultural produce markets and promotes better marketing of agricultural produce by developing infrastructure facilities and providing facilities for grading and standardization.

At present, there are nine principal markets and twelve sub-markets functioning in Delhi. Map indicating location of nine principal markets is given below.



DELHI AGRICULTURAL MARKETING BOARD (DAMB)

4. The Delhi Agricultural Marketing Board is in a healthy financial position and does not receive any financial assistance or grant from the Govt. of NCT of Delhi.

The income and expenditure of DAMB over the last five years is indicated in statement 20.2

Statement 20.2

INCOME/EXPENDITURE OF DELHI AGRICULTURAL MARKETING BOARD FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| 1 | INCOME | 1353.15 | 1437.09 | 1370.15 | 1241.62 | 1202.20 |
| 2 | EXPENDITURE | 944.15 | 1062.77 | 1117.73 | 680.94 | 514.02 |
| 3 | EXCESS OF INCOME OVER EXPENDITURE | 409.00 | 374.32 | 252.42 | 560.68 | 688.18 |

Note: Income /Expenditure Includes Both Revenue & Capital.

CH. HEERA SINGH FRUIT & VEGETABLE MARKET , AZADPUR

5. The Azadpur fruit and vegetable market is the biggest fruit and vegetable market in Asia and one of the biggest in the world. The market acts as a national distribution centre for fruits like apple, banana, orange and mango and for vegetables like potato, onion, garlic and ginger. This market was established in 1977 and presently has 3978 commission agents/wholesalers. This market is spread over in an area of about 76 acres of land and the quantity of fruits/vegetables arrived per day are around 15000 MT. There are 118 commodities notified for transaction in the market yards of APMC, Azadpur (i.e. 50 fruits items and 68 vegetables). The committee has been facilitating recovery of dues of farmers from traders, organizing seminars for educating farmers on pre and post harvest care of crops. The committee also provides a grower s shed where the producers can bring and sell their produce directly to purchasers thus abolishing the role of middlemen. Statement 20.3 gives the details of income, expenditure and arrivals of fruits and vegetables received in this market during the last five years.

Statement 20.3

INCOME/EXPENDITURE OF CH. HEERA SINGH FRUIT & VEGETABLE MARKET , AZADPUR FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 4487.34 | 4836.79 | 4541.44 | 5029.44 | 5966.04 |
| II | TOTAL EXPENDITURE | 2683.24 | 2820.26 | 2366.81 | 2864.12 | 5653.04 |
| III | EXCESS OF INCOME OVER EXPENDITURE | 1804.10 | 2016.53 | 2174.63 | 2165.32 | 313.00 |
| IV | ARRIVAL IN LAKH TONNES | | | | | |
| | FRUITS | 21.75 | 21.61 | 22.32 | 24.75 | 24.15 |
| | VEGETABLES | 21.03 | 19.73 | 20.43 | 21.03 | 21.77 |
| | TOTAL | 42.78 | 41.34 | 42.75 | 45.78 | 45.92 |

Note: Income /Expenditure Includes Both Revenue & Capital.

This market has emerged as the most financially viable market committee in the NCT of Delhi. Plans are under way for modernisation of this market through introduction of E-commerce Electronic auctioning, standardization, state of grading/sorting and storage facilities.

APMC NARELA

- APMC Narela spread over area of about 4 acres was established in 1959 and is the biggest regulated market in Delhi for food grains. The notified commodities include paddy, wheat, gram, bajra, maize, jowar, gur, sugar, khandsari etc. The arrivals in this mandi are mainly from Haryana, UP, Punjab and Delhi. The notified market area of APMC Narela covers 76 villages of Delhi. The arrivals in this market during the last five years and income and expenditure position are indicated in statement 20.4

Statement 20.4

INCOME/EXPENDITURE OF APMC NARELA FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 494.29 | 442.65 | 413.09 | 473.97 | 517.86 |
| II | TOTAL EXPENDITURE | 241.69 | 396.32 | 516.69 | 383.11 | 510.51 |
| III | EXCESS OF INCOME OVER EXPENDITURE | 252.60 | 46.33 | -103.60 | 90.86 | 7.35 |
| IV | ARRIVAL IN LAKH TONNES | 4.14 | 3.10 | 2.27 | 2.27 | 3.66 |

Note: Income /Expenditure Includes Both Revenue & Capital.

APMC NAJAFGARH

7. APMC Najafgarh with a main market area of about 12 acres, was also established in 1959 and covers the same agricultural commodities as APMC Narela. 95% of the arrivals are from Haryana and 5% from Delhi. The arrivals in the last five years are indicated in statement 20.5

Statement 20.5

INCOME/EXPENDITURE OF APMC NAJAFGARH FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 207.86 | 187.45 | 157.46 | 173.27 | 146.26 |
| II | TOTAL EXPENDITURE | 90.78 | 233.70 | 208.06 | 158.54 | 113.95 |
| III | EXCESS OF INCOME OVER EXPENDITURE | 117.08 | -46.25 | -50.60 | 14.73 | 32.31 |
| IV | ARRIVAL IN LAKH TONNES | 1.92 | 1.29 | 0.88 | 1.02 | 0.91 |

Note: Income /Expenditure Includes Both Revenue & Capital.

Both in respect of APMC Narela and APMC Najafgarh, the arrivals of wheat and mustard from Haryana and Rajasthan have been decreasing. There has been some increase in paddy arrivals, but the paddy being brought into Narela and Najafgarh markets is a hybrid variety of basmati which does not fetch good rates.

SHAHEED ASHFAQUELLAH KHAN FISH & POULTRY MARKET, GAZIPUR

8. This committee established in 1992 deals with fish, poultry and egg . The arrivals of poultry items, i.e., chicken and fish during last two years is indicated below:

| Year | Total arrivals | |
|-----------|----------------|----------------------|
| | Poultry | Fish |
| | in Tempo | In Truck/Tempo/Rehri |
| 2003-2004 | 32145 | 15363 |
| 2004-2005 | 35424 | 16270 |

There are 88 shops for the poultry market and 196 shops for the fish market at Gazipur. The excess of income over expenditure of this market has increased from Rs. 6.65 lakhs in 2000-01 to Rs. 12.10 lakhs in 2004-05.

Statement 20.6

INCOME/EXPENDITURE OF SHAHEED ASHFAQUELLAH KHAN FISH & POULTRY MARKET, GAZIPUR FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 177.67 | 187.99 | 220.91 | 247.16 | 214.31 |
| II | TOTAL EXPENDITURE | 171.02 | 265.21 | 261.78 | 287.71 | 202.21 |
| III | EXCESS OF INCOME OVER EXPENDITURE | 6.65 | -77.22 | -40.87 | -40.55 | 12.10 |

Note: Income /Expenditure Includes Both Revenue & Capital.

Plans are under way to establish a mechanised processing plant with the capacity to slaughter 2000-10000 birds per hour and make full use of waste generated for manufacture of poultry feed.

APMC, SHAHDARA

9. APMC, Shahdara is having 37.5 Acres of area is operating from Gazipur and covers fruits and vegetables, fodder, foodgrain, sugar and khandsari. The details of income, expenditure and arrivals over the last five years are indicated in statement 20.7

Statement 20.7

INCOME/EXPENDITURE OF APMC SHAHDARA FROM 2000-2005

(Figures in Rs. lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 50.26 | 100.49 | 160.95 | 179.93 | 209.83 |
| II | TOTAL EXPENDITURE | 44.11 | 65.84 | 155.94 | 169.05 | 197.41 |
| III | EXCESS OF INCOME OVER EXPENDITURE | 6.15 | 34.65 | 5.01 | 10.88 | 12.42 |
| IV | ARRIVAL IN LAKH TONNES | 1.37 | 1.53 | 1.57 | 1.46 | 2.20 |

Note: Income /Expenditure Includes Both Revenue & Capital.

APMC Shahdara had earned an income of Rs.50.26 lakh during 2000-01 which increased to Rs. 209.83 lakhs during 2004-05. The committee was self sufficient and financially viable.

CH. CHETRAM WHOLESALE VEGETABLE MARKET COMMITTEE, KESHOPUR

10. This market was established in 2001 in a total area of 15.68 acres with 244 shops that deals with fruits and vegetables. This committee is not able to meet the operating expenditure due to insufficient income.

Statement 20.8

**INCOME/EXPENDITURE OF CH. CHETRAM WHOLESALE VEGETABLE
MARKET COMMITTEE KESHOPUR FROM 2001-2005**

(Figures in Rs. lacs)

| S.No. | HEAD | Year | | | |
|-------|-----------------------------------|---------------|---------------|---------------|---------------|
| | | 2001- 2002 | 2002- 2003 | 2003- 2004 | 2004- 2005 |
| II | TOTAL INCOME | 112.09 | 205.39 | 212.25 | 228.48 |
| II | TOTAL EXPENDITURE | 124.28 | 161.56 | 351.31 | 235.60 |
| III | EXCESS OF INCOME OVER EXPENDITURE | -12.19 | 43.83 | -139.06 | -7.12 |
| IV | ARRIVAL IN LAKH TONNES | 1.65 | 1.92 | 2.00 | 1.96 |

Note: Income /Expenditure Includes Both Revenue & Capital.

DELHI FODDER MARKET COMMITTEE, MANGOLPURI

11. This market located in a area of 11 acres at Tikri kalan deals with fodder items. The arrivals in the last five years and the income and expenditure details are indicated in statement 20.9

Statement 20.9

INCOME/EXPENDITURE OF APMC MANGOLPURI FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2000- 2001 | 2001- 2002 | 2002- 2003 | 2003- 2004 | 2004- 2005 |
| I | TOTAL INCOME | 16.93 | 32.64 | 31.05 | 29.47 | 31.50 |
| II | TOTAL EXPENDITURE | 43.65 | 46.80 | 80.84 | 30.68 | 28.82 |
| III | EXCESS OF INCOME OVER EXPENDITURE | -26.72 | -14.16 | -49.79 | -1.21 | 2.68 |
| IV | ARRIVAL IN LAKH TONNES | 1.38 | 1.13 | 1.46 | 0.81 | 1.13 |

Note: Income /Expenditure Includes Both Revenue & Capital.

The income of this market has earned surplus of Rs. 2.68 lakhs during 2004-05.

KHOYA/MAWA MARKET COMMITTEE, BAGH DIWAR

12. This committee came into existence in 1997-98. The latest position of arrivals is indicated in statement 20.10

Statement 20.10

INCOME/EXPENDITURE OF KHOYA/MAWA MARKET COMMITTEE FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|--------------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 22.31 | 33.39 | 31.70 | 26.27 | 23.68 |
| II | TOTAL EXPENDITURE | 19.01 | 30.23 | 36.56 | 26.64 | 28.25 |
| III | EXCESS OF INCOME OVER EXPENDITURE | 3.30 | 3.16 | -4.86 | -0.37 | -4.57 |
| IV | ARRIVAL IN LAKH TONNES | 0.96 | 0.57 | 0.58 | 0.49 | 0.44 |

Note: Income /Expenditure Includes Both Revenue & Capital.

The committee has not been able to generate significant income to meet its operational expenditure for last three years.

FLOWER MARKET COMMITTEE, MEHRAULI

13. The Flower Market Committee started functioning in 1998. The flower market at Mehrauli has been declared as the principal market yard of the Flower Market Committee, with sub-yards at Fatehpuri and at Coffee House, Connaught Place. Income/Expenditure of the this committee for the last five years is presented in statement 20.11

Statement 20.11

INCOME/EXPENDITURE OF FLOWER MARKET COMMITTEE FROM 2000-2005

(Figures In Rs. Lacs)

| S.No. | HEAD | Year | | | | |
|-------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
| I | TOTAL INCOME | 7.45 | 25.86 | 35.89 | 22.25 | 42.22 |
| II | TOTAL EXPENDITURE | 178.15 | 65.72 | 91.96 | 28.81 | 37.51 |
| III | EXCESS OF INCOME OVER EXPENDITURE | -170.70 | -39.86 | -56.07 | -6.56 | 4.71 |

Note: Income /Expenditure Includes Both Revenue & Capital.

The committee is facing numerous operational problems and was not financially viable till 2003-4, However, the Committee had earned an income of Rs. 42.22 lakh as against expenditure of Rs. 37.51 lakh during 2004-05 and thereby earned the surplus to the tune of Rs. 4.71 lakhs.