

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 entrepot 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 18.41% of GSDP of Delhi in 2006-2007. (at constant prices 1990-2000). In monetary terms, this sub-sector's contribution in GSDP has increased from Rs. 13883. crores in 2001-2002 to Rs. 22950.60 crores in 2006-2007.

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 / DVAT in Delhi.

Year	Number of Registered Dealers	Sales Tax / Delhi Value Added Tax Receipts (Rs. In Crores)		
		Local	Central	Total
2000-2001	155868	2685.55	704.34	3389.89
2001-2002	161824	3008.07	697.60	3705.67
2002-2003	167446	3099.64	784.70	3884.34
2003-2004	171868	3588.83	849.03	4437.86
2004-2005	161283	4205.96	997.07	5203.03
2005-2006	174264	5560.64	939.18	6499.82(Net)
2006-2007	189957	6308.72	1056.94	7365.66(Net)
2007-2008	206510	7292.51	1201.43	8493.94(Net)

The number of dealers registered under the DVAT Act has increased from 1.56 lakh in 2000-01 to 2.07 lakh in 2007-2008 (excluding dealers registered under Central Sales Tax Act). Similarly receipts from sales tax/DVAT increased from Rs. 3389.89 crores in 2000-01 to Rs. 8493.94 crores in the year 2007-08.

ECONOMIC CENSUS

- The 5th Economic Census undertaken in 2005 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 7.58 lakh enterprises in Delhi in 2005, registering an increase of 10.5% over the 4th Economic Census of 1998. Non-agricultural enterprises accounted for 99.57% of total enterprises. 96.52% of the enterprises were in urban areas and 3.48% in rural areas. Own account enterprises operating with household members accounted for 41% of total enterprises. There were 3.91 lakh trading enterprises accounting for 51.59% of the total enterprises employing 10.52 lakh persons in Delhi during 2005.

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. No further sample survey has been conducted on this subject after 1997.

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 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 2003-2008

(Figures In Rs. Lakh)

S.No.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
1	INCOME	1241.62	1202.20	1348.02	1220.46	1862.60
2	EXPENDITURE	680.94	514.02	480.89	396.06	2025.42
3	EXCESS OF INCOME OVER EXPENDITURE	560.68	688.18	867.13	824.40	(-) 162.82

Excess of expenditure over the income during the year 2007-2008 is due to more expenditure on Capital (for construction)

APMC of MNI AZADPUR

5. The Azadpur fruit and vegetable market under the APMC of MNI Azadpur 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 about 4016 commission agents/wholesalers. The market has been declared as Market of National Importance. 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 13000 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 AMPC of MNI , Azadpur from 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	5029.44	5966.04	5229.029	5926.970	5553.613
II	TOTAL EXPENDITURE	2864.12	5653.04	4879.954	4895.309	3184.977
III	EXCESS OF INCOME OVER EXPENDITURE	2165.32	313.00	349.075	1031.661	2368.636
IV	ARRIVAL IN LAKH TONNES					
	FRUITS	24.75	24.15	24.26	20.59	24.27
	VEGETABLES	21.03	21.77	18.41	18.51	21.39
	TOTAL	45.78	45.92	42.67	39.10	45.66

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

6. The Food Grain Market under 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 total land area of the present market is 33 Acres. 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 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	473.97	517.86	454.19	659.08	1001.76
II	TOTAL EXPENDITURE	383.11	510.51	345.61	437.44	682.95
III	EXCESS OF INCOME OVER EXPENDITURE	90.86	7.35	108.58	221.64	318.81
IV	ARRIVAL IN LAKH TONNES	2.27	3.66	3.31	4.22	4.33

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. At present the total land area of the market is 53.0215 Acres. The arrivals in the last five years are indicated in statement 20.5

Statement 20.5

Income/Expenditure of APMC Najafgarh From 2003-2008

(Figures in Rs. Lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	173.27	146.26	131.40	240.42	276.93
II	TOTAL EXPENDITURE	158.54	113.95	106.87	154.65	217.59
III	EXCESS OF INCOME OVER EXPENDITURE	14.73	32.31	24.53	85.77	59.34
IV	ARRIVAL IN LAKH TONNES	1.02	0.91	0.84	1.54	1.49

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.

FISH, POULTRY & EGG MARKETING COMMITTEE, 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 five years in indicated below:

Year	Total arrivals	
	Poultry	Fish
	In Tempo	In Truck/Tempo/Rehri
2003-2004	32145	15363
2004-2005	35424	16270
2005-2006	35076	16507
2006-2007	37039	16077
2007-2008	38441	16248

There are 88 shops for the poultry market and 196 shops for the fish market at Gazipur. The area under Fish market is 60,000 Sq Mtrs. and the area under Poultry Market is 15.808 Acres.

Statement 20.6

Income/Expenditure of Fish, Poultry & Egg Marketing Committee, Gazipur From 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	247.16	214.31	248.96	286.33	336.75
II	TOTAL EXPENDITURE	287.71	202.21	233.26	263.06	454.20
III	EXCESS OF INCOME OVER EXPENDITURE	-40.55	12.10	15.70	23.27	-117.45

Plans are under way to establish a mechanised chicken dressing 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 (GAZIPUR)

9. APMC,Shahdara 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 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	179.93	209.83	220.73	216.42	248.96
II	TOTAL EXPENDITURE	169.05	197.41	172.18	268.58	271.17
III	EXCESS OF INCOME OVER EXPENDITURE	10.88	12.42	48.55	-52.16	-22.21
IV	ARRIVAL IN LAKH TONNES	1.46	2.20	2.27	2.00	2.43

The construction of a block-wise modern market in phased manner is in progress

APMC, KESHOPUR

10. This market under APMC, Keshopur 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 APMC, Keshopur From 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	YEAR				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	212.25	228.48	179.40	196.40	213.41
II	TOTAL EXPENDITURE	351.31	235.60	255.07	297.40	315.21
III	EXCESS OF INCOME OVER EXPENDITURE	139.06	7.42	-75.67	-101.00	101.80
IV	ARRIVAL IN LAKH TONNES	2.00	1.96	2.35	2.38	2.75

DELHI FODDER MARKET COMMITTEE, MANGOL PURI

11. This market under DFMC located in a area of 11 acres at Mangol Puri deal with fodder items. The earlier market at Tikri Kalan has been de-notified. 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 DFMC, Tikri Kalan From 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	29.47	31.50	38.30	39.52	78.99
II	TOTAL EXPENDITURE	30.68	28.82	43.15	41.79	36.10
III	EXCESS OF INCOME OVER EXPENDITURE	-1.21	2.68	-4.85	2.27	42.89
IV	ARRIVAL IN LAKH TONNES	0.81	1.13	1.13	1.01	1.09

KHOYA/MAWA MARKETING COMMITTEE, BAGH DIWAR

12. This committee came into existence in 1997. The market has been functioning from the principal market at Bagh Diwar, in front of Old Delhi Railway Station, Fateh Puri, Delhi having land area of 955.044 Sq. Mtrs.

Statement 20.10

Income/Expenditure of Khoya/Mawa Marketing Committee From 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	YEAR				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	26.27	23.68	23.35	19.61	13.78
II	TOTAL EXPENDITURE	26.64	28.25	34.53	28.97	21.91
III	EXCESS OF INCOME OVER EXPENDITURE	-0.37	-4.57	-11.18	-9.36	-8.13
IV	ARRIVAL IN LAKH TONNES	0.49	0.44	0.44	0.32	0.041

The committee has not been able to generate significant income to meet its operational expenditure.

FLOWER MARKETING COMMITTEE, MEHRAULI

13. The Flower Marketing Committee started functioning in 1997. The Flower Market at Mehrauli has been declared as the principal market yard of the Flower Market Committee, with sub-yards at Fatehpuri and Connaught Place. The DAMB has constructed 142 shops/platforms to shift these flower trade to Okhla. Income/Expenditure of the this committee for the last five years is presented in statement 20.11

Statement 20.11

Income/Expenditure of Flower Marketing Committee Mehrauli, From 2003-2008

(Figures in Rs. lakh)

S.NO.	HEAD	Year				
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	TOTAL INCOME	22.25	42.22	35.05	42.08	51.36
II	TOTAL EXPENDITURE	28.81	37.51	42.32	36.13	53.40
III	EXCESS OF INCOME OVER EXPENDITURE	-6.56	4.71	-7.27	5.95	-2.04

The committee is facing numerous operational problems and was not financially viable till 2003-04, However, the Committee had earned an income of Rs. 42.08 lakh as against expenditure of Rs. 36.13 lakh during 2006-07 and thereby earned the surplus to the tune of Rs. 5.95 lakhs, but suffered a loss of Rs. 2.04 lakh during 2007-08. The Delhi Agricultural Marketing Board has initiated the process of constructing an ultra-modern flower market with Auction Centre & Toll Plaza at a plot adjacent to APMC (SHAH DARA) Gazipur.