

## 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. It has attained the status of a major distribution centre by virtue of its geographical location and other historical factors. 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 (Source: NCR Planning Board). 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's 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 Sales Tax Act, 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 19.26% of GSDP of Delhi in 1999-2000. In monetary terms, this sub-sector's contribution has increased from Rs. 4373.89 crores in 1993-1994 to Rs. 10009.81 crores in 1999-2000.

The number of workers in "trade and commerce" has increased from 1.47 lakh in 1961 to 7.10 lakh in 1991 i.e., from 26% of the work force (main workers) in 1961 to 37% in 1991.

The number of dealers registered under the Delhi Sales Tax Act has increased from 1,13,357 in 1991 to 1,55,868 in 2000-2001 (excluding dealers registered under Central Sales Tax Act).

## **ECONOMIC CENSUS, 1998**

2. The 4<sup>th</sup> 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 3<sup>rd</sup> 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.

## **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 53<sup>rd</sup> 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 the Delhi was estimated at Rs. 1.01 lakhs per enterprise 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 1976 under the Delhi Agricultural Produce Marketing Act 1976. The latter legislative 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. As on 31<sup>st</sup> March 2001, there were nine principal markets and twelve sub-markets functioning in Delhi.

## **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 20.1.

**Statement 20.1**

**INCOME/EXPENDITURE OF DELHI AGRICULTURAL MARKETING BOARD FROM 1994-2000**

(Figures In Rs. Lacs)

S.NO.	HEAD	Year					
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
I	TOTAL INCOME	759.03	869.65	1133.04	1221.19	1407.44	2246.67
II	EXPENDITURE	326.29	659.20	832.76	1002.64	1798.95	1768.56
III	EXCESS OF INCOME OVER EXPENDITURE	432.74	210.45	300.28	218.55	-391.51	478.11

Note: I) Income Includes Rev. Receipts of reimbursement of Capital Expenditure.

II) Expenditure Includes Both Revenue & Capital Expenditure.

The excess of expenditure over income in some years has been met by DAMB out of reserves accumulated over the years.

**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 3,294 commission agents/wholesalers. Statement 20.2 gives the details of income, expenditure and arrivals of fruits and vegetables received in this market during the last seven years.

**Statement 20.2**

**INCOME/EXPENDITURE OF CH. HEERA SINGH FRUIT & VEGETABLE MARKET , AZADPUR FROM 1994-2001**

(Figures in Rs. lacs)

S.NO.	HEAD	Year						
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
I	TOTAL INCOME	2304.27	2643.44	3161.67	3598.43	3859.89	4025.37	4487.28
II	TOTAL EXPENDITURE	1100.86	1471.49	2689.39	3601.67	4587.52	2475.99	2609.88
III	EXCESS OF INCOME	1203.41	1171.95	472.28	-3.24	-727.63	1549.38	1877.40
	OVER EXPENDITURE							
IV	ARRIVAL IN LAKH TONNES	32.65	33.12	34.80	37.60	33.03	38.90	38.68

Note: Expenditure Includes Both Revenue & Capital Expenditure.

Given the massive volume of transactions, the Market Committee has registered a steady increase in income from Rs. 23 crores in 1994-95 to Rs.44.87 crores in 2000-01. It has emerged as the most financially viable market committee in the NCT of Delhi.

#### **APMC NARELA**

6. APMC Narela was established in 1959 and is the biggest regulated market in Delhi for foodgrains. 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 seven years and income and expenditure position are indicated in statement 20.3

**Statement 20.3**  
**Income/Expenditure of APMC Narela From 1994-2001**

(Figures in Rs. lacs)

S.NO.	HEAD	Year						
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
I	TOTAL INCOME	253.33	203.93	304.39	438.67	401.37	441.48	507.55
II	TOTAL EXPENDITURE	105.86	288.38	173.34	172.95	193.05	186.56	240.76
III	EXCESS OF INCOME	147.47	-84.45	131.05	265.72	208.32	254.92	266.79
	OVER EXPENDITURE							
IV	ARRIVAL IN LAKH TONNES	3.21	2.53	3.10	4.27	3.26	3.99	4.14

Note: Expenditure Includes Both Revenue & Capital Expenditure.

The committee earned an income of Rs. 2.53 crores in 1994-95, which had increased to Rs. 4.41 crores in 1999-2000. This committee is also self-sufficient and financially viable.

#### **APMC NAJAFGARH**

7. APMC Najafgarh 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 seven years are indicated in statement 20.4

**Statement 20.4**

**INCOME/EXPENDITURE OF APMC NAJAFGARH FROM 1994-2001**

(Figures in Rs. lacs)

S.NO.	HEAD	Year						
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
I	TOTAL INCOME	92.85	105.87	146.03	151.31	165.71	170.75	205.66
II	TOTAL EXPENDITURE	40.65	46.71	54.02	74.55	84.29	92.87	87.90
III	EXCESS OF INCOME OVER EXPENDITURE	52.20	59.16	92.01	76.76	81.42	77.88	117.76
IV	ARRIVAL IN LAKH TONNES	1.43	1.25	1.59	1.88	1.51	1.26	1.92

Note: Expenditure Includes Both Revenue & Capital Expenditure.

APMC Najafgarh had an income of Rs. 92.85 lakhs in 1994-95 which increased to Rs.205.66 lakhs in 2000-2001.

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 MARKET, GAZIPUR**

8. This committee was established in 1992. The arrivals of poultry items, i.e., chicken over the last five years is indicated below:

The arrival of poultry in terms of number of tempos is indicated below:

YEAR	Total arrival of poultry (in tempos)
1994-95	28395
1995-96	29583
1996-97	36688
1997-98	41011
1998-99	38074
1999-2000	41881
2000-2001	46906

There are 88 shops for the poultry market at Ghazipur and 196 shops have been built for the fish market at Ghazipur.

The income of this market has increased from Rs. 62.78 lakhs in 1994-95 to Rs. 179.69 lakhs in 2000-01.

#### Statement 20.5

##### INCOME/EXPENDITURE OF SHAHEED ASHFAQUELLAH KHAN FISH MARKET, GAZIPUR From 1994-2001

(Figures in Rs. lacs)

S.NO.	HEAD	Year						
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
I	TOTAL INCOME	62.78	78.02	95.19	115.62	123.99	152.54	179.69
II	TOTAL EXPENDITURE	43.85	57.03	101.74	106.96	277.66	480.97	172.35
II	EXCESS OF INCOME	18.93	20.99	-6.55	8.66	-153.67	-328.43	7.34
	OVER EXPENDITURE							
IV	ARRIVAL IN LAKH TONNES	23.03	25.92	30.29	32.91	31.44	36.48	34.06

Note: Expenditure Includes Both Revenue & Capital Expenditure.

#### APMC SHAHDARA

9. APMC Shahdara covers fruits and vegetables, fodder, foodgrain, sugar and khandsari. Arrivals over the last seven years are indicated in statement 20.6

#### Statement 20.6

##### Income/Expenditure of APMC Shahdara From 1994-2001

(Figures in Rs. lacs)

S.NO.	HEAD	Year						
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
I	TOTAL INCOME	14.24	13.38	14.60	25.24	43.58	51.05	50.23
II	TOTAL EXPENDITURE	14.69	16.05	13.78	26.20	41.71	1051.86	43.79
III	EXCESS OF INCOME	-0.45	-2.67	0.82	-0.96	1.87	-1000.81	6.44
	OVER EXPENDITURE							
IV	ARRIVAL IN LAKH TONNES	1.04	0.96	0.94	1.05	1.21	1.35	1.37

Note: Expenditure Includes Both Revenue & Capital Expenditure.

APMC Shahdara has recently been shifted to the Ghazipur area. APMC Shahdara had earned an income of Rs. 50.23 lakh during 2000-2001

**APMC ZAKHIRA (DELHI FODDER MARKET COMMITTEE)**

10. APMC Zakhira deals with fodder items. The arrivals in the last seven years and the income and expenditure details are indicated in statement 20.7

**Statement 20.7****INCOME/EXPENDITURE OF APMC ZAKHIRA FROM 1994-2001**

(Figures in Rs. lacs)

S.NO.	HEAD	Year						
		1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001
I	TOTAL INCOME	15.18	14.62	14.94	15.03	17.66	27.15	15.79
II	TOTAL EXPENDITURE	13.80	16.70	13.93	19.26	25.51	90.07	23.11
III	EXCESS OF INCOME OVER EXPENDITURE	1.38	-2.08	1.01	-4.23	-7.85	-62.92	-7.32
IV	ARRIVAL IN LAKH TONNES	2.62	1.88	1.95	1.97	1.70	1.69	1.38

Note: Expenditure Includes Both Revenue & Capital Expenditure.

The fodder market is not properly regulated and organized as yet with the notified principal yard in Zakhira and other sub-yards working on the roadside. Zakhira market as well as the fodder market at Nangloi have been shifted to a wholesale market at Tikri Kalan.

The income of APMC Zakhira has increased marginally from Rs. 15.18 lakh in 1994-95 to Rs. 15.79 lakh in 2000-01. However, the volume of business is not sufficient to meet operational expenditure. The financial position is expected to improve with the development of a new fodder market at Tikri Kalan.

**KHOYA/MAWA MARKET COMMITTEE, BAGH DIWAR**

11. This committee came into existence in 1997-98. The latest position of arrivals is indicated in statement 20.8

**Statement 20.8****INCOME/EXPENDITURE OF KHOYA/MAWA MARKET COMMITTEE FROM 1998-2001**

(Figures in Rs. lacs)

S.NO.	HEAD	Year		
		1998-99	1999-2000	2000-2001
I	TOTAL INCOME	0.66	0.91	22.26
II	TOTAL EXPENDITURE	19.30	14.00	16.49
III	EXCESS OF INCOME OVER EXPENDITURE	-18.64	-13.09	5.77

Note: Expenditure Includes Both Revenue & Capital Expenditure.

The committee has not been able to generate significant income due to litigation during the first two years and it managed to earn Rs. 22.26 lakh during 2000-01.

#### **FLOWER MARKET COMMITTEE, MEHRAULI**

12. The Flower Market Committee started functioning in 1998. The latest position of arrivals is indicated in statement 20.9

#### **Statement 20.9**

#### **INCOME/EXPENDITURE OF FLOWER MARKET COMMITTEE FROM 1998-2001**

(Figures in Rs. lacs)

S.NO.	HEAD	Year		
		1998-99	1999-2000	2000-2001
I	TOTAL INCOME	3.05	3.07	7.44
II	TOTAL EXPENDITURE	7.96	19.22	19.67
III	EXCESS OF INCOME OVER EXPENDITURE	-4.91	-16.15	-12.23

Note: Expenditure Includes Both Revenue & Capital Expenditure.

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. The committee is facing numerous operational problems and has not become financially viable so far. The Committee had an income of Rs. 7.44 lakh during 2000-01.