D.O.No.K-11029/03/2008-Mkt Cell

Dear Sir,

As you are aware, rural artisans covered under the Swarnjayanti Gram Swarojgar Yojana (SGSY) do not have adequate wherewithal to connect themselves to the market as they lack adequate capacity, market intelligence and negotiation skills. The Ministry of Rural Development has, therefore, decided to create permanent marketing centres at Village, District and State levels to help them bridge these inadequacies. These marketing Centers will help them to promote marketing of products and will give boost socio-economic development.

2. Ministry of Rural Development has formulated guidelines for setting up of Haats at Village, District and State levels under SGSY scheme which are enclosed for your kind reference. You are requested to send proposals for creation of Haats in your State as per these guidelines. In case any proposal for creation of permanent marketing centres / Haats is pending with the Ministry, the same may be revised according to these guidelines.

With regards,

Yours sincerely,

(Amar Singh)

To

The Secretaries, Rural Development Department,
Government of all States / UTs.
To

The Secretaries of Rural Development Department
of all States/Union Territories

Subject: Forwarding of revised guidelines for setting up of Haats at Village, District and State levels under SGSY

Sir,

Please refer to d.o. letter of even number dated 27th February, 2009 circulating therewith the guidelines for setting up of Haats at Village, District and State levels under SGSY Scheme. The guidelines have been slightly modified by incorporating some necessary provisions. The revised guidelines are enclosed for your kind reference and necessary action. The guidelines are also available on the Ministry’s website – www.rural.nic.in.

Yours faithfully,

Sd/-

(Vanita Rattan Sharma)
Director (Marketing)
GUIDELINES
FOR SETTING UP OF HAATS FOR PROMOTION OF RURAL PRODUCTS
AT VILLAGE, DISTRICT, AND STATE LEVELS UNDER
SWARNJAYANTI GRAM SWAROZGAR YOJANA (SGSY)

1. **INTRODUCTION :**

1.1 Swarnjayanti Gram Swarozgar Yojana (SGSY) is a major self employment programme of the Ministry to assist poor families (swarozgaris) by organizing them into Self Help Groups (SHGS) through the process of social mobilization, their training and capacity building and by providing income generating assets. Marketing of rural products is an important component of the programme. At present, rural products are marketed through fairs /melas and through temporarily set-up rural haats. Ministry of Rural Development provides financial assistance for organizing Saras Fairs in major cities of the country. The guidelines of SGSY Programme provide that expenditure incurred in organizing fairs, exhibitions and participation of swarozgaris in fairs and exhibition may be met form the funds available under SGSY Programme Infrastructure. The fairs at District and Block levels are organized by the State Governments from this Infrastructure Fund.

1.2 Rural artisans do not have wherewithal to connect themselves to the market as they lack adequate capacity, market intelligence and negotiation skills. Provision of permanent marketing centres at Village, District and State levels would help them to bridge these inadequacies. Permanent marketing Centers will help them to promote marketing of products and will give boost socio-economic development.

2. **OBJECTIVES**

The objectives for setting up of rural haats at various levels under the SGSY Scheme are as under:

- Creation of better marketing facilities.
- Enabling the rural poor to sell their products throughout the year.
- One stop shopping platform to the wholesalers, retailers/consumers by showcasing the range of local rural products.
• Ensure stable market and remunerative prices
• Sensitizing SHGs to the demand patterns of the market.
• Strengthen the forward and backward linkages.
• Promotion of hygienic conditions in & around the rural market.
• Promotion of growth centers/convergence of rural economic activities around Rural Haats.

3. DETAILS OF PROJECTS :

A. VILLAGE HAATS

(a) Location

Village Haats may be constructed at the existing place of marketing in the villages i.e. places where weekly haats are already existing. The land for the proposed Village Haat must be owned by the Gram Panchayat/Government. Weekly haats on private lands will not be considered. Initially, the Village Haat may be constructed at Panchayat Headquarters or at a place which has the potential for attracting large number of visitors.

(b) Basic Structure /facilities for the Village Haats

The basic structure /facilities which may provide at these village Haats are as under:-

   a. Open raised platforms
   b. Covered platforms
   c. Toilets (separate facilities for women and men)
   d. Drinking water facility through installation of India Mark II hand-pumps.
   e. Drains
   f. Brick soling in the moving space.
   g. Garbage pits/corner.
   h. Office block.
   i. Warehouse for storage (small)
   j. Boundary wall /fence
   k. Parking space
   l. Drinking Water facilities for animals

The efforts should be made to design the Haat based on local architecture to promote tourism.
(c) **Funding Pattern**

Funds will be released for the creation of such Village Haats for an amount of upto Rs.15.00 lakhs which will be shared between Centre and State in the ratio of 75:25. However, funds will be contributed in the ratio of 90:10 for North Eastern States. The estimates for the infrastructure of Village Haat may be prepared by a competent person viz. Rural Engineering Department/PWD or any other authorized Government Department or Registered Civil Engineers/architects.

(d) **Maintenance and Management**

A Rural Haat Management Committee may be constituted for management and maintenance of Village Haats which may comprise of Gram Pradhan, representatives of Gram Panchayat, representatives of Self Help Group/leader of village federation and Gram Panchayat Officer/ Gram Development Officer, which would be a sub-committee of the Gram Panchayat.

Haats should generate sufficient resources to meeting the recurring expenses through levy of user fee etc.. Gram Panchayat will pass a resolution to maintain the Haats through levying suitable charges/fees. The collection and allotment of stalls will be the responsibility of the Management Committee which will maintain the village Haats from the rental income and other fees/funds collected from the village Haats. The expansion of Village Haats may be considered from surplus funds. Permanent shops and other facilities for the village Haats may be planned from these funds.

(e) **Allotment of Stalls**

About 70% of space may be allotted to SGSY beneficiaries and 30% of space may be allowed to be given to others who will pay suitable charges/fees. Self Help Groups of SGSY will not be charged any rent or nominal rent in comparison to others for using space in Village Haats. The allotment should not be permanent in nature to allow for new entrants. The space can be rotated between different Swarozgaris for a fixed number of days in each year. They should also not be allowed to avail the facility for a period exceeding the total number of days prescribed for this purpose.

(f) **Monitoring**

Department of Rural Development of the State Govt. will primarily be responsible to monitor the progress of such haats periodically. The concerned DRDA will collect information on sale of product, functioning of these haats and furnish the report to State Government and State
Government to Ministry every month in Monthly Progress Report (MPR) and on MIS, when it becomes operational.

B. **HAATS AT DISTRICT HEADQUARTERS**

(a) **Location**

The Haats will be set up at strategic locations in consultation with concerned State Governments. The areas should be developed by providing the ambience suited to such a Haat which pre-supposes creation of green belts in and around the Haat with sufficient open spaces. The areas of the Haat may vary depending upon availability of land. The responsibility of providing developed land at a suitable location will be of the concerned State/local authority like Panchayat/Implementing Agency. The architecture should approximate local folk architecture to make the location attractive for tourists.

(b) **Basic structure/facilities**

There should be 20-25 stalls with at least dimensions of 15"x7'3" where the Swarojgaris under the scheme of SGSY will sell their products directly to the buyers. The food side of the Haat will have properly serviced 5-7 stalls. There will also be a provision of one ATM Centre, one exhibition hall in the Haat to cater to the requirement of organising functions, exhibitions and for conducting training workshops for the Swarojgaris. There may also be a dormitory to accommodate the Swarojgaris coming from outside the local area. Separate toilets for men and women, drinking water facilities, drains, Garbage pits, warehouse for storage and boundary wall/fence would be part of the project. At least 70% of the permissible space for construction should be earmarked for stalls and only the remaining areas be considered for common facilities like Dormitory, ATMs etc.

(c) **Funding pattern**

Funds will be released for the creation of such Haats for an amount of upto Rs.1.50 crores which will be shared between Centre and State in the ratio of 75:25. The cost estimate for the infrastructure specified for district level haat may be prepared by a competent authority viz. Rural Engineering Department/PWD or any authorized Government Department or Registered Civil Engineer/Architect.
(d) **Maintenance and Management**

A Committee may be constituted for management and maintenance of Haat at the District Headquarters which may comprise of District Collector, Gram Pradhans, Representative of Local administration, Project Director, DRDA and members of Self Help Groups or its federation.

The Committee will maintain the Haats from the rental income and funds collected from various agencies. The possibility of leasing out the facilities in the complex like food stalls, ATM Centers and training Hall may be explored to meeting the recurring cost.

(e) **Allotment of Stalls**

At least 70% of the craft stalls/shops will be provided to the Swarozgaris free or on nominal charges per day. The system of allotment of stalls would be transparent so as to accommodate only artisans/swarozgaris. No traders or middlemen will be considered for allotment of stalls in these haats. Selection of Swarozgaris will be made by the respective local Haat Management Committee. *The allotment should not be permanent in nature to allow for new entrants.* The space can be rotated between different Panchayat Samitis for a fixed number of days in each year. *Individual beneficiaries should not be allowed to avail the facility for a period exceeding the total number of days prescribed for this purpose.*

(f) **Monitoring of District Haats**

These haats will be monitored periodically by Department of Rural Development of State Government. The information of the sale of products and functioning of these haats will be submitted to the State Government by the concerned DRDA and the same will be furnished to Ministry of Rural Development every month in the Monthly Progress Report (MPR).

C. **HAATS AT STATE CAPITALS**

(a) **Location**

The Haats will be set up at strategic locations in consultation with concerned local Governments. However, such haats should have good connectivity and preferably in areas that have potential to grow as urban commercial areas. The areas should be developed by providing the ambience suited to such a Haat which pre-supposes creation of green belts in and around the Haat with sufficient open spaces. The areas of the Haat may vary depending upon availability of land. The responsibility of providing developed land at a suitable location will be of the concerned State/Implementing Agency. *The architecture should*
approximate local folk architecture to make the location attractive for tourists.

b) Basic structure/facilities

There should be 75-100 stalls with at least dimensions of 15"x7'3" where the Swarozgaris under the scheme of SGSY will sell their products directly to the buyers. The food courts in the Haat will have properly serviced 10-15 stalls. There will also be a provision of one ATM Centre, one exhibition hall in the Haat to cater to the requirement of organising functions, exhibitions and for conducting training workshops for the Swarozgaris. There would also be a dormitory to accommodate the Swarozgaris coming from outside the local area. Separate toilets for men and women, drinking water facilities, drains, Garbage pits, warehouse for storage and boundary wall/fence would be part of the project. At least 70% of the permissible space for construction should be earmarked for stalls and only the remaining areas be considered for common facilities like Dormitory, ATMs etc.

(c) Funding pattern

Funds will be released for the creation of such Haats for an amount of up to Rs.3.00 crores which will be shared between Centre and State in the ratio of 75:25. The cost estimate for the infrastructure specified for district level haat may be prepared by a competent authority viz. Rural Engineering Department/PWD or any authorized Government Department or Registered Civil Engineer/Architects.

(d) Maintenance and Management

A Committee may be constituted for management and maintenance of Haat at the State Headquarters which may comprise of Secretary, Rural Development, District Collector of State Capital, nominated district Collectors of the State, nominated Gram Pradhans, CEO of the local urban body and Project Directors along with members of Self Help Groups or its federation.

The Committee will maintain the Haats from the rental income and funds collected from various agencies. The possibility of leasing out the facilities in the complex like food stalls, ATM Centers and training Hall may be explored to meeting the recurring cost.
(e) Allotment of Stalls

At least 70% of the craft stalls/shops will be provided to the Swarozgaris free or on nominal charges per day. The system of allotment of stalls would be transparent so as to accommodate only artisans/swarozgaris. No traders or middlemen will be considered for allotment of stalls in these haats. Selection of Swarozgaris will be made by the respective District Haat Management Committee in consultation with village level committees. The allotment should not be permanent in nature to allow for new entrants. The space can be rotated between different Districts for a fixed number of days in each year. Individual beneficiaries should not be allowed to avail the facility for a period exceeding the total number of days prescribed for this purpose.

(f) Monitoring of State Haats

These haats will be monitored periodically by Department of Rural Development of State Government. The information of the sale of products and functioning of these haats will be submitted to the State Government by the Management committee and the same will be furnished to Ministry of Rural Development every month in the prescribed format.

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