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4.29 District Marketing Complex – Guidelines for allotting stalls

Rural Development (SGSY) Department

G.O. (Ms) No. 109

Dated: 20.09.2002

Read :

1. G.O.Ms.No.137, Rural Development Department Dated: 25.05.2000.
2. G.O.Ms.No.23, Rural Development Department, dated 28.03.2002.
3. From the Director of Rural Development Lr.No.48217/2000/SGSY.1.2. dated 24.06.2002, 09.08.2002 and 16.09.2002.

ORDER

In the Government order first read above, orders were issued directing the implementation of the following Special Projects approved by the Government of India under Swarnajayanthi Gram Swarozgar Yojana.

| Sl. No | Special Projects | Cost (Rs.in Crores) |
|--------|---|---------------------|
| 1. | Construction of marketing complex at Chennai (excluding land cost) | 2.50 |
| 2. | Construction of market complex in 28 districts (Excluding land cost) | 7.84 |
| 3. | Market intelligence cell at 28 districts and at Chennai | 4.00 |
| 4. | Marketing consultant at the State Level | 0.30 |
| 5. | Brand equity fund | 1.00 |
| 6. | Establishment of rural technical resource unit and preparation of project profiles. | 2.00 |
| | Total | 14.64 |

In the Government order second read above, interalia orders were issued to take up construction of additional shopping complexes in the following 16 places of 14 districts in lieu of the Market Complex at Chennai, out of the Rs.2.50 crores, already sanctioned in the G.O. first read above.

| Sl.No | Name of Places | Name of the District |
|-------|----------------|----------------------|
| 1. | Mahabalipuram | Kancheepuram |
| 2. | Thiruthani | Thiruvallur |
| 3. | Chidambaram | Cuddalore |
| 4. | Kallakurichi | Villupuram |
| 5. | Thiruchengode | Namakkal |
| 6. | Athur | Salem |
| 7. | Gobi | Erode |
| 8. | Thiruppur | Coimbatore |
| 9. | Paramakudi | Ramanathapuram |
| 10. | Velankanni | Nagapattinam |
| 11. | Kodaikanal | Dindigul |
| 12. | Palani | Dindigul |
| 13. | T.Kallupatti | Madurai |
| 14. | Periakulam | Theni |
| 15. | Andipatti | Theni |
| 16. | Thiruchendur | Tuticorin |

Now in the letter third read above, the Director of Rural Development has sent the proposal

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together with the guidelines for allotting stalls in the District Marketing Complexes to Self Help Groups for approval of the Government. The proposal sent by the Director of Rural Development together with the guidelines proposed for allotting stalls in the District marketing Complexes to self Help Groups was examined in detail. The Government hereby approve the guidelines annexed to this order for allotting stalls in the District Marketing Complexes to Self Help Groups and direct that the District Collectors and the Project Officers should ensure that all the instructions found in the guidelines are strictly adhered to in allotting stalls in the District Marketing Complexes to the Self Help Groups.

(By order of the Governor)

L.N.VIJAYARAGHAVAN
SECRETARY TO GOVERNMENT

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ANNEXURE

GUIDELINES FOR ALLOTING STALLS IN THE DISTRICT MARKETING COMPLEXES TO SELF HELP GROUPS

The District Marketing Complexes are primarily for providing marketing support services to the Self Help Groups who may not be in a position to establish / construct / take on lease shops for providing outlets for their products. Also the cost of acquiring exclusive market outlet in a town is not easy. Therefore, to mitigate the problems of selling the products produced in rural villages in the major towns of the District, District Marketing Complex has been constructed for the exclusive use of Self Help groups in all Districts.

1. Utilization of Common space in the Complex :

The Common space inside the complex can be utilized for conducting exhibition-cum-sale of the Self Help Groups products. This sale can be conducted on Quarterly basis for the benefit of marketing the products of the District. If necessary, Self Help Groups sponsored by other District Rural Development Agencies can also be provided space during such exhibition cum-sale. The open space including the Hall can also be used for demonstration purposes, that is same space should be reserved for actual artisans to work. The duration of such exhibition-cum-sale can be for a period of two weeks extendable by one week, Participation Fee should be lesser than the charges for the stalls.

2. Management Committee :

There shall be a Management Committee for taking policy decisions for operation and maintenance of the District Marketing Complex Stalls. This Committee shall consist of the following members:-

- (i) District Collector.
- (ii) Project Officer, District Rural Development Agency.
- (iii) District Revenue Officer.
- (iv) General Manager, District Industries Centre.
- (v) Lead Bank Manager.
- (vi) Chief Executive Officer of reputed NGO

This Management Committee will take all decisions relating to operation and maintenance of the District Marketing Complex. There shall be one Secretary. An un employed graduate youth should be appointed as the Secretary by the Management Committee and he should be given training required to handle the administration of the District Marketing Complex. Appointment to the Secretary shall be on consolidated pay on contract basis restricted to a maximum of Rs.5000/- P.m. The tenure of the Secretary of the Management Committee shall normally be for a period of one year. Depending upon the efficiency, the Committee may decide on his continuance. The Secretary of the Management Committee shall be responsible for day – to – day operations of the Marketing Complex and should take care of the needs of both the Self Help Groups operating in the shop and the visiting public.

The Secretary of the Management Committee should also be responsible for receipt of applications, allocation of stalls. The Secretary shall be responsible for appointment of basic staff on daily wages basis for cleaning. The basic staff to be appointed shall be restricted to minimum members, i.e. 1 Watchman, 1 Sweeper and 1 Multi purpose worker. These persons should also be rotated or laid off for a specific period to prevent any permanent claim over the job.

3. Application, Allotment Procedure and Period of Allotment :

Self Help Groups intending to put up stall should apply to the Secretary of the Management Committee. The application should contain details of products proposed to be sold, Economic Assistance received from the Banks, details of group, details of requirement of days etc. The Secretary of the Management Committee should scrutiny the applications carefully with specific reference to the activity of the group, the activity for which the group has received Economic Assistance and the products

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proposed to be sold. The application should be registered in the Register of Application data wise and acknowledgement given to the Self Help Group Office Bearer. After its scrutiny, allotments should be made to the group for a period of two weeks only, which can be further extended for another one week by the Secretary. This continuance for the third week given should be given only after obtaining the clearance of the Management Committee. At any cost, there should not be continuance beyond three weeks for a particular Self Help Group. Depending upon the availability of an allotted space, the same Self Help Groups can be allotted for second time after a minimum gap of three months. Allocation order should specify the period of allotment from which date to which date and should be communicated at least one week prior to commencement of allocation. Security Deposit equivalent to seven days rent should be collected before handing over of the actual stall.

4. Rent:

Collection of rent should be based on the capital cost involved in construction of complex and the approximate interest on the fund utilized. Approximately the break up is as follows.

| | Per Year | Per Month | Per Month / Per Shop | Per day / per shop |
|--|----------|-----------|----------------------|--------------------|
| 1. On Interest Portion @ 12.5% per annum. Total investment made-Rs.30 lakhs. | 375000 | 31250 | 2083 | 74 |
| 2. Capital Cost (Rs.30 Lakhs) anticipated pay back period – 10 years | 300000 | 25000 | 1667 | 60 |
| 3. Recurrent Expenditure (Salary of Maintenance Staff-Rs.9500 and other expenses Rs.500) | - | 10000 | 667 | 24 |
| Total | - | - | - | 158 |

The minimum rent based on the above calculation is Rs.158/-per day per shop. This amount may be all high for the Self Help Groups to pay since there are additional costs involved like food and lodging. Therefore, the proportion to charge the rent based on the capital value and recurrent cost is not feasible.

Alternatively, the rent may be fixed taking into account the recurrent maintenance cost of Rs.24/- per day per shop plus incidental totaling Rs.50/- per day per shop.

The rent should be calculated on daily basis and collected at the end of one week. In case the group is permitted to continue for another week, the second week's rent should also be collected. It should be ensured that the Security Deposit amount is not set off against the rent. Only after completion of the period of allotment, the Security Deposit should be released. A separate account should be opened for monetary operations in relation to District Marketing Complex. The Account called, the District Marketing Complex Account, shall be operated by the Secretary of the Management Committee upto the value of Rs.500/-Signature of Project Officer, District Rural Development Agency, should be mandatory for values exceeding Rs.500/-. All receipts including rent collected should be remitted into the District Marketing Complex Account.

5. Registers to be maintained

This Secretary of the Management Committee should maintain the following Registers.

- (i) Allotment Register (Which should be maintained shop wise)
- (ii) Register of Rent Received
- (iii) Security Deposit Register (which should clearly show the date of collection and date of return along with receipt Nos./ Voucher Nos.)

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- (iv) Register of Applications and Allotment (Containing details of applications received like date, time etc., and shops allotted)
- (v) Payment of Wages Register.
- (vi) Maintenance Register (Which includes Electricity charges and other expenses relating to District Marketing Complex.)

6. Other Details

- (i) No private person / private firm should be permitted for marketing their products in the District Marketing Complexes.
- (ii) The allocation of stalls in the Districting Marketing Complex should be done carefully, Normally, it is the tendency of the person / group who takes the stall to claim rights over his space after a particular point of time. Therefore, it should be ensured no particular space is provided to particular Self Help Groups for a continuous period.
- (iii) The Secretary of the Management Committee should be provided with an office of a minimum space of 15 Sq.ft. The Office should be provided with Computer, minimum Furniture including Racks, Tables and Chairs. All applications received, allotment made, rent received, payments made including Security Deposit should be stored in the Computer. The back up shall be the information recorded in the relevant Registers.
- (iv) There should be an interim gap of at least two days before the first and second allotment to the same shop. If Self Help Group A vacates the shop No.5 on a particular date, the next allotment to shop No.5 should be only after two days.
- (v) The premises of the District Marketing Complex should be vacated by the Self Help Group members after 9.00 pm., If any specific work needs to be done after 9.00 pm permission should be obtained from the Secretary, Management Committee in the form of Token of Pass specifying the date of issue.
- (vi) Management Committee should verify the details of revenue and expenditure at least once in two months.
- (vii) Publicity should be provided in the form of the Posters highlighting sample products that will be sold in the District Marketing Complex. There Posters preferably with colored pictures of the products should be displayed in all public offices and in strategic locations slides can be shown in the Theatres also in repeated intervals specifying location details Cable operators may also be requested to run messages on the District Marketing Complex and Products being sold twice or thrice every week. Video and Theatre Messages should be sustained for a continuous period of 2 days and 1 Week respectively before any visible impact be felt. Publicity expenditure can be met out of marketing infrastructure component under SGSY.