

*Preface*

Consequent to receipt of letter No. K-11026/01/2006-Mkt.Cell, dated 10th April 2006, the Evaluation Study / Trade Audit / Documentation of BASANT-SARAS Fair was initiated by NRIF in the right spirit from 11<sup>th</sup> to 24<sup>th</sup> April 2006.

Subsequently, day-to-day tentative sales figures as made available by the stall-owners, state-wise, and CAPART were consolidated on day-to-day basis and forwarded for the information of the Ministry, as advised. The last of these details were forwarded on 24<sup>th</sup> April 2006.

We now have pleasure to forward three copies of the “**Evaluation Study Report on Trade Audit / Documentation of BASANT-SARAS Fair**” as per the Objectives covering the Executive Summary and the **Six Chapters** as per below: -

- CHAPTER – I: THE BACKGROUND
- CHAPTER – 2: OBJECTIVES & METHODOLOGY
- CHAPTER – 3: PARTICIPANT’S PROFILE
- CHAPTER – 4: THE FAIR – IN VISITOR’S EYE
- CHAPTER – V: TYPICAL FEATURES OF SARAS MELA
- CHAPTER – VI: CONCLUSION AND RECOMMENDATION
- For **ANNEXES refer enclosed CD** containing (ANNEX-I & IA: State-wise details of Sale figures / Classificatory profile of participants; ANNEX-II: State-wise Perception analyses; and, ANNEX-III: Visitors Profile).

The Report is based on the responses of the 5403 respondents, which included among others viz. Visitors (5176), Beneficiaries/ SHGs from DRDA (214) and, the Officials (13) who were available on most of the days of the fair. The sample intensity among Swarojgaris and the officials were kept at 100% of them present in the Dilli Haat everyday.

The analysis included the age composition of the visitors, beneficiaries, and their professional category, income groups’ category and their perception about the fair. The data collected in were analyzed by using relevant statistical tools viz. mean, median, mode, distribution theories, correlation and regressions etc. Qualitative tools include expert’s observation of the Haat every day. The soft version of entered data of the cross-section of responses as per the devised questionnaires / formats / checklist etc., if required by the Ministry can be provided on CD for the information of the Ministry as and when asked for.

We hope the marketing Unit of the Ministry will find the report useful to draw out suggestions for incorporating in such future Melas / Fairs for the satisfaction of all the Swarojgaris and the officials.

We thank the Ministry in reposing confidence in us for assigning this prestigious assignment. We value your kind patronage and shall strive to deliver quality services for all times to come.

*For NATURAL RESOURCES INDIA FOUNDATION (NRIF)*

New Delhi:  
31<sup>st</sup> May 2006

R P MATTOO  
P R E S I D E N T

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### **FOR ANNEXES REFER ENCLOSED CD**

- **ANNEX-I & IA:** State-wise details of Sale figures / Classificatory profile of participants;
  
- **ANNEX-II:** State-wise Perception analyses; and,
  
- **ANNEX-III:** Visitors Profile

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### *Executive Summary*

The prime objective of the Swarnjayanti Gram Swarajgar Yojana (SGSY) has been “to bring the assisted poor families (Swarajgaris) above the poverty line by ensuring appreciable increase in incomes over a period of time. This objective is to be achieved by inter-alia organizing the rural poor into SHGs through a process of social mobilization their training and capacity building and provision of income generating assets through a mix of bank credit and government subsidy”. The prime focus is to help them to generate employment using local raw material and skills.

DRDA has also been providing marketing assistance to them through multiple interventions. One of such interventions is to organize trade fairs in different parts of the country enabling the Swarajgaris to display and sell their products. This has become a very popular way of marketing as it not only results in augmented sell the products but also works as a publicity tools. There are incidences that the product outflow has become a regular affair in a particular zone as the distributors / wholesalers witnessed the products and negotiated for a regular supply. The exhibition at Dilli Haat during April 11–24 ‘06 has been part of the similar intervention.

The Marketing Cell of the Union Ministry of Rural Development accordingly requisitioned the services of **Natural Resources India Foundation (NRIF)**, to get the BASANT-SARAS Fair, at Dilli Haat evaluated. The evaluation study was thus planned to understand the impact of interventions and also the fair on the beneficiaries and, seek the viewpoint of the visitors on different aspects of the products, the beneficiaries and marketing linkages.

Accordingly this Report is based on the responses of the 5403 respondents, which included among others viz. Visitors (5176), Beneficiaries / SHGs from DRDA (214) and, the Officials (13) who were available on most of the days of the fair. The sample intensity among Swarajgaris and the officials were kept at 100% of them present in the Dilli Haat everyday.

- The classificatory profile cover representation from 22 State (166 stalls) and from CAPART (approx. 11 stalls). The type of organizations that represented the states was SHGs (84%); Individuals (15%) and, Cooperative Societies (1%) thus consisting of 1768 members. Tamil nadu, U.P, Bihar and Madhya Pradesh were the largest occupants of the stalls. Though, the total number of stalls occupied authorized numbered 163 but the actual number of occupants crossed 203 numbers. It reflects that subletting of the stalls have taken place. Similarly, there have been incidences of un-authorized occupancy particularly in case of stall allotted to Swarajgaris from Bihar. There were about 5 unauthorized persons selling their produce from the stalls allotted to their friends or acquaintees. With regard to subletting, around 40% of traders selling their products was un-authorized. It is despite the fact that the authorities had issued photographed identity to all of them. *This needs an attention for future.*
- The fair had multiple products on display and sale, however, dress materials, apparel, jewelry and decorative have dominated the fair. In terms of diversity in products, the fair has been a right centre serving to varied tastes and choices

- With regard to participation of swarozgaris, all the participants have been well versed with the system and have been continuously participating in such events through out the country. When asked on frequency of participation, the responses have been almost nil since they did not want to reveal in fear of getting deprived of much opportunity next time. The investigation team could not locate a single first timer. DRDA should try to encourage participation of the first times also.
- Awareness quotients about such events have been on lower side. Only a few participants admitted of having learnt it through official chains. Majority of them came to know about it through other sources. Surprisingly, no one has admitted having seen about it in the newspaper or DRDA notice boards.
- “Saras” has been an excellent medium to achieve the goal. The fair has achieved a solar volume of exceeding Rs.9.0 million in 14 days<sup>1</sup>. Considering a total number of participants at about 163, the averaged sales per participant has been to the tune of Rs.55,215/-. Even if cost of production is taken at 50%, the resulting profit emerges to the level of exceeding Rs.27,500 per participant in 14 days. This sales will not only encourage them to participate in another fair but also work as multiplier effect to raise production and hence employment and the income. In view of the above, it can be concluded that from marketing point of view the fair has been successful event.
- The day-wise totals turn over of all the states has been to the tune of Rs.93.20 lakhs. The graph reveals a roller coastal ride trend in daily turn over of the Swarojgaris in Dilli haat. The fair has experienced the maximum sale on 23<sup>rd</sup> April '06 i.e. second last date of the fair to the tune of Rs.11, 02,005 and also a weekend. Similarly, the day 1 experienced a lower sales volume of Rs.3, 06,468 perhaps due to loss of time due to inaugural delays and also lesser number of visitors that day. In terms of total sales by states, Uttar Pradesh has topped the list with a total volume of above Rs. 1 million followed by J&K, Karnataka and Tamil Nadu. Considering the lower investment and working capital level, capability to spend on marketing is minimal. The situation hence demands for intervention from the institutional sector to create a national and international market environment for these rural products emerging from micro-enterprises.
- Saras Mela also did not have a mechanism to record the sales volumes. Even the trade audit survey could not collect the exact sales figure. The unauthorized shops were not issuing any cash memo and hence it was difficult to know the volume of transaction particularly during the peak hour. Resultantly, the sales volumes have been under-reported. The authorities should make it mandatory that no product should be allowed to be taken out of the venue without a valid cash memo. A copy of cash memo should be deposited at the gate. The situation will provide the exact sales by product, stall and the state.
- The total turn over of CAPART sponsored stalls (10 in number) were to the tune of Rs.2,22,480.00. In other words, per stall sales in this segment of stalls or Swarojgaris emerge to the level of Rs.1,22, 248.00 which is about 2 times of DRDA sponsored stalls. The CAPART stalls revealed a cost of production to the

<sup>1</sup> Though the sales would have been much more but they were under-reported to avoid other unforeseen overhead expenses.

tune of 40% of the sales price. In other words, each stall made a profit of Rs. 48,900.00 in 14 days, which comes to around Rs.3,500.00 per day as net profit. Even in terms of presentation, displays and push and pull techniques, these stalls had a cutting edge over others. The salesmanship was visible and so the techniques for converting a casual visitor into a purchaser. These stalls were much more organized and genuine. They were found to be issuing genuine cash memos to all the buyers and even the products were authentic. The stalls were well supervised by CAPART officials who kept a close eye on the happenings.

- Few of the stalls also found trading visitors. Number of exporters, distributors and wholesales visited this fair and enquired about regular supplies for trading. There have been three to four incidences of finalized deals also. It is agreed that the profit margin of Swarojgaris decline but business volume goes up and the enterprise is made free of seasonality. In other words, a regular market has emerged for those SHGs.
- The fair was slightly weak in terms of information system. The visitors have complained of ignorance about the products availability with a particular stall and its quality and specialties. Resultantly, the purchase decisions making has badly suffered. In modern days, trade events profile of each participant are made available in printed form and distributed among the visitors. The organizers hence should consider this aspect positively and do the needful in the next such events. It will also help the organizers to accommodate only genuine participants and unwanted participants will not get space in such fairs. This will also work as certification to the products about its origin, quality and authenticity etc.
- The participants were not aware about logistic supports, travel allowance and other facilities provided to them. Even few of them refused to recognize or knowing the name of their state's representatives.
- The organizers hence should plan the event in advance and register the participants and provide their product range. Illegal entries should be totally banned and the organizers should verify each participant.
- The facilities to be made available should be pre-defined and conveyed to the participants. Lodging and boarding conditions in Delhi should be improved, as most of them have not found themselves comfortable with it.
- Many of the participants were seen storing their products with traders in INA market, which made them, obliged to the traders and they forced them to sale their products under their brand. Hence governance of such events does require a proper attention.