

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:200  
ANSWERED ON:21.07.2003  
STEEL AUTHORITY OF INDIA LIMITED  
SULTAN SALAHUDDIN OWASI

**Will the Minister of STEEL be pleased to state:**

- (a) whether the Steel Authority of India Limited (SAIL) is making sweeping changes in its strategy to tap key customers;
- (b) if so, the details thereof;
- (c) whether SAIL proposes to reduce the manpower to cut its administrative expenses; and
- (d) if so, the details thereof and the steps taken/being taken to get hold of large share of steel market?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): As a part of its marketing strategy to continually improve customer service and increase customer satisfaction, Steel Authority of India Limited (SAIL) has implemented Key Account Management Process under which Key Customer Accounts have been identified all across the country.

(c)&(d): SAIL proposes to cut its administrative expenses by reducing its manpower to 1 lakh through Voluntary Retirement Scheme and natural separation. It has reduced its manpower since 1996-97 by around 46,000. The manpower of SAIL as on 31.3.2003 is 1,37,496.

Some of the salient features of SAIL's marketing strategy to increase market share are:

- (1) Marketing function reorganised along product lines for greater focus on products and market segments.
- (2) Entering into MOUs with customers to ensure advance order coverage.
- (3) Increasing the reach of the product and widening of customer base through authorised/rural dealers.
- (4) Thrust on order booking & servicing of steel requirements of projects/project based customers
- (5) Special emphasis on sale of value added products.