

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4505

ANSWERED ON:22.04.2013

EXPANSION OF NETWORK

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Will the Minister of STEEL be pleased to state:

- (a) whether the Steel Authority of India Limited (SAIL) proposes to expand its dealer and distributor network to reach district centres, rural and remote areas in various parts of the country;
- (b) if so, the details thereof;
- (c) the details of the existing dealer network, State-wise;
- (d) the details of the targets fixed by the SAIL for appointment of rural dealers under the Rural Dealership Scheme;
- (e) the criteria fixed for appointment of rural distributors for small rural consumers at different levels; and
- (f) the steps taken by the SAIL to expand its network in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI BENI PRASAD VERMA)

(a)&(b) Yes, Madam. SAIL has plans to expand its dealer network. Currently, SAIL operates two schemes for dealers under its network:

(i) SAIL Dealership Scheme

(ii) SAIL Rural Dealership Scheme

With a view to widen the reach of its products, SAIL has been expanding its dealer network extensively to cover all the districts in the country. Expansion of SAIL dealer network over last few years is as given below:-

As on 1.4.06 1.4.07 1.4.08 1.4.09 1.4.10 1.4.11 1.4.12 1.4.2013

Number of Dealers 200 653 1897 2406 2508 2649 2662 2896

After establishing a strong network of dealers spread over 629 districts of the country SAIL launched a new "SAIL Rural Dealership Scheme" to expand its scope of business in rural areas (block/taluka) of the country with the primary objective of meeting the steel demands of the small rural consumers at block and taluka levels. As on 1st April, 2013, SAIL has a dealer network of 2896 dealers which includes 562 Rural Dealers.

(c) The details of the existing Dealers network, state-wise category-wise is placed at Annexure-I and II.

(d) SAIL plans to increase the number of rural dealers to 1000 in a phased manner.

(e) Under the Scheme, for appointment as a Rural Dealer, as a minimum qualifying criterion, the applicant should possess an Office / Retail Outlet beside a storage space of suitable capacity. Applications are evaluated generally on the basis of the following parameters:-

(i) Infrastructure facilities

(ii) Financial Standing

(iii) Market reputation

(iv) Any other criteria which the company considers necessary to take into account while evaluating the application.

While evaluating applicants for appointment as SAIL Rural Dealer, suitable weightage may be given by SAIL to such applicants who intend to deal exclusively with SAIL products.

(f) SAIL has taken steps to expand the Dealer Network both at the District level as well as the Block and Taluka levels through its SAIL Dealership Scheme and SAIL Rural Dealership Scheme.