

Sub: RINL – Rural Dealership Scheme (RINL-RDS)

Objective:

1. To create spot market and future market for RINL steel products in rural areas;
2. To have an additional avenue for product promotion in the vast rural market;
3. To promote the image of the company as a responsible corporate citizen that makes its products available in the rural areas for development; and
4. To promote inclusive growth.

Scope:

5. The Scheme will be known as RINL-Rural Dealership Scheme (RINL-RDS) and is open to everybody except existing Retailers, Consignment Agents, Consignment Sales Agents and District Level Dealers. SC/ST/OBCs and minorities will be encouraged to register as Rural Dealers.

Location:

6. Rural Dealers can be registered at the Block and Panchayat level locations of Districts. RINL-Rural Dealer shall not be registered at District Head Quarters, Metropolitan towns, cities etc. There is no restriction on number of Rural Dealers in a location.

Products:

7. TMT Rebars of various sizes and Wire rods shall normally be covered under the scheme. Additional products can be added, in case a RINL-Rural Dealer shows interest, at the time of registration or beginning of a financial year (on or before 30th June), with the clearance of P&DL section and with the approval of competent authority as authorized by D(C).

Quantity:

8. a. The RINL-Rural Dealer can purchase steel products on single or multiple truck loads basis. RINL shall supply this quantity subject to availability.
- b. Rural Dealers who are interested to purchase less than 100 tonnes per month are categorized as RD-I dealers.
- c. Rural Dealers who are interested to purchase 100 tonnes or more per month are categorized as RD-II dealers.
- d. Category change from RD-I to RD-II or vice versa can be done at the beginning of a financial year (on or before 30th June) with the clearance of P&DL section and with the approval of competent authority as authorized by D(C).
- e. RD-II category Rural Dealers are required to furnish Security Deposit of ₹ 1.0 lakh (General category) or ₹ 0.5 lakh (SC/ST/OBC categories) at the time of Registration in the form of DD/PO/BC/RTGS/NEFT.
- f. In case of failure of RD-II dealers to lift min. qty of 35 MTs per month or two truckloads per month in three consecutive calendar months, SD shall be forfeited immediately and SD has to be submitted afresh within next calendar month to continue registration, otherwise Registration shall be cancelled. However, they shall be eligible for fresh registration.

- g. In case of failure of RD-I dealers to lift at least one truck load per month in two consecutive calendar months, there will be no obligation on the part of RINL to offer material for subsequent months of the FY.

Registration:

9. Registration will be initially for period of 2 years, which is renewable on mutual agreement basis. There is no security deposit for registration as Rural Dealer.
10. Registration can be cancelled if a Dealer resorts to any wrong doings or any actions which are detrimental to the interests of RINL.

Price:

11. The RINL-Rural Dealer can purchase materials from RINL at the ex-stockyard/ex-plant prices as applicable on the date of delivery. The payment shall be on advance payment basis and the amount shall be paid in the form of DD/Cheque-on realization/PO/BC/RTGS/NEFT payable at the location of the controlling branch.

However, RD-II can also make payment by cheque (in case such facility is approved by branch as per norms) AND/OR secured credit against BG.

12. The RINL- Rural Dealer shall sell the materials at a price not exceeding the Maximum Recommended Retail Price (MRRP) announced by RINL. The MRRP shall be declared by the controlling branch and local levies like ST/VAT; Octroi etc shall be extra as applicable.
13. The MRRP shall be uniform for all the locations within the district.
14. The RINL- Rural Dealers are required to display the MRRP prominently at their sales premises.

Product and Brand Promotion:

15. RINL shall consider providing promotional material or reimburse cost of display board showing " RINL Vizag Steel – Pride of Steel" etc. once the Rural Dealer has dealt with minimum 50 T under RINL RDS.
16. RINL may also consider putting up Bill Boards/ Hoardings (one or two) in the Rural Dealer's location to promote RINL and use of steel in rural areas.

Quality:

17. RINL shall provide test certificate for the materials supplied to the RINL-Rural Dealer. The RINL-Rural Dealer can provide the copies of the Test Certificate to their customers. The quality complaints, if any, shall be settled as per the Quality complaint procedure in vogue.

Procedure:

18. Registration will be a continuous process and there is no last date for applying for registration.
19. The selection of an applicant for registration is to be done by a two member team at the Branch Level. The registration can be approved by the concerned Sr Branch Manager / Branch Manager.

20. The two member team may visit Block and Panchayat level locations of Districts and approach existing Steel / Cement / Hardware Traders or Others for registering under the scheme.
21. Interested persons/firms can also directly approach the concerned Sr BM / BM for registration.
22. The applicant to RINL-RDS is required to submit an affidavit that he/she is financially sound to take up the Rural Dealership.
23. The Sr Branch Manager / Branch Manager shall issue a Certificate of Registration* to the applicant selected as RINL-Rural Dealer. This certificate can be displayed by the Rural Dealer on his/her premises.

*Certificate of Registration to be given only on the pre printed stationery issued by Mktg HQ.

24. The signage / advertisement of steel at the Sales and storage premises of the Rural Dealer should be of RINL only.
25. The following undertaking is to be submitted by the RINL-Rural Dealer (either in English or in Vernacular) at the time of registration:
 1. that I/ We will not operate Dealership in the same name for any other steel producer/ manufacturer from the premises / address registered with RINL.
 2. that I / We will deal exclusively with RINL products in the said premises.
 3. that I / We will sell the products under this dealership within the Maximum recommended Retail Prices fixed by RINL.
 4. that I / We will sell the products under this dealership only in rural areas within the block panchayat limits assigned.
 5. that I / We clearly understand that RINL has full rights to cancel the registration in case any of my/ our action is found detrimental or prejudicial to the interests of RINL.
 6. that in case of any dispute, I/ We will resolve it with RINL through mutual discussions.
 7. that I / We shall comply with all statutory requirements and I/ We indemnify RINL for any liability on this account.
