



*Minutes of Meeting - PACT meeting at Chandigarh 15th Oct, 2014.
at Western Court 43B – Chandigarh.*

Brief : Our IT trade is suffering from deep pricing difference between 25 to 30% on online portals like Flipkart, Snapdeal, Amazon etc. whereas any channel dealer operates with a gross margin of 1 to 2%. We organized this meeting with vendors / NDs in continuation to the call given last week by all IT associations of Punjab and Chandigarh under the single umbrella of PACT (Punjab Association of Computer Associations), to boycott billing and transactions with NDs.

*Attended by : All district associations who are members of PACT
Representatives of Vendor companies viz Dell, HP, Toshiba, Asus, Acer, Lenovo.
Representatives of NDs. : Supertron, Savex, Redington, Compuage, Rashi, Global, Ingram*

PACT meeting started at 11: 30 am. to layout the roadmap to fight the menace of deep pricing difference on online portals like Flipkart, Snapdeal, Amazon etc. We all channel partners are facing a very grim situation in regards to IT business viability. If the price parity and other in genuine practices followed on online web portals are not checked in time, then our channel business is going to suffer and the day is very not very far off when the situation arises either to shut shop or leave the trade. We all expect vendor companies to co-operate the channel partners earnestly and help in finding the solution to the problem. We as PACT had represented to Punjab Govt. also highlighting the financial loss to Punjab in the form of Tax due to online material entry.

At around 1:15 pm representatives of the vendor companies and NDs joined this meet and a welcome note was given by PACT President Sh. Gupreet Singh Sunnyji. Representatives of vendors present there were given a chance to put across their point of view in regards to the menace created by online web portals. After debating for more than 2 hrs, the representatives of the vendor companies present there asked for some more days as they were not having the authority to give final decisions on this aspect there and then.

PACT members have stressed upon all the vendor companies to put in practice the following points.

- 1. All vendor companies should clearly print on their boxes / packing that **“The contents of this box / packing is not meant for online sale and no warranty will be provided if purchased online”**.*
- 2. To maintain MOP of the product, all vendor companies should shoot an email to all the online portals irrespective of the association of the vendor company with web portal. The vendors should warn the online web portals strictly to maintain the MOP or else legal action will be taken against them.*
- 3. All vendor companies should stop ND billing to the end customer for the orders received through their online portals. Example: The end customers’ orders received by HP through its online portal is executed through Savex. This practice should be stopped immediately, instead the regional partner should bill the item to the end customer.*
- 4. The vendor companies will track through various means, the channel dealers, who sell to these online portals and snap/stop their billing. PACT will also support in this cause.*

5. PACT has also decided to completely desist/stop all our dealers from selling or purchasing laptops online. A strict action will be taken against any dealer indulging in online selling and purchase of laptops. **Even if any non-member found in Punjab and Chandigarh all types of dealings with that dealer will be stopped.**

Finally, the meeting was closed with a unanimous view that the **BAN** on purchase of Laptops from NDs or vendor companies throughout Punjab and Chandigarh should be continued till Monday i.e. 20/10/2014. The billing of the vendor company will be opened who gives us a written commitment in regards to the above points and the points discussed during the debate. It was also decided that if the vendor companies do not adhere to our concern towards the dwindling channel sales due to online menace, then a decision will be taken to stop billing for all IT products viz components, consumables and peripherals.

Gurpreet Singh Sunny
President -PACT

Rahul Garg
J Secretary- PACT
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