

## Minutes of TAIT Open Forum meeting on 18<sup>th</sup> June 2018 at Hotel Krishna Palace, Mumbai

Dear Members,

TAIT Board, thank you all for making huge success of **TAIT Open Forum** programme. Your big number presence endorses your trust & confidence on TAIT. We appealed- 'to be there, we want to hear from you' & you all have made it. It was significant that nobody bothered to leave early or left half way in discussion.

Together, we all have discussed real time challenges of industry. Out of which few can be address immediately & others need long term planning so we can change our tomorrow. Please find below mentioned outcome of the event. We had discussion on below mentioned topics:

1. Payment terms increased from 30days to 45 days to 60days in B2B (Disti/Trader to Trader) & B2C (Disti/Trader to S.I./ Retailer)
2. Vendor/ Disti's sales person referral/ backend/ target gimmicks. Which block big margin fund.
3. Various payment day & ledger submission day as per different Traders in B2B.
4. To create policy for Vendors/ Distis under guidance from TAIT on various matters.
5. To appoint Screening committee with top 25-30 members of market.
6. To create some mechanism like Micro site or Watsapp group for defaulters or wrong practicing Disti/ Trader/S.I./Retailer.

As such there was a healthy & fruitful discussion while seating on a common platform. After noting down all these challenges & deep discussion, we have got few answers from members themselves like:

1. For various payment terms, one can keep various rates for their products e.g. 1TB Harddisk @ 2950/- for 30 days PDC, 3000/- for 45days PDC & 3100 for 60 days PDC which helps improving margins & try to collect PDC with in 7days after delivery with mutual understanding by both parties.
2. Everybody must get backend scheme in writing from Vendor/ Disti's direct communication & not from Sales person's personal mail id also get endorsed by senior if possible before stocking material.
3. Payment day (Saturday) & Ledger submission day (Friday) should be fix & observe by everybody in market to make smooth transections.

These points can be implemented immediately which can solve half of the problems & Person who is not co-operating in this matter can be marked & treated differently by large group.

One member gave example of Mobile industry which came up recently but due to payment terms understanding & transparency, doing big business with much less hurdles.

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**TAIT Board recommends members:**

- For KYC to safeguard business & payments for which TAIT will issue draft form for KYC.
- For NOC from Vendors before accepting their Distributorship/ Dealership to stop them taking disadvantage of different members after dumping huge stocks.
- Suggested using TAIT Arbitration guidelines to solve problems with other party in Payments, Backend etc. Board suggest you all to learn about Arbitration guidelines if you are not clear on it as quite a few of our members have really benefited from this arrangement.

TAIT Open Forum discussed & decided to gather 25-30 top industry veterans to form Screening committee to create a mechanism to control over bad business practices & payment defaulters. We have received few names there & than as volunteers as overwhelming response & to strengthen TAIT Board's hand in this cause. Board will work on these seriously & announce in near future.

Meanwhile TAIT board concluded the meeting by planning Open Forum programme in every quarter in future & take it to next level by bringing entire I.T. industry (TAIT members & Non-members) on one platform to address more challenges & improve business practices with joint efforts with FAITA.

As there was no other business to transact, meeting was concluded.

Yours truly,

**TAIT Board.**

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