

Alleged involvement in RPM: CCP issues show- cause notices to GM Cables & Pipes, Newage Cables

ISLAMABAD: The Competition Commission of Pakistan (CCP) has issued show cause notices to GM Cables & Pipes (Pvt) Ltd and Newage Cables (Pvt) Ltd for their alleged involvement in Resale Price Maintenance, pursuant to completion of enquiry a potential violation of Section 4 of the Competition Act, 2010.

Resale Price Maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may terminate business. This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers.

The CCP initiated an enquiry after taking suo motu notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales. These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts.

GM Cables and Newage Cables, which operate nationwide through an extensive dealer network and online platforms, were found to have established a resale price maintenance system through their respective circulars. GM Cables issued a 'Notice for Rate Control' in August 2021, while Newage Cables introduced a 'Retail Discount Policy', both of which enforced strict pricing rules on their dealers. These rules were accompanied by penalties, including fines and termination of dealerships for non-compliance, further reinforcing the companies' control over market pricing.

The CCP's enquiry further established that this anti-competitive behaviour has wide-ranging implications, as cable products are produced and sold nationwide, with sales volumes differing across regions. As a result, these restrictive practices create a spill-over effect throughout the entire market.

Read more: <https://www.brecorder.com/news/40318889>



CCP issues show-cause notices to GM Cables & Pipes, Newage Cables

ISLAMABAD - The Competition Commission of Pakistan (CCP) has issued show-cause notices to GM Cables & Pipes (Pvt) Ltd and Newage Cables (Pvt) Ltd for their alleged involvement in resale price maintenance (RPM). The CCP enquiry found that both companies potentially violated Section 4 of the Competition Act, 2010. Resale price maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may terminate business. This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers. The CCP initiated an enquiry after taking suo motu notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales. These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts. GM Cables and Newage Cables, which operate nationwide through an extensive dealer network and online platforms, were found to have established a resale price maintenance system through their respective circulars. GM Cables issued a 'Notice for Rate Control' in August 2021, while Newage Cables introduced a 'Retail Discount Policy', both of which enforced strict pricing rules on their dealers. These rules were accompanied by penalties, including fines and termination of dealerships for non-compliance, further reinforcing the companies' control over market pricing.

Read more: [https://www.nation.com.pk/23-Aug-2024/ccp-issues-show-cause-notices-to-gm-](https://www.nation.com.pk/23-Aug-2024/ccp-issues-show-cause-notices-to-gm-cables-pipes-)

[cables-pipes-](https://www.nation.com.pk/23-Aug-2024/ccp-issues-show-cause-notices-to-gm-cables-pipes-)

[ewagecables#:~:text=ISLAMABAD%20%2D%20The%20Competition%20Commission%20of,of%20the%20Competition%20Act%2C%202010.](https://www.nation.com.pk/23-Aug-2024/ccp-issues-show-cause-notices-to-gm-cables-pipes-ewagecables#:~:text=ISLAMABAD%20%2D%20The%20Competition%20Commission%20of,of%20the%20Competition%20Act%2C%202010.)

CCP issues show cause notices to GM Cables, Newage Cables

The Competition Commission of Pakistan (CCP) has issued show cause notices to GM Cables & Pipes (Pvt) Ltd. and Newage Cables (Pvt) Ltd. for their alleged involvement in Resale Price Maintenance (RPM), pursuant to completion of enquiry a potential violation of Section 4 of the Competition Act, 2010.

Resale price maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may terminate business, said a press release issued here on Thursday.

This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers. The CCP initiated an enquiry after taking 'suo motu' notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales.

These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts.

Read more: <https://dailytimes.com.pk/1220006/ccp-issues-show-cause-notice-to-gm-cables-newage-cables/>

CCP Issues Show Cause Notices to Two Cable Manufacturers Over Resale Price Maintenance

The Competition Commission of Pakistan (CCP) has issued show cause notices to GM Cables & Pipes (Pvt) Ltd. and Newage Cables (Pvt) Ltd. for their alleged involvement in Resale Price Maintenance (RPM).

In a statement issued on Thursday, CCP explained that resale price maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may terminate business. This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers.

The CCP initiated an inquiry after taking suo motu notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales. These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts, the statement added.

<https://propakistani.pk/2024/08/22/ccp-issues-show-cause-notices-to-two-cable-manufacturers-over-resale-price-maintenance/>



Resale Price Maintenance :CCP issues show cause notices to GM Cables and Newage Cables.

ISLAMABAD, 22 Aug: The Competition Commission of Pakistan (CCP) has issued show cause notices to GM Cables & Pipes (Pvt) Ltd. and Newage Cables (Pvt) Ltd. for their alleged involvement in Resale Price Maintenance (RPM), pursuant to completion of enquiry a potential violation of Section 4 of the Competition Act, 2010.

Resale price maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may terminate business. This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers.

The CCP initiated an enquiry after taking suo motu notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales. These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts.

GM Cables and Newage Cables, which operate nationwide through an extensive dealer network and online platforms, were found to have established a resale price maintenance system through their respective circulars. GM Cables issued a 'Notice for Rate Control' in August 2021, while Newage Cables introduced a 'Retail Discount Policy', both of which enforced strict pricing rules on their dealers. These rules were accompanied by penalties, including fines and termination of dealerships for non-compliance, further reinforcing the companies' control over market pricing.

Read more: <https://theazb.com/resale-price-maintenance-ccp-issues-show-cause-notice-to-gm-cables-and-newage-cables/>

The CCP's enquiry further established that this anti-competitive behavior has wide-ranging implications, as cable products are produced and sold nationwide, with sales volumes differing across regions. As a result, these restrictive practices create a spill-over effect throughout the entire market.



CCP Issues Show Cause Notices to GM Cables & Newage Cables for Alleged Resale Price Maintenance Violations

ISLAMABAD: The Competition Commission of Pakistan (CCP) has issued show cause notices to GM Cables & Pipes (Pvt) Ltd. and Newage Cables (Pvt) Ltd. for their alleged involvement in Resale Price Maintenance (RPM), pursuant to completion of enquiry a potential violation of Section 4 of the Competition Act, 2010.

Resale price maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may

terminate business. This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers.

The CCP initiated an enquiry after taking suo motu notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales. These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts.

GM Cables and Newage Cables, which operate nationwide through an extensive dealer network and online platforms, were found to have established a resale price maintenance system through their respective circulars. GM Cables issued a 'Notice for Rate Control' in August 2021, while Newage Cables introduced a 'Retail Discount Policy', both of which enforced strict pricing rules on their dealers. These rules were accompanied by penalties, including fines and termination of dealerships for non-compliance, further reinforcing the companies' control over market pricing.

The CCP's enquiry further established that this anti-competitive behavior has wide-ranging implications, as cable products are produced and sold nationwide, with sales volumes differing across regions. As a result, these restrictive practices create a spill-over effect throughout the entire market.

<https://newzshewz.com/ccp-issues-show-cause-notices-to-gm-cables-newage-cables-for-alleged-resale-price-maintenance-violations/>



ری سیل پرائس کا تعین: سی سی پی نے شوکا ز نوٹس جاری کر دیئے

آر پی ایم انتظام میں کمپنی ڈسٹری بیوٹرز سے معاہدہ کے تحت قیمت فکس کرتی ہے

اسلام آباد (نئی بات نیوز) کمپنیشن کمیشن آف پاکستان نے جی ایم کمپیلز اینڈ پائپر لمیٹڈ اور نیواج کمپیلز پرائیویٹ لمیٹڈ کو ڈسٹری بیوٹرز کی ری سیل پرائس کو فکس کر دینے پر شوکا ز نوٹس جاری کئے ہیں۔ کسی بھی کمپنی کی جانب سے ڈسٹری بیوٹرز کی ری سیل قیمت کو فکس کر دینا، کمپنیشن ایکٹ 2010 کی دفعہ 4 کی خلاف ورزی ہے۔ ری سیل پرائس میں کمی یا اضافہ انتظام ہوتا ہے جس میں اشیاء یا خدمات فراہم کرنے والی کمپنی اپنی پراڈکٹ کے ڈسٹری بیوٹرز سے ایک معاہدہ کے تحت قیمت کو فکس کر دیتی ہے اور اگر ڈسٹری بیوٹرز مقررہ قیمت سے کم پر فروخت کرے تو کمپنی اس مال کی فراہمی بند کر سکتی ہے۔ ایسے معاہدے دکانداروں اور ڈیلروں کو اپنا مارجن کم کر کے اشیاء کی کم قیمت پر فروخت کرنے کی صلاحیت کو ختم کر کے مارکیٹ میں مقابلے کے رجحان میں کمی کا باعث بنتا ہے جس سے بالآخر صارفین کو نقصان پہنچتا ہے۔

