



Direct Selling Industry expects regulatory clarity with New Guidelines

Government assures to address major concerns of Direct Selling, Guidelines to be issued soon

New Delhi, July 29, 2016

The ministry of Consumer Affairs, in an all stakeholders meeting held on Friday, 29th of July 2016, assured the Direct Selling Industry that the draft Guidelines are in the final stages. The Direct Selling Industry is expecting these Guidelines to differentiate between legitimate Direct Selling entities from money circulation (Ponzi) and Pyramid schemes.

Hon'ble Minister for Consumer Affairs Food and Civil Supplies, Shri. Ram Vilas Paswan said that the guidelines will address the issues being faced by the Industry as well as protect the interest of the consumers.

Terming the meeting with the minister very positive, IDSA Secretary General, **Mr. Amit Chadha** said "We are hopeful that these Guidelines would provide interim relief to the Industry. We are also hopeful that the Guidelines would clearly distinguish between legitimate Direct Selling entities from Ponzi / Pyramid schemes. "

The Direct Selling Industry has been facing challenges at multiple fronts even after twenty years of existence in the country. Due to lack of regulatory clarity, there is always a challenge being posed by the entities who operate under the garb of Direct Selling.

"Since, guidelines have been formulated after consultation with Industry representatives and other stakeholders, it will certainly address a lot of issues the industry is facing currently. We have also recommended the government to notify the Guidelines as 'Rules' under the Consumer Protection Bill to give a legal sanctity," added **Mr. Chadha**.

"While talking to the industry stakeholders, government has clearly said that consumer protection remains their top priority. This is a very positive sign for the Industry itself as we also emphasize heavily in protecting the consumers from the imposters," said **Mr. Jitendra Jagota, Chairman, IDSA**.