

## For Immediate Release

### Press Release

#### Kerala Direct Selling Guidelines to boost the Industry Sentiment & Business: IDSA

- *IDSA applauds Kerala Government move to release Guidelines for Direct Selling*

**Thiruvananthapuram/Kochi, August 8, 2018**

Kerala notified the 'Direct Selling Guidelines', becoming the eighth state to adopt the Central Guidelines of Ministry of Consumer Affairs. The Guidelines was released today by Hon'ble Chief Minister, Shri. Pinarayi Vijayan, in **Thiruvananthapuram** in presence the important stakeholders of Direct Selling.

Indian Direct Selling Association (IDSA), the apex industry body, welcomed the Kerala Direct Selling Guidelines, stating that it will boost the industry sentiment and business in the state. These Guidelines provide a definitional clarity for Direct Selling, paving way for a much-needed statutory push for the Industry in the state.

"The state of Kerala is one of the leading markets for Direct Selling at about **INR 202 crore business**, providing self-employment opportunities to about **1 lakh Direct Sellers**, majority of which are women. The industry contributes about **INR 30 crores in taxes** to the **state exchequer**. The notification of Guidelines will encourage many Direct Selling entities to start operations in the state enabling the consumers to have access to products of international standard at competitive prices. It would also result an increase in employment opportunities in the state while the government may also expect a surge in state revenues, said **Vivek Katoch, Chairman, IDSA**.

Kerala was the first state to have formulated Guidelines in 2011 to regulate proper functioning of Direct Selling, resulting a surge in business back then. Taking the lead again, the state government has adopted the Central Guidelines, making strong provisions for consumer protection and complaint redressal mechanism.

"IDSA would like to extend its gratitude to the Government of Kerala for notifying the Guidelines . I wish to especially thank the Hon'ble Chief Minister of Kerala, Shri. Pinarayi Vijayan for bringing regulatory framework for Direct Selling, thus boosting the confidence of the Industry," **Vivek added**.

The other states to have notified the Central Direct Selling Guidelines are Chhattisgarh, Sikkim, Telangana, Andhra Pradesh, Odisha, Mizoram and West Bengal.

"The Industry has another important reason to cheer in South India, **thanks to the Department of Consumer Affairs, Government of Kerala for bringing State Direct Selling Guidelines**. These Guidelines will give tremendous encouragement to Direct Selling and the Direct Sellers in the state, who are the back-bone of the Industry. Notification of state Guidelines will further motivate the Direct Sellers, who have tirelessly worked towards the growth of the Industry. We take this opportunity to thank Shri. P. Thilothaman, Hon'ble Minister, Smt. Mini Antony, Special Secretary and Dr. T.L. Reddy, Director, Food, Civil Supplies & Consumer Affairs, for their efforts to bring these Guidelines in the state. These Guidelines clearly define 'Pyramid Schemes', drawing line between Direct Selling business and Fraudulent Schemes," said **Ankit Shukla, General Manager, IDSA**.

The Department of Consumer Affairs, Government of India had notified the Direct Selling Guidelines in 2016, a model framework on guiding principles for state governments to consider regulating Direct Selling and Multi-Level-Marketing. Government of India had advised the state governments to

adopt the Guidelines to strengthen existing regulatory mechanism on Direct Selling and Multi-Level-Marketing, for preventing frauds and protecting the legitimate rights and interests of consumers.

“Over the years, Direct Selling has gained popularity among consumers because of unique products being made available at their door steps. In addition, these consumers have option of joining Direct Selling business to enjoy upfront discounts & incentives and earn additional income opportunities. Direct Selling business has been able to strengthen its position in all the states that have adopted Guidelines in the recent times and I am being hopeful that Kerala Guidelines will pave way for the Industry towards greater heights & achievements at the same time helping the industry to further strengthen its base in the state”, **Vivek Katoch further stated.**

#### **About IDSA**

Incorporated in **1996** and headquartered in Delhi, IDSA is an autonomous, self-regulatory body for the Direct Selling industry in India. The Association acts as an interface between the industry and policy-making bodies of the Government facilitating the cause of Direct Selling Industry in India. IDSA has played a proactive role in raising the voice for the Direct Selling Industry for policy reforms which can nurture growth and facilitate the trade of Direct Selling Industry in India with the Central and State Governments. It is affiliated to World Federation of Direct Selling Association, which was established in 1978, currently having 63 Direct Selling Associations across the world as its members. WFDSA is a non-government voluntary organization, representing Direct Selling Industry globally as a federation worldwide.