



West Bengal notifies Direct Selling Guidelines, IDSA thanks Govt.

- Becomes the 7th state to notify Central Guidelines
- West Bengal is ranked 2nd in top 10 states

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Direct Selling Industry has another reason to celebrate as the Government of West Bengal has notified 'West Bengal Direct Selling Guidelines 2018,' becoming the seventh state to bring such Guidelines. These Guidelines provide a definitional clarity for Direct Selling, paving way for a much-needed statutory push for the Industry in the state. While emphasizing on a strong 'Consumer Protection' mechanism, the Guidelines also have provisions for Appeal and Revision to be monitored by the designated authorities.

"The Eastern region is a very important market for the Direct Selling Industry with **19% market share**. West Bengal is **ranked 2nd** among the top-ten states in the country with **INR 940 crore** business, accounting for **9.10 % share** in **total sales**, generating self-employment opportunities for more than **4.60 lakh Direct Sellers**. The notification of state Guidelines is a very positive, step towards bringing Direct Selling under the ambit of regulatory framework, which would further strengthen the Industry in this all-important state. IDSA would like to extend its gratitude to the Government of West Bengal for notifying the Guidelines. I wish to especially thank the **Hon'ble Chief Minister** of West Bengal, **Smt. Mamta Banerjee** for entrusting her faith on Direct Selling and expediting the process of bringing a legal framework for the Industry in the state" said **Vivek Katoch, Chairman Indian Direct Selling Association (IDSA)**.

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

"The 'West Bengal Direct Selling Guidelines 2018' has come up as huge encouragement for the Industry. The state has always been special for the Direct Selling Industry, given the enthusiasm by which the Direct Sellers work here. Notification of state Guidelines will further motivate the Direct Sellers, who have been instrumental in popularizing Direct Selling distribution model in West Bengal. The Industry is delighted that West Bengal Government has decided to provide regulatory backing to Direct Selling Industry. We take this opportunity to thank **Shri. Sadhan Pande, Hon'ble Minister** and **Ms. Neelam Meena, Hon'ble Secretary, Department of Consumer Affairs**, for their efforts to bring these Guidelines in the state. It is important to note that Guidelines has clear definition of 'Pyramid Schemes', drawing line between Direct Selling business and Fraudulent Schemes.," said **Ankit Shukla, General Manager, IDSA**.

These Guidelines pave the way for consumer protection and safety in the state of West Bengal. The Industry has been advocating for Direct Selling Guidelines with all state governments emphasizing on the importance of consumer protection these Guidelines hold. In the past the absence of proper policy or guidelines has resulted in numerous fraudulent players having taken advantage of the situation, duping money from consumer in the guise of Direct Selling. However, these state Guidelines shall address the concerns of the Industry while protecting the interest of the consumers as well.

"Direct Selling has emerged as popular non-store retail distribution model, having its reach to all parts of the country. It is motivating to see the West Bengal Government having taken initiative to bring the Industry under some sort of



regulatory ambit in the interest of consumers. These guidelines have proven to be of huge assistance towards building industry in the states that have adopted them in the past. With West Bengal joining the list, I am being hopeful that it will take Direct Selling towards greater heights & achievements at the same time helping the industry to further strengthen its base in the state”, **Vivek Katoch** further stated.

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.

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.