

Press Release:

Kerala continues to shine in Direct Selling in the Southern region, reaches at Rs 471 cr. mark

Highlights:

- With sales of Rs 471 cr, Kerala is the 2nd largest market in the Southern region.
- Growing at nearly 10 %, Kerala shares around 2.6% to the national turnover of Rs 18,067 cr.
- Number of women Direct Sellers 83 thousand out of the total of about 1.7 lakh in the state.
- Nearly Rs 71 cr contribution towards CGST and SGST.

Thiruvananthapuram, Sept 20, 2022 () Direct selling industry in Kerala continues to shine in the Southern region, with a growth rate of over 9.94 despite adverse business conditions caused by the Covid19 pandemic, reaching Rs 471 crores during the Financial Year 2020-21, according to an Annual Survey Report, released by Indian Direct Selling Association (IDSA) here on Tuesday.

The survey, carried out by the IPSOS Strategy 3, shows a sales increase of nearly Rs 43 crores over the previous FY figure of Rs 428 crores indicating that the year being dominated by Covid19 and comprehensive lockdowns, the direct selling industry has managed to emerge stronger and maintain the growth momentum in the state. During the year, Kerala also trounced Tamil Nadu in sales figures to clinch second place in the region. The neighbouring state could muster to register sales at Rs 450 and Rs 463 crore in 2019-20 and 2020-21 respectively.

During the period, the state also contributed over 70 crores to the exchequer by way of taxes. The sector grew by ten thousand direct sellers in the state, a rise of over six percent from 1.6 lakh in FY 2019-20 to 1.79 lakh, with 83 thousand of them being women. The state had a share of 2.6% of the overall national sales, which stood at over Rs 18,067 crores during the period, the report further elaborates.

Kerala has led the way for the country, as far as the Direct Selling industry is concerned, when it notified Guidelines in September 2011, the first time such clarity was issued in India. Thereafter, the Center Government notified the Model Direct Selling Guidelines in 2016. Here too, Kerala was the first state to notify these Guidelines. The state also constituted a robust Monitoring Committee on the working of Direct Selling entities in Kerala.

Mr. Rajat Banerji, Chairman, IDSA, said, "Kerala continues to be a key market for the direct selling industry. Despite comprehensive lockdowns, the growth in direct sellers joining the industry demonstrates that direct selling appears as an alternate source of livelihood during the COVID-19 epidemic. Direct Selling has provided sustainable self-employment and micro-entrepreneurship opportunities for nearly 80 lakh Indians and has demonstrated consistent and sustained growth with a CAGR of 15.7 percent over the period of last four financial years. Despite the COVID pandemic in 2020, the industry has shown resilience and sustainability. The 18 member-companies of IDSA can confidently lay claim to successfully protecting consumer interests as well as those of the 1.7 lakh direct sellers in Kerala," adds Banerji.

About IDSA:

The Indian Direct Selling Association 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 the Direct Selling Industry in India. IDSA strives to create and further an environment conducive to the growth of the direct selling industry in India, partnering with industry and government alike through advisory and consultative activities. IDSA catalyses change by working closely with the government on policy issues, enhancing efficiency and ushering desired credibility, clarity & confidence in Direct Selling.

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