





VOLUME VIII





Leader of the Month

Rahul Shanker COO, Modicare Ltd.

n a candid dialogue with IDSA, Mr. Rahul Shanker, Chief Operating Officer (COO), spoke about Modicare, being one of the most exciting Direct Selling entities in India. "Direct Selling has indeed become a terrific career option for both men & women alike. However, the channel is tailored to suit the needs of women even more – flexible hours of work based on one's convenience so that one can balance work & home & still contribute effectively to the household income; opportunity to train/interact/address large groups of people & hence building one's self-confidence; self-identity & hence feeling of empowerment, etc.

Mr. Shanker also shared his words of motivation for the Direct Sellers, adding, "We believe we are a single product company & that product is called 'Azadi' – not just financial freedom but freedom to realize whatever one dreams for. This concept of Azadi (freedom) is core to our philosophy. We offer a unique combination of great quality products at very affordable prices on one hand & the best possible incentive payout in the industry built into our compensation plan called 'Samir Modi Azadi Plan'. We have thousands of Azadi champions amongst our

consultants who have realized this & are enjoying their lives by 'Living the Modiway'. Training is one of our key pillars of the business & we have as many as 1200-1500 company-operated training meetings each month. We also have digitally supported training modules."

When asked about the initiative taken by Modicare in order to attract more consumers, he informed "For us, our brand ambassadors are our consultants (direct sellers). We equip them with a lot of product knowledge through our training interventions & digital support. We actively use Facebook & Instagram to engage with our consultants & enable them to

reach out to their consumers with the right information about our products. Fact that we give 100% satisfaction guarantee helps them to get the consumers to try our products."

Mr. Shanker informed IDSA about the introduction of new products in the Modicare line. "To add to our 400 plus products line-up, we have recently launched a fashion jewellery brand called 'Amoli' & a vaping brand called 'Verge'. We are ready to launch Indian spices at affordable prices under brand 'Soul Flavours'. We have also just introduced imported premium skincare in India under brand 'Urban Color'. There is more exciting news to follow in the coming months."

Modicare has been doubling its business each year and millions, mostly youth, have become part of this 'Azadi Revolution'.

IDSA Delegation Meeting State & Central Government Officials

On **7**th **January, 2019** IDSA delegation had a dialogue with Ms. S. Madumathi, IAS, Commissioner and Ms. K. Tamilselvi, Joint Commissioner in the Department of Civil Supplies and Consumer Protection. They discussed about IDSA's proposal to be a part of 'Monitoring Committee' under Clause 9 of State Direct Selling Guidelines. The Direct Selling delegation highlighted the important role IDSA played in formulation of the Central. The delegation also advocated for IDSA to be a part of the State Monitoring Committee formed by the Civil Supplies & Consumer Protection Department. Ms. Madhumathi, agreed to the proposal and directed her Department officials to include IDSA in the committee. She informed the delegation that a formal letter, including IDSA as a member, will be sent shortly. She further informed that the day of the first meeting will be announced around the 3rd week of January, with the expected date of the first committee meeting, being sometime in the last week of January 2019.



- IDSA delegation visited Gujarat on 25th January 2019 to discuss about IDSA's request to Finance Department to amend the Prize Chits & Money Circulation Schemes (Banning) Gujarat Rules by bringing an 'Addendum' as proposed by IDSA. The delegation met with Mr. Arvind Agarwal, Additional Chief Secretary, Mr. Milind Torawane, Secretary, Expenditure, Mr. Abhishek Kumar Sinha, Director (Institutional Finance) & Ex Officio Joint Secretary and Mr. H L Madhiya, Law Officer, Department of Law. IDSA delegation informed that IDSA has been in dialogue with the Finance Department for past one year, having already submitted a formal representation that definition of Pyramid and clauses 4 and 5 of the aforesaid State Rules may get mis-read or misinterpreted, affecting the business of Direct Selling. And that there is a need to make suitable changes in the aforesaid state Rules by way of an Addendum. IDSA also highlighted that while there is 'no' entry or registration fee in Direct Selling, whereas the subscribers are required to pay a hefty sum of money as entry fee to subscribe to a 'Pyramid Scheme'. We also informed that IDSA has submitted a detailed document on differences between Direct Selling and Pyramid Schemes. Mr. Agarwal, asked for reports from the Home Department and the concerns they have raised and assured that entities that companies that are doing legitimate business and abiding by the law, will not be harassed.
- A meeting was scheduled on 25th January 2019 with Mr. Brajesh Kumar Jha, Secretary to discuss about IDSA's request to amend the Prize Chits & Money Circulation Schemes (Banning) Gujarat Rules by bringing an 'Addendum' as proposed by IDSA, the file for which is awaiting a review and feedback from Home Department. The delegation requested the Mr. Jha to consider bringing amendments in the aforesaid Rules as proposed by IDSA and we requested for his support and guidance. Mr. Jha told us that he is not aware of the points that has been objected but he requested us to meet the DGP (EOW) Mr. Ashish Bhatia, as he had raised some issues related to these guidelines. We were told that the file contains certain observations, which needs further reviews.



O The first meeting of the State Monitoring Committee formed by the Department of Civil Supplies & Consumer protection, Government of Tamil Nadu was held at the Commissioner's office on 30th January 2019. The meeting was chaired by the Commissioner of Civil Supplies and Consumer Protection, Ms. S Madumathi, (IAS). The Commissioner wanted to know the difference between Direct Selling and conventional. Ms. Madumathi also wanted to know the role IDSA plays as an association and name of their member companies. IDSA delegation gave a brief presentation which was appreciated by the members present in the room. The Commissioner appreciated IDSA's functioning but was concerned about the companies which are not a member of IDSA and how to control the activities of such companies who are into fraudulent businesses. One of the agenda items was to discuss registration of Direct Selling Entities. However, since the Industry Department could not join the meeting, there was no discussion on this.



Communication; the most humane thing

uman body is beautifully designed to communicate in the most natural way. Man is probably the only living species that has a variety of option in verbal and non-verbal communication mode, making us a very special species. Communication plays a very vital role in one's day to day living. With eras changing at rapid speed, the human being has made the best use of communication in order to benefit the mankind. Such is the importance of it, that people are making business and career out of communication.

Out of such career options one is Direct Selling, where communication plays 'the' most important role in business building. The business model of Direct Selling is such, that it requires continuous communication with friends, family and peer groups. By sheer inter-personal skills, one can build a team of successful sellers, driving the group towards growth.

Women being the most natural communicators and hence have done outstandingly well in the business of Direct Selling, that offers them ample opportunities. Social norms and practices in the Indian society, provides a perfect opportunity for women of all social strata, the chance to try, and with the right support, excel in direct selling. For women, their communication skills have made a world-of-difference' in the Direct Selling Industry and proven to be a definite boon. Their natural knack of 'networking' brings the desired results in Direct Selling, thanks to the convincing 'communication' skills of women.

However, Indian men are not far behind than their counterparts; they have been able evolve themselves to the level of convincing, like women. They say the numbers do not lie! Today, the share of men in the Direct Selling industry has reached to 47% (IDSA Annual Survey 2016-17), confirming the fact that men too have made the best use of the opportunity provided by the Direct Selling industry by sheer use of their communication skills. Effective communication builds the trust that is vital for sky rocketing in the Direct Selling Industry. After all, direct sellers deal in daily use products like soaps, detergents, shampoos, dietary supplements and cosmetics!

The industry players too understand the importance of effective communication skills. That is why all Direct Selling entities run extensive training sessions with major emphasis on improving and sharpening of inter-personal skills. Improvisation and art to convince are some other aspects that impart to the Direct Sellers in these training sessions.

Direct Selling provides an opportunity to brush an individual's skills in order to help them succeed in their future endeavours. This industry strongly believes in the Skill India movement and has helped change millions of lives in the country. Direct selling is not only a method of earning money, it also provides extra measures that can help any individual to grow personally as well.





Seema R. Vishal Director, PM International India

Learner for 'Life'; that's how Seema R. Vishal - Director and Head of Office, PM International India would like to introduce herself as. Seema comes with a rich experience of more than 16 years in leading Direct Selling companies in India. A science graduate, she started her career with Whirpool India in the service department. Since then she has worked across verticals like Operations, Systems and Service Delivery to name a few.



She has successfully pioneered the launch of two Direct Selling companies in India and has a rich experience in start-up projects.

A women-empowerment enthusiast, Seema has a strong belief about women making a positive impact through sheer hard-work and persistence, something that is evidently witnessed from the success of women around the world. "Direct Selling Industry provides just the ideal platform for women to understand and further utilize their true potential, by empowering them to manage work life balance. Today, the Industry is backed, run and being managed primarily by women, who have come out with flying colours. The Industry has gained tremendously from the success of such women entrepreneurs," said Seema.

Seema believes that every woman has the power to become one of the top professionals in the country. All they need is to be accepted, encouraged and given just the 'Equal Opportunity', in order to assist them towards the right path and the results will be there to be seen.

Seema has been pioneering the Indian subsidiary for PM International since the prelaunch days in 2015. PM-International was founded in 1993 by the executive chairman of the board Mr. Rolf Sorg, having presence in over 35 countries and annual turnover of \$833 million has its global headquarters in Luxembourg, PM-International is committed towards making the world a better place beyond its day-to-day business. With a country like India, where the manpower is at its peak, PM International wants the PM opportunity and products to reach its audience and help people to move forward towards a Healthy and Wealthy Future.

A go getter with a never say die attitude towards life, she strongly believes that the Direct selling industry with 60% women workforce is a game changing platform for young women towards financial freedom and self-development in India in the years to come.

DS Guidelines: A game changer of a 'kind'

Rules and Regulations pave the way for systematic and organized functioning of company. Rules/Regulations further define how a business is expected to function. At the same time, they also underline in clear terms what the company would face in case of any default. Some rules might turn into a hassle, but the output of such hard rules only turn into profits for any entity in the future.

The Direct Selling Industry, in the past has struggled for recognition due to lack of specific regulations that would assist in boosting their business. In 2016, Department of Consumer Affairs, Government of India had notified Direct Selling Gazette that has helped turn the Direct Selling industry's world towards the right path.

The Direct Selling Guidelines have successfully changed course of the business for Direct Selling entities. These guidelines offer a clear sense of working model for everyone, either involved into direct selling or are planning to get involved. There are a few factors that grab the attention of an individual towards this industry.

The Guidelines provide a clear definition to Direct Selling and the fraudulent that occur in the name of Direct Selling. It offers a safe guard for the consumers to rely on, from the Pyramid and Ponzi Schemes running in the country. The guidelines were framed in order to save the consumers time and efforts being poured out in to a scam. Not satisfied with the product? Return it back, even when the bottle is half. A buy back policy enables the consumer to return any product, if not satisfied under 30 days of the purchase being made. Along with this, the guidelines assist in managing the complaints of the consumer in an organised manner by guiding the Direct Selling companies towards the dos and don'ts of the procedure.

Over the years, the Direct Selling Industry has been facing a tough timedue to the challenges posed by the Pyramid schemes who operate under the disguise of Direct Selling, hence bringing the legitimate players under bad light. However, the Direct Selling Guidelines have drawn a line between Direct Selling and Pyramid Schemes by defining both, bringing much needed definitional clarity for the Direct Selling business.

These Guidelines have further been notified in 11 states over the last year and a half, making a world of difference for the Industry. Direct Selling business has witnessed an upward swing in all the states that have notified these Guidelines. Also, these Guidelines have brought a cheer for millions of Direct Sellers across the country who have relentlessly worked towards strengthening the industry.

It would be apt to say that the Direct Selling Guidelines has proved to be a game changer for the dynamic Direct Selling Industry!



"IDSA: 2nd General Body Meeting 2019"











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