No. L-21/1/2022-ICDS [E-27421] Government of India Ministry of Consumer Affairs, Food & Public Distribution Department of Consumer Affairs

Krishi Bhawan, New Delhi The 11th April, 2022

To

- The General Secretary, Indian Direct Selling Associations, 504, Manisha Building, 75-76, Nehru Place, New Delhi -110019.
- The General Secretary,
 Federation of Indian Direct Selling Industries (FIDSI),
 411, New Delhi House, 27, Barakhamba Road,
 Connaught Place, New Delhi 110001.
 - The Assistant Secretary General & Head Retail FMCG, Federation of Indian Chamber of Commerce & Industry (FICCI), Federation House, Tansen Marg, New Delhi – 110001.
 - The General Secretary, Federation of Direct selling association (FDSA), Sunview Apartment, Flat no 284, Pocket 4, Sector 11, Dwarka, New Delhi – 110075.

Subject:- Compliance with the provisions of the Consumer Protection(Direct Selling) Rules, 2021 - regarding.

Sir/Madam,

I am directed to enclose herewith a letter of even number dated 4th April, 2022 on the captioned subject for information and further necessary action.

Encl: As above.

Yours faithfully,

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(Jayashree Narayanan) Under Secretary to the Government of India

Copy to:

- 1. The Project Director, National Consumer Helpline, Indian Institute of Public Administration (IIPA), Indraprastha Estate, Ring Road, Mahatma Gandhi Marg, Vikram Nagar, New Delhi 110002
- 2. The Technical Director, NIC Unit, DoCA with the request to upload the enclosed letter on the website of Department of Consumer Affairs.

No. L-21/1/2022-ICDS [E-27421]
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Consumer Affairs

Krishi Bhawan, New Delhi The 4 April, 2022

To

The Director,
All the Direct Selling Entities

Subject:- Compliance with the provisions of the Consumer Protection(Direct Selling) Rules, 2021 - regarding.

Sir/Madam,

You may be aware that the Consumer Protection (Direct Selling) Rules, 2021 have been notified on 28.12.2021 under the provisions of the Consumer Protection Act, 2019. The Consumer Protection(Direct Selling) Rules, 2021 intendedly envisage to provide self-regulatory ecosystem for direct selling sector. Rule 4, 5 & 7 of these rules broadly provide for mandatory maintenance of records by a direct selling entity, obligations of a direct selling entity and duties of a direct selling entity respectively. These rules don't provide for distinct registration in respect of a direct selling entity except as mandated in clause (a) of sub-rule (1) of rule 5 of the CP(DS) Rules, 2021.

- 2. Department of Consumer Affairs has, however, been receiving declarations/undertakings from several direct selling entities purportedly under the Consumer Protection(Direct Selling) Rules, 2021, though such submissions are not mandated by these rules.
- 3. In so far as consumers are concerned, sub-rule (17) of rule 5 of the CP(DS) Rules, 2021 stipulates that every direct selling entity shall become a partner in the convergence process of the National Consumer Helpline of the Central Government so as to facilitate redressal of consumer grievances.
- 4. All the Direct Selling Entities are, therefore, sensitized about the above dispensation for the time being in force and advised to become convergence partner with the National Consumer Helpline being run by this Department.
- 5. The declarations/undertakings that have so far been received in this Department shall be deemed to have been withdrawn.
- 6. This issues with the approval of the competent authority.

Yours faithfully,

(Jayashree Narayanan)

Under Secretary to the Government of India