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The centre regulating direct selling, under consumer protection act is a welcome step for healthy economy.
Discuss.

The centre notified the consumer protection rules ~~under~~ direct selling to streamline the market. Direct selling globally generated \$179 billion and played a key role during pandemic providing healthcare and sanitary products.

Advantages of the regulation

The rules ban the pyramid and ponzi schemes which ^{falsely} offer high returns on investment. It will now institute the credibility of the manufacturer, as the direct sellers meet the end user directly rather in a pyramid.

The rules also make the direct selling company to be liable for grievance redressal.

The consumers can now contact with the producer in case of any grievances.

The new rules are to be complied by both direct sellers and entities using e-commerce. This will create a level playing field and avoid monopoly.

The state governments are to now monitor the direct selling companies. This could even generate business for small and genuine players of the industry.

Nodal officers have to be appointed to ~~monitor~~ ensure the compliance with the act.

Way forward

The direct selling industry provides livelihood to more than 70 lakh people and 50% being women. The new rules could attract new investments and startups up to the sector with government support.