

Direct selling echoes its contribution in making the Uttar Pradesh \$ one trillion economy



Lucknow : The direct selling industry, having core strength in creating self-employment and skill development opportunities with socio-economic growth at the grass-roots level, just in line with the roadmap set by the Uttar Pradesh government, is all set to contribute its mighty share to making the state a one trillion dollar economy by 2027, the Indian Direct Selling Association (IDSA) disclosed in a function organised here on Wednesday. The industry also provides a platform for individuals, local artisans, and small businesses to connect directly with consumers, particularly in the rural areas of the country, the association said.

According to the IDSA, the industry, based on the year 2021–22, continued to be the top direct selling market in the Northern region with a business of over Rs 1926 crore, the third highest after Maharashtra and West Bengal at the top two places, respectively. The industry provided self-employment to over 17.1 lakh micro-entrepreneurs, with 7.52 lakh of them being women in the state, and is poised to cross Rs 2300 crore in business in the current fiscal year with a CAGR of over 8.2 percent.

The industry, while contributing to the state exchequer about 290 crore by way of taxes, also has over 10% share in the overall national sales, which stood at over Rs 19,030 crore, the IDSA says.

Ashish Patel, Minister for Consumer Protection, Uttar Pradesh, in his address, appreciated the industry for its role in the development of the country and the state as well. He, while inviting the industry to invest in setting up its production and warehousing facilities, also assured all support from the state government. He also assured the IDSA that the state government will expedite the process of constituting the Monitoring Committee as envisaged in the Consumer Protection (Direct Selling) Rules 2021.

Vivek Katoch, Chairman, IDSA, said, "Uttar Pradesh continues to be among the key and priority markets for the direct selling industry. The growth figures clearly reflect that the direct selling industry in the state is poised for new horizons. It reaffirms the relentless hard work of direct sellers for taking the industry to new heights in the state."

The industry has provided sustainable self-employment and micro-entrepreneurship opportunities for nearly 84 lakh Indians and has demonstrated consistent and sustained growth with a CAGR of approximately 13 percent over the period of the last four years. The 19 member companies of IDSA can confidently lay claim to successfully protecting consumer interests as well as those of over 17.1 lakh direct sellers in the state, adds Katoch.

He said the Ministry of Consumer Affairs, Govt. of India, through the Consumer Protection (Direct Selling) Rules 2021, has brought regulatory clarity to the operations of the direct selling entities and to protect consumers. So far, eight states have set up monitoring committees in their respective states in compliance with the provisions of the Rules. Other states, including Uttar Pradesh, are also following suit.

On this occasion, about 20 women entrepreneurs who have excelled in various fields, including the direct selling industry, were also honoured.

Harish Pant, Vice Chairman, and Aprajita Sarcar, Treasurer, IDSA, were among the other dignitaries present on the occasion.