



## **FSSAI orders registration of direct sellers with identity certificates**

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In a major relief to direct selling food business operators (FSOs), FSSAI has issued an order stating that the registration of direct sellers be done by registration authorities along with personal identity proofs and identity certificates by direct selling entities (DSEs).

It added, "To facilitate the quick registration of bulk direct sellers, it will also enable DSEs to get bulk registration of their direct sellers centrally, using the facilities of common service centres (CSCs).

Welcoming the move, Vivek Katoch, chairman, Indian Direct Selling Association (IDSA), said, "We would like to thank FSSAI for simplifying the FBO registration process. The continuous guidance and support has resulted in a vast number of pending issues being sorted out, including that of simplification of the FBO registration process."

"This is a very positive step towards ease of doing business in the country. Not only will the move streamline the registration process, but would also ensure compliance of food safety norms by the direct selling industry," he added.

"IDSA has been working closely with the regulatory compliance team at FSSAI, and had sent many representations to simplify the FBO registration process in the interest of ease of doing business," Katoch stated.

Direct sellers are the one who do not have premises or storage facilities. Direct selling agents are attached to these DSEs, which are responsible for the safe storage and transportation of food products. However, these direct sellers find it difficult to obtain registration as sellers from the registering authority.

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FSSAI has been receiving various representations from many direct seller FBOs and their associations, conveying the difficulties faced by them in getting their businesses registered under the Food Safety and Standards Act, 2006.

Thus, considering that direct sellers are mobile and do not have any premises, the apex regulator decided that the registration of such mobile direct sellers can be done by the respective registering authority on production and verification of their identity certificates or authorisations issued by, DSE along with personal identity proof like Aadhaar, PAN, EPIC, etc.

Direct selling is a non-store distribution model where the products are sold by independent distributors of companies called direct sellers. These products are sold away from fixed stores, generally at the homes or workplaces of the consumers.

Under the current FSSAI norms, the registration process is cumbersome particularly for direct sellers who earn commissions and retail margin from the sale of products, majorly food and health supplements.

“The majority of IDSA member companies deals in food and nutritional supplements. Most of these companies follow the international food safety norms. In India, these companies are regulated by the FSSAI, the country’s apex food safety regulator,” said Katoch.

These direct sellers face difficulties in getting registrations due to different procedures and documentary requirements being adopted by different states’ registering authorities. The time-consuming process often deters the direct sellers some of whom even discontinue direct selling.

FSSAI has issued this circular to the food safety commissioners of all states and Union Territories (UTs), informing them about the simplification of the FBO registration process.

Katoch said, “As per the IDSA-PHD survey for financial year (FY) 2015-16, direct selling is an industry worth Rs 8,300 crore and is estimated to reach up to Rs 25,000 crore by 2024-25.”

“In the past eight years, the industry has shown a compound annual growth rate (CAGR) of

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12.13 per cent as per the IDSA-PHD Survey 2015-16,” he added.

“Food and nutritional products giants like Amway, Herbalife, Vestige Marketing and Modicare are members of IDSA,” Katich informed.

“While Oriflame and Avon deal mainly in cosmetics, Tupperware is one of the biggest names in the plastic molded containers segment,” he added.