

**MONITORING MECHANISM FOR IMPLEMENTATION OF CONSUMER
PROTECTION (DIRECT SELLING) RULES, 2021**

This mechanism is framed under rule 11 of the **Consumer Protection (Direct Selling) Rules, 2021** to monitor and/or supervise the activities of Direct Sellers and Direct Selling entities and to do all acts and deeds connected therewith and/or incidental thereto.

1. Composition of Monitoring Authority:

A) The Monitoring Authority shall consist of: -

1. The Additional Chief Secretary/ Principal Secretary/ Secretary, Department of Consumer Affairs as the **Chairman;**
2. Senior Special Secretary or Special Secretary or Additional Secretary of the Consumer Affairs Department- as **Member;**
3. Representative of Additional Chief Secretary/ Principal Secretary/ Secretary, Finance Department, not below the rank of Joint Secretary- as **Member;**
4. Representative from Home Department, not below the rank of Joint Secretary- as **Member;**
5. Controller of Legal Metrology, West Bengal – as **Member;**
6. Director of Consumer Affairs & Fair Business Practices Directorate- as **Member-Convener;**
7. Registrar, State Consumer Dispute Redressal Commission, West Bengal;

B) The Monitoring Authority shall meet in every three months in a year at such places as may be notified, from time to time, by the Member-Convener.

2. Duties of the Monitoring Authority:

- i) Provide facilities for the enrolment of Direct Selling Entities for carrying out their Direct Selling/Multi-Level marketing business **carried on** in the State of West Bengal;

ii) Provide appropriate platform for receiving complaints from the Consumers/Direct Sellers including general public against violation of provisions of Consumer Protection Act and rules made thereunder, Legal Metrology Act and rules made thereunder and other applicable Acts and rules, by the Direct Selling Entities and direct sellers;

iii) Inform concerned enforcement authorities regarding infraction/violation of provisions of Consumer Protection Act and rules made thereunder, Legal Metrology Act and rules made thereunder and other applicable Acts and rules, if any, carried out by direct selling entities/direct sellers as noticed or brought to the notice of the Monitoring Authority;

iv) Maintain data base of all the Direct Selling Entities and its Direct Seller, address/es of office/s, contact details of authorised persons, product details, in such form as may be considered apt, including the data base of all black-listed entity. The data base will be shared and verified with the Registering Authorities concerned.

3. Enrolment formalities for carrying out the Direct Selling/Multi Level Marketing business in the State of West Bengal:

A. No Direct Selling Entity or direct seller shall engage in Direct Selling or Multi-Level Marketing business in the State of West Bengal unless such direct selling entity has enrolled with the Monitoring Authority by filing an application in the format given at annexure appended herein below.

B. The application for such enrolment shall contain/supported by the following particulars/enclosures:

I) An application for enrolment shall be filed by the Entity with the Department of Consumer Affairs, Government of West Bengal along with the following documents:

- i) Certificate of Registration;
- ii) Memorandum of Association and Article of Association;
- iii) List of Board of Directors, with contact details;
- iv) Brief details of direct selling scheme and compensation plan;
- v) Sample of contract with direct sellers/distributors;
- vi) Submit Declaration as per Annexure I attached herewith;

II. Place of office with contact number within the State of West Bengal for ensuring easy access to the Direct Sellers /Consumers;

III. Authorized contact person/s and details within the State of West Bengal;

IV. Such other documents as may be prescribed by the Consumer Protection (Direct Selling) Rules, 2020 or any Govt. orders or directions;

V. Such other information or documents as may be requisitioned for, by the Monitoring Authority

C. The purpose of enrolment is to enable the Monitoring Authority to carry out its objectives as provided in the Consumer Protection (Direct Selling) Rules, 2020, in an effective manner.

4. Power of the Monitoring authority:

The Monitoring authority shall be invested with the following powers:-

- a. To cause enquiry and investigation into any complaint received by it or suo moto.
- b. Enter or cause to enter into any office /branch office of Direct Selling Entity.

- c. Apprise concerned authority regarding violation of provisions of Consumer Protection Act and rules made thereunder or violation of any other law which has come to its notice and request to take appropriate action.
- d. Accept complaint from direct sellers or aggrieved persons.

5. Action against violation of Consumer Protection (Direct Selling) Rules:

- i) The Monitoring Authority shall, either upon receiving any information or suo-motu regarding violation of any provision of Consumer Protection Act and rules made thereunder, Legal Metrology Act and rules made thereunder and other applicable Acts and rules, forward the same to the Central Consumer Protection Authority or Directorate of Legal Metrology, as the case may be, for causing necessary enquiry, investigation and action.
- ii) In addition to the above, the Monitoring Authority may also request the State or Centre to initiate consumer case before appropriate Commission having jurisdiction.
- iii) The Monitoring authority may, before forwarding the information to the concerned authority for taking appropriate action, call the Direct Selling Entity or its authorised person seeking explanation or clarification about the information received by it.

6. Miscellaneous

The Direct Selling Entities and the Direct Sellers shall conduct their business in strict compliance of Consumer Protection Act and rules made thereunder, Legal Metrology Act and rules made thereunder and other applicable Acts and rules.

Annexure I**DECLARATION**

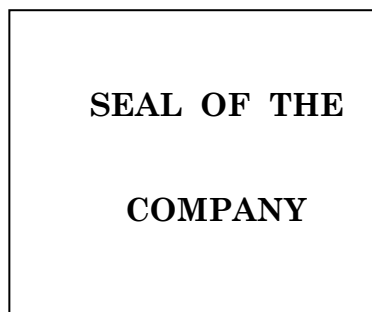
I / We, the(Designation) of the company / firm do hereby declare and affirm as follows:

(a) I/We neither promote a Pyramid Scheme money circulation scheme as mentioned in Consumer Protection (Direct Selling) Rules, 2021 nor enrolled any person to such scheme nor participated in such arrangement in any manner whatsoever in the garb of doing Direct Selling business.

(b) I/We am/are compliant and will always remain complaint with all the acts, rules, bye-laws, orders, notifications, schemes and/or circulars as may be notified by the Department of Consumers, Ministry of Consumer Affairs, Food and Public Distribution, Government of India or by the Department of Consumer Affairs, Government of West Bengal, from time to time.

(c) I/We undertake not to do act, thing or deed which may be in contravention to any other Acts/laws for the time being in force.

Place:



Sd/-

Date:

Name.....

Designation.....

Tel No.....

E-mail:.....

