

Date: June 15, 2020

Daily Visitors: 3,85,465

Link: <https://www.financialexpress.com/industry/aatmanirbhar-bharat-direct-selling-may-be-dark-horse-to-reboot-economy-heres-how/1991822/>

Aatmanirbhar Bharat: Direct selling may be dark horse to reboot economy; here's how

With Covid-19 India faces multidimensional challenges, starting from containing the spread of the virus to decline in industrial growth, rise in job losses and diminishing consumer demand.



As everyone continues to remain circumspect, Prime Minister **Narendra Modi's** mantra of becoming Aatmanirbhar (Self-Reliant) by being "vocal for local" may be the solution.

• **Gautam Bali**

With Covid-19 India faces multidimensional challenges, starting from containing the spread of the virus to decline in industrial growth, rise in job losses and diminishing consumer demand. The Index of Industrial Production (IIP) number released on Friday shows that the situation continues to be grim. Similarly, the Centre for Monitoring Indian Economy (CMIE) data shows that over 60 million individuals in their 20s and 30s lost jobs in April alone.

The decline in IIP and job numbers have compounded the crisis and has therefore, probably led the States to cautiously lift the lockdown. As everyone continues to remain circumspect, Prime Minister Narendra Modi's mantra of becoming Aatmanirbhar (Self-Reliant) by being "vocal for local" may be the solution. This will not only promote local manufacturing but will also create an eco-system wherein the population at large gets a sense of ownership and social security in terms of livelihood.

The Direct Selling industry already follows the principle of being Aatmanirbhar. It could provide the solutions for rebooting the economy in multiple ways. First, the Direct Selling industry already employs close to six million people and the good news is that they have not lost their jobs as they are already Aatmanirbhar.

Second, these six million people are also doing their bit to boost demand, while making

sure that the supplies are not interrupted. This is largely because more than 60 percent of the product portfolio falls under the health, hygiene and wellness category. These products, which help boost immunity and maintain overall health and hygiene, are akin to essential goods in a Covid-19 or a similar situation. The proof point – while demand for other products are witnessing a slump, the demand for health and wellness products are growing in double-digits. For example, Noni, Amla capsules and Aloe Vera and many such locally sourced products are ideal for boosting immunity.

The over two billion dollars direct selling industry has the required firepower to address the problems in these difficult times. Homegrown firms in this segment, have integrated the supply chain segment by building significant manufacturing capabilities in India. This is perfectly in line with the PM's vision of the Aatmanirbhar Bharat Abhiyan.

Also, the direct selling industry definitely has the capacity to employ a large section of India's youth. As the jobs in the industry neither require high educational qualifications nor seed capital investments, about 800-900 youth join the sector every day. Additionally, in keeping with the spirit of Aatmanirbharta, the Direct Selling Industry has been working as a massive training-ground for India's micro-entrepreneurs by upskilling newcomers under various schemes of the Ministry of Skill Development and Entrepreneurship.

The industry has matured over the years. Today it is much more organized. It has a robust supply chain framework and a diverse product range. Most importantly, the sector can offer a lucrative and secure livelihood option for the youth. The direct selling industry could well be a key solution to one of the biggest concerns that India is facing right now. The government is doing its bit to flatten the Covid-19 curve and also to reboot the economy.

The direct selling industry may well be the Dark Horse that comes to the rescue in this situation to create a sustainable self-reliant tomorrow. In the aftermath of the job losses due to Covid-19 and the consequent lockdown, the youth is likely to be low in self-confidence and anxious about their future. In this situation, the direct selling industry, which already provides sustainable livelihood to an impressive number of 6 million Indians may hold the key. The industry has a robust ecosystem for induction and training. It provides an avenue for semi-skilled people, including women and those from small towns, to be gainfully employed with the least risk of job loss. The direct selling industry could an ideal solution to deliver on the Aatmanirbhar Bharat Abhiyan in all key aspects – local manufacturing and creating opportunities for local supply-chains. Ultimately, the youth suddenly hit hard by the Covid-19 crisis need to reboot their lives and livelihoods and direct selling industry could provide the lifeline.

- **Gautam Bali is Managing Director, Vestige Marketing Pvt. Ltd. Views expressed are the author's own.**