

Committee Against Smuggling and Counterfeiting
Activities Destroying the Economy (CASCADE)

Chair's Message



Anil Rajput
Chairman
FICCI CASCADE

Illicit trade is undeniably one of the greatest risks globally. It has played havoc with the social and economic well-being of nations across the world. Illicit trade undermines investments, creates unequal playing field for the legitimate businesses and for some time now provides the fuel that energizes the terror machine. Many prominent terrorist organisations like the Hezbollah, Lashkar-e-Taiba, Al-Qaida, ISIS, Irish Republican Army rely on illicit trade for financing 20 per cent of their operations. In Italy, the mafia are also known to run illicit trade supply chains and at times the foreign organized crime groups manage day-to-day operations with mafia authorization and oversight. The perpetrators of the Charlie Hebdo attacks in Paris were found to have actively indulged in the illicit trade of cigarettes. The list goes on and we are racing against time to effectively counter this multi-dimensional evil force that is going from strength to strength and has total disregard for human life.

It is estimated that the total economic and social costs globally due to counterfeiting and piracy world-wide stood between USD 737 to USD 898 billion in 2013 and this is expected to go up to USD 1.54 to USD 1.87 trillion by 2022, suggesting an increase of 108 per cent. In-addition the total employment losses globally due to counterfeit and piracy stood at 2 to 2.6 million jobs in 2013 and is expected to rise to 4.2 to 5.4 million jobs in 2022, suggesting an approximate increase of 110 per cent.

To my mind, creating awareness is one of the main weapons we have at our disposal. I am happy to inform you all that over the last few months we have added thrust to our national awareness campaign against illicit trade. FICCI CASCADE has successfully organized seminars, youth and consumer sensitization programs and capacity building of the enforcement officials in Kerala, Tamil Nadu, Telangana and West Bengal.

It is heartening to see that the media is increasingly highlighting our activities. Our efforts have been recognized and supported by Shri Etela Rajender, Hon'ble Minister for Finance and Planning, Government of Telangana; Shri Sadhan Pandey, Hon'ble Minister in Charge, Consumer Affairs Department, Government of West Bengal, Shri V.S. Sunil Kumar, Minister for Agriculture, Government of Kerala along with several key policy makers and enforcement officials.

I once again request all stakeholders to join hands in strengthening our endeavour. It is my firm conviction that concerted efforts invariably go a long way in achieving the desired results.

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'FICCI CASCADE constitutes Think Tank' -Adds thrust to its national campaign against illicit trade-



Over the years, illicit trade has undeniably become one of the greatest risks globally. It has played havoc with the social and economic well-being of nations across the world. Illicit trade undermines investments, creates unequal playing field for the legitimate businesses and for some time now provides the fuel that energizes the terror machine. Many prominent terrorist organisations like the Hezbollah, Lashkar-e-Taiba, Al-Qaida, ISIS, Irish Republican Army rely on illicit trade for financing their operations.

It is estimated that the total economic and social costs globally due to counterfeiting and piracy world-wide stood between USD 737 to USD 898 billion in 2013 and this is expected to go up to USD 1.54 to USD 1.87 trillion by 2022, suggesting an increase of 108 per cent.

FICCI has been focusing on the problem of growing illicit trade and has a dedicated forum called FICCI CASCADE - Committee Against Smuggling and Counterfeiting Activities Destroying the Economy, for this cause. FICCI CASCADE is working closely with the industry, government, enforcement agencies and consumers to create awareness on how illicit trade has become a formidable threat. It has been organizing country-wide awareness generation seminars, capacity building programmes and youth-focused events with stakeholders from diverse fields. FICCI CASCADE also regularly organizes sensitization programmes for police and customs officials, border officers and the judiciary so that they have a better understanding of the enormity of the problem and can

take requisite action against economic offenders. FICCI CASCADE engages with various ministries at the national and state level and works closely with the Ministry of Consumer Affairs in their mandate to protect consumer interests against counterfeit and spurious products. Its consumer awareness campaign 'Jago-Grahak-Jago' has been a potent tool in the crusade against illicit trade.

Despite several efforts undertaken to curb illicit trade, its market continues to thrive across all industry segments. Today, India has the potential to become a global manufacturing hub. However, presence of illegal trade practices and the absence of an adequate enforcement mechanism, can act as a dampener in achieving this goal. A proactive strategy is the need of the hour to fight this serious menace to public health and safety and to the national exchequer.

In furtherance of its agenda, FICCI CASCADE has constituted a think tank comprising, eminent and experienced doyens on the subject, which will advise, direct and provide necessary inputs in formulating a strong & effective future course of action to eliminate the menace of illicit trade. With the everchanging scenario of technology, trade policies and development of the law on the subject, the Think Tank will guide and suggest inputs in mitigating this challenge arising out of illicit trade practices.

The kick off meeting of the Think Tank was held on 24th July 2018. Mr. Anil Rajput, Chairman, FICCI CASCADE stated "It is now evident that the problem of illicit trade is serious and

needs to be dealt with on a war footing. The FICCI CASCADE Think Tank will develop a road map to address the challenges and proactively work with the policy makers to devise a framework which will protect and promote legal industry in the Country.

Mr. Arun Chawla, Deputy Secretary General, said “FICCI CASCADE is a unique effort by an industry body to control the tumorous threat of illicit trading operations through its initiatives and activities. Over the years, the message we are trying to convey is that such illicit activity should not be tolerated at any cost as it is extremely harmful for the economy, damaging not only for business, but for government which loses huge taxes, and most importantly detrimental for consumers as they end up getting non-secure, unhealthy, substandard products which comes with no guarantees. Under the able guidance of the think tank members, our goal would be to advocate policy reforms and to foster international cooperation aimed at the reduction and deterrence of illicit trade”.

The constitution of the Think Tank is as follows:

1. Mr. Ajay Shankar, Former Secretary, Department of Industrial Policy and Promotion (DIPP), Govt. of India
2. Mr. Anil Sinha, Former Director, Central Bureau of Investigation
3. Mr. Hem Kumar Pande, Former Secretary, Ministry of Consumer Affairs, Food and Public Distribution
4. Ms. Kameswari Subramanian, International Expert, Customs Law, Procedures & Trade Facilitation
5. Justice Manmohan Sarin, Former Lokayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi
6. Mr. Najib Shah, Former Chairman, Central Board of Indirect Taxes and Customs
7. Mr. Narendra K Sabharwal, Chairman, FICCI IP Committee & Former Deputy Director General, WIPO
8. Mr. Neeraj Kumar, Former Commissioner, Delhi Police
9. Mr. P. K Malhotra, Former Secretary Law, Ministry of Law and Justice
10. Mr. Sanjeev Tripathi, Former Chief, Research and Analysis Wing (RAW)
11. Mr. Vikram Srivastava, Former Director General, Central Reserve Police Force
12. Mr. Anil Rajput, Chairman, FICCI CASCADE

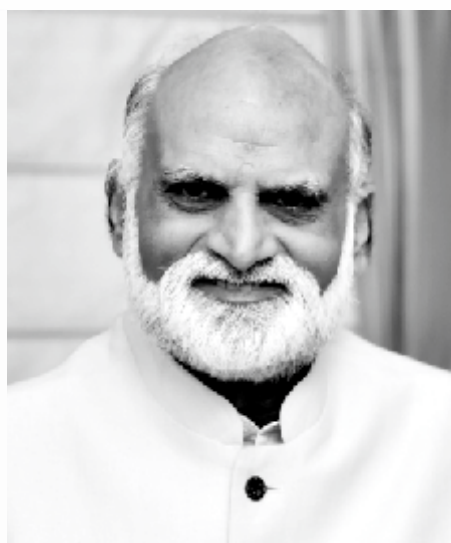


“ India to have a stronger will and commitment within the government to make this a high national priority issue which will help in eliminating this menace.”

Mr. Ajay Shankar
Former Secretary, Department of Industrial Policy and Promotion (DIPP), Government of India

“ In India, brand consciousness has created a market for illicit trade. Illicit traders make use of tax arbitrage opportunity available due to high taxes. India is a victim of smuggling; many times, counterfeit products are being smuggled into Indian market. Unfortunately, the menace of smuggling is not highlighted globally.”

Mr. Anil Rajput
Chairman, FICCI CASCADE





“ Strengthening the existing mechanism, commitment and adequate resources are required to tackle the crime of smuggling and counterfeiting. ”

Mr. Anil Sinha

Former Director, Central Bureau of Investigation

“ Counterfeiting and smuggling not only affects the Indian economy, it also affects our consumers. Hence, consumer awareness is the key to curb this growing hazard. ”

Mr. Hem Kumar Pande

Former Secretary, Ministry of Consumer Affairs
Food and Public Distribution



“ Media, trade, social environment, industry and governments have to work together to curtail the menace of smuggling and counterfeiting. ”

Ms. Kameswari Subramanian

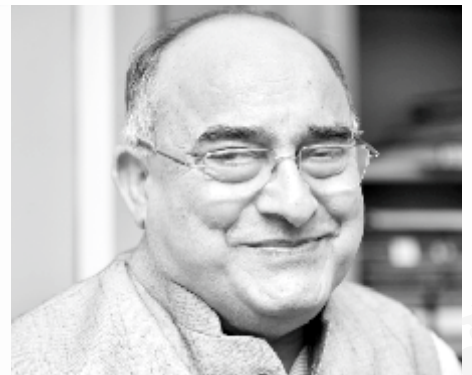
International Expert, Customs Law,
Procedures & Trade Facilitation



“ Adequate reforms, severe punishments and strengthening of laws are required to stop counterfeiting and smuggling. ”

Justice Manmohan Sarin

Former Lokayukta, NCT of Delhi, Chief Justice, High Court of
Jammu & Kashmir, Judge, High Court of Delhi



“ Smuggling and counterfeit trade damages the economy immeasurably. It can be tackled by cooperation between agencies and creating awareness amongst the public at large. ”

Mr. Najib Shah

Former Chairman, Central Board of Indirect Taxes and Customs



“ “ A fact finding study with collaboration among stakeholders is needed to assess the impact of counterfeiting, smuggling and piracy, the reasons behind and the way forward in combating this issue. ” ”

Mr. Narendra K Sabharwal
Chairman, FICCI IP Committee &
Former Deputy Director General, WIPO



“ “ Counterfeiting and smuggling in our country are eating into the vitals of our economy. It is high time that we wake up and take corrective measure to stop this menace. ” ”

Mr. Neeraj Kumar
Former Commissioner, Delhi Police



“ “ There has been a shift from law and order crimes to social and economic crimes, therefore the training of the enforcement officers must focus on it. ” ”

Mr. P. K Malhotra
Former Secretary Law, Ministry of Law and Justice



“ “ Developing a high level national security strategy to counter illicit trade and webs of corruption and criminality will act as a deterrent to illicit activities. ” ”

Mr. Sanjeev Tripathi
Former Chief, Research and Analysis Wing (RAW)



“ “ Collecting and getting intelligence from the borders is critical. Therefore, there is a need to concentrate on creating continuous awareness among the border officials on this issue. ” ”

Mr. Vikram Srivastava
Former Director General, Central Reserve Police Force



Capacity Building Programme for Police Officers Socio-Economic Impact of Counterfeiting, Smuggling and Piracy

July 27, 2018, Academy for Smart Policing, Chanakyapuri, New Delhi

Enforcement Officers joined hands with FICCI CASCADE to fight the menace of smuggling and counterfeiting

The existence and operation of illicit markets has been an enduring problem that has escalated in scope and magnitude, impacting industries, consumers, government and economies as a whole. In fact, it is today one of the biggest challenges faced by Indian industry, impacting 'Brand India' globally. Intellectual property rights incentivize innovation and creativity, which strengthen the economic growth of a nation. Enforcement agencies such as the police play a pivotal role in protection of these rights. There are adequate laws available to tackle such crimes, but their adequate enforcement makes the role of enforcement officers extremely important to fight against counterfeiters and smugglers.

FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy [CASCADE] in its endeavor to fight the twin menace has over the years been sensitizing the country's enforcement agencies on this issue, equipping them to understand and take requisite action against the various economic offenders. Keeping the above in view, FICCI CASCADE organised a training programme for Delhi police officials at the Academy for Smart Policing in New Delhi, on 27th July 2018. A key objective of the program was to sensitize the officials on seriousness of the socio-economic impact of counterfeited and smuggled goods, in terms of the huge revenue losses to the government and industry as well as the significant health & safety consequences faced by consumers and the society at large.

Mr. Vivek Gogia, Special Commissioner of Delhi Police-Training, who inaugurated the programme, referred to the various studies which disclosed how rampant counterfeiting and smuggling were in medicines, cigarettes and drugs, and why partnerships among stakeholders were vital in addressing the problem. He also spoke on how the menace of illicit trade was funding organized crime, elaborating further on how protection of IP rights played a key role in the growth of an economy, on the profit and survival of business and industry, generation of employment. Congratulating FICCI CASCADE on the useful initiative to sensitizing police officers on this very pertinent issue, he urged the participating officers to take advantage of the presence of the various subject-experts during their subsequent interactions, stressing that "Police must protect the image of our country as a good enforcer of laws".

During the ensuing sessions, the police officers were apprised on the counterfeiting and smuggling trends witnessed in various products, percentages of illicit products sold in open markets and the revenue losses incurred by Government. Mr. Deep Chand, Advisor FICCI CASCADE and former Special Commissioner of Delhi Police, spoke on the alarming occurrence of counterfeit products in various markets and its impact on the socio-economic growth of the



nation. He informed that FICCI CASCADE reports estimates had put the total loss to Indian government because of illicit markets in just seven manufacturing sectors at Rs. 39,239 crores, while the estimated loss to industry was Rs. 1,05,381 crores, an increase of 44.4% in only two years, adding further that this loss was just the tip of the iceberg. The grey market economy is fueling illegitimate industry and leading to increased criminalization of the society in the form of organized crime, including terrorism. Global studies have indicated that criminal syndicates all over the world have taken to counterfeiting and smuggling to fund their nefarious activities, making our society not only unsafe but also significantly adding to the enforcement costs.

The training programme provided a useful platform for the exchange of ideas and experiences in the enforcement of laws and practices while dealing with counterfeiters and smugglers. The ensuing speakers deliberated on the various aspects that a police officer needed to keep in mind while investigating cases of illicit trading, including: legal provisions relating to economic offences, penalties imposable for counterfeiting and smuggling; cases of international best practices in fighting counterfeiting and other forms of illicit trade and practical aspects of investigation of IP and related economic crimes.



The technical sessions were followed by an Interactive-Session of the police officials with industry representatives. Industry members highlighted the on-ground practical issues which they faced with regards to the availability of spurious goods and discussed collaborative actions needed with enforcement agencies to counter this menace. Prototypes of fake and smuggled goods available in the markets were also displayed and discussed with the officers.

Among the speakers who discussed the wide-ranging concerns on this issue with the participating police officials were: Dr. Alka Chawla, Associate Professor, Faculty of Law, University of Delhi and Advisor, FICCI Intellectual Property Education Centre; Ms. Shilpi Jha, Senior Legal Counsel for Intellectual Property - South Asia, Embassy of the United States of America; Mr. Vikrant Rana, Managing Partner, S.S Rana & CO, Ms. Swati Mujumdar, Regional Legal Manager - North, Hindustan Unilever Ltd.; Ms. Lohita Sujith, Director, Corporate Communications, Motion Pictures Association, India and Mr. Sanjay Kaushik, Managing Director, Netrika Consulting and Investigations Ltd.

The workshop proved helpful not only in updating the police officers on the relevant laws and procedures to be followed while dealing with the cases related to smuggling and counterfeiting, but also in sensitizing them on the need to extend increased priority in tackling the illicit trade menace in view of its significant adverse socio-economic impact on the country. During 2018-19, FICCI-CASCADE proposes to hold more such workshops across the country in briefing enforcement agencies on procedural and enforcement issues while tackling illicit trading activities.

ILLICIT TRADE: AN ECONOMIC CALAMITY

A report on FICCI CASCADE's initiative in Bhopal



In the modern economic era, where rapid changes and technological advancements accelerate international trade and lead to fragmentation of the global supply chains, there is the need to maintain a right balance between trade facilitation and law enforcement. Due to this advancement and expansion, it has been witnessed that the geographic scope, capacity and range of illegally traded goods have increased manifold over the years. Illicit trade including counterfeiting and smuggling threaten economies, communities and society as a whole.

In order to discuss this rampant threat of this illegal trade, FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) organized a seminar on 'Combating Counterfeiting and Smuggling –

An Imperative to Accelerate Economic Development' in Bhopal on 26 September 2018. The event was followed by a Candle Light Congregation on 27 September 2018 on the issue with the students of Vellore Institute of Technology. The objective to educate them on the hazards posed by counterfeiting and smuggling activities, besides urging them to join the campaign against the menace of illicit trade.

Justice N. K. Jain, Retired Judge of MP High Court and Chairman, Madhya Pradesh State Consumer Redressal Commission, The Chief Guest at the seminar, applauded FICCI CASCADE's commitment and drive to curb illicit trading activities in the country and called for continued efforts to change the general mindset with respect to the use of smuggled and other illicit goods. Smuggled and counterfeited products are not only hampering the country's economic growth but is also adversely affecting the social fabric and the well-being of its people. He further stressed on the need for framing robust policies and their effective implementation to curb this worldwide menace.

Mrs. Anuradha Sharma, Additional Director General, Madhya Pradesh Police, stated that counterfeiting and smuggling was a huge area of concern as it highly impacted the health and safety of the common people, along with revenue losses to industry and tax losses to the government. Those dealing in such trading activities have set up criminal networks, which have now acquired global proportions. Notably, illicit trade is resulting in increased unlawful activities by transnational criminal organizations, including terrorist groups. Such is the enormity of the problem that it calls for stern deterrence and joint action of all stakeholders.

Mr. Vijay Agarwal, Vice President, Federation of Madhya Pradesh Chambers of Commerce and Industry & CEO, Narmada Transmission Pvt. Ltd, while welcoming the

on the various steps needed to establish a robust mechanism to monitor the impact of these ill-gotten goods on the health and safety of people, and the framework needed for monitoring the cross-sectoral and multi-stakeholder losses due this menace. Mr. Ranjit Kumar, Joint Commissioner, Customs, Mr. D. Sreenivasa Varma, IGP, CID, Madhya Pradesh Police, Dr. Anamika Gulati, HOD, Quality Department, Dawat Foods Ltd., and Mr. Harendra Singh, Registrar, M P State Consumer Disputes Redressal Commission, who participated in the panel discussion, all agreed that recognizing this issue as a growing menace and raising awareness on the problem among the masses were important steps towards addressing the problem illicit trade by. Mr. Deep Chand, Advisor, FICCI CASCADE and Former



Smuggled and counterfeited products are not only hampering the country's economic growth but is also adversely affecting the social fabric and the well-being of its people.

participants, observed that counterfeited, smuggled and other forms of illicit products adversely impacted industries, consumers, and the government. It was, therefore, increasingly imperative to address this growing problem to safeguard the interests of legitimate industry, ensure competitiveness and their contribution to the growth of the economy.

Mr. P. C. Jha, Advisor, FICCI CASCADE and Former Chairman, Central Board of Excise and Customs, stated, "During the last twenty years, the volume of counterfeiting activities globally has increased 100 times and the size of trade in counterfeited goods is about 10 percent of the legal international trade (equal to 2% of the world's overall economic output). The problem of illicit trade is much more serious than it is commonly perceived."

To provide deeper insight into the issue of counterfeiting and smuggling and to rule out effective resolutions and practical solutions, representatives from different sectors presented their ideas and suggestions, and proposed initiatives that were required. The panelists also deliberated

Special Commissioner of Police, New Delhi, who chaired the panel discussion, informed that 8 to 15 percent of global GDP was impacted due to illicit trade and criminal activities and emphasized that all stakeholder, both as a nation and as a part of the global economy, need to take stern and resolute steps against such ill-intentioned activities.

Several steps are being taken by FICCI CASCADE and the government to create large-scale awareness among the most impacted segment of this menace: the consumer. These programmes are being organized as a series of events being undertaken across the country, highlighting the growing menace of illegal trade and the accompanying fallouts.

CANDLE LIGHT CONGREGATION

Fight Against Smuggling and Counterfeiting

27th September 2018 | Vellore Institute of Technology, Bhopal



A Candle Light Congregation on the theme “Let’s Fight Counterfeiting and Smuggling” was organized on 27 September 2018 with the students of Vellore Institute of Technology, Bhopal to fight the menace of counterfeiting and smuggling. The objective was to catch them young and educate them on the hazards posed by illicit trade.

The event, a part of the series of nation-wide awareness campaigns to highlight the issue of growing menace of illicit trading activities, the FICCI CASCADE candle light

congregation saw the enthusiastic participation of over 250 students with candles in their hand and banners stating, 'Buy Make in India' and 'Say No to Smuggled Goods'.

On this occasion, Dr. P Gunasekaran, Vice Chancellor, VIT Bhopal congratulated FICCI CASCADE for taking the step of initiating the youth movement against illicit trade in smuggled and counterfeit goods. He agreed that activities involving illicit trade like smuggling greatly hampered a nation's economic independence and every citizen must pledge to not use such products and to fight the menace of smuggling and counterfeiting, which was in the larger interest of the national economy.

Over 250 students, with candles in their hands and banners stating, 'Buy Make in India' and 'Say No to Smuggled Goods' participated in the candle light congregation with much zest and zeal. The congregation urged all to take a pledge against using fake products and to fight the menace of smuggling which was in the larger interest of the nation's economy. A key objective of FICCI CASCADE is arming the youth with knowledge to make informed choices and awareness on the ill-effects of fake, counterfeit and smuggled products.



Fight Against Counterfeiting and Smuggling Interschool Painting and Elocution Competition

New Delhi, 03 October 2018

Students Join Hands to Fight Counterfeiting and Smuggling



With the unrelenting growth of illicit trade through counterfeiting and smuggling, FICCI CASCADE has been continuously campaigning against these activities. However, as the problem of counterfeiting and smuggling has led to more financial, economic and social crisis, it is our continuous endeavour to revisit, rethink and test new approaches in addressing this socio-economic challenge.

India has a young population profile and is set to be the youngest country by 2020. The youth of India being the country's future, it becomes imperative to understand the power of the consumers of tomorrow. With youngsters becoming a key stakeholder for advocating socially responsible behaviour, FICCI CASCADE believes that it is important to bring them on board the awareness campaign and through them influence the society as a whole. We believe that an idea planted in their minds can become an instrument of change.

FICCI CASCADE had initiated a youth movement across the country to spread awareness among the young minds and seek their support to underpin the fight against counterfeiting and smuggling. Such a campaign has offered an opportunity to bring in more people, particularly youngsters to push forward its actions to curb counterfeiting and smuggling.

In order to pick the brains of the young school children, FICCI CASCADE organised an Interschool Meet on the subject, where students from over 20 leading schools from Delhi and NCR competed against each other in two categories of competitions, namely, Painting and Elocution on the theme "Fight Against Counterfeiting and Smuggling" on 3rd October 2018. The key objectives of the competitions were to inspire the youth to take required actions to discourage and stop the purchase of counterfeit and smuggled goods.

The contest witnessed enthusiastic and active participation from students, most of whom were very impressive in expressing their concern on and the need to curb such illegal trade practices. The competitions provided a unique platform to the young minds to express their views through their oratory and creative talent on diverse themes like "Terrorism Financing through Smuggling", "India - A Victim of Smuggling", "India's Brand Integrity at Stake due to Counterfeiting and Smuggling" etc.

The competitions were judged by Mr. P. C. Jha, Advisor, FICCI CASCADE & Former Special Chairman, Central Board of Indirect Taxes and Customs (CBIC), Mr. Deep Chand, Advisor of FICCI CASCADE & Former Special Commissioner of Police, New Delhi and Dr. Usha Rao, Asst. Controller General, Patents and Design, Ministry of Commerce and Industry, Govt. of India.

The winners in both the competitions are as follows:

ELOCUTION COMPETITION

<p>1st</p> <p>Alana Seby</p> <p>Class IX, St. Francis de Sales Senior Secondary School, Janakpuri</p>	<p>2nd</p> <p>Swapnil Srivastava</p> <p>Class IX, Tagore International School</p>	<p>3rd</p> <p>Prakriti</p> <p>Class IX, DAV Public School, Pushpanjali Enclave</p>
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PAINTING COMPETITION

<p>1st</p> <p>Bhavya Wangnoo</p> <p>Class IX, Birla Vidya Niketan</p>	<p>2nd</p> <p>Abhishek Rawat</p> <p>Class X, Jindal Public School</p>	<p>3rd</p> <p>Isha Sihag Class IX, Jindal Public School and Hibah Ishan Class IX, DPS, RK Puram</p>
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Through the competitions not only did all witness the skills and creative abilities of the school children, but also visible was the passion in them to bring about a change in the society by shunning fake products and saying no to smuggled goods.

To reiterate, awareness generation is extremely crucial in bringing change in attitudes from considering counterfeiting and smuggling activities as victimless crime to the realization that it entails grave risks, both social and economic. A pro-active and preventative approach and strategy is the need of the hour to curb the twin menace. Several steps are being taken by FICCI CASCADE and the government to create large-scale awareness among the most impacted segment of this menace: the consumer. This youth awareness initiative is one of a series of such events to

be organised across the country as part of a nation-wide awareness campaign to highlight the issue and focus on the growing menace of illicit trade.



5TH edition



MASCRADA 2018

MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE

Ensuring Brand Security for Sustained Businesses and Employment Generation

A REPORT

Leading global players join FICCI CASCADE in addressing the growing threat of illicit trade in India

It is a well-established fact that across the globe, illicit networks are infiltrating and corrupting legitimate business markets, reducing productivity and disincentivizing investments in research and development - not to mention, jeopardizing public health, emaciating communities' human capital, and eroding the security of our institutions and governments.

Illicit trade particularly smuggling and counterfeiting are considered to be one of the world's fastest growing 'industry'. Though its size is hard to determine, it is said that that 8%-15% of global GDP is impacted due to illicit trade and

connected criminal activities. Recent studies also estimate that globally the economic value of illicit trade could reach \$2.3 trillion by 2022 and the wider

social, investment and criminal enforcement costs could take the total to \$4.2 trillion, leaving at risk about 5.4 million "legitimate jobs". Its existence and operation is broad in scope and large in value and hence has rightly been termed as the crime of the 21st century by the FBI.

India is no exception; the market for such products is one of the biggest challenges faced by Indian industry, impacting 'Brand India' globally. FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy

[CASCADE] has over the years been concertedly addressing this issue through its various pan-india awareness generation activities, building capacities of law enforcement officials and undertaking ground breaking research about the extent and impact of the menace. An integral part of FICCI CASCADE is to conduct multi-stakeholder dialogues focused on identifying opportunities for joint action between stakeholders to combat illicit trade. This year CASCADE organized the 5th edition of its flagship international conference MASCRADA 2018 (Movement Against Smuggled and Counterfeit Trade) on November 1-2, 2018 in New Delhi, with the theme of *Ensuring Brand Security For Sustained Businesses and Employment Generation*.

Various issues such as global multilateral response to curb illicit trade; holistic and sustainable approaches to brand protection; leveraging

Intellectual Property Rights for economic

growth and business competitiveness; the need for a policy clarity to provide impetus needed to contain illicit trade and other forms of economic offences; the fight against organized crime in illicit and counterfeit trade and perspectives from law enforcement agencies and judiciary, among others, were discussed. The conference also tried to assess the impact and provide practical recommendations and effective strategies to mitigate this dual menace of smuggling and counterfeiting.





Mr. Suresh Chandra, Secretary, Department of Legal Affairs, Ministry of Law and Justice, Govt. of India, while

Mr. Anil Rajput, Chairman, FICCI CASCADE in his welcome address said “the 5th edition of MASCRADA promises to provide an effective roadmap in reining in smuggling and counterfeiting. Every year we have made progress in our fight against this faceless enemy but there is still a long way to go. The subject of arresting the growth of illicit trade needs our immediate and unwavering attention as it exacerbates unemployment, bleeds the economy and causes tremendous physical, mental and societal distress”.

inaugurating MASCRADA 2018, observed that the damaging impact of counterfeiting and smuggling was threefold. Foremost are the producers, affecting the growth of their industry and stunting the revenue potential from that sector, and thereby affecting the employment growth in the country. Secondly, consumers are the ultimate victims of counterfeiting, smuggling and piracy through excessive prices paid for substandard products that increase exposure to health and safety risks. Lastly, it results in a revenue loss to the government. Loss of revenue to the government has a direct impact on spending on welfare measures such as on health care, education and public transport. Police and other enforcement infrastructure are also hit by this resource crunch which exacerbates the problem of grey market operations.



counterfeiting, **Mr. S. Ramesh, Chairman, Central Board of Indirect Taxes and Customs (CBIC)** highlighted that the phenomenal growth in global trade and technology had positively affected many markets across the world while, on the other hand, it had also offered opportunities for organized criminals to engage in illicit trade and counterfeiting. He further added that Indian Customs had been a pioneering partner in facilitation of licit trade, while curbing smuggled and counterfeit goods. CBIC is committed in fulfilling its role in combating smuggling and counterfeiting in cross-border trade. He reaffirmed that CBIC would relentlessly continue the battle against illicit trade which posed a grave threat to the national security.

Highlighting the several initiatives undertaken by the Government of India to fight the menace of smuggling and





Hon'ble Mr. Justice Arjan Kumar Sikri, Judge, Supreme Court of India in his valedictory address stated that the laws should be deterrent enough to dissuade perpetrators from engaging in illicit trading activities. "I am of the firm conviction that there is a great connect between economics and law. Judges have to keep in mind the economic implications, while granting injunctions in respect to counterfeiting and smuggling. To combat such crimes, judiciary must ensure speedy disposal of cases."



The conference was well attended by over 350 delegates and saw a host of distinguished international speakers from World Intellectual Property Organization (WIPO), INTERPOL, United Nations Office for Drugs and Crime (UNODC), Organization for Economic Corporation and Development (OECD), US Homeland Security, NBC Universal and many others. Notable senior government officials from India including Mr. Rajiv Aggarwal, Joint Secretary, Department of Industrial Policy & Promotion, Ministry of Commerce and Industry; Mr. D. P Dash, Director General, Directorate of Revenue Intelligence; Mr. M M Oberoi, Joint Commissioner of Police, Delhi Police, Hon'ble Mr. Justice Manmohan Singh, Judge, Delhi High Court (Retd.) and Chairman, Intellectual Property Appellate Board (IPAB), Mr. S.K. Sharma, Legal Advisor, National Investigation Agency (NIA) etc. and several leading industry players addressed and took part in the deliberations at the forum.





To encourage and acknowledge the work of our law enforcement agencies, FICCI CASCADE also felicitated the best performing officers for the period 2017-18 for their outstanding achievement in prevention of counterfeiting & smuggling and enforcement of anti-smuggling & anti-counterfeiting laws from enforcement agencies. The list of the awardees was as follows:

- a. Dr. Amandeep Singh, Additional Commissioner of Customs, Indira Gandhi International Airport
- b. Mr. Kiran Kumar, Joint Commissioner of Customs, ICD Tughlakabad
- c. Mrs. Pritee Chaudhary, Joint Commissioner of Customs, SIIB, JNCH
- d. Mr. Vivekanand, Appraiser, IPR Cell, JNCH
- e. Mr. G. Rathinavel, Superintendent, Customs (Preventive), Vizag
- f. Mr. Sumit Kumar, Senior Intelligence Officer, Directorate of Revenue Intelligence, Delhi Zonal Unit
- g. Mr. Ranjan Sen, Senior Intelligence Officer, Directorate of Revenue Intelligence, Kolkata Zonal Unit
- h. Mr. Bhoopender Kumar, Sub-Inspector, Economic Offences Wing, Delhi Police
- i. Mr. Shankar Banerjee, Inspector, Economic Offences Wing, Delhi Police

As a precursor to MASGRADE 2018, CASCADE organized an interschool elocution and painting competition on the theme "Fight Counterfeiting and Smuggling", in which students from schools across Delhi NCR had enthusiastically participated. CASCADE also conducted a #BeACascadeQuiz on its digital media platform where netizens took part in a quiz related to smuggling and counterfeiting. The student-winners in these events were also felicitated during the programme.

Prevention of Counterfeiting, Smuggling and Piracy

Capacity Building Programme for Police Officers

November 22, 2018, Academy for Smart Policing, Chanakyapuri, New Delhi

Over some time now, trade in counterfeit, smuggled and pirated goods has developed into a substantial threat to the Indian economy and pose serious safety and security hazards to the society at large. Different government agencies are involved at various stages in tackling such crimes, right from detection, investigation, prosecution to prevention of such offences, often including the recovery of the proceeds of crime. The Police department is the primary law enforcement agency in our country. With low barriers to market entry and infiltration, the Police plays a very significant role in ensuring the protection of right owners. Although there are adequate laws available, their enforcement makes the role of police officers even more important in the fight against counterfeiters and smugglers.

FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy [CASCADE] in its endeavor to combat crimes related to smuggling and counterfeiting has over the years been sensitizing the country's enforcement agencies on this issue, equipping them to understand and take requisite action against the various economic offenders. In this backdrop, FICCI CASCADE organized a training programme in association with Delhi Police on **Prevention of Counterfeiting, Smuggling and Piracy for the Delhi Police officers on November 22, 2018 at the Academy of Smart Policing, Chanakyapuri, New Delhi**. A key objective of the program was to sensitize the participating officials on the seriousness of the socio-economic impact of counterfeited and smuggled goods, in terms of the huge revenue losses to the government and industry as well as the significant health and safety consequences faced by consumers.

The program was inaugurated by **Mr. K Jagadeesan, Jt. Commissioner of Police-Training, Delhi Police**, who observed that India as a rising economic superpower needed to take offences relating to counterfeiting and smuggling very seriously and that police had a significant role in fighting this menace. He further reiterated that although such offenses were looked at as a victimless crime, it had many far-reaching consequences which was why it was extremely important for a police officer to understand the consequences before taking actions on ground. "Only then will an officer investigating a case related to smuggling and counterfeiting be able to understand and take suitable actions", Mr. Jagadeesan emphasized.

Mr. Deep Chand, Advisor, FICCI CASCADE, in his address informed about FICCI CASCADE's mandate of capacity building of law enforcement agencies including Judges, Police and Customs Officers, and how CASCADE had been working extensively and intensively in this area across the country, organizing training programmes and seminars along with continuous interactions with the law

enforcement authorities to emphasize the importance of increased awareness on the gravity of the problem.

Mr. Chand correlated smuggling and counterfeiting activity with the security challenge in different environments around the world. He cited various instances where illicit trade in goods was being increasingly used to fund anti-social and terrorist activities. He also felt that the need of the hour was tangible actions to increase enforcement, accompanied by enhanced punishments for effective deterrence. This is imperative to reassure legitimate business owners and consumers that the government is serious about protecting right owners, and this will, in turn, encourage greater support for government policies.

The training programme was attended by senior police officers of the rank Asst. Commissioner of Police and above, and provided a useful platform for the exchange of ideas and experiences in the enforcement of laws and practices while dealing with the perpetrators. This workshop was extremely helpful in sensitizing the police officers about the relevant laws and procedures to be followed while dealing with the cases related to smuggling and counterfeiting. The technical sessions were followed by an Interactive-Session between the participating officials and industry representatives. Industry members highlighted some of the on-ground practical issues which they faced while trying to curb the availability of spurious goods and collaborative actions they sought from police to counter this menace. Prototypes of fake and smuggled goods available in the markets were also displayed and discussed with the officers.

Among the speakers who discussed the wide-ranging concerns on the issue of counterfeiting, piracy and smuggling with the participating police officials were: Dr. Kshitij Kumar Singh, Assistant Professor, University of Delhi, Mr. Udaykiran Devineni, ICE Representative, Department of Homeland Security-Homeland Security Investigations, US Embassy, Ms. Priya Rao, Partner K&S Partners, Intellectual Property Attorneys, Mr. Madhuresh Singh, Head-Legal, Puma and Mr. Anubhav Jain, South Asia ACF Investigations Manager, Global Anti-Counterfeit Program, APJ Region Global Brand Security Group, HP.

All speakers unanimously agreed that the issue of illicit trade should be addressed as a high priority problem by the government. An orchestrated strategy including communication, coordination and close cooperation amongst various government agencies, law enforcement officials and private sector to combat this menace is imperative. Meanwhile, FICCI-CASCADE, in pursuance of its mandate, will continue to hold similar programmes across the country in briefing enforcement agencies on the procedural and enforcement issues while tackling illicit trading activities.

Media Coverage



FICCI CASCADE discusses counterfeiting, smuggling

फिक्की कास्केड की प्रतिबद्धता और प्रयासों की हुई सराहना
जालसाजी और तस्करी से सरकार को होता है कर का नुकसान: जैन

Ficci CASCADE forms think tank to fight illicit trade



'नकली सामान हैं लाखों नौकरियों के लिए खतरा'
नई दिल्ली: बाजार में नकली उत्पादों की बिक्री से स्थानीय उत्पादकों के कारोबार पर नकारात्मक प्रभाव पड़ रहा है और

बाजार में नकली सामान से भारतीय उद्योग परेशान
नई दिल्ली, (भासक): बाजार में नकली सामानों की बिक्री से भारतीय उद्योगों के कारोबार पर नकारात्मक प्रभाव पड़ रहा है और स्थानीय उत्पादकों के कारोबार पर नकारात्मक प्रभाव पड़ रहा है और

फिक्की-कास्केड ने रिपोर्ट में सरकार के राजस्व को भारी नुकसान का दावा किया
अवैध और नकली उत्पाद से उद्योगों को बड़ी चपत

अवैध कारोबार से निपटने में फिक्की कास्केड का 'थिंक टैंक' रोडमैप तैयार करेगा

वित्तजनक
सूचना विभाग
देश में अवैध और नकली उत्पादों के कारोबार को रोकने के लिए सरकार को उद्योगों को मदद देनी चाहिए। अवैध और नकली उत्पादों के कारोबार से उद्योगों को बड़ी चपत है। अवैध और नकली उत्पादों के कारोबार से उद्योगों को बड़ी चपत है।

'Illicit products adversely affecting Indian industry'
New Delhi: Illicit products are adversely affecting the Indian industry risking millions of legitimate jobs and resulting in an estimated loss of Rs 1,05,381 crore in just seven sectors.

Contraband, fake goods causing a loss of ₹1 lakh crore to industry: Report

Loss to exchequer put at ₹39,239 cr



Illicit products lead to ₹1,05,381 cr loss
Illicit products are adversely affecting the Indian industry resulting in an estimated loss of Rs 1,05,381 crore in seven sectors - auto components, alcoholic beverages, computer hardware, FMCG - packaged goods, FMCG - personal goods, tobacco and mobile phones.

2022 तक अवैध कारोबार से वैश्विक अर्थव्यवस्था को होगा 15 फीसदी का नुकसान : दावा



Fighting Illicit Trade and Corruption: Security Threats to Countries, Destabilizing Impacts to Markets, and Wicked Harms to Consumers



अवैध कारोबार से वैश्विक अर्थव्यवस्था को होगा 15 फीसदी का नुकसान : दावा

MAW DATE 2015
The report FICCI's Committee Against Smuggling and Counterfeiting Activities, 'Destroying the Economy' (Gaining the Economy)

अवैध कारोबार से वैश्विक अर्थव्यवस्था को होगा 15 फीसदी का नुकसान : दावा

Media Coverage

Social Media





Television Campaign



Television Campaign



Awareness Through Art





INTERNATIONAL NEWS

1. Sri Lanka Customs nab three passengers smuggling gold worth Rs. 16 million.

11, October 2018 | Colombo Page

Colombo: Sri Lanka Customs officials at the Bandaranaike International Airport in Katunayake in two separate incidents have arrested three Sri Lankan passengers who were attempting to smuggle in gold worth Rs 16 million.

Two of the suspects, arrived on a flight from Singapore last night was in the possession of 10 gold biscuits and two gold pieces. One of the suspects is a woman.

The third passenger, also arrived from Singapore this morning was carrying 14 gold biscuits, the Customs said.

http://www.colombopage.com/archive_18B/Oct11_1539234366CH.php

2. Fake cosmetics worth Dh1m seized in Dubai Police raid

25, November 2018 | Gulf News

Dubai: Thousands of counterfeit cosmetic products valued at Dh1 million have been seized in Dubai, a police official said.

Colonel Omar Mohammad Bin Hammad, deputy director of the Anti-Economic Crime Department, said the products were seized during a raid on a warehouse in Bur Dubai.

"We received information about a warehouse with fake products. We raided the place and found 220,000 fake cosmetic products and make-up [kits] carrying famous brands' logos. [The seized products were] worth Dh1 million," Col Bin Hammad said. An Arab national running the warehouse was arrested.

<https://gulfnews.com/uae/crime/fake-cosmetics-worth-dh1m-seized-in-dubai-police-raid-1.60319248>

3. 8 million cigarettes seized at Dublin port

3, December 2018 | Buzz.ie

The cigarettes that were seized have an estimated value of €4 million and they were discovered during a search of a freight that came into the port from Rotterdam.

The officers were carrying out a routine check when they discovered the haul. With the aid of the Revenue's mobile x-ray scanner, the officers were able to discover the cigarettes.

The brands that were seized were 'Mayfair' and 'Richmond' and it would have meant a loss to the Exchequer of approximately €3.3 million.

<https://www.buzz.ie/news/8-million-cigarettes-seized-309134>

NATIONAL NEWS

1. Four held for smuggling foreign cigarettes

30, September 2018 | The Hindu

The Directorate of Revenue Intelligence (DRI), Chennai Zonal Unit, arrested four persons after intercepting a three-container consignment from Dubai that contained foreign cigarettes worth ₹4.23 crore on Saturday.

The DRI officers seized the contraband based on specific intelligence that cigarettes were being smuggled by a syndicate in an import consignment of calcium carbonate.

The consignment was being imported in three 20-foot containers and landed at Kattupalli Port and was trans-shipped to a container freight station. On examination, the DRI officials found cartons concealed inside the calcium carbonate bags which contained Gudang Garam cigarettes from Indonesia. About 30.24 lakh cigarette sticks were found.

<https://www.thehindu.com/news/cities/chennai/four-held-for-smuggling-foreign-cigarettes/article25085253.ece>

2. Delhi: Court orders sealing of 'fake' goods worth Rs 20 lakh

09, November 2018 | Indian Express

After the intervention of a Delhi court, counterfeit products of Puma — a multinational company that manufactures footwear, apparel and accessories — worth Rs 20 lakh were identified and sealed in Sahibabad, Ghaziabad, on November 3. The matter came to fore after counsel for Puma, Shashi P Ojha, approached the court seeking ex-parte injunction and ex-parte appointment of local commissioner on account of “infringement of trademark”.

On October 29, Ojha approached court and said that if the relief is not granted, the company will “suffer irreparable loss and injury” as the defendant was selling goods using the company's trademark. “Thus causing substantial loss to the business of the plaintiff, Puma...” the lawyer submitted.

<https://indianexpress.com/article/cities/delhi/delhi-court-orders-sealing-of-fake-goods-worth-rs-20-lakh-5438461/>

3. 5 Bhutanese nationals arrested for smuggling 20 kg gold worth Rs 6.4 crores

02, November 2018 | India Today

The Directorate of Revenue Intelligence (DRI) has seized 20 kg of smuggled gold worth Rs 6.4 crores in two separate operations in Delhi.

On October 31, officers of DRI intercepted two passengers arriving by train from West Bengal and seized 10 kg of foreign marked smuggled gold worth Rs 3.13 crores from them. The gold was being smuggled into India from Bhutan and transported to Delhi.

In another operation conducted on the same day, officers of DRI seized 10.2 kg of foreign marked smuggled gold from three passengers arriving by another train from West Bengal.

<https://www.indiatoday.in/crime/story/dri-seizes-20-kg-smuggled-gold-in-delhi-arrests-5-foreign-nationals-1380870-2018-11-02>



In the recent past India's economic growth story has attracted world's attention bringing new challenges for the domestic economy. One of the challenges currently faced is the growing illicit trade in counterfeits, pass offs and smuggled goods. These activities are also threatening brands not only in every region of the country but across the globe. Contraband and counterfeit products hurt the integrity of the brand, further diluting the brand owner's reputation. This not only results in erosion of sales of the legitimate product but further [CASCADE]s onto affect the consumers in the form of health and safety hazards. With the above insight the Federation of Indian Chambers of Commerce and Industry (FICCI) took the initiative to dedicate a forum by establishing the Committee Against Smuggling and Counterfeiting Activities Destroying the Economy - CASCADE on 18th January, 2011.

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