



# Smuggling & Counterfeiting Activities Destroying the Economy

Annual Report  
(JULY 2019-JULY 2020)

A central image of a fire with bright orange and yellow flames rising from a dark, smoky base. The fire is set against a black background, which is part of a larger black rectangular area that frames the text. The overall composition is centered and uses a high-contrast color palette of orange, yellow, and black.

**Smuggling  
& Counterfeiting  
Activities Destroying  
the Economy**





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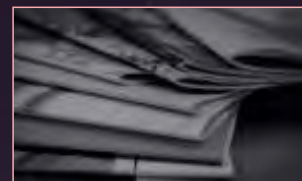
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# CASCADE

Committee Against **Smuggling**  
and **Counterfeiting** Activities  
Destroying the Economy



# Committee Against Smuggling and Counterfeiting Activities Destroying the Economy

**I**llicit Trade in terms of smuggling, counterfeiting and piracy is considered as one of the world's fastest growing 'industry'. It is an enduring problem that escalates each day in scope and magnitude and thus impacts industries, consumers, governments and economies. Smuggling and counterfeiting can have broad economy-wide effects on trade, foreign investment, employment, innovation, criminality, environment and most importantly on the health of the consumers.

8%-15% of global GDP is impacted due to illicit trade and criminal activities. 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.

For some time now illicit trade is also known to provide 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.

With a growing economy, India also faces the challenge of countering illicit trade in smuggled & counterfeit goods. In India, the estimated loss to the industry, and just for 7 sectors only, which are automobile parts, FMCG personal goods, FMCG packaged goods, tobacco, alcoholic beverages, mobile phones and computer hardware, is about Rs. 105,381 Crs and a loss of revenue to government is about Rs. 39239 Crs for the year 2013-14. It is notable here that average increase in these losses have been as much as 45 %, and in just two years!!

Given the emphasis on India's economic development and the much anticipated growth trajectory; technology, invention, and innovation will play a key role in charting out India's growth strategy. However, illegal trade practices will prove to hinder this progression. India today has the potential to become a global manufacturing hub. However, in the absence of an adequate enforcement mechanism to stop counterfeiting and smuggling, can act as a dampener in achieving this goal.

Despite several efforts undertaken to curb smuggling, counterfeiting and piracy, the illicit markets continue to thrive across all industry segments. Hence, a proactive strategy should be in place to fight this serious menace to public health and safety, and to the national exchequer. Cooperation amongst stakeholders (including international and domestic regulatory and investigative agencies), streamlining of complex tax structures, stringent governance practices and enforcement of existing laws are required to curb this tumorous threat.

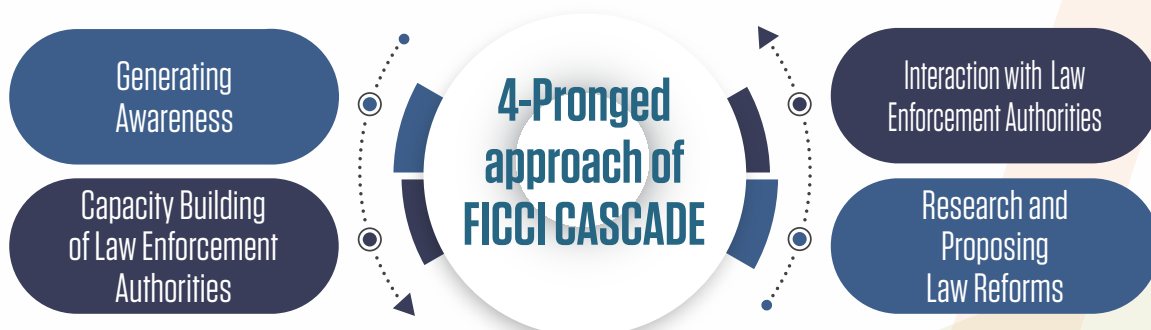
## Major Issues/Concerns

- The challenge of counterfeited and smuggled goods has emerged as a global problem
- Low barriers to the market entry and infiltration, no country is immune from the impact of counterfeiting and smuggling and no single sector can be said to be an exception
- The market for fake or counterfeit or smuggled products is one of the biggest challenges faced by Indian industry, impacting 'Brand India' globally
- Consumers receive poorer quality products that are unregulated and unsafe
- Businesses suffer lower income and damaged brands, they may have to cut jobs and reduce investment leading in turn to lower economic growth

Set up on 18th January 2011, '**Committee Against Smuggling and Counterfeiting Activities Destroying the Economy**' (CASCADE) by FICCI is a unique forum working towards facing and countering the challenge of growing illicit trade in counterfeits, pass offs and smuggled goods in the domestic economy.

## FICCI CASCADE is pursuing the Agenda of Highlighting:

- Legitimate industry is adversely affected
- Consumers' health and safety is being jeopardized
- Illegitimate industry is flourishing
- Loss to the exchequer
- Burden on welfare costs and enforcement cost
- Black money being generated
- Increased criminalization



# Mandate



## Awareness Generation

- To put the issue of smuggled, contraband and counterfeit products high on the social agenda
- To generate and spread awareness on the hazardous impact of smuggled, contraband and counterfeit products
- To interact with the law enforcement authorities to emphasize on the importance of continued awareness and seriousness of the impact of smuggled and counterfeit goods
- To achieve a high "issue recall" on anti-smuggling and anti-counterfeiting in the minds of consumers and to sensitize the supply chain personnel towards the harm that smuggled, contraband and counterfeit products cause and to emphasize the importance of their role in grappling with the social issue

## Knowledge Management

- To engage in systematic assimilation and dissemination of enforcement techniques, procedures and strategies for the guidance of its members through various interactive events
- To commission research and propose law and policy reforms to Government and other relevant stakeholders through knowledge papers, report, studies on issues related to counterfeiting and smuggling
- To provide a platform for sharing the best practices followed globally for combating contraband, smuggled and counterfeit products
- To engage in capacity building activities for the benefit of law enforcement agencies and other CASCADE stakeholders including Judicial, Police and Customs Officers
- To tap into initiatives of various international fora such as ICC BASCAP, WIPO Advisory Committee on Enforcement, WCO and others to identify existing gaps in India and building synergies in collaborative mode
- To study and have full appreciation of the enforcement initiatives of developed countries as well as developing countries





## Policy Advocacy

- To assist the Government in formulating its response to regional and multilateral agreements and model laws being proposed by international organizations such as INTA, WIPO, WCO etc
- To assist the Government of India in formulating its position in ongoing bilateral negotiations having an impact on enforcement issues related to counterfeiting and smuggling

## Networking

- To work in synergy with other foreign institutions and bodies working in the realm of anti-counterfeiting and anti-smuggling
- To identify and facilitate CASCADE stakeholders to network with legal services providers and investigators who have excellent relationships in the local law enforcement machinery and who have consistently delivered high yield counterfeiting raids across India







6<sup>th</sup> edition

 **MASCR**ADE 2019  
Movement Against Smuggled & Counterfeit Trade

# MASCRADE 2019-

## Movement Against Smuggled & Counterfeit Trade

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



It has long been known that illicit trade in terms of counterfeiting, smuggling and piracy make up a vast 'global businesses', representing a multibillion-dollar illegal industry that creates a significant drain on the world economy. Further, it negatively impacts legitimate economic activity and facilitates an underground economy and organized crime that deprives governments of revenues for vital public services, forces higher burdens on taxpayers, dislocates hundreds of thousands of legitimate jobs and exposes consumers to dangerous and ineffective products.

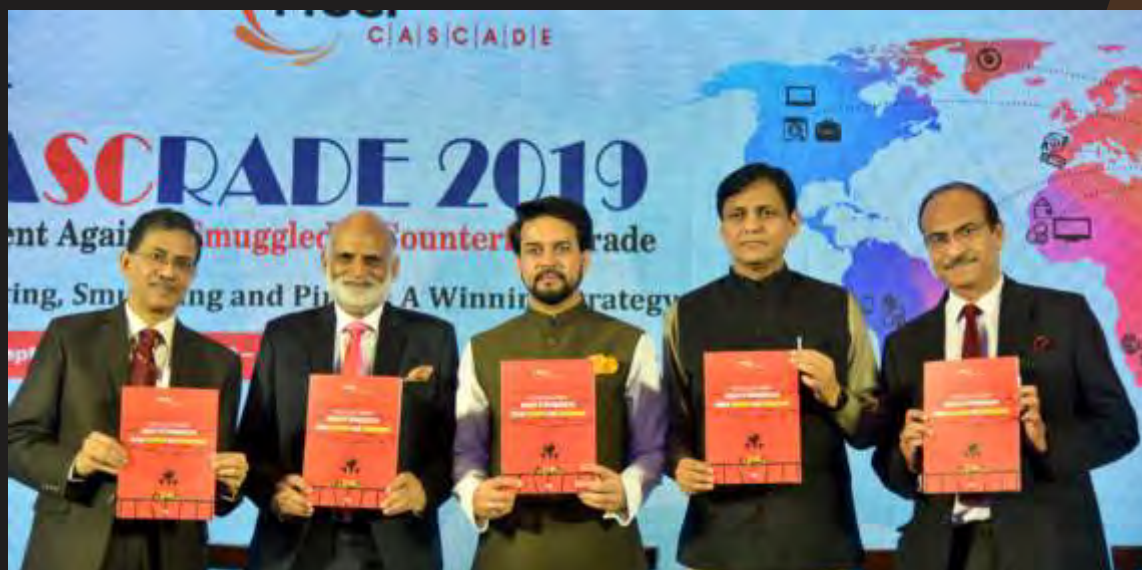


It is this area in which CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy), of FICCI, with a view to bring about a change, has been pursuing a campaign to raise consumer awareness, policy makers in the government, and the concerned enforcement agencies.

As a significant part of this campaign, every year, CASCADE holds its flagship international event, namely, MASGRADE (Movement Against Smuggled and Counterfeit Trade), which is attended by many delegates from India and abroad. The sixth edition of this movement was held in New Delhi during 26-27 September this year with a theme of 'Containing Counterfeiting, Smuggling and Piracy: A Winning Strategy'. MASGRADE2019 focused on decisive intervention as a way of addressing the debilitating impact of counterfeiting and smuggling on global economies. This conference was a conscious and well directed attempt to bring in the best minds from the fields of policy making, law, brand protection, industry, enforcement agencies and media to find a holistic and permanent solution to the problem of counterfeiting, smuggling and piracy, which if left unchecked, threatens to subvert the economic and societal stability of countries across the world.

**Shri Anurag Singh Thakur, Hon'ble Minister of State, Finance and Corporate Affairs, Government of India** inaugurating the conference said that the Government along with organizations like FICCI must fight against counterfeit, illegal smuggling and piracy. He further stated that India needs more awareness to understand the difference between fake and original goods and urged to leverage use of technology to stop this growing menace.

In our country any illegal activity is not appreciated and I am sure that we will soon overcome this problem which triggers criminal activity stated **Shri Nityanand Rai, Hon'ble Minister of State, Home Affairs, Government of India**. Addressing the gathering, Hon'ble Minister said that counterfeiting and smuggling directly impacts health, economy, education and society. We should come together and say no to counterfeit and smuggled products. The government of India has already taken several measures to address this issue and FICCI CASCADE should send recommendations on curbing this problem to all ministries in the government to further strengthen these measures.





In a special address, **Mr. P. K Das**, Chairman, Central Board of Indirect Taxes and Customs, highlighted the several initiatives undertaken by the Government of India to fight the menace of smuggling and counterfeiting. He said that “money generated through illicit trade funds organized crime and nurtures illegal drugs trade, he further added that “CBIC India is equipped with all advance technological wherewithal to detect counterfeit and smuggled products.”

**Mr. Anil Rajput, Chairman, FICCI CASCADE** in his welcome address emphasised, “I must say that the work undertaken by Shri Narendra Modi ji’s government has been laudable. Under his able directions and guidance, the seizures of illicit goods are at an all-time high in India. Smuggling and counterfeiting are increasingly hurting Indian economy and have crept into multiple sections of the society. Immediate steps are required, both in the form of policy intervention and awareness generation, to address this growing menace”.

The event saw the release of a study commissioned by FICCI CASCADE to Thought Arbitrage Research Institute (TARI)—*‘Invisible Enemy: Impact of Smuggling on Indian Economy and Employment’*. The study is a pioneering effort in India, which quantitatively estimates both revenue and livelihood opportunity lost due to smuggling in five specific industries. These are: Textiles, Tobacco Products (Cigarettes), Readymade Garments, Capital Goods (Machinery and Parts) and Consumer (Electronics) Durables. The report also highlights the key challenges posed by smuggling and suggests possible solutions to make compliance and related processes more robust with the overarching objective of arresting the spread of smuggling.

To encourage and acknowledge the work of our law enforcement agencies, FICCI CASCADE also felicitated the best performing officers for the year 2018-19, for their outstanding achievement in the prevention of counterfeiting & smuggling, and enforcement of anti-smuggling & anti-counterfeiting laws on this occasion.

#### Key deliberations and Recommendations – MASGRADE2019

Various issues such as Balanced, Holistic and Futuristic Strategies; Balancing Brand Security Strategies and Actionable on Ground Operations; Attacking the roots of organized crime; Policy and Regulatory framework needed to Stop Counterfeiting, Smuggling & Piracy from Entering the Virtual Marketplace among others were deliberated in the two-day dialogue which was attended by over 600 delegates.

Along with growth in economy, there has also been rise in illicit trade. In fact, rate of growth of illicit trade has outpaced the growth in economy. It has credibly been estimated that by 2022, the market size of this illegal business at global level will touch US\$ 3 trillion. No





country is immune to this problem, and there is no product, the counterfeit of which is not available in the market.

A report by USTR informs us that pharmaceuticals and FMCG products are facing a big problem due to illicit markets. 20% of pharmaceuticals sold in the market are either counterfeit or sub-standard, and in the case of FMCG products, 7-10% of the market share has been taken away by smuggled or counterfeit goods which results in a loss of Rs. 21,000 to Rs. 31,000 crore to the legal industry. One alarming aspect of the illegal business is that money generated through this is the main source of financing of terrorism across the globe. Different terrorist organizations indulge in smuggling and counterfeiting of specified products viz Islamic State in cigarettes and mobile phones; Hezbollah in drugs and medicines; Al Qaeda in clothing and bags; Irish Republican Army in pirated discs and clothing; Hamas in drugs and food products; and Boko Haram in cigarettes. Rightly so, this evil business is termed as the crime of the 21st century by the FBI.

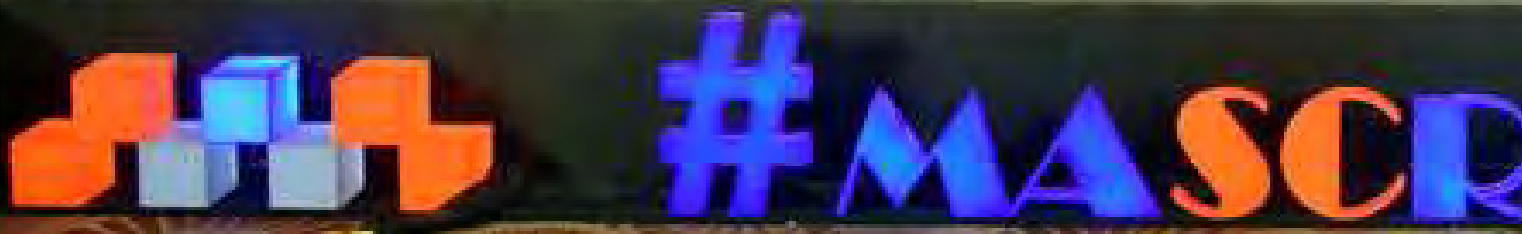
Speakers in the conference also mentioned about the online sale of counterfeit goods. Nearly one in three Indians have reported receiving counterfeit products online. An OECD report of March 2019 shows that worldwide percentage of counterfeit footwear is about 22%, clothing 16%, leather goods 13%, electric equipments 12%, etc. It is important to note that since brands stand for social status, trust, quality, originality etc., hence any activity that compromises with this has to be curbed effectively.

It was suggested that vigorous consumer awareness campaigns are required to be undertaken at a large scale. Further, multimedia campaigns such as government's "Jago Grahak Jago" are also needed to be launched on a much bigger scale. This will empower the consumers to differentiate between the genuine





# RECOGNITION FOR D Anti-Corruption



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## for Anti-Muggling



# AWARDS 2019





and fake. Industry has also to take steps to safeguard the integrity of supply chains of their products, check notorious markets regularly, and use technology to track and trace movement of their original products in transit. Industry has to put thrust on risk assessment and make more investment in intelligence services. To check this menace, whole-hearted support of the government is necessary. The government has to establish a nodal vigilance agency to carry out regular monitoring of illegal activities.

A regular and constant dialogue with international stakeholders will also help in disseminating global best practices. It was suggested that legal provisions dealing with such crimes are needed to be reinforced. The extant bail provisions are not severe, and that after detection of a case and completion of investigation, only a few prosecution proceedings result in conviction. It is necessary that bail should carry high amount of security, there should be stringent monetary penalty for the offences, and imprisonment should be more rigorous than at present. It was also opined that certainty about infliction of penalty is more effective than severity of the penal action. Investigation and prosecution must end in a specified period. The need for separate commercial courts manned by specially trained judges was also recommended. Dynamic injunctions coupled with punitive damages and making the provision of arbitration applicable for such offences were discussed. There is a need for a comprehensive national legislation to deal effectively with organized crime like the one in Maharashtra.

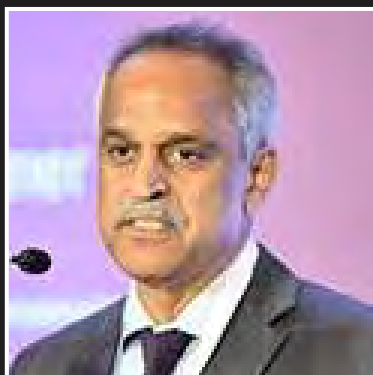
**Hon'ble Shri Uday Umesh Lalit, Judge, Supreme Court of India** in his valedictory address said that counterfeiting is like a cancerous cell eating into the body of the society. There must be body to conduct



constant and vigilant monitoring to curb counterfeiting before it takes place. It is imperative that the judicial process, executive vigilance and legislative apparatus must work together to stop the menace of counterfeiting and smuggling.

A systematic treatment and persuasion by global community for stronger enforcement is needed to address this issue. The conference saw a host of notable international speakers from INTERPOL, US Intellectual Property-South Asia, UK Intellectual Property Office, Australian Border Force, HM Revenue and Customs and US Dept. of Homeland Security, and captains from the industry across sectors. Notable senior Indian government officials from Ministry of Home Affairs, Gol, Department of Law and Justice, Central Board of Indirect taxes and Customs, Directorate of Revenue Intelligence, Delhi Police, Customs also took part in the deliberations and extended their support to this initiative.

Since, the Indian economy has planned to reach the target of US\$ 5 trillion by 2024, illicit trade having a serious decelerating effect on growth, has to be curbed substantially. This will happen only if concerted effort is made by all stakeholders. All concerned have to cooperate to ensure that an effective and workable deterrence to contain the spread of this menace, is created without any loss of time. In absence of such an action, it would be difficult to arrest this menace.





# MEDIA COVERAGE

WWW.INDIANEXPRESS.COM  
THE INDIAN EXPRESS, FRIDAY, SEPTEMBER 27, 2019

## 'Smuggling in 5 sectors cost India 16 lakh jobs in FY18'

PRADYUMN BHASKAR  
NEW DELHI | 27 SEPTEMBER 2019

SMUGGLING OF goods in India, which adds to the government's revenue, has cost the country 16 lakh jobs in FY18, according to a study by the Federation of Indian Chambers of Commerce and Industry (FICCI). The study, titled 'Smuggling in 5 sectors cost India 16 lakh jobs in FY18', was released on September 26.

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International trade, smuggling, and the government's revenue are interconnected. The study, titled 'Smuggling in 5 sectors cost India 16 lakh jobs in FY18', was released on September 26. It highlights the economic impact of smuggling in five key sectors: textiles, tobacco products, ready-made garments, capital goods, and consumer electronics. The study estimates that smuggling in these sectors cost India 16 lakh jobs in FY18.

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BUSINESSLINE  
MUMBAI | SEPTEMBER 27, 2019, 08:36

## 5 lakh jobs lost due to smuggling, says FICCI study

DAVID BAKER

New Delhi, September 26

The Indian economy loses 11,17,253 crore due to smuggling in five key sectors such as textiles, tobacco products, ready-made garments, capital goods and consumer electronics, according to a study.

The FICCI commissioned study said, due to smuggling in these five key sectors, the total direct livelihood opportunity loss was pegged at about 5.6 lakh jobs in 2017-18.

The estimated smuggling and output loss to the domestic ready-made garments industry also came to Rs 2,398 crore in 2017-18 from Rs 2,360 crore in 2015-16, according to the study. Trade in smuggled goods, such as handbags, leather goods and footwear, has also seen a rise in the last few years and rose to Rs 4,349 crore in 2017-18, according to the study.

Business Standard



## INDIAN ECONOMY LOSES ₹1.1 TRN TO SMUGGLING

Indian economy loses ₹1.17 trillion due to smuggling in five key sectors, revealed a study. The study, conducted by the Federation of Indian Chambers of Commerce and Industry (Ficci) and the Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) measures this impact through impact of smuggling in five areas — textiles, tobacco products, readymade garments, capital goods, and consumer electronics — taking into consideration their backward and forward linkages.

COMPILED BY INDIVJAL DHASMANA



## The Statesman

### Govt to take call on I-T relief at appropriate time: Thakur

PRESS TRUST OF INDIA  
NEW DELHI, 27 SEPTEMBER

The government will take a decision on raising the income tax exemption limit at an appropriate time, Minister of State for Finance Anand Singh Thakur said today.

Last week, the government lowered the corporate tax to 22 per cent from 30 per cent and there has been a clamour for raising income tax exemption limit to push demand and investment with a view to fuel economy.

"When the time comes to take a call on it (income tax relief), the government will do so. The government is in the past has increased the limit from Rs 2.5 lakh to Rs 3 lakh, he further, whenever the time comes, we will look into

the matter," he said. Thakur, while replying to queries on Punjab & Maharashtra Cooperative Bank (PMC Bank) to the BSB, the minister said the central bank has its own role in the country and it does its job well.

On corporate tax cuts he said, the government's decision to cut corporate tax will boost growth and investment in the country.

He also said there is a need to fight against counterfeit, smuggling and piracy as it has been a serious problem in the country.

Prevention of smuggling can increase employment by up to 16 lakh jobs in the key industries — textiles, tobacco products, garments, capital goods and consumer electronics, according to a

study released by the ministry. Indian economy loses Rs 11,17,253 crore due to smuggling in these five sectors, he said. Mr Thakur said new investments will help create a lot of job opportunities in the country.

"Indians provide most competitive rates in the world and will attract fresh investment in manufacturing which will catalyse the country in the \$5 trillion scenario," he said.

In the biggest reduction in 28 years, the government on Friday slashed corporate tax by almost 10 percentage points as it looked to pull the economy out of its slow low growth and a 45-year high unemployment rate by pushing private investments with a 15-18-lakh crore tax break

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REGD. NO. 91(3-01)

## Govt to take call on relief in income tax at appropriate time: Thakur

**NEW DELHI:** The government will take a decision on raising the income tax exemption limit at an appropriate time, Minister of State for Finance Anand Singh Thakur said on Thursday.

Last week, the government lowered the corporate tax to 22 per cent from 30 per cent and there has been a clamour for raising income tax exemption limit with a view to fuel economy.

"When the time comes to take a call on it (income tax relief), the government will do so. The government in the past has also increased the limit from Rs 2.5 lakh to Rs 3 lakh. In future, whenever the time comes, we will look into the matter," he said.

With regard to Punjab & Maharashtra Cooperative Bank (PMC Bank) by the RBI, the minister said the central bank has its own role in the country and it does

its job well. "After considering all aspects they (RBI) will take a decision on this. It benefits both customers and the bank," he said.

The central bank's Tuesday put a slew of restrictions on the Punjab-based lending credit union, known as the Punjab & Maharashtra Cooperative Bank (PMC Bank).

More restrictions include curbing withdrawal at Rs 1,000 per customer during the six-month period, and banning the bank from extend-

ing new loans. The lender had around Rs 11,000 crore of public deposits.

With regard to Justice Prasad's Attorney General's Reference concerning the Punjab & Maharashtra Cooperative Bank, Thakur said it is because of the efforts of the Narendra Modi government.

The government through many legislations including Insolvency and Bankruptcy

Code has ensured that nobody leaves the country with the public money, he said. Meanwhile, he said that the government's decision to cut corporate tax will boost growth and investment in the country.

He also said there is a need to fight against counterfeit, smuggling and piracy as it has been a serious problem in the country.

Prevention of smuggling can increase employment

by up to 16 lakh jobs in the key industries — textiles, tobacco products, garments, capital goods and consumer electronics, according to a study released by the ministry.

Indian economy loses Rs 11,17,253 crore due to smuggling in these five sectors, he said. On corporate tax reduction, Thakur said new investments will help create lot of job opportunities in the country.

"India now provides most competitive rates in the world

and will attract fresh investment in manufacturing which will catalyse the country in the \$5 trillion scenario," he said. By the biggest reduction in 28 years, the government on Friday slashed corporate tax by almost 10 percentage points as it looked to pull the economy out of a 45-year high unemployment rate by pushing private investments with a 15-18-lakh crore tax break.

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# दैनिक जागरण

## आयकर छूट पर सहो समय में फैसला लेगी सरकार

नई दिल्ली, 15 अक्टूबर: वित्त विभाग ने आयकर छूट पर सहो समय में फैसला लेगी। वित्त विभाग के अधिकारियों ने कहा है कि सरकार यह फैसला आने पर आयकर छूट सौंप कराने के बारे में निर्णय लेगी। पिछले साल सरकार ने करिब 22 प्रतिशत कर दिया था। इसके बाद से मांग और खपत को बढ़ावा देने के लिए सरकार छूट सौंप कराने को मांग लगाता रहा है, ताकि अर्थव्यवस्था को गति मिल सके।



अरुण जाटव

### कटाव

- केंद्रीय वित्त राज्यमंत्री ने एक कार्यक्रम में दिया बयान
- कहा - इससे पहले ही सरकार ने बढ़ाई है सीमा

जाटव ने कहा, "जब आयकर छूट पर फैसला लेने का समय आएगा तो सरकार इस पर निर्णय लेगी। सरकार पहले भी आयकर को सीमा को 2.5 लाख रुपये से बढ़ाकर पांच लाख रुपये का चुको है। अर्थव्यवस्था में जो जब भी ऐसा समय आया, हम इस मामले पर विचार करते।" पंचवर्षीय ग्रहण कोशिलिडिब बैंक ( फाइसली बैंक ) पर रिजर्व बैंक के प्रतिबंध को लेकर वित्त विभाग में यह कि केंद्रीय बैंक को देश में अपने भूमिका है और यह अपने काम बेहतर रूप से करता है। उन्होंने कहा कि सभी पहलुओं पर विचार करने के बाद अर्थव्यवस्था ने यह फैसला किया होगा, ताकि बचत और बैंक दोनों का लाभ हो।

कॉन्सिडेट टैक्स पटान से विदेशों को मिलेगी भी। वित्त राज्यमंत्री अरुण जाटव ने कहा कि कॉन्सिडेट टैक्स में करीबी से देव वे विदेशी निवेश बढ़े

और विकास को गति मिलेगी। उन्होंने यह भी कहा कि नकली, तस्करी किए हुए और पारबेटेड प्रोडक्ट से इन्वेंट्री को खोले पहुंचाई है और रोजगार सृजन को भी प्रभावित करता है। जाटव का कहना था कि टैक्समेटेशन, तंबाकू उत्पाद, गारमेंट्स, कैपिटल गूड्स और कंज्यूम इलेक्ट्रॉनिक्स सेक्टरों में तस्करी के जाने से रोजगार के अवसरों में 16.36 लाख का इजाजत हो सकता है। इन पांच क्षेत्रों में तस्करी से भारत को खाली 1.17 लाख यूनिट रुपये का नुकसान उठाना पड़ता है।

# Business Standard

## India Needs More Awareness To Understand Difference Between Fake And Original Goods

Capital Market  
Last Updated on October 17, 2019 11:04 AM IST



### ALSO READ

- Hydra, Singapore business executives, MUs or MSMEs to reach large South East Asian markets.
- Tax relief to corporates will act as a booster dose to revive growth (FICCI)
- ESOP reform measures required for higher growth (retailing-FICCI)
- FICCI appeals to industry chambers to organised relief upon farm affected areas.
- FBI holds pre-arrest commission with representatives of industry, services and trade groups
- Atalaj Singh Tripathi, Ministry of State, Finance and Corporate Affairs, Government of India, said that the government along with organisations like FICCI must fight against counterfeit trade, smuggling and piracy to the jobs and money. Speaking at the 6th edition of MASCRABE 2019 - Combating Counterfeiting, Smuggling and Piracy: A Winning Strategy, organised by FICCI-CASCADE (Committee Against Smuggling and Counterfeiting Against Destroying the Economy). Tripathi said that India needs more awareness to understand the difference between fake and original goods.
- FBI urged the stakeholders to leverage use of technology to slow this growing menace. Smuggling, counterfeit trade and piracy hold back progress, raises the cost of goods, leads to tax evasion, hampers job creation and creates safety hazards for consumers, he noted.

# The Indian EXPRESS

## 'Smuggling in 5 sectors cost India 16 lakh jobs in FY18'

Of this, over 5 lakh jobs were prevented from being added to these sectors directly. Labour intensive industries like ready-made garments and tobacco products experienced a chunk of the loss in direct livelihood opportunities.



Smuggling of goods in the textiles, ready-made garments, cigarettes, machinery and parts and consumer electronics industries prevented India from adding over 16 lakh jobs in 2017-18, shows a new study on the issue.

पंजाब केसरी

पुवा भारत- पुवा अखबार

आयकर में मिल सकती है छूट, केंद्र सरकार ने दिया संकेत

आयकर छूट के बारे में गरीब समाज पर फैसला लेगी सरकार: अरुण जाटव

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# NBT नवभारत टाइम्स

## 'इनकम टैक्स में जल्द बदलाव नहीं'

विशेष संवाददाता नई दिल्ली

कांग्रेसोदय टैक्स में कटौती के बाद इनकम टैक्स में किसी भी प्रकार के बदलाव या छूट को लेकर सरकार जल्दबाजी नहीं करेगी। इस बात के संकेत वित्त राज्य मंत्री अनुराग ठाकुर ने दिए। उन्होंने गुरुवार को कहा कि सरकार सही समय आने पर इनकम टैक्स की छूट सीमा बढ़ाने के बारे में फैसला लेगी। पिछले सप्ताह सरकार ने कांग्रेसोदय टैक्स की दर को 30 परसेंट से घटाकर 22 परसेंट कर दिया था। इसके बाद से मांग और खपत को बढ़ावा देने के लिए इनकम टैक्स छूट सीमा बढ़ाने की आवाजें उठ रही हैं, ताकि इकनॉमी को गति दी जा सके।



कांग्रेसोदय टैक्स में छूट मिलने के बाद ही मांग और खपत घटी बढ़ावा देने के लिए इनकम टैक्स छूट सीमा बढ़ाने की आवाजें उठ रही हैं

ठाकुर ने कहा, जब इनकम टैक्स राहत पर फैसला लेने का समय आएगा तो सरकार इस पर निर्णय लेगी। हम पहले भी इनकम टैक्स छूट सीमा बढ़ा चुके हैं, जब भी ऐसा समय आएगा, हम इस मामले पर विचार करेंगे। पंजाब एंड महाराष्ट्र को ऑपरेटिव बैंक पर रिजर्व बैंक के बैंक को लेकर वित्त राज्य मंत्री ने कहा कि सेटल बैंक को देश में अपनी भूमिका है और वह अपना काम बेहतर तरीके से करता है। उन्होंने कहा कि सभी पहलुओं पर विचार करने के बाद आरबीआई ने यह फैसला किया होगा, ताकि ग्राहकों और बैंक दोनों का लाभ हो।

**DECCAN HERALD**  
Corp tax reduction to boost growth, investment: Thakur

Finance Minister with...

**The Sangai Express**  
LARGEST CIRCULATED NEWS PAPER IN MIZORAM

# अमर उजाला

## नकली सामान से अर्थव्यवस्था को 1.17 लाख करोड़ रुपये की चपत

फिक्की की रिपोर्ट में खुलासा, भरीभरी उद्योग को सबसे ज्यादा नुकसान

नई दिल्ली: कार, मोटर, इलेक्ट्रॉनिक्स, कपड़े और कपड़ों से बने वस्तुओं का प्रतिव्यवस्थापन से नुकसान होने का दावा करते हुए उद्योगों के संघों ने नई दिल्ली में एक बैठक में सरकार से इनकम टैक्स में छूट सीमा बढ़ाने की मांग की। उद्योगों के संघों ने कहा कि सरकार इनकम टैक्स में छूट सीमा बढ़ाने से नुकसान होने का दावा कर रही है।



आयकर छूट पर फैसला सही वक्त पर : ठाकुर

# राष्ट्रीय सहारा

## आयकर छूट पर फैसला सही वक्त पर : ठाकुर

कांग्रेसोदय कर में छूट के बाद आयकर सीमा बढ़ाने की है मांग

नई दिल्ली (भाषा)। कांग्रेसोदय टैक्स में छूट के बाद आयकर सीमा बढ़ाने की है मांग। वित्त राज्य मंत्री अनुराग ठाकुर ने गुरुवार को कहा कि सरकार सही समय आने पर इनकम टैक्स में छूट सीमा बढ़ाने के बारे में फैसला लेगी।

नकली वस्तुओं की पहचान के प्रति जागरूकता लाई जाए नई दिल्ली (भाषा)। वित्त राज्य मंत्री अनुराग ठाकुर ने अखिली और नकली वस्तुओं की पहचान के प्रति जागरूकता लाई जाए।





# अनुराग ठाकुर को अर्थव्यवस्था में सुधार की उम्मीद

जनसत्ता नई दिल्ली, 26 अक्टूबर

शिव राज्य में अनुराग ठाकुर ने चुनाव को कहा कि कॉर्पोरेट कर कम करने से अवधि बढ़े और निवेश में तेजी आएगी। उन्होंने कहा कि नकली सामान, नकली जूटि के खिलाफ लड़ाई को जबरन है क्योंकि यह अर्थव्यवस्था को पुनरुत्थन पहुंचाने है व सरकार के बीच कम करना है। उन्होंने इस अवसर पर एक विषय भी उभारे।

सिफ्ट के मुआविके वाले कुमल शर्मा काठार, संजय, पीछाने, दुर्भिक्ष समुदाय व उपरोक्त इलेक्ट्रोनिक से

● नयागरी सामान, नकली जूटि के खिलाफ लड़ाई की जरूरत है क्योंकि यह अव्यवस्था को नुकसान पहुंचा है व रोजगार के मौके कम करता है

कहा - भारत अब विश्व में सबसे उन्नतवर्गीय देश की श्रेणी में आ रहा है और डिजिटल में नया विश्व आकर्षित करेगा। जो देश को पांच हजार अरब डॉलर की अर्थव्यवस्था तक लेगा। सरकार ने विज्ञान को प्रोत्साहन की 28 साल से सबसे बड़ी कटौती की लेकिन करोड़ों डॉलर खर्च कर कर को बढ़ावा दे रहा है। सरकार को चाहिए कि करोड़ों डॉलर खर्च कर कर को बढ़ावा दे रहा है। सरकार को चाहिए कि करोड़ों डॉलर खर्च कर कर को बढ़ावा दे रहा है।

Dijiworld.com  
**'Stopping smuggling in 5 sectors can create 16.36 lakh jobs'**

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New Delhi, Sep 26 (IANS): Prevention of smuggling in five key industries - textiles, footwear, garments, liquor, machinery & parts, and consumer electronics can increase employment by 16.36 lakh jobs, says a new FICCI study released here on Thursday.

This is because of backward linkage and multiplier effects of these industries, said the report, adding that total direct livelihood opportunities lost to these five industries was around 5 lakh in 2017-18.

Speaking at an event to discuss the report titled 'Smuggling - Impact of Smuggling on Indian Economy and Employment', Chairperson of FICCI for Finance and Employment, Chitra Jha said she was surprised to understand the difference between loss and original goods. He urged people to leverage technology to stop this growing menace.

Finance Minister Nirmala Sitharaman said that India needs more incentives to understand the difference between loss and original goods. He urged people to leverage technology to stop this growing menace.

ZEE NEWS

**आपकी 'स्मार्ट शॉपिंग' करेगी आतंकवादियों पर सीधा प्रहार, आपके एक सही कदम से टूट जाएगी उनकी कमाई**

48 घण्टों की शॉपिंग पर 99 डॉलर खर्च करने के बाद भी 50-60 डॉलर का प्रहार कर सकते हैं। यह प्रहार तोड़ने के लिए आपको 'स्मार्ट शॉपिंग' करना चाहिए। यह प्रहार तोड़ने के लिए आपको 'स्मार्ट शॉपिंग' करना चाहिए। यह प्रहार तोड़ने के लिए आपको 'स्मार्ट शॉपिंग' करना चाहिए।

THE HINDU

Two police officers from Visakhapatnam district receive FICCI award

STAFF REPORTER

Two police officers from Visakhapatnam received Best Performing Officer-2019 award for their performance in law enforcement in curbing counterfeiting and smuggling by the FICCI Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE).

DSF (Intelligence), Visakhapatnam City Police, Mahendra Mathe, Sub-Inspector of V Madugula, Visakhapatnam Rural, Y. Tarakeswara Rao, received the awards from Union Minister of State for Finance, Anurag Singh Thakur and Union Minister of State for Home Affairs Nirmaland Rao on the occasion of MASCADE 2019 - Movement Against Smuggling and Counterfeit Trade held on September 26.

Mr. Mahendra and Mr. Tarakeswara Rao were among four police officers, who have received the award, while other two officers are said to be from Kadapa district.

**Business Standard**

Indian economy loses Rs 1.17 trillion due to smuggling, says study

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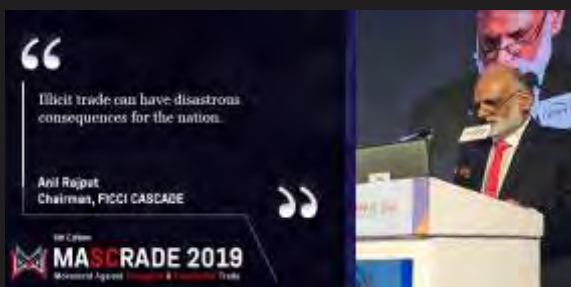
ALSO READ

Smuggling costs India Rs 1.17 trillion, report says

Smuggling costs India Rs 1.17 trillion, report says

Smuggling costs India Rs 1.17 trillion, report says

# SOCIAL MEDIA COVERAGE







“  
 Money generated through illicit trade leads organised crime and sustains drug/drug trade.”  
 ”

**Mr. R. K. Das**  
 Chairman, Central Board of Indirect Taxes and Customs

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



*Congratulations*

**Smt. Thouroojam Brinda**  
 IFC, Additional Senior President, M.P. Prasad, Marathi T100

Recipient of distinguished award  
 in the category  
 Best Leadership & Best Teamworking Award

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“  
 Amazon introduced powerful tools to report cases of potential infringement.”  
 ”

**Mr. Dustin Todd**  
 Head, Global Brand Protection - Amazon.com, Inc.

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 Business Against Corruption & Compliance Today



“  
 India ranks 6th in world counterfeits proliferation.”  
 ”

**Mr. Huru Watkins**  
 Head of Asia Policy, Intellectual Property Office, UK

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



“  
 It is estimated that almost a quarter of Australia's illicit tobacco market stems from warehouse leakages.”  
 ”

**Mr. Tim Sheppard**  
 Customs, Australia Border Force, Multinational Anti-Corruption

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*Congratulations*

**Shri T.V. Satyanarayana**  
 C. K. Jha, India Brand Policy

Recipient of distinguished award  
 in the category  
 Best Leadership & Best Teamworking Award

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



“  
 Responsible citizenry is the call of the hour in order to combat counterfeit and smuggled goods.”  
 ”

**Mr. Balraj Kumar**  
 IAS, Director General, Directorate of Revenue Intelligence, Government of India

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



**MASCRADE 2019**  
 Business Against Corruption & Compliance Today

Combating, Counteracting, Smuggling, and Piracy: A Winning Strategy

**Col. T. JSSMI Vinodkumar Tuli**  
 Director of Internal Security, Ministry of Defence

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



“  
 Criminals will be often successful as long as they are not caught.”  
 ”

**Mr. Elliott L. Martin**  
 National Programme Director, Cyber Law Enforcement Center, Department of Homeland Security, US

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



**Shri Nityanand Rai**  
 Hon'ble Minister of State, Home Affairs, Government of India

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



“  
 A variety of cyber crimes can be prevented by basic safety questions, often called "Cyber Hygiene".”  
 ”

**Dr. Mahesh Chavris**  
 Special Commissioner of Police, Cybercrime, Maharashtra

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today



**Shri Anurag Singh Thakur**  
 Member of Parliament, Lok Sabha, BJP, India

**MASCRADE 2019**  
 Business Against Corruption & Compliance Today

# MASCRADE PUBLICATION



**6<sup>th</sup> Edition**  
**MASCRADE 2019**  
 Movement Against Smuggled & Counterfeit Trade  
 Containing Counterfeiting, Smuggling and Piracy: A Winning Strategy



**KEY DELIBERATIONS**



are not severe, and that after detection of a case and completion of investigation, only a few prosecution proceedings result in conviction. It is necessary that bail should carry high amount of security, there should be stringent monetary penalty for the offences, and imprisonment should be more rigorous than at present. It was also opined that certainty about infliction of penalty is more effective than severity of the penal action. Investigation and prosecution must end in a specified period. The need for separate commercial courts manned by specially trained judges was also recommended. Dynamic injunctions coupled with punitive damages and making the provision of arbitration applicable for such offences were discussed. There is a need for a comprehensive national legislation to deal effectively with organized crime like the one in Maharashtra.

**Hon'ble Shri Uday Limesh Latit, Judge, Supreme Court of India** in his valedictory address said that counterfeiting is like a cancerous cell eating into the body of the society. There must be body to conduct constant and vigilant monitoring to curb counterfeiting before it takes place. It is imperative that the judicial process, executive vigilance and legislative apparatus must work together to stop the menace of counterfeiting and smuggling.

A systematic treatment and persuasion by global community for stronger enforcement is needed to address this issue. The conference saw a host of notable international speakers from INTERPOL, US Intellectual Property, South Asia, UK Intellectual Property Office, Australian Border Force, HM Revenue and Customs and US Dept. of Homeland Security, and captains from the industry across sectors. Notable senior Indian government officials from Ministry of Home Affairs, GoI, Department of Law and Justice, Central Board of Indirect taxes and Customs, Directorate of Revenue Intelligence, Delhi Police, Customs also took part in the deliberations and extended their support to this initiative.

Since, the Indian economy has planned to reach the target of US\$ 5 trillion by 2024, illicit trade having a serious decelerating effect on growth, has to be curbed substantially. This will happen only if concerted effort is made by all stakeholders. All concerned have to cooperate to ensure that an effective and workable deterrence to contain the spread of this menace, is created without any loss of time. In absence of such an action, it would be difficult to arrest this menace.



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**Mr. Balesh Kumar**  
 IRS, Director General, Directorate of Revenue Intelligence, Government of India

*Need for a clear policy mandate having concrete elements to provide the impetus needed to contain counterfeiting, smuggling and piracy*

There is a need to build more interaction with the industry and enforcement agencies as India is aiming at 5 trillion-dollar economy. FICCI MASCRADE is a unique initiative and its study titled "Invisible Enemy: The Impact of smuggling on Indian economy and employment" is a first ever compilation which studies smuggling and its impact on employment in India. According to this study about 16 lakh job losses have been attributed through smuggling. It studies the backward linkages and multiplier effects on the backward linkages which causes both direct loss and indirect loss of jobs on the Indian economy in 5 sectors namely textiles, readymade garments, consumer electronics, tobacco and capital goods.



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communication, interception very difficult. All these organized criminals are now operating on a different platform of financial transaction, which is very difficult to control or detect. Internet offers unprecedented anonymity. There is a Tor browser whose name is derived from the onion router, which means a person is browsing a free and open-source software for enabling anonymous communication. In this information is passed on from one server to another to another server and in the end, no one knows where from the information is coming.

Hosting of the website, its domain name, network's stable and secure operations is controlled by the Internet Corporation for Assigned Names and Numbers (ICANN). Many countries are offering bulletproof hosting which means one cannot find out who has hosted the website. Therefore, one cannot reveal the identity and lot of criminal websites are operating in this manner.

The visible internet is 10% and the rest is called dark web and deep web. The dark web is the hidden lane of crime, under which every illegal activity such as piracy, contraband and others are going on. These days financial transaction does not take place in rupees or dollars but in crypto-currency, bitcoins, or similar other currencies. In India, RBI banned all Bitcoin transactions and their conversion from the bank account to Bitcoin last year. Bitcoin is a virtual currency which can be encrypted with absolute anonymity using unlocking password. India is yet to see a real operation in which actual bitcoins have been confiscated.

These days encrypted communication, like WhatsApp, telegram, etc are using strong encryption, which cannot be broken by many law enforcement agencies. Even forensic labs fail to decrypt the information. Nexalites are using PGP, which has a very strong encryption and most of these communication tools are free of cost.

Crimes such as murder, rape, or other violent offenses take priority and crimes such as counterfeiting, piracy are in very low priority area. In August 2018 Rs. 94 crores from Cosmos bank, Pune were taken by cyber gangs, and the money was withdrawn in 28 countries, in 15,000 ATM transactions in seven hours. Rs. 30 crores were withdrawn in Russia itself. In 2012, \$45 million were withdrawn in 27 countries in 40,000 ATM transactions in three days, the modus operandi was same. In 2016, \$12.7 million were withdrawn in less than three hours in 1400 ATM transactions involving more than hundred people. The problem remains that cyber is still not a priority for the law enforcement agencies. It is a multidisciplinary subject and needs technical competence to investigate a cybercrime case.

International cooperation and sharing intelligence are important. Technology is helping criminals, we need to leverage it for our advantage. There are various methods of analysing data, the big data using artificial intelligence. The use of technology for solving crime, prevention of crime and developing of actionable intelligence is very important. There is a need of police officers with technical bent of mind. Also there should be a strong criminal justice system, as severity of punishment is not so important as certainty of punishment.



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# Seminar



# Communication, Coordination and Collaboration- Strengthening the fight against counterfeiting and smuggling

August 31, 2019 | Karnataka



**T**he connectivity of the world's population has increased phenomenally during the past decades extending the reach of illicit trade to the remotest corners. Technological advent, fast communication channels and globalisation have given impetus to the exponential growth of illicit trade in dangerous forms, such as counterfeiting, smuggling and piracy. According to the World Economic Forum, the economic leakages from illicit trade creates an annual drain on the global economy of \$2.2 trillion, which is nearly 3% of the world's economy.

In order to discuss this growing concern, FICCI CASCADE organised a seminar on “Communication, Coordination and Collaboration: Strengthening the Fight against Counterfeiting and Smuggling” in association with the National Law School of India University, Bengaluru on 31st August 2019. Mr. Ullas Kamath, Chairman, Karnataka State Council, FICCI in his welcome address said that while the national GDP was growing at a rate of 5%, the growth of counterfeit goods was outpacing it at nearly 10%. He added that it was imperative to understand the need for safeguarding the rights of legitimate industry towards developing competitiveness in various sectors of the economy. Mr. Najib Shah, Former Chairman, Central Board of Indirect Taxes and Customs and Think Tank Member, FICCI CASCADE in his theme address, stated that “the realization of the damage counterfeiting causes is not appreciated. On the other hand, smuggling results in generation of unaccounted wealth and is the immediate trigger for criminal activities. We should aim to work towards creating an environment where people will want to be innovators and manufacturers and importers without fear of their work being plagiarised or having to compete with smugglers”.



“Compounding the problem is that counterfeiting has a nebulous definition”, observed Hon'ble Ms. Justice Prathiba M. Singh, Judge, Delhi High Court, the Chief Guest at the programme. While commending FICCI CASCADE's continued campaign in addressing the menace of smuggling and counterfeiting, Justice Pratibha Singh emphasized on the need for education, awareness and sensitization campaigns amongst consumers, specially the country's youth, to effectively deal with the problem of illicit trade.

Prof. Dr. M.K. Ramesh, Vice-Chancellor, National Law School of India University, in his address, mentioned that “tackling the menace of counterfeiting and smuggling should be of prime importance with zero defect and zero-effect on the environment. The image of India will shine globally if we strengthen our enforcement of laws, evolve strategies to address this issue and at the same time safeguard the intellect”. The Vice-Chancellor extended his support and ensured the Law School's commitment to work with FICCI CASCADE in its fight against smuggling and counterfeiting.

The seminar generated discussions on shortcomings in the existing legal framework and likely solutions among senior officials including Mr. Pravin Pawar, DIG-CID, Karnataka State Police, Mr. P P Hegde, Criminal Lawyer, Karnataka High Court, Dr. Nagarathna, National Law School, Mr. S K Murthy, Patent Counsel, Intel India and Ms. Vijayalakshmi Malkani, IP Counsel, Hindustan Unilever. Hon'ble Mr. Justice Manmohan Sarin, Former Lok Ayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi and Think Tank Member, FICCI CASCADE, who chaired the panel discussion, said that “our society sees counterfeit goods as a cost-effective alternative to the real thing. But how many people realise that the income from fake goods is funding illegal activities?”. DIG CID Mr. Pawar remarked that many junior police officers lacked the skills required to tackle illicit trading activities. “The police's priority is basic law and order. Even when anti-counterfeiting busts are effective, convictions are low because of slow justice in courts” he added.



The subsequent panel discussions focused on the issue of online counterfeiting, potential solutions with respect of enforcement and policy guidelines by concerned government departments. Eminent panelists in the deliberations included Mr. A. K. Jyotishi, Chief Commissioner of Customs, Bengaluru Zone, Mr. T G Venkatesh, Additional Director, DRI, Bengaluru Zone, Mr. Harikrishna Holla, Advocate, Dr. Anita A Patil, Assistant Professor, NLSIU, Mr. Pradeep Dixit, General Manager-Industry Affairs, ITC and Mr. Diwakar Singh Pundir, Head Legal & IP, Marico Limited. Mr. P C Jha, Advisor, FICCI CASCADE and Former Chairman, Central Board of Indirect taxes and Customs, while chairing the session, highlighted that in the last twenty years, the volume of counterfeiting activities globally had increased 100 times and the size of trade in counterfeited goods was 10% of the legal international trade amounting to 2% of the world's overall economic output. "The problem of illicit trade is much more serious than it is commonly perceived", he emphasized.

Prof. (Dr.) T. Ramakrishna, Professor of Law, Chair of Intellectual Property Rights, Head, CIPRA, Head, Institute of Excellence on Standards and IPR, elaborated on the best practices in dealing with the counterfeiting issue globally, citing laws in the US, Turkey, Canada, UAE and Japan, along with Mr. Ranjan Narula, Managing Partner, RNA, who spoke on the laws in the US and Canada.

The event witnessed enthusiastic participation of over 100 industry captains, representative from consumer forums, lawyers, government officials and other stakeholders. The program concluded with the participating delegates agreeing on the following proposals:

1. The primary concern in tackling the growing phenomenon of illicit trade is the implementation and enforcement of laws, as the legal framework is adequate.
2. There is a need to train judicial and police officers for ease of implementation and prosecution of such cases.
3. The need to understand that the consumers are also an important stakeholder. Involving them to fight the increasing menace is essential to tackle this issue.
4. Naming and shaming both users and producers of counterfeit products is another essential mechanism, which will lead to shunning of the products by the consumers themselves, thereby leading to a change in the mindset of the people.



# Containing Counterfeiting and Smuggling- A Step Towards Prosperous Nation Building

January 22, 2020 | Chennai

In the modern economic era, with technological advancements accelerating international trade and fragmentation of global supply chains, there is the need to maintain a right balance between trade facilitation and law enforcement. Significantly, as a result of these developments, the geographic scope, capacity and range of illegally traded goods have increased manifold over the years. Illicit trade, including counterfeiting and smuggling, now increasingly threaten economies, communities and the society as a whole. According to the World Economic Forum, economic leakages from illicit trade creates an annual drain on the global economy of US\$2.2 trillion, which is nearly 3% of the world's economy. The scale of counterfeiting and smuggling is huge, and 10% of the global GDP is siphoned off by illicit trade.





FICCI CASCADE has been working relentlessly to create awareness and sensitize all concerned about the harmful impact of counterfeiting, smuggling and piracy. In order to discuss this growing menace, FICCI CASCADE organised a seminar on “Containing Counterfeiting and Smuggling: A Step Towards Prosperous Nation Building” on 22nd January 2020 in Chennai. Ms. V Kavitha Dutt, Chairperson, FICCI Tamil Nadu State Council & JMD, The KCP Ltd. in her welcome address highlighted that counterfeiting and smuggling adversely impacted industries, consumers, government and economy. “Illicit trade has a serious decelerating effect on growth which must be curbed substantially. Consumers must be emphasized on taking a bill on every purchase for making India a tax complaint nation and encouraging citizens to be a part of progressive nation building,” she added.

Hon'ble Dr. Justice S. Tamilvanan, President, Tamil Nadu State Consumer Disputes, was the chief guest at the seminar. “As per Consumer Protection Act 1986, consumer rights should be protected. Smuggling and counterfeiting is affecting not only the revenue of the government but is also adversely impacting commerce and industry and the health and safety of the people. This national problem can be reduced through proper laws and stringent actions, which in turn will lead to a prosperous nation building. Effective enforcement, special courts and tribunals, proper development and awareness are the pillars to curb this menace”, said Hon'ble Justice.

Dr. Prateep V. Philip, IPS, DGP Civil Supplies (CID), Government of Tamil Nadu, in his special address, said that India had a burgeoning market in counterfeit and smuggled goods ranging from electronics to cosmetics, pharmaceuticals, apparels, cigarettes, footwear etc. “The increasing internet penetration of over 302 million internet users makes India the second largest online user base. Owing to the shift in customers from offline purchases to online purchases, a multi-pronged and multi layered approach across all supply chain is required to establish a universal and uniform electronic pedigree. Illicit trade is operated





by criminal gangs and terrorist groups which emphasizes the importance of customs and border protection agencies in preventing and reducing this heinous crime,"he said.

Mr. P C Jha, Advisor, FICCI CASCADE and Former Chairman, Central Board of Indirect Taxes and Customs, giving an overview on the socio-economic impact of illicit trade on the economy highlighted that the direct employment opportunity lost in textiles, cigarettes, readymade garments, capital goods and consumer electronics was about 5.01 lakh in 2017-18, while the employment opportunity lost in the economy was about 16.36 lakh in 2017-18 due to backward linkages and multiplier effects of these five industries. Mr. Jha also stressed on having zero-tolerance towards illicit products as it fuelled terrorist activities and organised crime.

The seminar generated discussions on the organised crime surge in India and the role of enforcement agencies in combating smuggling and counterfeiting. Ms. Kameswari Subramanian, International Expert, Customs Law, Procedures & Trade facilitation and Think Tank Member, FICCI CASCADE while chairing the session emphasised on the role of social media, television and broadcasting on curbing the menace of illicit trade. Mr. M M Parthiban, Principal Commissioner of Customs, Chennai Customs Zone, Mr. Peri Umasankar, Additional Director General, DRI, Chennai Zonal Unit, Directorate of Revenue Intelligence and Mr. Vijay Kumar, IPS, Superintendent of Police, CB, CID, Chennai joined Ms. Subramanian in the panel. The enforcement officers echoed on the need for effective coordination and collaboration among the stakeholders coupled with vigorous action in order to counter the growing hazards of counterfeiting and smuggling. With the online purchase fuelling the sale of counterfeit products, the officers urged firms to use bar-codes and RFID tags when selling via e-portals to assure consumers of authentic products.

January 22, 2020 - Annasalai, Chennai





The role of government and industry to fight against smuggled and fake products and ensuring consumer protection was addressed by representative of leading industries, law firms and senior government officials. Eminent panellists in the deliberations included Mr. Deep Chand, Advisor, FICCI CASCADE and Former Special Commissioner of Delhi Police, Mr. Sajjansingh R Chavan, Commissioner, Civil Supplies and Consumer Protection Department, Government of Tamil Nadu, Ms. Shakthi Priya, Legal Consultant, Hindustan Unilever, Mr. Rajesh Ramanathan, Partner, Factum Law and Mr. R Srivatchan, Director, Chaturth Business Solutions. The panellists were of the view that a streamlined, formal system of informing the manufacturers about the illicit products would allow for an effective communication between consumers and brands and help curb the practice of producing counterfeit products. They emphasised on the fact that illicit trade was a national issue that affected everyone individually, hence, a behavioural change for consumers was required with respect to buying/using such products.

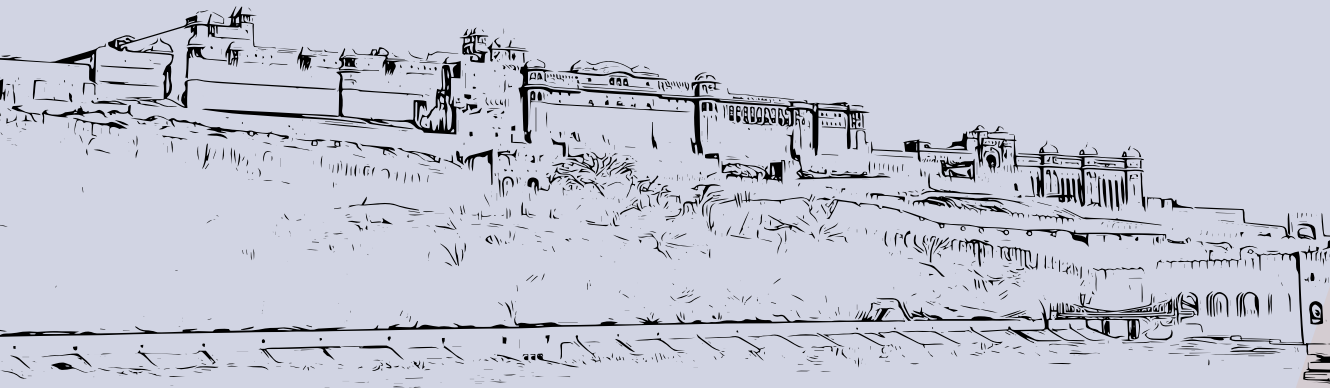
Ms. P Suriya Prabha, Director of Programs, Transnational Alliance to Combat Illicit Trade (TRACIT) elaborated on few international best practices in combating illicit trade, while Mr. P Sridharan, Head, FICCI Tamil Nadu State Council also shared his perspective on the subject.

The seminar witnessed enthusiastic participation of over 120 industry captains, representative from consumer forums, lawyers, government officials, media and other stakeholders. The discussions concluded with a common view that the problem of counterfeiting and smuggling was multifaceted and complex and needed to be discussed time and again with government agencies to emphasize on effectively addressing the menace through adequate laws and enforcement practices; increased engagement with industry and, most importantly, creating awareness in the society to help fight the threat emanating from illicit trade.

# Containing Counterfeiting and Smuggling – A Step Towards Prosperous Nation Building

February 13, 2020 | Jaipur

India, due to its massive strides in the world economic arena, has become a favourite of the smugglers and counterfeiters, who indulge in illegal economic activities with no concern other than making fast profit at any cost. Illicit trade decelerates a nation's progress, be it economic, social, environmental, besides impacting the safety and security of the country and its people. It is estimated that the global illicit trade is now of the size of about US \$3 trillion.



In order to address the menace of illicit trade, which is now a major worldwide concern, FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) organized a seminar to contain the menace of counterfeiting and smuggling in Jaipur on 13 February 2020, in keeping with its nationwide awareness campaign on the issue. The focus of the seminar was to provide stakeholders with the tools, information and the capacity needed to tackle the rising concern on illicit trade.

“Counterfeiting and smuggling related crimes have increased manifold in the global market resulting in revenue loss to government and businesses besides adversely impacting the health and safety of the consumers”, observed Mr. Ramesh Chand Meena, Hon'ble Minister for Food, Civil Supplies & Consumer Affairs, Government of



Rajasthan, chief guest at the seminar. Extending his support for the FICCI initiative, he looked forward to working in close collaboration with CASCADE to address this issue.

Dr. K.L Jain, Member, FICCI Rajasthan State Council and Honorary Secretary General, Rajasthan Chamber of Commerce & Industry (RCCI), while welcoming the participants, highlighted that counterfeiting and smuggling adversely impacted industries, consumers, government and economies as a whole. Illicit trade has a serious decelerating effect on economic growth which must be substantially curbed. Among other steps, consumers should be made aware of the importance of taking a bill on every purchase they make to help make India a tax complaint nation and thus contribute to progressive nation building.

Mr. P C Jha, Advisor, FICCI CASCADE and Former Chairman, Central Board of Indirect taxes and Customs, while speaking on the adverse socio-economic impact that illicit trade had highlighted the that overall global losses due to counterfeiting and piracy stood at Rs. 57.23 lakh crore in 2013 and was expected to go up to Rs. 119.7 lakh crore by 2022. Mr. N K Jain, Member, FICCI Rajasthan State Council & President of the Employers Association of Rajasthan, delivered the vote of thanks.

The focus of discussion during the seminar was on the importance of increased awareness about the hazards of counterfeiting and smuggling, and the need for effective enforcement to enhance India's economic development. During the panel discussions, there were extensive deliberations on the role of

## Maintaining Counterfeiting and Smuggling- Step Towards Prosperous Nation Building

13th February, 2020 | Jaipur



enforcement agencies, government and industry in combatting illicit trading activities. Mr. Deep Chand, Advisor, FICCI CASCADE and Former Special Commissioner of Delhi Police, while presiding the panel discussions, stressed on the need to have a multi-disciplinary approach to encounter this challenge. Society at large, trade and industry, enforcement agencies and policy makers need to come together to fight this concern. He said that the problem was two-fold: counterfeiting and smuggling, and needed to be dealt with through collaborative, effective and stern actions. Joining him on the panel were Mr. Rakesh Kumar Sharma, Principal Commissioner of Custom, Jaipur, Mr. Honhar Singh Meena, Additional Director, Directorate of Revenue Intelligence, Jaipur Regional Unit, Mr. G D Bansal, Vice Chairman, The Bar Council of Rajasthan, Mr. Vishnu Peri, Legal Consultant – Central Region, Hindustan Unilever Ltd. and Mr. Tanmay Jaswal, Founder & Director, Chkfake Brand Protection Solutions Pvt. Ltd. Enforcement officers underlined that counterfeiting and smuggling were attractive propositions due to three factors: easy to emulate, low investments and lack of technical expertise to identify those engaged in such malpractices. They also observed that among various products, cigarettes particularly were mostly prone to smuggling as it was a low-risk, high-reward criminal activity. The panellists stressed on the need to implement existing provisions of laws and simultaneously move towards a more technology-enabled system to counter such illegal operations. They agreed that a strong deterrence in the form of impeccable laws was needed to be put in place to curb the illicit trade menace.











# Roundtable

# Roundtable on Counterfeit Food Products

November 13, 2019 | New Delhi

**T**he food and beverage industry faces a challenge from counterfeiters on a global scale. Counterfeit food products and beverages threaten the health and safety of people around the world who often unsuspectingly buy these potentially very dangerous goods. More so, this is coupled with the loss of revenue and reputation of the impacted industry. Counterfeiting in this area is particularly dangerous because consumption of non-standard or low quality edible food and drinks can lead to involuntary ingestion of toxic substances that may cause serious health ailments or be life-threatening.

The magnitude and effects of counterfeiting are of such significance that they compel strong and sustained action from governments, business and consumers. With this in view, Food Safety and Standards Authority of India [FSSAI] and FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy [CASCADE] jointly organized a Roundtable on Counterfeit Food Products. This roundtable was organized with the objective to have in place a detailed action plan for government, enforcement agencies and industry to address this menace. The initiative was supported by FICCI CIFTI and E-Commerce Committee.

Mr. Pawan Agarwal, CEO, FSSAI, who chaired the roundtable, stated that FSSAI would look into the problem of counterfeit food products holistically and advised the food safety administration on the legal provisions available and their effective enforcement. Moreover, based on the inputs received from industry, an action plan would be developed to address the issue of counterfeit food products, which will be based on the following parameters:

- \* Nature, Background & Current Status of Counterfeiting of Food Products in India
- \* Current Legal & Regulatory Provisions to Check Counterfeiting of Goods



- \* Industry Initiatives for Controlling Counterfeiting
- \* Initiatives by E-Commerce Companies
- \* Initiatives by Direct Selling Companies
- \* Leveraging Technology: Use of Track & Trace Mechanism to Control Counterfeiting
- \* Strengthening of Enforcement & Surveillance Mechanism
- \* Consumer Awareness & Capacity Building
- \* CASCADE & Industry Associations Initiatives on addressing Counterfeiting

Mr. Anil Rajput, Chairman, FICCI CASCADE said that over past several years through its various initiatives, CASCADE had taken a number of steps to address the threat of counterfeiting and smuggling. A key tool to address this issue is educating consumers to ask for a bill while buying products so that this would act as a

proof-of-purchase and can be used for consumer protection in case the product is a counterfeit. He also emphasized that strengthening the penal provisions along with their speedy adjudication for cases related to counterfeiting were imperative.



The roundtable was attended by leading food and beverage companies, including ITC, Nestle, Britannia, Dabur, Coco-Cola, Hindustan Unilever, Mondelez, Mars, Marico, DS Group, Perfetti Van Melle, Pernod Richard, Diageo etc. who flagged their individual issues. Representatives from major e-commerce companies, e.g. Amazon, Flipkart, Shopclues and Snapdeal also participated and explained their compliance mechanisms to address online counterfeiting.

GS1, the leading organization for anti-counterfeiting solutions, also presented their perspective on curbing this menace through the use of authentication solutions. However, it

was felt that the counterfeiting scenario of each industry was unique; and therefore, solutions to address needed to be tailored according to the concerned sectors.

The members at the roundtable conclusively agreed that the criminal activities of illicit operators will only continue to be more aggressive, bolder, and more effective at infiltrating the legitimate supply chain. The proposed pragmatic action plan by FSSAI is, therefore, a welcome and much-needed step to create the desired deterrence and strengthen actions against the perpetrators of such crimes.









# Youth Programme



# Inter-School Competition on ZERO Evasion – Fight Against Counterfeiting and Smuggling

6 August 2019 | New Delhi

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 tomorrow's consumers. 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 has 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 the ensuing menace.

In order to pick the brains of the young school children and inspire the youth to take required actions to discourage and stop the purchase of fake, spurious and smuggled goods, FICCI CASCADe organised an Interschool Meet on the subject, where over 350 students from 50 leading schools from Delhi and NCR and few from other states as well competed against each other in three categories of competitions, namely, Painting, Elocution and Creative Writing, on the theme “Zero- Evasion: Fight Counterfeiting and Smuggling” on 6th August 2019 in FICCI, New









Delhi. The programme was also supported by FICCI ARISE (Alliance for re-imagining School Education).

The contest witnessed enthusiastic and active participation from students, most of whom were very impressive in expressing their concern on 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 “Young India Says No to Counterfeiting and Smuggling”, “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. K Malhotra, Former Secretary of Law and Justice, Govt. of India, Mr. Sanjeev Tripathi, Former Chief of RAW, Mr. Hem Pande, Former Secretary, Consumer Affairs, GOI, Mr. Deep Chand, Former Special Commissioner of Police, New Delhi and Mr. P. C. Jha, Advisor, FICCI CASCADE & Former Special Chairman, Central Board of Indirect Taxes and Customs (CBIC),





The winners in the competitions were as follows:

### **Elocution Competition**

- First: Mannat Arora, Class XII-C Blue Bells Model School, Gurgaon  
 Second: Khyati Pareek, Class XII-E, Modern Public School, Shalimar Bagh  
 Third: Vidhi Bisht, Class XII, Nehru World School & Bhavya Pokhriyal Class XII, Queen's Valley School, Dwarka

### **Painting Competition**

- First: Supriya Baital, Class X-C, Birla Vidya Niketan, Pushpa Vihar  
 Second: Vismit Kaur, Class XI-D, Spingdales School, Pusa Road & Shreyas, Class IX-D, St. Columba's School, Ashok Place  
 Third: Pranav Sharma, Class IX-A, Don Bosco School, Alaknanda & Pratishtha Dinkar, Class X-A, Arvind Gupta DAV Centenary Public School & Shreya Mishra Class, XII, The Future Kids School, Hyderabad



### Creative Writing Competition

- First: Devanshi Yadav, Ryan International School, Vasant kunj
- Second: Bhumika Aggarwal, Class X, Mount Abu Public School, Rohini
- Third: Arunima Mehta, Class XII-C, Lilawati Vidhya Mandir Sr. Sec School, Shakti Nagar & Anuushka Sharan, Laxman Public School, Hauzkhas
- Consolation: Navdha, Class XI-A, Darbari Lal DAV Model School, Shalimar Bagh

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 was 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.





# Consumer Meet and Candle Light Congregation on Unite Against Counterfeiting and Smuggling- A Step towards Nation Building

February 14, 2020 | Jaipur

Illicit trade decelerates nation's progress, be it economic, social, environmental, besides impacting the safety and security of the country and its people. It is estimated that the global illicit trade is now of the size of about US \$3 trillion. In order to address the menace of illicit trade, FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) organized a consumer meet and candle light congregation on "Unite Against Counterfeiting and Smuggling- A Step towards Nation Building" in Jaipur on 14 February 2020.

Over 150 consumers with candles in their hands and banners stating, 'Buy Make in India', 'Say no to Counterfeits' and 'Say No to Smuggled Goods' partook in this initiative to highlight the need to fight the menace. The participants pledged against using fake and smuggled products in the larger interest of the nation's economy. Hon'ble Mr. Justice Vinod Shankar Dave, Former Judge, Rajasthan High Court, in his special address at the consumer meet, emphasized that the youth had to take the responsibility of acting as torch bearers in spreading the message of the perils of counterfeiting and smuggling. He further added that as responsible citizens, everyone must remember their fundamental duties towards making the country safe and prosperous.

According to Dr. K. L. Jain, Honorary Secretary General, Rajasthan Chamber of Commerce and Industry, strict penal provisions coupled with strong enforcement is the need of the hour which will create the much-needed deterrence to stop such offences.







Dr. Anant Sharma, National President, Consumers Confederation of India was of the view that the fight against illicit trade was for the nation, its progress and its future. As consumers it is our duty to stand shoulder to shoulder with the government and the industry in making India a fake and smuggled-free market. It culminated with a common consensus to strengthen the voice against illicit trade with increased awareness, collaboration and collective actions of all stakeholders.







# Webinars





# Protecting your Brand on E-Commerce Platforms – Battling the Odds Amid COVID-19 Pandemic

April 24, 2020

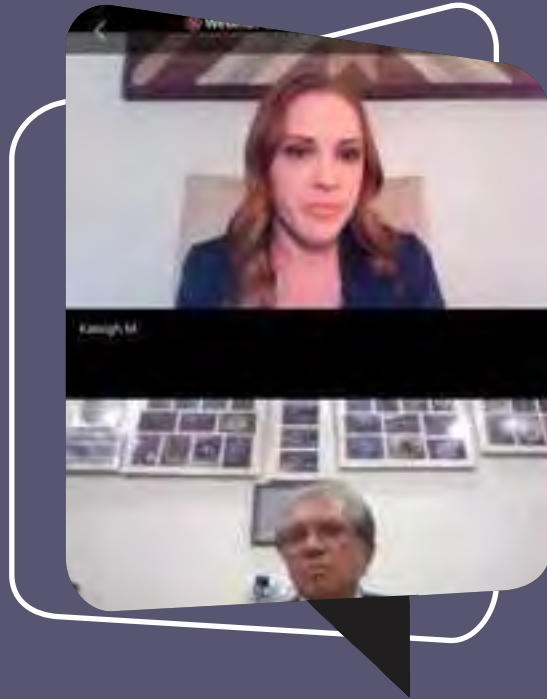
**T**he COVID-19 pandemic has heightened the dangers posed by illicit trade. It calls for greater focus on addressing the growing hazards of counterfeiting and smuggling which are severely impacting the economy and endangering lives of consumers. With the current unpredictable situation, along with the commercial predicament, the need for protecting consumers and brand identities have become more important than ever before.

In the present scenario, with the physical brand protection efforts of industry, enforcement officials and government authorities minimized, winning back control of the online space, which could be hijacked by counterfeiters, has become increasingly important. With a view to deliberate on this issue, FICCI CASCADE organized a Webinar on 'Protecting your Brand on E-Commerce Platforms: Battling the Odds Amid COVID-19 Pandemic' on April 24, 2020.

The webinar had representatives from Amazon and over 70 industry delegates from India and across the globe participating in the deliberations. The focus was on discussing anti-counterfeiting strategies that would not only protect brands and consumers, but also deter illicit operators taking advantage of the pandemic.

Mr. Arun Chawla, Deputy Secretary General, FICCI, while welcoming the participants said that “E-commerce in India has seen a phenomenal growth over the years. From USD 39 billion in 2017, it is projected to rise to USD 200 billion by 2026. While the e-commerce services will grow, this growth will come with a set of challenges. The coronavirus epidemic has presented fresh challenges for the Indian economy, causing severe disruptive impact on both demand and supply side elements. Given the spike in consumer demand and the corresponding shortage of supplies from legitimate sources, it is imperative that businesses take steps to protect consumers from the proliferation of scammers and infringers that seek to take advantage of the crisis”.

Mr. P C Jha, Advisor, FICCI CASCADE and Former Chairman, Central Board of Indirect Taxes and Customs, in his address, highlighted that “while the sale of counterfeit and smuggled goods in the physical world is rampant and causing enough grief to industry, consumers and government, the size of illicit trade is estimated to be 3.3% of the global trade. The online counterfeiting ecosystem offers distinctive challenges that require a unique online approach”. Mr. Jha also indicated that criminals were seizing on the



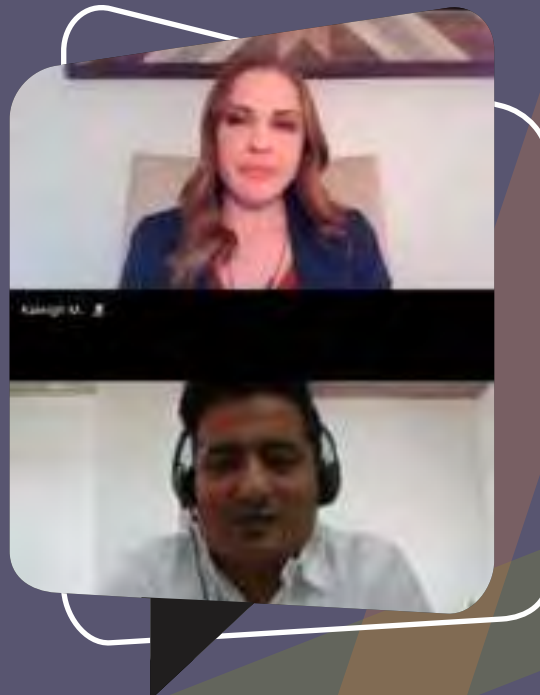
opportunity by taking advantage of the high demand for products and it was imperative that enforcement authorities were taking preventive initiatives.

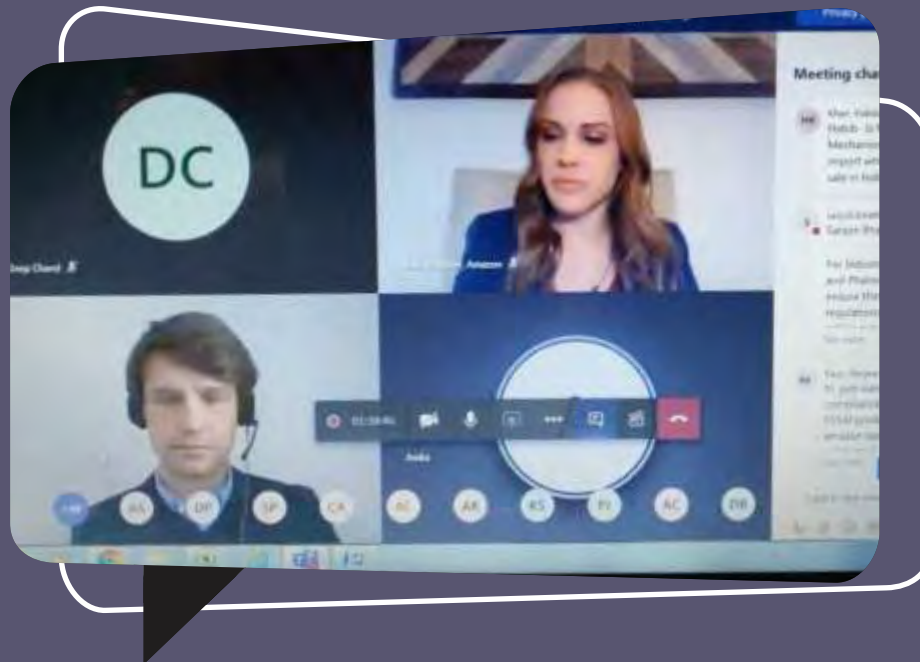
The webinar was also addressed by Mr. Amaresh Kumar, Additional Commissioner, GST Policy, who stated that “the measures like the waiver of penalty, late fee and interest on GST will help the industry to tide through this tough phase”. He also invited suggestions from industry members on issues relating to GST and areas that required policy interventions.

Ms. Kaleigh Miller, Global Brand Relations Lead, Amazon, gave an overview of Amazon's brand protection efforts globally. She informed that over

2.5 million bad-actor accounts have been stopped before they published a single listing on the site, highlighting the many measures taken by Amazon to detect the potential infringements and related remedial actions. She also highlighted Amazon's sophisticated real time tools, like productive analytics, adaptive machine learning and technology that help review data sources and identify signals, identify inauthentic goods and take immediate action.

An overview of Amazon's brand protection tools and efforts in India was given by Mr. Sumit Kapoor, Global Brand Relations Manager, Amazon, focusing on their brand registry program which provides powerful search and report tools. “It simplifies cases of potential infringement and provides a simple and guided workflow of submitting a report of infringement.





It also helps to build the brand and business with promotional tools and customer analytics”, said Mr. Kapoor.

The concern today was that trade in illicit products, aided by the Covid-19 crisis, was enriching criminal groups and endangering health, while also draining away vital industry and tax revenues. The webinar saw participation of leading industries such as ITC, Hindustan Unilever, Nestle, Britannia, Puma, Johnsons & Johnsons, Dabur, Beiersdorf, Mars, HP, Pernod Richard, Diageo, Underwriters Laboratories, among others including leading law firms. Some key concerns flagged by the representatives from these major players were:

Need for a mechanism to monitor parallel imports which are not meant for sale in India.

Tools to monitor counterfeit products sold with non-refundable caveats and consumers from being duped due to low pricing point and higher discounts.

Availability of automated brand protection tools to remove duplicates/fakes.

Mechanism to ensure that required regulations are met before sellers put products on the portal.

Time taken between listing of a merchant and identification of bad actors.

Most participants agreed that brands were struggling in the diminishing market, with cheap counterfeits creating new listings on online marketplaces. They conclusively agreed on the need for a technology-enabled system to help counter illicit operations, besides effective and strengthened deterrence actions against perpetrators of such criminal activities.



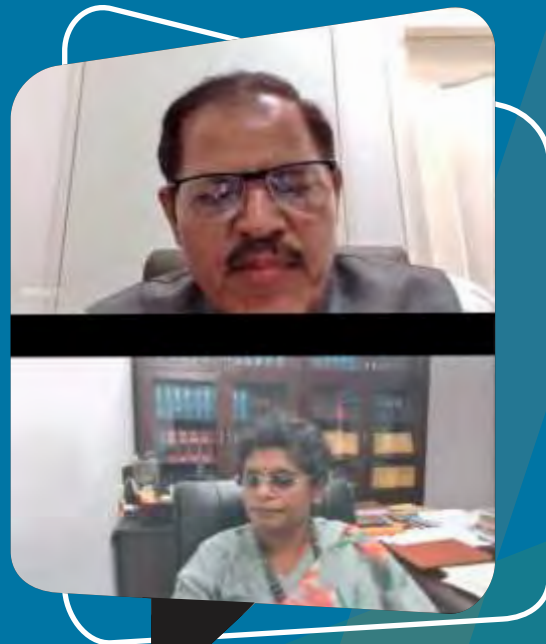
# Proactive Role of the Judiciary within the existing legal framework to combat economic offences such as counterfeiting and smuggling

May 1, 2020

**A**n independent judiciary is one of the democratic pillars of the Indian constitution that plays a pivotal part as an interpreter of law to combat economic crimes such as counterfeiting and smuggling. Such crimes negatively impact legitimate economic activity and facilitate an underground economy and organized crime that deprives governments of revenues for vital public services, forces higher burdens on taxpayers, dislocates hundreds of thousands of legitimate jobs and exposes consumers to dangerous and ineffective products. It is imperative that the judiciary takes a wider vision which can comprehend the impact of such crimes on national economy, health and safety of the citizens and prevent the resultant damage to industry.

The cases related to economic offences such as counterfeiting and smuggling are on the rise, more so in the current COVID crisis, where illicit trading activities tend to gain momentum as illegal operators and infringers take advantage to push their products for consumption in times of such emergencies. With the above in mind, FICCI CASCADE organised a webinar to discuss the 'Proactive Role of the Judiciary within the existing legal framework to combat economic offences such as counterfeiting and smuggling' on May 1, 2020.

"A way to address the menace of economic crimes could be a coordination agency at national level which could also include cybercrime and online counterfeiting. This would also assist in data management and dissemination to ground level", said Hon'ble Ms. Justice Prathiba M Singh, Judge, Delhi





High Court, chief guest at the programme. Justice Singh shared the challenges of online counterfeiting and piracy such as user anonymity, statutory harbors, changing URLs, territorial limitation etc. She also informed that since economic offences hinder economic progress, the custom authorities have strengthened their import rules and courts are also very strict with such cases.

Mr. Anil Rajput, Chairman, FICCI CASCADE said that counterfeiting, smuggling and piracy have emerged as the likely sources for financing of international terrorist organizations, non-state sponsored terrorist organizations and domestic terrorist groups. "Judiciary has to play a more proactive role in combating this menace so that the people who indulge in these unscrupulous activities will get stringent punishment," he added.

Mr. Arun Chawla, Deputy Secretary General, FICCI, while opening the discussion, said that the laws were there; the need was for a proactive and tactful judiciary to handle such issues with competence, promptness and firmness. Although we have a vibrant judiciary which is enforcing the laws and protecting the rights of the citizen, huge pendency of cases in courts, lack of proper infrastructure and shortage of judges has always been a matter of concern.

Mr. Ranjan Narula, Managing Partner, RNA, Technology and IP Attorneys, emphasized on designing solutions based on



business objectives. Appreciating the judicial system for its pro-activeness, Mr. Narula said that judiciary has given a simple mechanism for dealing with cases related to counterfeiting and has very well shaped the laws for it. However, he stressed on the need for better enforcement actions from the police on such matters.

Mr. Deep Chand, Advisor, FICCI CASCADE, in his concluding remarks, added that the menace of counterfeiting and smuggling was growing rapidly. Every effort, therefore, needs to be made to examine how these activities can be curbed with the help of Governments at the center and state, along with support of the enforcement agencies.

Through this initiative FICCI CASCADE sensitized over 100 students of reputed law schools and several legal practitioners across India on the issues and challenges in resolving economic disputes related to counterfeiting and smuggling. The webinar concluded with the idea that exchange of intelligence and information is fundamental to collaboratively combat illicit trade. Since the unprecedented situation of COVID 19 has elevated this problem, need for effective enforcement of laws is vital.





# GO VOCAL FOR LOCAL TO COMBAT ILLICIT TRADE

June 17, 2020

**T**he COVID-19 pandemic has resulted in halting economic activity across the globe. The way businesses are done will not be the same in a post COVID scenario, as this crisis has led to huge supply chain disruption. The pandemic has taught us the importance of local manufacturing, local market and local supply chain. As businesses suffer, during this crisis, any sale of illicit products will only worsen the socio-economic distress. While arresting this menace is vital, encouraging the use of indigenous goods will also play a defining role to eliminate this socio-economic threat. This will in turn promote 'Brand India', benefit Indian economy, reduce the demand of imported goods, avoid dumping of cheap products, create jobs and deter cross border illicit trade.

It is in the above background that FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) organized a webinar on 'Go Vocal for Local to Combat Illicit Trade' on 17th June 2020. FICCI CASCADE has been over the years working closely with government, enforcement officials, industry, media, and consumers to create awareness on pan-India basis about the serious adverse impact of the menace of illicit trade on the security of the country, revenue of government, health and safety of people, etc.

Dr. Ashwani Mahajan, National Co-Convener, Swadeshi Jagaran Manch, distinguished speaker at the programme said that "In the name of free trade, many countries are promoting illegal trade. In such situation, it is very important to promote Swadeshi to boost the country's economy and eliminate illegal trade". He further added that "issues like dumping, under invoicing and smuggling have led to loss of revenue to the government, closing of domestic production and have impacted job opportunities for our youth."

Mr. Anil Rajput, Chairman, FICCI CASCADE in his welcome address mentioned that "The Hon'ble Prime Minister's clarion call for 'vocal for local' is perfectly timed and apt. In the recent months, the Covid-19 pandemic has created huge disruptions and pressed the reset button all over the globe. India will have to create world-class domestic brands which are competitively superior, and leverage the strength of our rich traditional product base and expertise. The time has come when we not only build Indian brands, but build brand India globally.

The panel discussion at the webinar was moderated by Mr. Najib Shah, Former Chairman, Central Board of Indirect Taxes and Customs and Think Tank Member, FICCI CASCADE. Other eminent discussants included



**FICCI CASCADE**

WEBINAR ON  
GO  
**चुट्टा तो लुट्टा**  
TO COMBAT ILLICIT TRADE  
June 17, 2020 | 3:00 – 4:00 pm

**Dr. Ashwani Mahajan**  
National Co-Convener  
Swadeshi Jagaran Manch

**Mr. Acharya Balkrishna**  
Managing Director  
Patanjali Ayurved Ltd.

**Mr. Najib Shah**  
Former Chairman, Central Board of  
Indirect Taxes and Customs and  
Think Tank Member, FICCI CASCADE

**Mr. Anil Rajput**  
Chairman  
FICCI CASCADE

**Mr. Ashok Jain**  
Vice President  
Finance and Company Secretary  
Dabur India Ltd.

**Ms. Vijayalakshmy Malkani**  
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Acharya Balkrishna, MD, Patanjali Ayurved Ltd, Mr. Ashok Jain, Vice President, Finance and Company Secretary, Dabur India Ltd. and Ms. Vijayalakshmy Malkani, IP Counsel, Hindustan Unilever Ltd.

The webinar deliberated on how illicit trade is not only denting government exchequer but is also threatening local industries on which, depend livelihoods of many. In the Indian context, FICCI CASCADE's recent report estimated that 16 lacs jobs were lost in 2017-18 due to smuggling in 5 industry sectors. The pandemic has resulted in massive loss of jobs and livelihood worldwide and countries are taking







extraordinary actions to respond to this crisis. Hence, curbing cross border illicit trade will play a key role in abating this looming threat.

The deliberations in the panel discussion revolved around the following:

- Illicit trade hurts the country and needs to be effectively countered through a combination of policy intervention, enforcement and creating consumer awareness.
- Being self reliant or swadeshi in its true essence does not mean shutting the doors to FDI or trade; it is a strategy to grow our capabilities, source products from within the country and still be competitive.
- The youth of India can play an important role to end the country's dependency on foreign goods. For the good of the country, government, industry and consumers must jointly take responsibility to stop illicit trade.
- Counterfeit products also come to India via the import channel through dubious means, which leads to loss of revenue for the government which could be used for healthcare, education, infrastructure expenditures.
- Atmanirbhar Bharat Abhiyan is a movement to show faith and to support local manufacturers. Enforcement of laws to safeguard local brands and genuine manufactures against illicit trade and counterfeiting of their products is imperative. This will help build 'Brand India' and protect the rights of indigenously grown goods

The webinar brought together several industry players and other stakeholders to deliberate on this topical issue. Mr. Arun Chawla, Deputy Secretary General FICCI, in his concluding address harped on the fact that the uniqueness of the 'Atmanirbhar Bharat Abhiyan' or being 'vocal for local' is not that it is inward looking or being protectionist, it is a strategy to build for ourselves, reducing our dependence on imports and thereby promoting fair trade and curtailing cross border illegal trade.







# State Series



# Combating Counterfeiting and Smuggling during the COVID-19 Pandemic and Beyond

Focus State- **New Delhi** | May 29, 2020

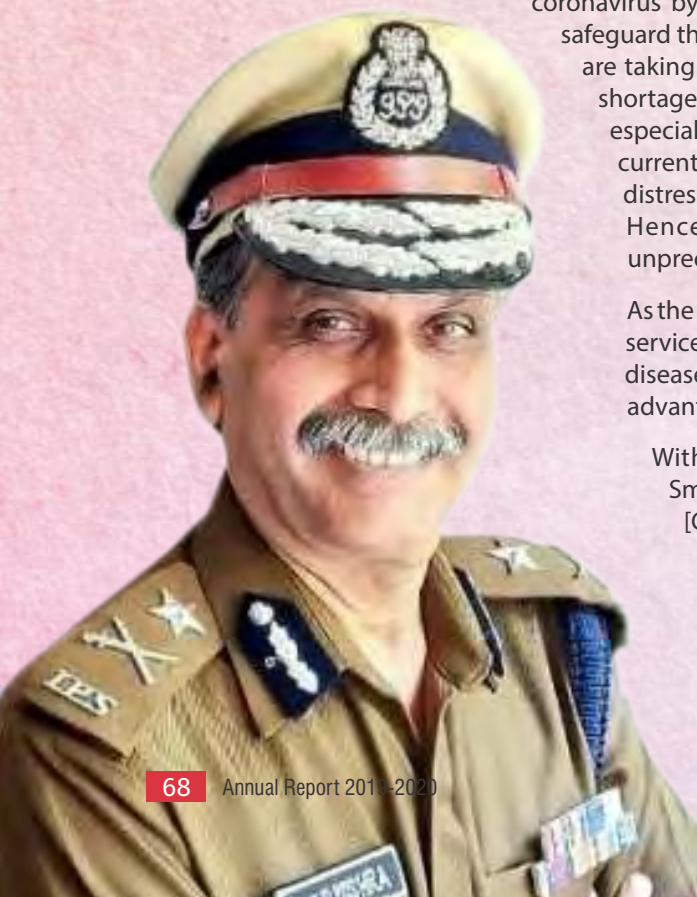


**T**he COVID-19 pandemic has heightened the dangers posed by illicit trade. It calls for greater focus on addressing the growing hazards of counterfeiting and smuggling which are severely impacting the economy and endangering lives of people. While the government is continuously intensifying efforts to combat the spread of the coronavirus by enacting various measures to support public health systems, safeguard the economy and ensure the safety of its citizens, illegal operators are taking full advantage of the pandemic. It is evident that they will use shortages in the supply of goods to increasingly provide illicit alternatives especially in essential and non essential items both online and offline. The current situation which is already witnessing a severe socio-economic distress, sale of such spurious goods will only worsen the problem. Hence, arresting the sale of illicit goods at the time of this unprecedented crisis needs our immediate and unwavering attention.

As the risks associated with the current pandemic rises, law enforcement services play a crucial role in contributing to the effort to control the disease, promoting safer communities, and fighting criminals who take advantage of the outbreak.

With the above backdrop in mind, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy [CASCADE] organized a webinar on Combating Counterfeiting and Smuggling during the COVID-19 pandemic and beyond on 29th May 2020.

The keynote address was delivered by Dr. O P Mishra, IPS, Joint Commissioner of Police, Economic Offences Wing, Delhi





Police. Dr. Mishra said, “Increasing surveillance, creating public awareness, coordination amongst law enforcement agencies and stakeholders, and capacity building for police officers are needed to counter the problem of counterfeiting and smuggling effectively”. He further added that the gap between demand and supply results in the emergence of counterfeit and smuggled goods in the market. Talking about this menace in the Indian market, he remarked that counterfeiting has increased so much that it has become very difficult to distinguish between the genuine and fake products.

Mr. Anil Rajput, Chairman, FICCI CASCADE made the welcome address and mentioned that “Just like COVID-19, illicit trade is also an invisible enemy which has no colour, no religion and no mercy on human beings. In times of such economic crisis, when legitimate businesses are struggling, illicit operators are trying to exploit the current situation by flooding the market with smuggled and counterfeit goods.”

Mr. Deep Chand, Advisor FICCI CASCADE and Former Special Commissioner of Police, New Delhi emphasised that COVID-19 has provided opportunity to criminals to exploit the current situation to find new ways to make money. They are increasing and diversifying their activities through a wide range of crimes and scams which exploit the fear and uncertainty surrounding the virus. In particular, an increase in counterfeit healthcare products, fraud and cybercrime is being seen. This problem will only increase with respect to essential and non essential goods as relaxations take place and normalcy resume.

Several industry players and brand owners from leading companies participated in the webinar and deliberated on industry issues and challenges in containing the flow of illicit products during the current crisis and the need for strengthening enforcement & surveillance mechanism. Discussions revolved around the collaborative role of police and industry in thwarting this menace. Leveraging emerging technologies to battle illicit operators during the pandemic was also highlighted.

CASCADE, has been over the years working closely with government, industry, enforcement officials, legal fraternity, consumer organizations and the youth to create awareness on the adverse impact of this menace. One of FICCI CASCADE’s mandate is capacity building of law enforcement agencies and we have worked extensively and intensively in this area organizing training programmes for police officers across India and interactions with the law enforcement authorities to emphasize on the importance of awareness and seriousness of the impact of counterfeit and smuggled goods.





# Combating Counterfeiting and Smuggling during the COVID-19 Pandemic and Beyond

Focus State- **Jammu & Kashmir** | July 2, 2020



**T**he adverse impact of counterfeiting and smuggling on economies and societies across the globe has been a cause of serious concern. It deprives the government of its rightful revenue, completely demoralises the morale of the law abiding product manufacturers and exposes people to health and safety hazards. Illicit trade is the world's largest growing industry with an estimated size ranging between \$650 million to \$3 trillion representing 10% of the global trade.

Since years, the world has been the battling this menace. Unfortunately the problem has only compounded in the current situation, where criminals have used the COVID-19 pandemic as an opportunity to exploit the vulnerable consumer by providing illicit alternatives of goods and products causing significant damage to consumers and economies alike. Moreover, as businesses suffer, during this crisis, any sale of such products will





only worsen the socio-economic distress. While arresting this menace is vital, encouraging the use of indigenous goods will also play a defining role to eliminate this socio-economic threat. Hon'ble Prime Minister's clarion call 'Vocal for Local' will benefit Indian economy, reduce the demand of imported goods, create jobs and deter cross border illicit trade.

It is with the above background, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) organized a webinar on 'Combating Counterfeiting and Smuggling during the COVID-19 pandemic and beyond' on 2nd July 2020, focusing on the state of Jammu and Kashmir. The webinar was a part of a series of such interactions to be organised across the country by FICCI CASCADE to highlight this issue and elicit response from different states.





Dr. Mehraj-ud-din Rather, KAS, Additional Secretary, Department of Food, Civil Supplies and Consumer Affairs, Govt. of Jammu and Kashmir in his keynote address said that “The COVID-19 pandemic has heightened the dangers posed by illicit trade. These times call for greater focus on the growing hazards of smuggling and counterfeiting. With consumer awareness of fake and smuggled so low, many consumers are unaware that they are buying such goods—and equally unaware of the consequences.”

Mr. Anil Rajput, Chairman, FICCI CASCADE in his opening remarks mentioned that “The UT of Jammu and Kashmir is particularly vulnerable to the ill effects of illicit trade, and this is due to the environment of instability created by the hostility amongst the neighbouring nations.”

Over the last few months seizures of fake currency, cigarettes, illicit liquor, fake hand sanitizers etc. have been reported in Jammu and Kashmir. Government departments and the state enforcement agencies have taken strict actions against those dealing in such goods and products. Complimenting the role played by the enforcement agencies of J&K to check the growth of illicit trade, Mr. Rajput said, “The Prime Minister’s call on ‘Vocal for local’ will create a conducive environment for the economy of the state government and play a major role in strengthening India.”

Mr. Manish K Sinha, IPS, Inspector General, Crime, Jammu and Kashmir Police emphasised on the need for policy level coordination between police and the industry bodies to address this issue. He was of the view of that counterfeiting has an adverse impact in Jammu & Kashmir as illegal trade not only leads to revenue loss to the government but also leads to unemployment amongst the youth in Jammu and Kashmir. Mr. Sinha underscored that IP offences still lack focus of the police in the state, as there is no specialized anti-IP crime unit in J&K; there is no training imparted with respect to investigations of such offences to the officers and there is no incentive for officers vis a viz such crimes. Hence, efforts such as sensitization/training and having an anti-IP crime cell in the Economic Offences Wing in J&K could be made.

Mr. D P Dash, IRS, Former Pr. Director-General, DRI and Former Chairman, Enforcement Committee, World Customs Organisation (WCO) moderated the session and said that “As new medicines and vaccines will be beyond the reach of millions, this will lead to an upsurge in smuggling and counterfeiting, hence enforcement agencies have to gear up to face this challenge.”

The webinar also threw light on the efforts of the Industry in tackling the flow of illicit products during the current crisis; the role that the government and enforcement agencies can play to thwart criminals who are cashing in during the crisis and highlighted areas of concern in consumer safety. The webinar was attended by industry, government officials, officers from the enforcement agencies and stakeholders in this segment.



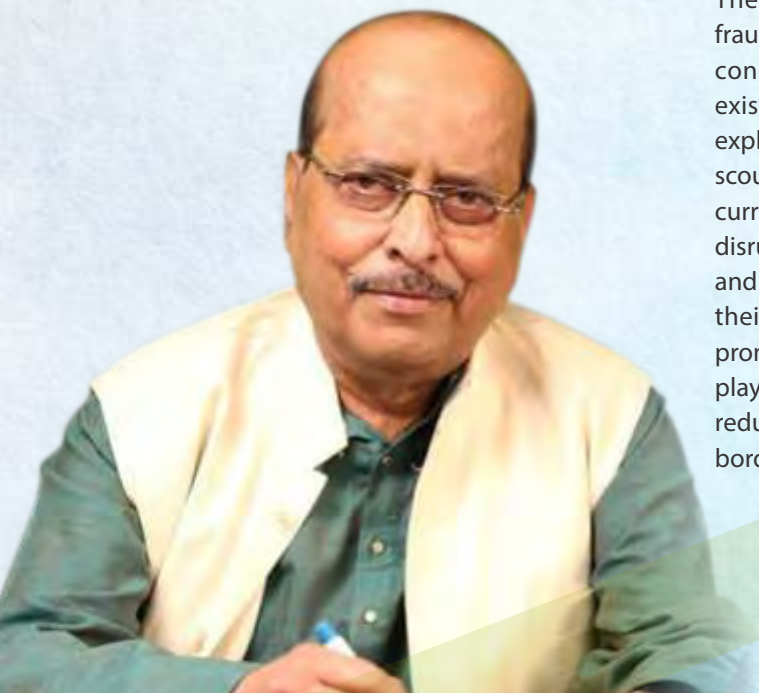
# Combating Counterfeiting and Smuggling during the COVID-19 Pandemic and Beyond

Focus State- **West Bengal** | July 7, 2020



**E**ven in normal times, there has been a growing recognition of the threat that illicit trade such as smuggling and counterfeiting pose to the stability, safety and security of a nation. But now, with the onslaught of the Covid-19 crisis, concerns are growing that the scale and scope of such activities could be increasing as authorities are distracted and overwhelmed by the unprecedented health crisis and the corresponding economic fallout. It is difficult to fathom the long-term impact of COVID-19, however, its detrimental effects are expected to disrupt supply chain operations of organizations.

These disruptions open up multiple avenues for fraudsters to prey upon susceptible organizations and consumers. New vulnerabilities may emerge, and existing vulnerabilities may be at a greater risk of exploitation by fraudsters. Hence, tackling this global scourge becomes even more acute and urgent in the current scenario. More so, as a result of the supply chain disruptions, globalisation has now taken a back seat and nations are increasingly looking inwards to fulfill their needs and requirements. PM's clarion call to promote local manufacturing and local goods will also play a crucial role to eliminate this illicit trade as it will reduce the demand of imported goods and deter cross border smuggling of goods.





It is with the above background, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) organized a webinar on 'Combating Counterfeiting and Smuggling during the COVID-19 pandemic and beyond' on 7th July 2020. The webinar focused on the state of West Bengal and was a part of a series of such interactions to be organized across the country by FICCI CASCADE to highlight this issue and elicit response from different states.

Mr. Sadhan Pande, Minister-in-Charge, Consumer Affairs Department, Govt. of West Bengal was the chief guest at the programme said, "Counterfeiting and smuggling are two major economic crimes that are happening around the globe and the West Bengal government is making extra efforts to combat such crimes even during this pandemic." Hon'ble Minister also invited CASCADE to join hands with his department to run a campaign on the subject in West Bengal.

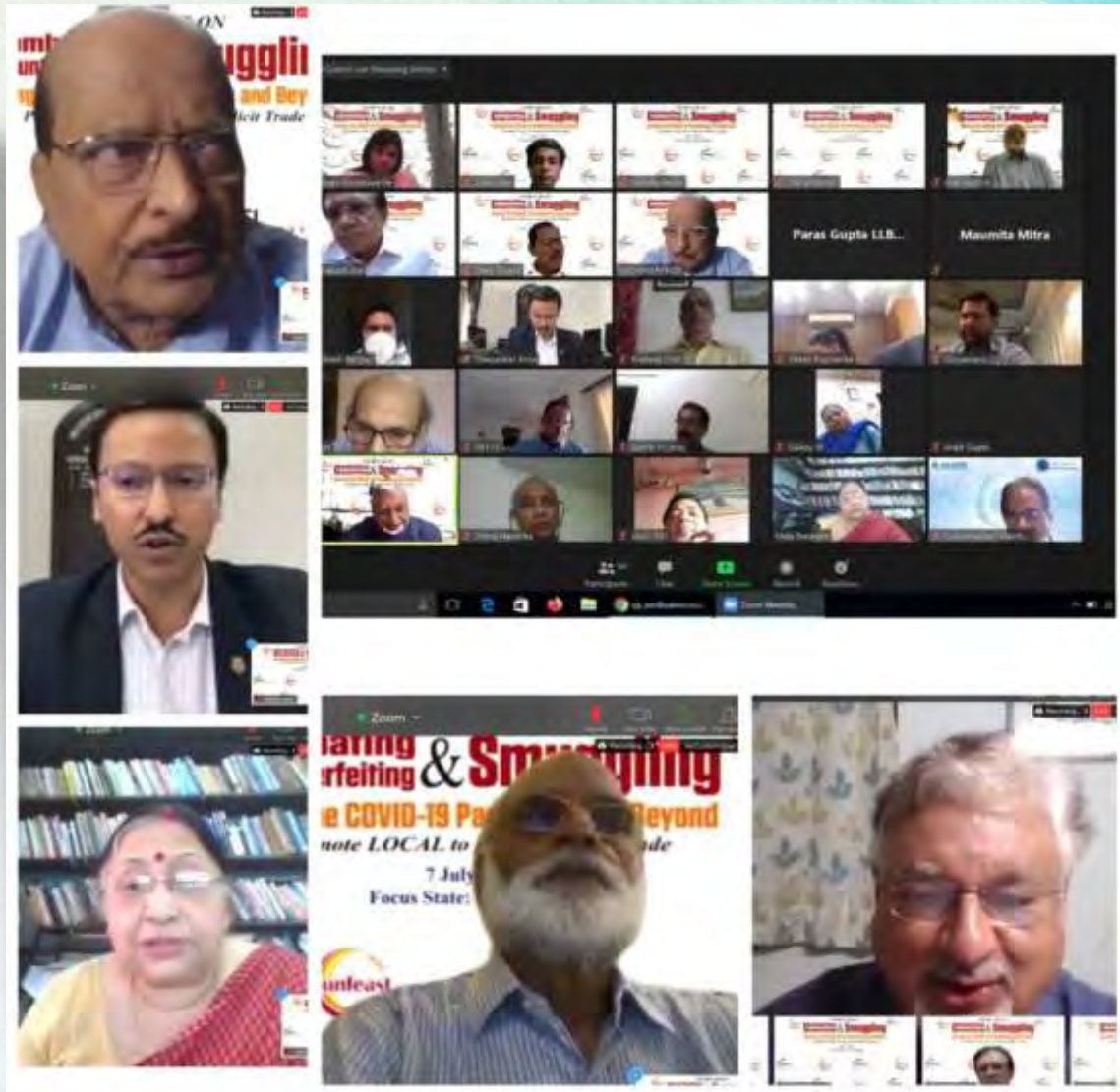
West Bengal is a big state, both in terms of size as well as population. It shares boundaries with three countries - Bangladesh, Bhutan and Nepal. Unfortunately, the smugglers and counterfeiters have been persistent in their unlawful activities. As per DRI (Directorate of Revenue Intelligence), over the past one year, about 200 cases involving outright smuggling have been booked in the East and North East India by the DRI and Customs formations in these regions, resulting in seizure of goods worth Rs 480 crores, mainly coming from Myanmar and Bangladesh through the land borders apart from goods seized at the international airport and port in Kolkata).The major commodities smuggled outright into India from the eastern and north eastern India, include gold, silver, FICN, cigarettes, black pepper, readymade garments, toiletries and cosmetics, wild life, dates, electronic goods etc.

Mr. Deepankar Aron, Additional Director General, Directorate of Revenue Intelligence (DRI), Kolkata remarked that smuggling and counterfeiting is the second most significant illegal trade. Citing recent major detections effected by DRI and Customs formations, Mr. Aron said that in last one year, 570 kgs of gold valued at Rs 220 crores and foreign currency worth Rs 30 crore was seized. He also added that several cases of smuggled cigarettes were detected where a total of 2.6 crores of cigarette sticks valued at around Rs 26 crores were also seized.

DRI has been working on addressing wild life smuggling apart from combating various other types of Cross Border Crime. Illegal wildlife trade ranks as the fourth largest transnational organized crime globally,







only after the illegal trade in Narcotics, Counterfeit goods and Human trafficking. Mr. Aron highlighted that there is an unfortunate and increasing trend in smuggling of endangered and exotic fauna from different parts of the world into India.

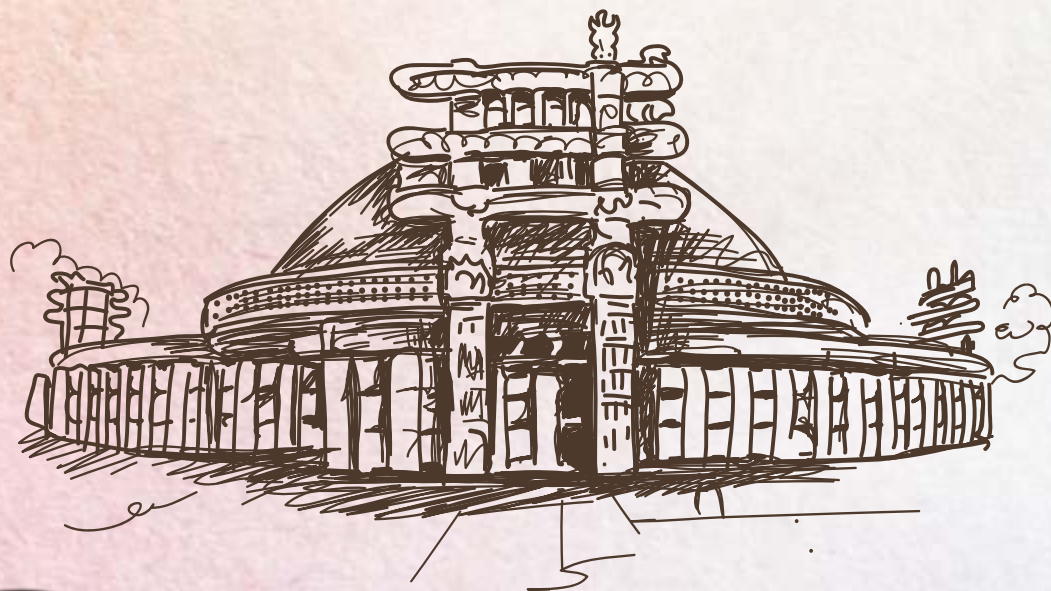
Mr. Anil Rajput, Chairman, FICCI CASCADE welcomed all and thanked the Minister of Consumer Affairs, West Bengal Government, for his suggestion that the West Bengal government and FICCI CASCADE join hands and work together on the extremely important aspect of consumer awareness. Mr. Rajput emphasized that Illicit trade is indeed a big menace, and collaborations between all stakeholders is needed to eradicate this evil, which has made deep inroads in our country.

The interactive session was moderated by Mr. Hem Pande, Former Secretary, Dept. of Consumer Affairs, GoI who highlighted that the menace of illicit trade is impacting jobs, economy and creating havoc all around the world. Strengthening enforcement and empowering consumers to combat such crimes should be the constant endeavour. The webinar was attended by several participants from industry, government officials, officers from the enforcement agencies and stakeholders in this segment.



# Webinar on Combating Counterfeiting and Smuggling during the COVID-19 Pandemic and Beyond

Focus State- **Madhya Pradesh** | July 29, 2020



Illicit trade in terms of counterfeiting and smuggling have emerged as one of the most formidable challenges before the nation, especially during the current coronavirus pandemic which has led to an economic distress. Illicit traders have always attacked vulnerabilities, be it brands, supply chains or consumers. As the perpetrators are looking at innovative ways to deceive the system to carry out their activities, they in turn deeply harm the economic interests of the nation. It is important to note that there is a steep rise in cases of smuggling and counterfeiting during the past few months, adversely impacting not only the government exchequer and industry sales, but also threatening local industries on which livelihoods of many depend.

More so, as a result of the supply chain disruptions, globalisation has now taken a back seat and nations are



increasingly looking inwards to fulfill their needs and requirements. PM's clarion call to promote local manufacturing and local goods will also play a crucial role to address the demand and supply gap and deter cross border smuggling.

Hence it was felt that it is vital to discuss and understand the disruptions caused by the pandemic. As new vulnerabilities emerge, and existing vulnerabilities at greater risk of exploitation by criminals, tackling this global scourge becomes even more acute and urgent in the current scenario. It is with the above background, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) organized a webinar on 'Combating Counterfeiting and Smuggling during the COVID-19 pandemic and beyond' on 29th July 2020. The webinar focused on the state of Madhya Pradesh and was a part of a series of such interactions to be organized across the country by FICCI CASCADE to highlight this issue and elicit response from different states.





Shri Sanjay Kumar Shukla, IAS, Principal Secretary, Industrial Policy and Investment Promotion, Government of Madhya Pradesh was the chief guest at the webinar. Mr. Shukla said, "Government, law enforcement agencies, industry and consumers must come together to identify the gaps and act in a coordinated way to address counterfeiting and smuggling". He further added that in order to eliminate this problem in India, FICCI can share international best practices and actionable points to the government on how other countries have been able to counter this problem successfully.

FICCI CASCADE Chairman, Mr. Anil Rajput while welcoming the distinguished guests and participants said, "I must compliment the Madhya Pradesh government and the enforcement agencies for relentlessly pursuing the perpetrators of illicit trade. Despite the mammoth challenge posed by the Covid-19 pandemic, their hands on approach and alertness has been highlighted by seizures of large number of cigarettes, liquor, synthetic milk, fake currency and much more. I'm confident that going forward they will keep up their stellar performance and continue to play an extremely important role in our fight against illicit trade".

Speaking on 'vocal for local' being a potent tool in our fight against Illicit Trade, it was emphasized that as India starts to produce strong domestic brands and gradually reduces its dependence on foreign



products, the circulation of foreign goods will over a period be reduced. As the profits begin to dry up, it will subsequently demotivate the criminals to further undertake such illegitimate activities.

As several cases of seizures of illicit goods are being reported amid the COVID-19 pandemic, Mr. Vipin Maheshwari IPS, Additional Director General, Special Task Force, Madhya Pradesh Police in his address said that COVID-19 is a wakeup call for all of us. No product category has been spared, be it milk, cosmetics, clothes, footwear, seeds, fertilizers or pharma. Mr. Maheshwari was of the opinion that sustained awareness campaigns for people, necessary amendments in laws, increasing penalties and sentences, more product testing laboratories are some areas where the government, police and business community should work together to eliminate this challenge.

The session was chaired by Mr. P K Malhotra, Former Secretary, Ministry of Law and Justice, GoI and Think Tank Member, FICCI CASCADE. Mr. Malhotra highlighted that smuggling and counterfeiting harms the economy in multidimensional ways and the problem has been aggravated by globalisation and increased mobility. He also emphasized that effective coordination between central and state agencies, strengthening domestic manufacturing, addressing the demand and supply gap and leveraging technology are needed to make a conducive environment free from illicit products.

The webinar underscored the need for policy level coordination between government and the industry to address this menace. Illegal trade not only leads to revenue loss for the government but also leads to unemployment and hence a more focused and collaborated approach along with training and sensitization of enforcement officers for such crimes was much needed. The webinar was attended by industry, government officials, officers from the enforcement agencies and stakeholders in this segment.

Mr. Dinesh Patidar, Chairman, FICCI Madhya Pradesh State Council and CMD, Shakti Pumps India Ltd. made the concluding remarks.







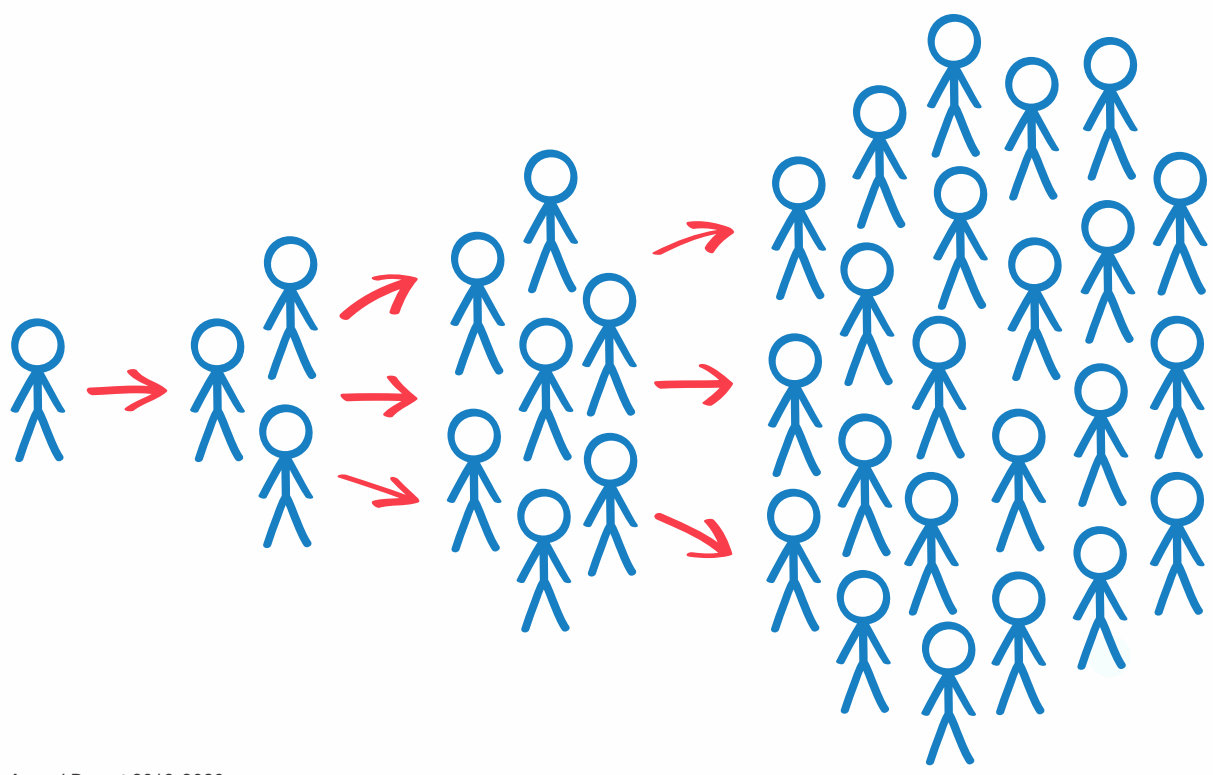
# Recommendations





# RECOMMENDATIONS TO COMBAT ILLICIT TRADE

**T**he government of India has taken several decisive steps to combat counterfeiting and smuggling, create awareness and protect the interest of the legal businesses and right holders. It is seen that the seizures of illicit goods are at an all-time high in India, indicating the willingness within the authorities to address this issue. In spite of several measures which are being undertaken, further steps are required, both in the form of policy intervention and awareness generation. With the above background, FICCI CASCADE would like to take this opportunity to submit the following recommendations to the concerned ministries to curb this growing hazard which is adversely impacting the socio-economic growth of our nation.



## Cabinet Secretariat, Prime Minister's Office

### A. Setting up of a National Authority Against Counterfeiting and Smuggling

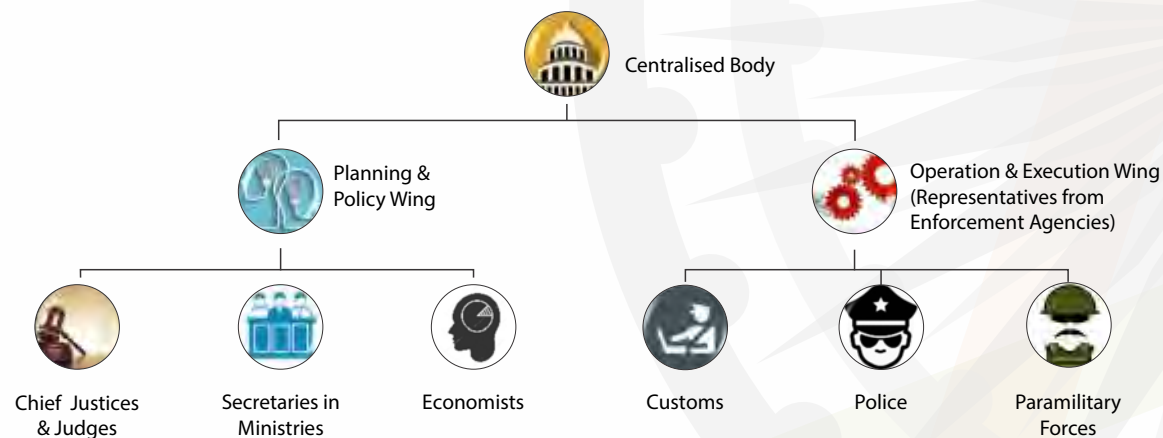
Industry and brand owners face a challenge whenever there is an enforcement issue with cases related to counterfeiting and smuggling. Currently, this issue lacks the desired attention from policy makers and lack of coordination amongst the various departments in the government. What is required is seamless flow of information, where enforcement agencies can come together (regulatory, the customs, the law & enforcement) and talk to each other for speedy enforcement so that the issue at hand can be handled efficiently and speedily.

#### Recommendation

FICCI would like to recommend setting up of a National Authority Against Counterfeiting and Smuggling. We feel this centralized body in the government could be able to ensure proper coordination amongst the concerned Ministries /Departments /Enforcement agencies. Other than handling speedy enforcement of cases, this agency could also work on the following:

- a. Regular monitoring of illegal activities and sharing intelligence
- b. Enhancing cooperation
- c. Making Policy recommendations
- d. Capacity building
- e. Liaison with national and international bodies
- f. Single window for receiving complaints
- g. Interface with Industry

#### Proposed Structure for new set-up:





## Ministry of Consumer Affairs

### A. Awareness Generation

Continuous awareness generation on the ill impact of counterfeit and smuggled products is the key. Endless repeating of the message will educate the consumer about potential risks and detrimental impact of buying and using such products on oneself and on the society. Counterfeits and illegal products cannot exist if consumers reject them.

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### Recommendation

1. In order to undertake this activity, further impetus is needed to the Ministry of Consumer Affairs campaign “Jago Grahak Jago”, by restructuring this campaign with reference to fake, smuggled and spurious products. The campaign could be designed to include the following messaging:
  - Take a bill on every purchase. This will ensure that the product is genuine and tax paid.
  - Every time a counterfeit or smuggled good is purchased, the country is cheated of revenue and the consumer is fooled into believing that what he or she is buying is genuine as only genuine and authentic products ensure quality, purity and safety.
  - Illegal trade involving counterfeiting and smuggling has far reaching impact on the economic growth of the country, increases black money, has linkages to terrorism, leads to environmental degradation, and lowers research and development.
  - With every purchase on bill consumers are making this nation tax compliant and doing their part towards progressive nation building.
2. The police authorities can also play an active and important role in creating awareness in general consumers. A campaign/advertisement by the London Police is worth sharing here: 'Wake up, not Fake up' - warning consumers of the risks posed by fake beauty products. In India too, the police could launch a campaign on similar lines alerting the consumers against buying fake/smuggled and spurious products.

## Ministry of Finance

### A. Institutionalized Incentive Program

In the current reward scheme of the Central Board of Indirect Taxes and Customs (CBIC), monetary rewards are given to informers and enforcement officers for their role in detection and further follow up actions in cases of smuggling. The quantum of reward available for distribution is linked to sale proceeds of smuggled goods.

### **Recommendation**

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1. There are established and popular reward schemes recognized by CBIC, which helps in not only curbing the illicit smuggling of gold and narcotics by the Customs officials but also in reaping benefits of detention of these goods. In view of the large number of cases of imports of spurious / counterfeited / smuggled goods, an incentive-based scheme could be introduced by the CBIC for the officers of the department who play important role in detection / investigation of the cases of IPR violations.
2. In cases of tobacco products, since such products are not sold but destroyed on conclusion of the case, therefore, no sale proceed amount is available for giving monetary reward. This position needs to be changed as it has become a disincentive in booking offence cases in respect of such goods. A reward scheme could be put in place for tobacco on the same lines like narcotics and psychotropic substances which are also destroyed after seizure. The amount of reward in such cases could depend on a flat rate linked to the quantity of goods seized and the gravity of offence involved.
3. Provision for rewards to police officers for dealing with crimes relating to counterfeiting in the same way as there is provision for reward for dealing with cases of smuggling. This will act as an incentive for the authorities to take this up more seriously.

### **B. Coordinated Approach is the Need of the Hour**

When the tax rate on any item is unreasonably high (eg: cigarettes, alcoholic beverages, luxury goods etc.), then there is higher incentive available in evading tax. Higher tax arbitrage results in increased volume of tax evaded products in the market. For containing smuggling, the enforcement agencies require additional resources. It is seen that if tax level on any item becomes increasingly high, it results in increased level of smuggling and counterfeiting and the enforcement agencies are unable to keep pace or stay ahead of the curve. In this backdrop, this critical enforcement related issue has to be kept in mind by the policy makers while taking decisions at the time of raising tax rates. However, this does not happen in practice, and as a result, serious damage is done to the economy and its most precious resource i.e. the people of the country due to the growth of illicit trade.

### **Recommendation**

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We have landed in a situation where the lack of balance in the tax rate and the level of enforcement has resulted in a huge increase in the size of the grey market. It is therefore recommended that the government must check the level of taxation on the high taxed goods to avoid the consistently increasing tax evasion. In this regard, there must be greater synergy between those who decide the tax levels and the enforcement agencies to check tax evasion.

### **C. Infrastructure, Resource and Capacity Building**

Capacity building in terms of skill, infrastructure and technology amongst the law enforcement agencies is important in improving the detection and investigation mechanism. At present, of the total



imports into India, only about 15% are being subjected by customs to physical examination, whereas, the remaining 85% of the imports are cleared based on self-assessment by importers without any physical check of goods by customs. No doubt, the task of customs in such cases becomes difficult since it has to maintain a delicate balance between the conflicting considerations of ensuring trade facilitation on one hand and addressing the security and revenue concerns on the other.

### **Recommendation**

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It is recommended to modernize the infrastructure and equipment's being used by customs be looked into expeditiously so that foolproof methods of clearance of goods are introduced, thereby raising the capacity of Indian customs. Also, it has been seen that almost 90% of counterfeits come from China. With advanced infrastructure/technology, the probability of detecting counterfeits/smuggled goods coming from China, irrespective of how they are declared or how they are coming can be improved.

## **Ministry of Home Affairs**

### **A. Infrastructure, Resource and Capacity Building**

Capacity building in terms of skill, infrastructure and technology amongst the law enforcement agencies is important in improving the detection and investigation mechanism. For police officers – Economic offences / IP crimes are not a priority area, since they are fully occupied with the investigation of heinous crimes and are responsible for maintaining day to day law and order in their jurisdiction. As a result, there is a resource crunch for handling such cases. Moreover, they have little exposure to crimes related to intellectual property and special provisions contained in the enforcement of the IPR laws.

### **Recommendation**

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1. It is felt that knowledge of legal provisions related to IPR laws is necessary for efficient investigation and successful prosecution. It is, therefore, necessary to impart special knowledge to the investigating officers through regular capacity building under economic offences and IP crimes.
2. Since the existing police staff's ability to handle the day to day crime and law and order duties is stretched and there are no dedicated officers in these cells to deal with such cases exclusively, it is suggested that additional manpower with the desired aptitude to be provided in these cells (Special cells, District Investigation Units, Economic Offences Wing) to focus exclusively on the investigation of these IPR related cases.

### **A. National Legislation on Organized Crime**

Globalization, liberalization of economies, lifting of international trade barriers and revolutionary advancement in technology has made the problem of organised crime more acute and almost

intractable. Illicit trade and transnational organized crime are interlinked. It restricts economic growth, individual prosperity, and corporate profitability. Transnational organized crime has close links with criminal syndicates, both at national and local levels. Such links result in trafficking of people and goods; and support international terrorism. This illegal business operation represents 10 per cent of the global trade and has rightly been termed as the prime criminal activity of the 21st century by the FBI.

### **Recommendation**

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Different jurisdictions have defined organised crime in a different manner. India does not have a national law on organized crime. Maharashtra was the first state to enact Maharashtra Control of Organised Crime Act in 1999 (MCOCA) to combat organised crime and terrorism. In order to curb the increasing crimes of the organised gangs this law was extended in National Capital Territory of Delhi, Karnataka and Arunachal Pradesh but a national law is still not in place. The facets of organised crime in India particularly the transnational organised crimes are drug trafficking & drug abuse, smuggling & hawala transactions, money laundering, terrorism and narco-terrorism. The effective enforcement of laws is required to holistically curb the problem of transnational organised crime. It is recommended that the Government could look at having a National law to control and combat this organised crime as a long-term agenda.

### **B. Checking Notorious Markets**

Retailers and wholesalers selling fake, counterfeit and smuggled goods operate freely in many well-known parts of the national capital having established business over many years. Delhi's Gandhi Nagar, Kashmere Gate, Palika Bazaar, Nehru Place, Ghaffar Market and Sadar Bazaar and Chennai's Burma Bazaar are some markets who have been labelled as "notorious markets" in global piracy and rife in counterfeits selling apparel, footwear, automobiles and auto parts, electronics, leather goods, mobile phones, CDs and DVDs, and luxury goods.

### **Recommendation**

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It is recommended that the enforcement authorities take sustained and coordinated action against such notorious markets. Moreover, creating picket posts to effectively monitor and undertake necessary enforcement in the notorious markets could be undertaken.

## **Ministry of Law and Justice**

### **A. Deterrent Penal Provisions**

At present, it is found that the penal provisions provided in the applicable laws such as Copyright Act, 1957 and the Trade Marks Act, 1999 are not adequate; the investigation, prosecution and the



culmination of the trail takes unduly long time. These concerns need to be addressed. Under both the Trademarks Act and Copyright Act the punishment provided for the first offence is a fine of not less than rupees 50,000/- and not more than rupees 2,00,000/- and imprisonment of not less than 6 months and not more than 3 years; and for subsequent offences monetary fine of rupees 1,00,000/- to 2,00,000/- and imprisonment of 1 year to 3 years. The above fine and punishment is not sufficient to create the desired deterrence to curb the increasing instances of violations. It has been proven statistically and through studies such as from the Interpol that counterfeiters are hardened criminals. Though there are provisions in the law and actions are taken against the criminals but many times it is seen that these criminals go back and carry on the illegal activity which only proves that the punishment is not deterrent enough. Moreover, it is important to have certainty about infliction of penalty which will create the much-needed deterrent effect for such criminals/repeat offenders.

### **Recommendation**

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1. It's time to recognize counterfeiting as a criminal offence under IPC. Extant bail provisions are not severe - bail to be granted on execution of exorbitant security so that it becomes very difficult for illegal operators to undertake such activity. For repeat offenders making the offence non-bailable may be considered.
2. Imprisonment should be more rigorous than at present. Consider enhancing the punishment to 1 - 5 years.
3. Stringent monetary penalty for the offences - It is suggested that like the Customs Act, 1962 the fine under the Trademarks Act and Copyright Act may be increased up to the value of the goods involved and enhance imprisonment up to 5 years. By way of illustration it may be noticed that punishment under the Customs Act is extended up to 7 years.

### **A. Need for a Proactive Judicial Approach**

The judiciary has a significant and pivotal role as an interpreter of law to combat counterfeiting and smuggling and prevent the resultant damage to brand owners. There is enough scope by judiciary to adopt a proactive approach to fill in the legislative vacuum and the loopholes. This is justified specially when it is done to attain the objective of curbing socio-economic crimes affecting and plaguing the economy. There is a dire need of judicial sensitivity in recognizing counterfeiting, smuggling and violation of IP rights as acts against the economy. Having a cascading adverse effect on the growth of domestic industry.

### **Recommendation**

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1. An essential element for an effective enforcement of any law is expeditious investigating of cases and ensuring prosecution in a time bound manner. To ensure expeditious completion of adjudication proceedings in such cases, it may be prescribed that adjudication proceedings as far as possible must be completed within one year after its initiation. With a view to reduce the number

of adjudication and prosecution proceedings there is a need to put in place the ADR (alternate dispute resolution) mechanism whenever the offence is compoundable.

2. In spite of judicial reforms, the country is encountering a litigation explosion. India is faced with elephantine backlog of cases, inadequate number of judges, judge population being 17-18 judges per million vis a vis 70-100 per million in jurisdictions of developed nations. We have been striving for judicial and legislative reforms to reduce these arrears including creation of specialized tribunals for specialized subjects. Tribunals may be headed by a judicial member supported by a technical expert. Moreover, there should be capacity building by judiciary for commercial courts and specialized tribunals to be manned by specially trained judges to decide IP and related matters.
3. Appointment of members of IP tribunal, appellate boards and the IPAB so as to fill in the vacancies well in advance.

## Ministry of Commerce and Industry

### A. Revision of Definition under Trademark Act

Under Article 51 of the TRIPS Agreement, there are the below two definitions relevant for this purpose -

- i. "counterfeit trademark goods" shall mean any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the country of importation;
- ii. "pirated copyright goods" shall mean any goods which are copies made without the consent of the right holder or person duly authorized by the right holder in the country of production and which are made directly or indirectly from an article where the making of that copy would have constituted an infringement of a copyright or a related right under the law of the country of importation.

Below is Section 2(h) of the Trademark Act,

"deceptively similar", - A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion.

Looking closely, it is seen that the definitions under TRIPS agreement particularly talks about "country of importation" which is missing under the Indian Trademark law. Section 28 of IPC defines a counterfeit. However, since it takes its strength from the Section 2(h) of the trademark act. Hence, Section 2(h) should include 'counterfeit' in any form which is currently absent in the existing definition.



### **Recommendation**

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The scope of Section 2(h) of the Trademarks Act needs to be widened so as to bring it in consonance with the definitions of the TRIPS agreement which is very specific in terms of the acts that will constitute counterfeit goods and pirated copyright goods, it is recommended that there should be revision in the definition under the Trademark Act keeping the above in mind.

### **B. Online Counterfeiting**

The menace of counterfeiting and pirated goods is the same if not more in the virtual marketplace. E-Commerce sites are regularly being used as a common platform for sale of counterfeit goods, increasingly the same is also happening on social media platforms. Internet is providing any small seller sitting out of his garage the ability to supply these counterfeit products- globally, anonymously and everything is available to the customers at the click of the button. The cross-border sales are expected to triple in next 6 years driven by e-Commerce and the growth of mobile commerce. As far as government initiatives are concerned, a comprehensive e-commerce law is in the making.

### **Recommendation**

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1. Regular exchange of information between government, industry and e-commerce players for the e-commerce policy.
2. Creation of a centralized body/system for collating the take downs from e-commerce players to build a database of illegal traders on the platforms.
3. MOU's with international online platforms to enable the exchange of information of counterfeit products and to sensitize the platforms from being misused for the sale of counterfeits.

## **Ministry of Small and Medium Enterprises**

### **A. Rehabilitation Programme**

While counterfeiters run this business knowingly that it is illegal, for small traders, this kind of activity could be means of livelihood. Sometime these traders are not even aware that what they are doing is illegal.

### **Recommendation**

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It is recommended that the government could look at some rehabilitation programmes for small traders where they are given some parallel employment opportunity.

## Ministry of Electronics and Information Technology

### A. Anti-Counterfeiting Information System

The Italian government has an in-house anti-counterfeiting system which at an operational level allows IPR holders to work actively with the law enforcement by sharing information about their products that could be a target for fraud. This system on a quarterly basis generates reports for the IPR holders on fraud and other information useful for the protection of their rights.

#### **Recommendation**

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It is suggested that India could also on the lines of the Italian experience, have an anti-counterfeiting information system in place which would give useful feedback, and help in further investigations, on a tactical and strategic level.







# Articles

# Illegal trade a speed breaker



**P. C Jha**

Former Chairman, Central Board of Indirect taxes and Customs (CBIC) and Advisor, FICCI CASCADE

Article

The pace of progress of Indian Economy gained momentum in 1991 with the step of Liberalization, Privatization, Globalization (LPG) taken by the Narsimha Rao government. Passing through the phases of ups and downs, since then, in general, the economy has been doing much better than before. The momentum of progress got further accelerated in 2014 with the coming back of power of the NDA government. However, at this moment, scenario is not encouraging, not entirely due to domestic factors. All around, there are discussions with or without enough analysis about the reasons of slowdown. Many manufacturing sectors like automobiles, textiles, MSMEs are not doing well, which besides other consequences have resulted in creation of considerably less number of jobs.

Besides other, one such factor which has a huge negative effect on growth is the fast-growing high volume of illicit trade. It is this area in which CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy), of FICCI, with a view to bring about a change, has been pursuing a pan-India campaign to raise awareness of the consumers, policy makers in the government, and the concerned enforcement agencies, like police, customs, judiciary.

As a significant part of this campaign, every year, CASCADE holds its flagship international event, namely, MASGRADE (Movement Against Smuggled and Counterfeit Trade), which is attended by many delegates from India and abroad. The sixth edition of this movement was held in New Delhi in September this year. Expectedly, the speakers in this conference deliberated on all aspects of the menace of smuggling and counterfeiting. CASCADE is able to receive active support of several international and domestic agencies such as OECD, WIPO, INTERPOL, World Customs Organization, HMRC, UN Office on Drugs and Crime, UK Intellectual Property Office, United States Patent and Trademark Office (USPTO), United States Department of Homeland Security, Australian Border Force, Italian Embassy, Directorate of Revenue Intelligence, Customs, Police, Judiciary, Ministries of Home, Consumer Affairs, Commerce and Industry, Electronics and Information Technology, Law and Justice; and captains of different industries.

## Key Deliberations:

The conference saw invigorating discussions on all aspects of the problem of smuggling and

counterfeiting. Illicit trade is normally seen only from the prism of the loss of revenue to the exchequer, however, it has many more facets that impact our economy, society, law and order, and generation of employment. Along with growth in economy, there has also been rise in illicit trade. In fact, rate of growth of illicit trade has outpaced the growth in economy. It has credibly been estimated that by 2022, the market size of this illegal business at global level will touch US\$ 3 trillion. No country is immune to this problem, and there is no product, the counterfeit of which is not available in the market.

A report by USTR informs us that pharmaceuticals and FMCG products are facing a big problem due to illicit markets. 20% of pharmaceuticals sold in the market are either counterfeit or sub-standard, and in the case of FMCG products, 7-10% of the market share has been taken away by smuggled or counterfeit goods which results in a loss of Rs. 21,000 to Rs. 31,000 crore to the legal industry. One alarming aspect of the illegal business is that money generated through this is the main source of financing of terrorism across the globe. Different terrorist organizations indulge in smuggling and counterfeiting of specified products viz Islamic State in cigarettes, POL products and mobile phones; Hezbollah in drugs and medicines; Al Qaeda in clothing and bags; Irish Republican Army in pirated discs and clothing; Hamas in drugs and food products; and Boko Haram in cigarettes. Illicit trade in tobacco products is considered a low risk high reward economic activity. Rightly so, this evil business is termed as the crime of the 21st century by the FBI.

Speakers in the conference also mentioned about the online sale of counterfeit goods. Nearly one in three Indians have reported receiving counterfeit products online. An OECD report of March 2019 shows that worldwide percentage of counterfeit



footwear is about 22%, clothing 16%, leather goods 13%, electric equipments 12%, etc. It is important to note that since brands stand for social status, trust, quality, originality etc., hence any activity that compromises with this has to be curbed effectively.

## Suggestions Made:

MASCRADE 2019 delved deep into the subject with a view to find a holistic and permanent solution to the problem. It was felt that a unified voice is needed so that the government makes policies and legislations to serve the best interest of the consumers and the country.

It was suggested that vigorous consumer awareness campaigns are required to be undertaken at a large scale. Further, multimedia campaigns such as government's "Jago Grahak Jago" are also needed to be launched on a much bigger scale. This will empower the consumers to differentiate between the genuine and fake. Industry has also to take steps to safeguard the integrity of supply chains of their products, check notorious markets regularly, and use technology to track and trace movement of their original products in transit. Industry has to put thrust on risk assessment and make more investment in intelligence services. To check this menace, whole-hearted support of the government is necessary. The government has to establish a nodal vigilance agency to carry out regular monitoring of illegal activities.

A regular and constant dialogue with international stakeholders will also help in disseminating global best practices. It was suggested that legal provisions dealing with such crimes are needed to be reinforced. It was mentioned that the extant bail provisions are

not severe, and that after detection of a case and completion of investigation, only a few prosecution proceedings result in conviction. It is necessary that bail should carry high amount of security, there should be stringent monetary penalty for the offences, and imprisonment should be more rigorous than at present. It was also opined that certainty about infliction of penalty is more effective than severity of the penal action. Investigation and prosecution must end in a specified period. The need for separate commercial courts manned by specially trained judges was also recommended. Dynamic injunctions coupled with punitive damages and making the provision of arbitration applicable for such offences were discussed. There is a need for a comprehensive national legislation to deal effectively with organized crime like that one in Maharashtra.

## Release of the study:

The event saw the release of a study commissioned by FICCI CASCADE to Thought Arbitrage Research Institute (TARI)-'Invisible Enemy: Impact of Smuggling on Indian Economy and Employment'. The study is a pioneering effort in India, which quantitatively estimates both revenue and livelihood opportunity lost due to smuggling in five specified industries. These are: Textiles, Tobacco Products (Cigarettes), Readymade Garments, Capital Goods (Machinery and Parts) and Consumer (Electronics) durables. The report highlights the key challenges posed by smuggling and suggests possible solutions to make compliance and related processes more robust with the overarching objective of arresting the spread of smuggling.

### The highlights of the study are as follows:

- Indian economy lost Rs 1,17,253 crore in FY 18 due to smuggling in the five key sectors

- Due to smuggling of these five products, the total livelihood opportunity lost in the economy is about 16.36 lakh in FY 18. While arriving at these figures, besides impact on direct employment, backward linkages and multiplier effects of these industries were also taken into account as per universally accepted norms.
- Total direct livelihood opportunity lost in these five industries is about 5.01 lakh in FY18. Out of this, 3.55 lakh is in readymade garments and tobacco products which are labour-intensive industries.
- Estimates of cigarette smuggling based on consumption approach shows that the quantum of smuggling of cigarettes was Rs. 8750 crores in FY18, resulting in 14 to 20 percent of output loss to domestic tobacco manufactures.
- The estimated smuggling in readymade garments industry rose to a level of Rs. 5,509 crores in Fy18.
- Government policies such as emphasis on enforcement action and priority on coordination between different government agencies must be reviewed on urgent basis in view of the findings of the report.
- Leveraging technology for trade facilitation and monitoring
- Capacity building of enforcement agencies
- Strengthening risk management capabilities of customs department
- Better coordination among enforcement agencies engaged in anti-smuggling
- Greater need for international coordination and cooperation.

Since, the Indian economy has planned to reach the target of US\$ 5 trillion by 2024, illicit trade having a serious decelerating effect on growth, must be curbed substantially. This will happen only if concerted effort is made by all stakeholders. All concerned have to cooperate to ensure that an effective and workable deterrence to contain the spread of this menace, is created without any loss of time. In absence of such an action, it would be difficult to arrest the growth of Illicit Trade in the country.

**The study recommends the way forward:**

- Strengthening domestic manufacturing and reducing demand supply gap by making more goods available through legal channel.

# Excessive Taxation Harming Jobs, Health & Economy

especially the farming end of it, is bound to be adversely impacted by this step.

Already, job creation in India is a matter of great concern and a huge challenge. Job losses because of increase in smuggling and counterfeiting is not even on the radar of the policy makers of the country. In this context, FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) for the first time in 2019

commissioned a study to identify the potential that lies in the containment of illicit trade in the country. In just five sectors, namely, Textiles, Tobacco Products (Cigarettes), Readymade Garments, Capital Goods (Machinery and Parts), and Consumer (Electronic) Durables, there is a potential to create over 16 lakh additional jobs which are currently being lost because of



**P. C Jha**  
Former Chairman, Central Board of  
Indirect taxes and Customs (CBIC) and  
Advisor, FICCI CASCADE

**T**he recent announcement by the government to increase levies on cigarettes in the form of National Calamity Contingent Duty (NCCD) has created significant uncertainty and anxiety for the legal cigarette industry. This decision comes at a time when the legal domestic cigarette industry is already facing a huge challenge from illicit and smuggled cigarettes. In-addition, this action will in all probability put additional pressure on the already serious job scenario in the country, and the tobacco industry which generates huge livelihood, and is highly labour intensive,



smuggling of these items after taking into consideration backward linkages and multiplier effects of these sectors in the economy as a whole.

The impact of tax hikes on farmers' livelihood can simply not be overstated. Any increase in tax on cigarettes is damaging for the domestic industry. Already, the livelihood of 2.6 crore Indian farmers and farm labourers which include women and tribal people is under severe pressure due to high taxation. Their cumulative drop in earnings has been estimated at over Rs. 5,000 crore during 2013-14 to 2018-19. In fact, smuggled and illicit cigarettes are estimated to use 17 million kgs of unaccounted tobacco which ends up stealing precious Indian jobs to the farmers of other tobacco growing countries such as Malawi, Zimbabwe, Tanzania and many more.

The level of taxation on a commodity like tobacco products has also got direct bearing on the health of the people. Somehow, the government holds the view that by increasing tax rates on cigarettes, its consumption can be reduced and thus the health hazard to the people can be minimized. However, on the basis of available statistics from the government sources itself, it is clear that with the increase in tax rates on cigarettes, there is a commensurate rise in the share of grey market, i.e., increase in availability of unaccounted, untaxed, smuggled, counterfeit and other types of illicit products in the market which are made in unhygienic and unhealthy environment with no concern for quality. There is also no doubt that such products of proven inferior quality are much more injurious to health than the genuine tax paid products. It is an accepted fact that tobacco products are injurious to health, and hence, there is a need to curb their consumption. Subjecting a health injurious product to an excessive unrealistic tax rate is an unwise policy of the government, since it does not result in meeting the stated objective of protecting health of the people, and on the contrary, it results in huge tax evasion and also causing more harm to

public health by pushing the people to consume sub-standard cheap substitutes which are marketed openly without carrying the statutory health warnings.

The NCCD increase will further the incidence of cigarette smuggling in India. The rampant sale of smuggled and illicit cigarettes has a long list of ill effects which include the opening of the hawala route to transfer money, generation of black money which is a direct result of money laundering, and serious security concerns as there is a direct and established link between illicit trade and smuggling with terrorism. Top terror groups like Al Qaeda, Taliban, ISIS, Hezbollah and many more over the years have been using proceeds from smuggling and illicit trade to fund their nefarious agendas.

It is a matter of grave concern that the domestic tobacco industry is facing a huge challenge from illicit and smuggled goods. Estimates by the FICCI CASCADE study of smuggling based on consumption approach shows that smuggling of cigarettes has increased from Rs. 7,183 crore in 2015-16 to Rs. 7,729 Crore in 2016-17 and further to Rs. 8,750 crore in 2017-18, which results in 14 to 20 percent of output loss to domestic tobacco manufacturers. These statistics are based on data obtained either from government sources or international agencies such as UN COMTRADE. The tax burden on cigarettes (cumulative growth in rates of tax, after cognizing for the increase in rates of GST Compensation Cess) has trebled between 2012-13 and 2017-18, in addition to successive year on year increases in excise duty rates between 2012-13 to 2016-17

amounted to a compounded CAGR of 15.7 percent. Tax collections, however, increased only by 4.7 percent CAGR, clearly indicating sub-optimisation of revenue collections resulting from excessively high duty rate increases. In 2017-18, the GST rate, contrary to the Revenue Neutral principle, as promised by the government, significantly increased the tax burden on legal cigarettes by 19 percent.

Taxation has a very critical impact on volumes of both legal and illicit cigarettes. Policy makers often lose sight of the obvious fact that higher the rate of taxes, higher is the illegal profit in evasion. There has to be a perfect compatibility between higher rates of taxation and higher efficiency level of enforcement agencies to check evasion effectively. Therefore, striking a right balance in fixing tax rate is critical. While taxation on legal cigarettes was increasing, illicit and smuggled trade in cigarettes increased from 21.8 billion sticks in 2013 to 26.4 billion sticks in 2018, a disturbing increase of 21 percent. Here it is important to state that stability in tax rates ensured that the illicit cigarette market grew, albeit at a relatively slower pace.

In India, unlike the west, cigarettes are only 9 percent of the total tobacco consumed, and 91 percent of the tobacco consumption is in non-cigarette as also illicit products. It is important to note that the tax burden on this overwhelming majority is almost negligible. In this context, it is critical to understand and underscore the tobacco consumption pattern in India. While the overall tobacco consumption in India has increased from 320 million Kg in 1981-82 to 544 million kg in 2017-18, it is essential to state that the share of legal cigarettes has come down from 86 million kg in 1981-82 to 52 million kg in 2017-18. This makes it clear that while tobacco continues to thrive, it is the legal cigarettes that continue to bear the brunt. International studies have shown that taxes on cigarettes in India are the second highest in the world and its prices in India are much more than of our neighbours and of many developed countries.

It would therefore be important to reconsider the decision to hike the taxes on cigarettes. This would serve in the best interest of the nation on multiple fronts, as this would result in increased revenue, greater job creation, addressing the health concerns, reigning-in anti-social elements and curtailing the generation of black money.



# Learning from the World: Experience and Cooperation Amongst Nations needed to combat Illicit Trade

**T**he sobering fact that India does not rank high in the Global Illicit Trade Environment Index (GITEI), an annual study brought out by the Economist Intelligence Unit, and needs to take corrective action to bring down the risks of illicit trade raises troubling concerns for the policy makers. According to the Index based on four parameters, Government Policy, Supply and Demand, Customs Environment, and Transparency and Trade, India ranks 49 globally, and 9, in the Asia-Pacific -rankings which we can most certainly improve. In the context of the growing menace of illicit trade worldwide—the World Economic

**Najib Shah**  
Former Chairman, Central Board of  
Indirect Taxes and Customs  
Member, FICCI CASCADE Think Tank



Forum (WEF) estimates the global market of illicit trade to be about \$ 3 trillion by 2022. Here, the 6th edition of MASCRAGE, the acronym for the movement against smuggled and counterfeit trade, conducted under the aegis of FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) recently holds particular relevance. It has been pointed out by the WEF, that while everybody does express concern, the response to this problem has been disorganized and leaves a lot to be desired.

ARTICLE



The continued success of the conference - MASCRAGE is testimony, both of the extent of the problem, and the contribution which this conference makes to policy makers and stakeholders engaged in combating this menace. The presence of two Union Ministers of State, the Hon Minister of State, Ministry of Finance Shri Anurag Thakur, and the Hon'ble Minister of State, Ministry of Home Affairs, Shri Nityanand Rai, both of whose departments are concerned with the problem, along with Shri Pranab Kumar Das, Chairman of the CBIC, another key organization engaged in the fight against smuggling and counterfeiting, is indicative of the resolve of the government to effectively address this complex adversary, and find implementable solutions to blunt the impact of illicit trade.

The need of the hour today then, as brought out at MASCRAGE, is to proactively and conscientiously address the many issues exacerbating the state of the global problem of illicit trade and understand its visible outcomes and measurable impacts. There is also an immediate need for harnessing the potential of multilateralism through intergovernmental actions and of an effective monitoring and inspection of Free Trade Zones (FTZs) to ensure legitimate trade flows so that FTZs do not become 'hotspots' for illicit trade and organized crime.

Countering the beast of illicit trade not only requires an understanding of, and co-operation between institutions globally, but also the designing of effective global strategies and improving the regulatory framework. Unfortunately, no country can claim to have eliminated the problem—everybody has had varying degrees of

success and all countries have paid a price. Trade in smuggling, contraband, counterfeit and pirated goods has risen steadily in the last few years and now stands at 3.3 percent of global trade. Hence, its existence and operation are broad in scope and large in value, impacting not only the global economy, causing losses to industry, government and society but are also adversely affecting the health and safety of the consumers, and is additionally facilitating an underground economy and organized crime. Tragically, illicit operators display greater cooperation between each other across countries than what governmental institutions do, both within a country and across borders. In order to understand the global dimensions of the illicit trade challenge so that a possible framework may be setup to tackle it, a few international experiences, all tabled at MASCRAGE may be reviewed.

According to Mr. Tim Sheppard, Counsellor (Australian Border Force), Australian High Commission, who spoke of Australia's approach to tackle the problem of tobacco smuggling and emphasized that if the risks are minimized upfront there will be less work for law enforcement officer to do. According to him, high tax rates on tobacco have actually incentivized tobacco smuggling. On a moderate investment, importing a container of illicit cigarette could provide a 5,000 percent return on investment without the same kind of fines or penal provision such as in narcotics. The Australian Government was cognizant of the problem and consequently increased the fines and prison terms for tobacco smuggling to 10 years of imprisonment and penalty to the tune of five times of duty avoided. Also, the close cooperation between the Australian Border Force and Department of Home Affairs, the Australian Criminal Intelligence Commission (ACIC), the Australian Transaction Reports and Analysis Centre (AUSTRAC), the Commonwealth Director of Public Prosecutions (CDPP) and the Australian Taxation Office (ATO) - has led to good results—more

than 600 tonnes of illicit tobacco estimated to about AUD 600 million in evaded duty having been seized in last one year alone.

Talking about the Italian experience, Col. t. ISSMI Vincenzo Tuzi, Guardia di Finanza Attaché, Embassy of Italy, said that the number of unusual products that had been seized in recent times indicated the presence of large criminal organizations who kept a tab on markets and economics before starting producing market-specific counterfeit goods. To tackle such a scenario, Tuzi emphasized the need for every country to have the same penalties for certain kinds of fraud. This would facilitate cooperation in investigation. Italy, he mentioned has an anti-counterfeiting MIS in place which at an operational level allowed IPR holders to work actively with the law enforcement by sharing information about their products that could be a target for fraud. The system provides reports for the IPR holders on fraud and other information useful for the protection of their rights. This database also provides useful feedback through data and risk analysis for various statistical purposes and has proven to be a starting point for further investigation projects on a tactical and strategic level.

According to Mr. Huw Watkins, Head of Asia Policy, Intellectual Property Office, UK and Mr. Julian Saldanha, First Secretary, HM Revenue and Customs, British High Commission, 2.5 % of exports worldwide were counterfeit goods as were 6.5% items used in IT and communication, that 4-5% of goods imported in UK were and that India ranked 6th in the world in counterfeit production. In this background, they felt that enforcement agencies need to look at the entire chain in the life cycle of counterfeit goods—from the placing of orders, to manufacturing, to shipping, to importation, to retail sale to wholesales, and reworking and transportation. This needs to be followed by an identification of areas in the chain where disruption of the illegal activity could be done. As per Watkins, while Free

Trade Zones have been beneficial for trade, they have also been very vulnerable for criminals to exploit. In this regard he emphasised that the UK IPO worked closely with Universities as knowledge and resource centres and that he would be interested in working closely with the Indian authorities on similar lines. On the issue of addressing online counterfeits, it was shared that UK would be signing an MOU with trading platforms in China/South East Asia to counter this growing problem.

Ms. Shilpi Jha, Senior Legal Counsel for Intellectual Property-South Asia, Embassy of the United States of America outlined some of the challenges that the US PTO faces while dealing with the SAARC countries and with India. Key amongst these were a Lack of awareness which was prevalent right from amongst consumers up to the government on not just IPR issues but also on industry and government initiatives in this area; a Lack of coordin



ation among agencies especially given India's federal polity; Fear of losing /lack of trust as industries always fear that sharing too much of data with custom/police will cause information to leak out; and counter-wise the enforcement machinery feels that by doing too much work on behalf of the industry, the latter's responsibility will diminish.

To summarize, the chief takeaways on stemming and addressing the challenges of illicit trade are very instructive for India in its fight against this debilitating malaise. The Australian experience in tackling tobacco smuggling could be useful for India, as it is facing a similar challenge today. The possibility of developing an anti-counterfeiting information system in India on the lines of the Italian experience could be definitely explored. The strategy of examining each link in the counterfeit chain and tackling the weaker link to disrupt the chain, an approach adopted by the UKIPO could also be usefully examined by the Indian authorities. These authorities could also examine the role of SEZ's and find out

whether there exist similar instances of such misuse. India could also consider MOU's with online trading platforms to sensitize them to the possibility of their being misused for the sale of counterfeit goods. The Indian authorities could relook at the present efforts at publicizing the ill-effects of buying smuggled and counterfeit goods and develop a more robust publicity strategy to this effect. Finally, issues such as a lack of trust, lack of cooperation amongst agencies, and lack of appreciation of the nefarious impact of counterfeiting are common to India. An institutional mechanism to address these challenges could also be explored.

In conclusion, I must admit that after hearing the initiatives adopted, I am confident that if we develop greater communication flow between nations, and between various enforcement agencies in our country, modify the many best practices according to the needs and situations prevalent in our country, and equip our enforcement agencies with the latest technological tools that keeps them ahead of the curve, then we will be able to weaken this adversary which has been damaging the economies and societies and compromising the safety and security of nations the world over.





# Curbing Counterfeiting and Piracy in On-line Marketplace

## Narendra Sabharwal

Former Deputy Director General, WIPO (World Intellectual Property Organization), Think Tank Member, FICCI CASCADE and Chairman FICCI – IP Committee



**E**-Commerce in India has seen a phenomenal growth over the years. From USD 39 billion in 2017, it is projected to rise to USD 200 billion approximately by the year 2026. This comes on the shoulders of digital development in India, mainly the internet penetration and mobile phones where India has taken a leadership role and is propelling the growth of e-Commerce- the virtual marketplace

in India. Last year the leaders in on-line space were electronics and apparels but now there are many more offerings such as travels, movies, medicines, hotel reservations, books, matrimonial services, electronic gadgets, cosmetics, footwears, fashion accessories and even groceries. The liberal FDI policy of Government of India, where 100% B2B in FDI has been allowed, is also fuelling the growth of this market.

Article

This growth however comes in with a set of challenges. The menace of counterfeiting and pirated goods has remained the same if not more in the virtual marketplace. Online counterfeiting and piracy are IP crimes which affect most areas of IPR. E-Commerce sites are regularly being used as a common platform for sale of counterfeit goods; increasingly the same is also happening on social media platforms. Whether it is online or offline, the dangers to society remain legitimate market loss and occupation of economic space by unauthorised and grey market operators, causing loss of revenue to government, payment of extra taxes by common man, loss of jobs, threat to safety of consumers and also fuelling organised crime.

It was with the above perspective that I recently chaired a session in FICCI's annual convention MASCRAGE (Movement Against Smuggled and Counterfeit Trade). The session deliberated on the need for Policy and Regulatory framework to Stop Counterfeiting, Smuggling & Piracy from Entering the Virtual Marketplace with participation from key market leaders from industry, e-commerce platform owners and technology providers.

Sale of fake products on E-Commerce platform is rampant. While technology offers several solutions to authenticate the original product, the same technological tools particularly artificial intelligence aid to create a look-alike which makes it more difficult to distinguish between the original and its fake. Moreover, when e-Commerce players and brand owners get embroiled in on-going disputes, it is the counterfeiters who reap the benefits from the blame game between industry and e-commerce players. What is needed is constant upgradation and

innovation to stay ahead of the counterfeiters. As far as government initiative is concerned, it is important that we have regulations for e-commerce.

A big step has been taken by government of India by bringing the draft e-Commerce policy which has indicated clear guidelines on the expectations from brand owners and e-Commerce players. It is for the first time that a government document has listed concrete steps for combating counterfeiting which categorically states that the seller detail should be made available on marketplace website for all products and the sellers must provide an undertaking to the platforms about the genuineness of products. Also, trademarks owners should be given the option to register with e-Commerce platform and that wherever a trademark product is uploaded for sale on the platform, it should notify the respective trademark owner. If he desires e-Commerce platform shall not list or offer for sale any of the owner's products without prior concurrence. In case of a complaint - within 12 hrs, it should be conveyed to the trademark owner and as soon as possible the product shall be withdrawn, and the site will be blocked. Additionally, in case of a customer making a complaint of counterfeiting post sale –return or compensation will be paid and financial disincentives for sellers if found to be selling counterfeit shall be prescribed.

Unlike the problem of physical piracy and counterfeiting, the piracy of content is easiest and the most damaging. It is easiest because the content of the original product is retransmitted and therefore there is no new creation, no infrastructure is required, no money is invested in creating content and the same content of the same quality is made available to everyone for free.

The extent of piracy varies across different segments of copyright like literary, sound recordings cinematographic and computer software. The majority of copyright infringement is done through illegal re-

production of journals, magazines and books, video piracy, cable piracy, imitation and distribution of computer programs without the permission of original copyright holders, illegal downloading, file sharing and selling of pirated DVDs etc. There also has been an increase in external and mirror websites providing unauthorized content through third party applications.

Leading industries in on-line space have taken a host of measures such as 24\*7 content monitoring and take downs, taking John Doe orders from courts, filing criminal cases etc. But this is not enough. For example, the film and television industry contributed a total of Rs. 33.3 billion to the Indian economy and supported over 2.36 million jobs in 2017. However, piracy remains a persistent and growing threat to this industry. Online copyright theft is a criminal enterprise which also affects consumers, and is susceptible to malware, identity theft and ransomware.

A 2016 study analysing 1143 pirating sites popular in India, found that large and medium pirate sites earned revenues of about 4 million and 2 million respectively and 361 advertisers in such sites were found to be in the high-risk category. The piracy of content is done on various popular social media platforms and internet websites, app stores and illegal streaming devices. Recently it was also found that a Wi-Fi enabled box is available in the market for about Rs. 1000-5000 which uses keys of a distribution platform to transmit all the television channels of all Indian broadcasters. Unfortunately, there is no mechanism in India where one can track down and block the last-mile subscriber whose box is being used for doing piracy.

One of the greatest difficulties in tackling content theft and piracy is the jurisdictional challenge. While laws have national boundaries, piracy is a global beast. One can sit on a non-compliant jurisdiction, upload content and make it available throughout the world. The laws of India will not be applicable; therefore, nothing can be done against the pirate. There is also a lack of an

infringing website list. There is no mechanism in our country which prepares a list of infringing websites which are infringing content or physical goods-counterfeit products. There is a dire need for stakeholders (advertisers, brands, advertising agencies, content owner) to come together and create a list of infringing websites. This list can be made available to the advertisers, payment gateways and can be used for sensitizing people at large.

With the increase of online copyright theft in India, and the increasing losses of copyright holders, the Indian courts have started taking strong cognizance of this offence. Recently the Delhi High Court in the case of UTV Software Communications & Ors. vs. 1337xTO and Ors. held that there is a need to prevent the cumbersome exercise of piracy by the subscribers which is the younger section of the society who are unaware of pirated content. The case was filed for violation of copyrighted work of film production companies. The court decided to ban the websites responsible for hosting, streaming, reproducing and distributing movies, music and other cinematographic works and directed Department of Telecommunication (DoT) and Ministry of Electronics and Information Technology (MEITY) to frame stringent policy and guidelines for ISP (Internet Service Providers) such as Reliance, Bharati Airtel etc in order to block the infringing websites.

A regular clean-up of key marketplaces and social media is also important. Strategies to efficiently use data and different technological tools available to figure out the key players and nip the problem at the



source should be made. High value targets both manufacturers and whole sellers of counterfeit products must be identified on all e-Commerce platforms, whether it is B2B or B2C marketplaces, social media or mobile apps.

The government's draft e-commerce policy also addresses the issue of piracy stating that intermediaries shall put in place measures to prevent online dissemination of pirated content and shall identify trusted entities whose complaints are resolved on priority. Moreover, upon being notified by the owner of copyright regarding piracy of his content, the website or platform shall expeditiously remove or disable access to the alleged content. The guidelines also suggest that a body of industry stakeholders should be created that identify rogue websites and upon identifying the internet providers shall remove or disable access to the website within a set time limit.

Though the government guidelines list out steps for online counterfeiting and anti-piracy, it is evident that there is a need for greater collaboration both between the stakeholders as well as better regulation from the government. The Indian IP policy, which was released in 2016, emphasised on strengthening, enforcement and adjudication to combat piracy and counterfeiting. It further stated that that best practices need to be followed, technological tools and training of enforcement agencies needs to be done, judiciary needs to be strengthened, both for training as far as for strengthening their competence by opening more commercial courts to understand the intricacies of IPRs, tools and methodologies needs to be developed to find the extent of counterfeiting and piracy.

The focus must remain on creating an environment where we can continuously innovate, develop technologies to proactively prevent infringement within the marketplace, foster greater partnerships, have robust feedback mechanism, monitor the gaps and processes - all together build an eco-system to fight this hydra headed monster of counterfeiting and piracy.

# Consumer Awareness & Adequate Enforcement needed to deter Counterfeiting and Smuggling in India

## Hem Pande

Former Secretary  
Department of Consumer Affairs  
Government of India and Think Tank Member,  
FICCI CASCADE



It is important that consumers today understand the multi-faceted complexities of counterfeit and smuggled markets. It's economic impact on businesses, the magnitude and scale of operations, and the consequent adverse impact on consumer health and safety. Manufacturing, altering or distributing a product that is of lesser value than the genuine product with the intention of misleading the buyer about the genuineness of product is unlawful. Fake medicines, food, toys, auto parts and health products can be dangerous and can potentially harm or even kill unsuspecting consumers.

The Indian Consumer Protection Act, 2019 provides for six rights of a Consumer. The new Act has a slew of measures and tightens the existing rules to further safeguard consumer rights. The government has set up a three tier institution (NCDRC, SCDRC and DCDRC) to address an important right of a consumer, that is, Dispute Redressal between a



Article

buyer and a seller. Out of the remaining five rights, two (educating a consumer about a particular product or service and hearing consumer complaints promptly) come within the exclusive domain of the brands and the industry. Trust that a brand builds with its consumers is consumer empowerment through education and quick learning (accessible brand promoter to hear consumer complaints and provide for speedy redressal). Remaining three rights of a consumer, namely, safety; information and choice of a product or service could be a combined effort of the Governments (including Voluntary Consumer Associations) and brands (Industry Associations).

While the Consumer Protection Act is a stepping-stone towards empowering the consumers; the consumers must also act responsibly and cautiously while making any purchase to avoid being duped by illegal sellers. India needs to focus on two things, namely, consumer awareness and aggressive enforcement. FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) has been at the forefront of generating awareness amongst consumers and sensitizing enforcement agencies on the ill impacts of such practices. Consumer awareness in India is still in its infancy. Government of India has a multimedia campaign "Jago Grahak Jago" to empower consumers about their rights and duties. What is required is an impetus to this campaign with reference to fake, smuggled and spurious products. However, brands also need to supplement the efforts of the Government (both national and subnational) on consumer awareness, as it is not possible

for the Governments alone to carry out this campaign exclusively for industry.

The first step to solving a problem is acknowledging that there is a problem, and this shows that we are on the right path. Although there are enough laws that deal with counterfeits and how to tackle them, improvement in terms of implementation is required, as these laws need to evolve with an ever-involving environment. Government of India have done good work on its various initiatives including the national IPR policy in 2016; IPR enforcement rules at the border or the establishment of a Cell for IPR Promotion and Management (CIPAM) for spreading awareness and upgrading the understanding environment amongst enforcement authorities.

Having said that, industry and brand owners often face challenge on enforcement issues with cases related to counterfeiting and smuggling. Currently, this matter lacks the desired attention from policy makers and lack of coordination amongst the various departments in the government. A nodal agency, perhaps, could be the answer, where there is seamless flow of information and where enforcement agencies can come together (regulatory, the customs, the law & enforcement) to talk to each other for speedy enforcement so that the issue at hand can be handled efficiently and speedily.

Although CIPAM and industry bodies have been conducting awareness sessions amongst enforcement officers, brand owners indicate that they do not get enough and prompt support from the police in certain cities as solving such crimes fall much below in the priority list of the police. The number of police officers to handle such cases is invariably inadequate and they are tied up in public law & order cases, safety and security of citizens. What is needed is feeding into the police that such crimes are also getting into larger issues of terrorism, trafficking and other illegal activities. In this context it is a fit case to raise a tech savvy Central IP



Security Force (CIPSF), to be funded by a corpus contributed by leading brand owners and administered by the Central Government. Also, a provision to reward the police officers for dealing with crimes relating to counterfeiting could be instituted, which may act as an incentive for the authorities to take this up more seriously.

It has been proven statistically and through studies such as the Interpol that counterfeiters and smugglers are hardened criminals. Though there are provisions in the law and actions are taken against the criminals but many times it is seen that these criminals go back and carry on the illegal activity, which proves that the punishment is not deterrent enough. It would be pertinent to bring in rigorous imprisonment, stringent monetary penalties, expeditious investigating of cases and ensuring prosecution in a time bound manner to prevent the resultant damage to brand owners and consumers.

While, laws will evolve to deter this menace, continuous investment on brand protection strategies and anti-counterfeiting activity is required and successful brands, in fact, do that. The problem will not go away, because advanced technology is widely available which helps in copying and making replicas. For brands, market intelligence is also a key area to focus on. It is about knowing the market, the supply chain, understanding where the notorious markets are, profile the likely

suspects and develop a strategy of intelligence gathering and enable required action. Hence, in order to protect a brand, brand owners have to make investment; educate and create awareness across the supply chain; use tested service providers; and work in close partnership with the Government, industry associations and other brand owners.

In an age of circular economy (resource efficiency) and artificial intelligence, it is imperative that brand security strategies in the field are robust and dynamic. Challenges in enforcement will always remain a work in progress. However, consumer awareness and empowerment will be the key. A trusted consumer could be the best bet in securing a brand or an industry. Counterfeits and illegal products cannot exist if consumers reject them.









# Publication



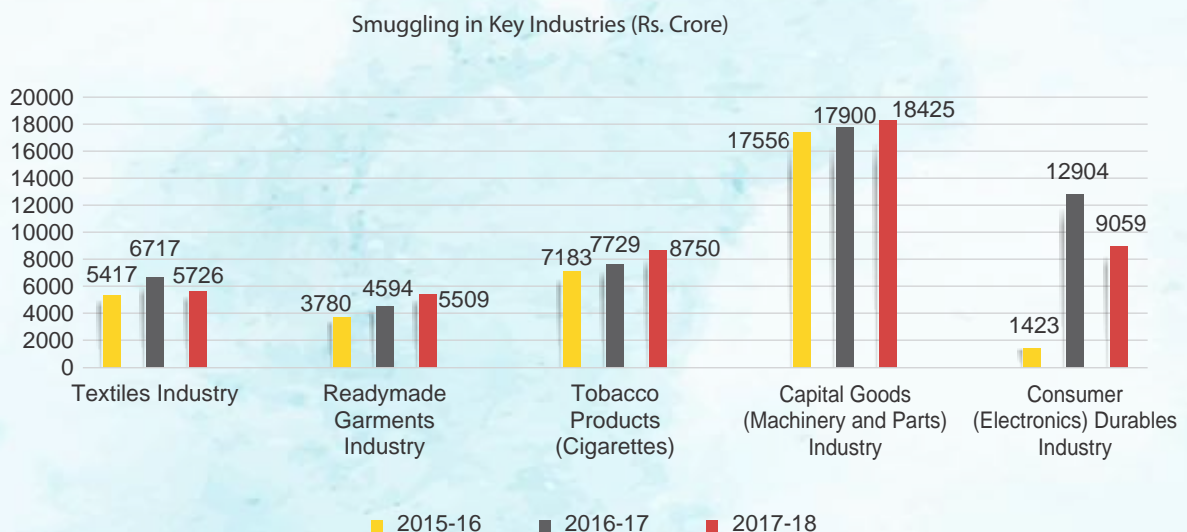
# Invisible Enemy: Impact of Smuggling on Indian Economy and Employment


A FICCI CASCADE study commissioned to Thought Arbitrage Research Institute (TARI)—'Invisible Enemy: Impact of Smuggling on Indian Economy and Employment' was released on 26<sup>th</sup> September 2019 during CASCADE's flagship programme MASGRADE2019. The study is a pioneering effort in India, which quantitatively estimates both revenue and livelihood opportunity lost due to smuggling in five specific industries. These are: Textiles, Tobacco Products (Cigarettes), Readymade Garments, Capital Goods (Machinery and Parts) and Consumer (Electronics) Durables. The report also highlights the key challenges posed by smuggling and suggests possible solutions to make compliance and related processes more robust with the overarching objective of arresting the spread of smuggling.

*Indian economy loses Rs 1,17,253 crore due to smuggling in the five key sectors*

## Summary of Key Findings

Based on our research approach and methodology, we have estimated smuggling (equal to output loss to domestic manufacturing industry) in five key industries:





INVISIBLE ENEMY  
**Impact of Smuggling on  
Indian Economy and Employment**



2019

# Invisible Enemy: Taking Away Livelihoods from Manufacturing



## Summary of Key Findings

Smuggling and Losses to Country	Year	Textiles Industry	Readymade Garments Industry	Tobacco Products (Cigarettes)	Capital Goods (Machinery & Parts) Industry	Consumer (Electronics) Durables Industry
Direct Employment Loss: Industry (Lakh)	2015-16	0.79	1.68	0.89	0.71	0.016
	2016-17	0.93	2.06	0.95	0.69	0.16
	2017-18	0.7	2.49	1.06	0.68	0.08
Total Output Loss: Economy (Crore)	2015-16	12974	9960	13248	50035	3370
	2016-17	16087	12105	14256	51015	35293
	2017-18	12636	14516	16138	52511	21452
Total Employment Loss: Economy (Lakh)	2015-16	2.51	2.32	2.8	6.39	0.25
	2016-17	2.96	2.85	2.98	6.22	2.31
	2017-18	2.21	3.44	3.34	6.12	1.25



- Due to smuggling in the key five industries, the total livelihood opportunity lost in the economy is about 16.36 lakh in 2017-18. This is because of backward linkage and multiplier effects of these industries. However, the livelihood opportunity lost are not absolute and are overlapping with one sector or another because of the linkage of one industry/sector with the other sectors of the economy.
- Total direct livelihood opportunity lost in these five industries is about 5.01 lakh in 2017-18. 3.55 lakh livelihood opportunity lost is in readymade garments and tobacco products, being largely labour-intensive industries.

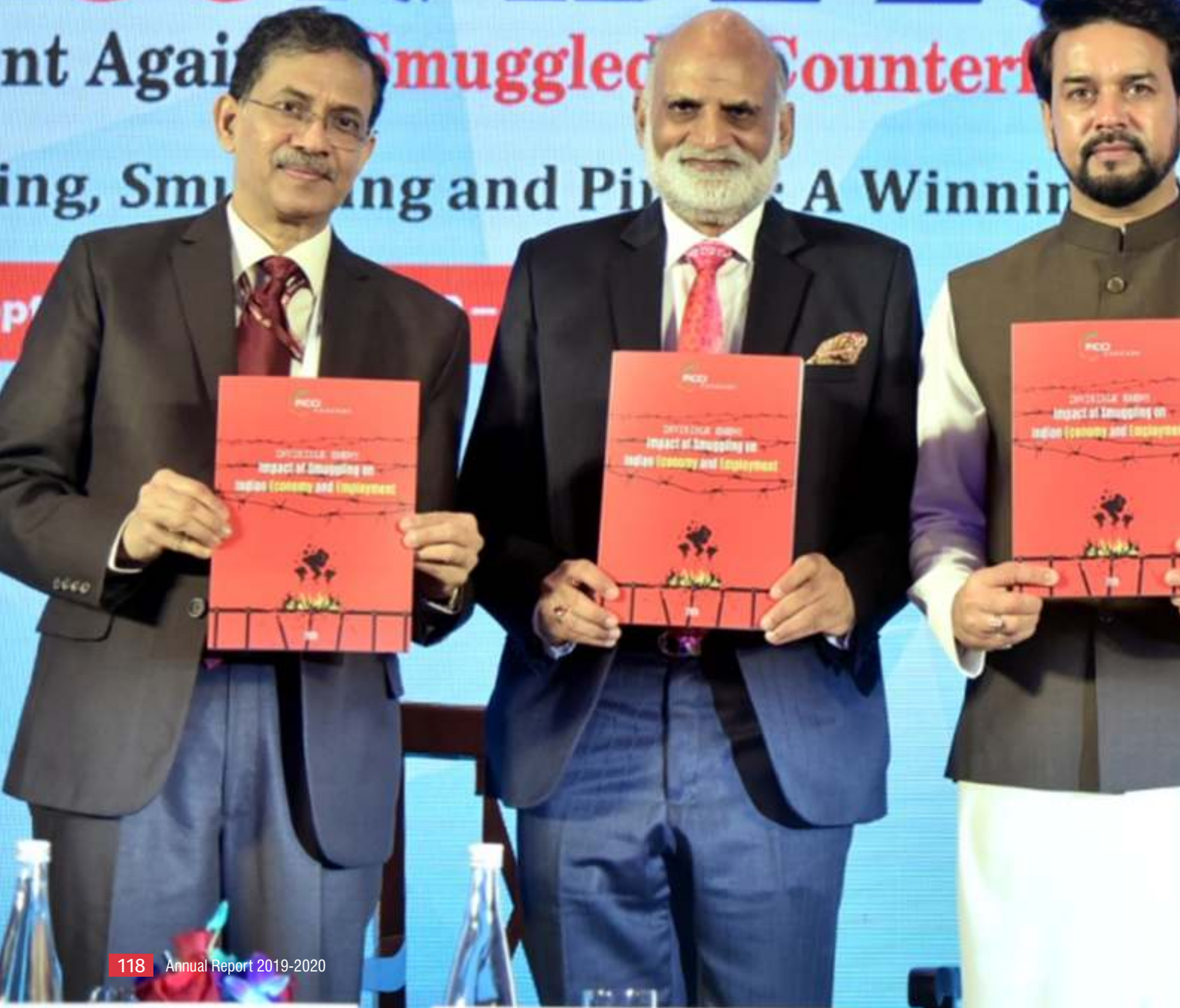
The possible way forward for the country to tackle the problem of smuggling and the recommendations for consideration are:



# CASCADE 2019

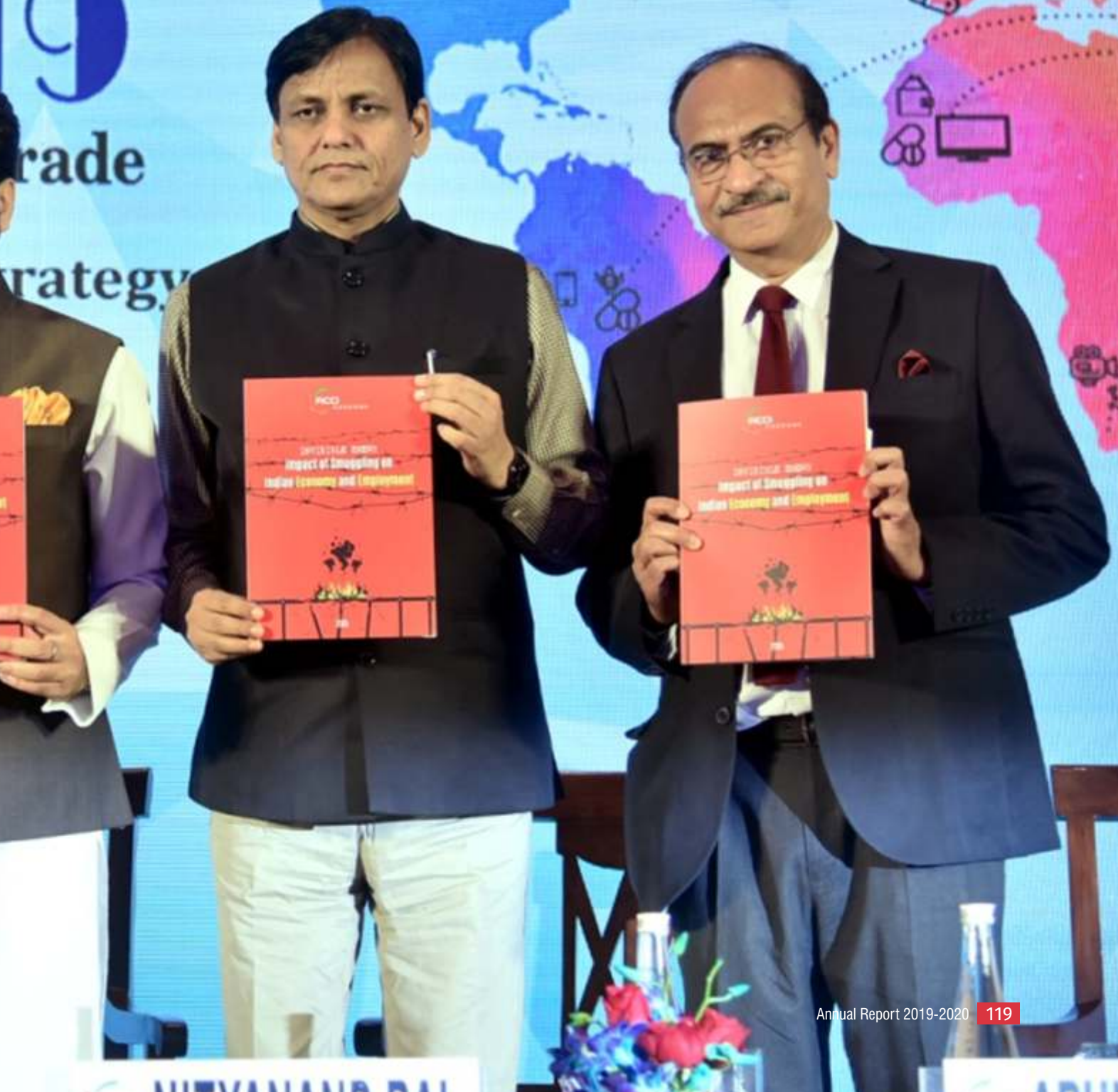
Front Against Smuggled Counterfeit

ing, Smuggling and Piracy: A Winning





9  
Trade  
Strategy







NEWS



LETTER









# APRIL 2020 ISSUE

APRIL 2020

## NEWSLETTER

Committee Against Smuggling and Counterfeiting Activities Destroying the Economy

### CHAIR'S MESSAGE



**Anil Rajput**  
Chairman  
FICCI GARGAON

The Committee constituted the month ago is now in its second month of operation. During the last six months, it has held 14 meetings. It has also held 14 meetings with the Government to discuss the various issues and to coordinate the various efforts to combat smuggling and counterfeiting activities. The Committee has also held 14 meetings with the Government to discuss the various issues and to coordinate the various efforts to combat smuggling and counterfeiting activities.

**Chair's Message**

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NEWSLETTER

### NEWS FLASH

Deccan Chronicle  
January 20, Chennai

## ₹1,17L crore loss due to smuggling: Study

CC-COMMERCE  
CHENNAI, Jan 20

The study done by FICCI's Committee Against Smuggling and Counterfeiting Activities (CC-COMMERCE) has revealed that the country has lost ₹1,17,000 crore due to smuggling and counterfeiting activities. The study also revealed that the country has lost ₹1,17,000 crore due to smuggling and counterfeiting activities.

**News Flash**

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**News Flash**

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### GUEST COLUMN

## GSI India Empowers Consumers, urges them to 'Scan Before Purchase', via 'Smart Consumer App'

Smart Consumer Mobile App helps to reduce 2.5% wastage in the total number of cases in market.

2.5% wastage in the total number of cases in market.

**Mr. Ravi Bhadran, CEO, GSI India**

It will come as a relief to the consumers who are facing the challenge of scanning the QR code before purchase. The Smart Consumer App by GSI India is helping consumers obtain reliable product information and a complete list of products. This app is helping consumers to scan the QR code before purchase. The Smart Consumer App by GSI India is helping consumers obtain reliable product information and a complete list of products.

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NEWSLETTER



### Webinar on PROTECTING YOUR BRAND ON E-COMMERCE PLATFORMS

Battling the Odds Amid COVID-19 Pandemic

Time: 24th April 2020 | Time: 11:00 AM to 12:30 PM



**MASCRAD E**  
NATIVE BRANDS, TRADE & EXPORTS

Combating Counterfeiting, Adapting and Policy & Winning Strategy

**FICCI**  
C | A | S | I | C | A | D | E

In the recent past India's economy growth has attracted world's attention bringing new challenges for the growth process. One of the challenges currently faced is the growing global trade in counterfeit goods and services. These activities are a major threat to the growth and development of the country.

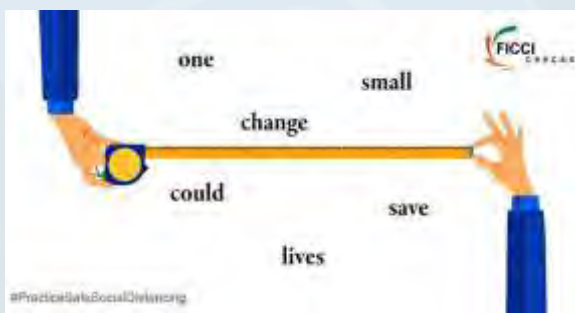
**Contact:**  
FICCI GARGAON  
B-Block, 1st Floor, Mang. New Delhi 110001, India  
T: 011-23487026, F: 011-23487074, Email: gargakon@ficci.com











### Stop the Spread of COVID19 & Misinformation



### Appeal by FICCI CASCADE



### Suggestions by FICCI CASCADE

- For Brand Owners & E-Commerce - Law Enforcement Authorities



### Campaign : Unaware





### Campaign : Invisible Enemy



### Comparing Illicit Operators with Vicious Creatures



### Campaign : Vocal for Local



### Campaign : Illicit Trade through Cross Border











# Media Monitor



# GROWING MENACE OF ILLEGAL, TAX EVADED, SMUGGLED & COUNTERFEIT GOODS IN INDIA

## 12 EDITIONS OF FICCI CASCADE MEDIA MONITOR

**THE TIMES OF INDIA**

**Bengaluru: 10L smuggled foreign cigarettes worth Rs 2cr seized**

Thu, Jul 5, 2019, 08:07 PM IST



**BANGALURU:** Customs officials have seized over 10 lakh cigarettes worth Rs 2 crore that was smuggled from Bangladesh and Myanmar to Bengaluru. The cigarettes were stored in three godowns in the city market. A Bengaluru resident has been taken into custody.

At Ramana Reddy, additional commissioner, city customs commissioner, said a man who was trading foreign cigarettes was detained on June 5 and three godowns in the city market area were raided on June 25. More than 18 tonnes of international cigarettes worth Rs 2 crore were found there. These cigarettes were illegally sold in puja, bars and other high-end outlets.

"There was intelligence input about cigarettes being smuggled from Bangladesh to Bengaluru via Kolkata by train. Officials intercepted the goods train in Howrahport and the City railway station and seized a portion of the consignment. While the transporters escaped, the officials got whereabouts of the recipient of the consignment and picked him up for questioning. He took the officials to the location where he intercepted the goods," an official said.

Officials said as there's a huge demand for imported cigarettes in Bengaluru, two consignments used to arrive by train every week. This was helping traders evade taxes. The cigarette packets do not carry aluminium health warnings as required under the Cigarettes and Other Tobacco Products (Packaging and Labelling) Amendment Rules-2017.

Security breach a concern

The negligence in checking the consignments has raised doubts about the involvement of railway officials. Sources at the customs said the consignments did not carry marks, but only three letters-VLS. The trader has marked it as garment material. However, none of the railway officials has taken stock of the situation. Generally, the Know Your Customer (KYC) details are collected by the sender and the recipient, which the railway officials have ignored for a long time.

**ANI News**

**Surat: Fake currency notes worth over Rs 85 lakh seized, 2 arrested**

Thu, 07, 2019



**Surat (Gujarat) India, July 7 (ANI):** Two persons were arrested and fake currency notes with a face value of over Rs 85 lakh were seized from an apartment flat in Soobin area here on Saturday, police said. "A man and a woman (identified as Kailaj Ranatlal Bhanush and Sujata Lakshmal Bhanu) were arrested while another accused Satish Gulabchandra Parmar managed to flee from the spot," Surat Deputy Commissioner of Police V.K.P. Chaudhary said.

The accused were making the fake notes using colour copiers and printers. They used green face of security thread and white colour to make the image of Mahatma Gandhi on the counterfeit currency, the official said.

"Acting on inputs, the police conducted a raid on a flat in the area and found Rs 2,000 forged currency notes worth Rs 24 lakh and Rs 500 fake notes worth Rs 1.2 lakh from their possession," Chaudhary said. Both the men accused in the case have been involved in crime in the past, the said.

"Two fake currency note cases are registered against Parmar in Bharat Nagar and Amel Kural police stations. Bhanush has a case of attempt to commit suicide homicide against him registered at Vibhadra police station and an attempt case at Khatraj police station," Chaudhary added. (ANI)

<https://www.aninews.in/news/national/surat-fake-currency-notes-85-lakh-seized-2-arrested-16952000124>

**Times of India**

**Kolkata: Smuggled gold, cash worth over Rs 3 crore seized; 4 held**

Updated: Aug 21, 2019, 6:34 IST



**KOLKATA:** The special task force (STF) of Kolkata police on Tuesday seized unaccounted-for cash worth around 1 crore and gold valued at Rs 2.4 crore and arrested four persons on Super Street. The seizure is one of the highest made by Kolkata Police in recent times in a single raid. Officers said the gold was being smuggled through Bangladesh.

"We got a tip-off and raided the suspect's hideout at 4pm. We found 6.3kg of gold and the cash," joint CP (STF) Guhanagarjitna Roy said. The suspects — two brothers Nitoy Showmik (34) and Partha Showmik (27) are residents of Nopanihall in South 24 Parganas, while the two others, identified as Jaikant Adhikary and Subrata Adhikary (27) are residents of Ulusaba in Howrah.

STF sources said smuggled gold makes its way into India from Dubai via Bangladesh. The gold is then transported to areas like Bowbazar and Bumbabazar, where it is then made into ornaments and re-sold. Some of the gold is kept in the country as reserve as it is a safer method to stash black money.

"There is a huge demand for gold in India and smugglers from Bangladesh make a lot of money with this," an official said.

<https://timesofindia.indiatimes.com/india/kolkata-smuggled-gold-cash-worth-over-3-crore-4-arrested/articleshow/70761351.cms>

**Times of India**

**UP: Liquor worth Rs 1 crore seized, six men arrested for smuggling it to Bihar**

Updated: Aug 2, 2018, 07:54 IST



**AGRA:** A gang involved in liquor smuggling to Bihar was busted by police of Agra on Tuesday. A 2 crore worth liquor.

According to the police, six men were arrested with 841 litres (nearly 1,000 litres) of illicit Made Foreign Liquor (MFL) along with a shut-up truck. The names were identified as Shiv Dutt, Anil, Binay, Dhyananand, Shashank and Saikat.

Vishesh Kumar Singh, station house officer of Sadar said, "After a long chase, the gang was nabbed near Skanderpur Line. During interrogation, the gang admitted that they smuggle liquor of various brands into Bihar from Haryana, as there is a big racketeering demand of liquor due to ban."

"The other gang members were arrested with smuggled liquor in Bihar, Chandauli (UP) and Agra earlier. All present. Four members of the gang are also among those who were identified as Praveen Shikhar, Vinay Jaiswal, Anwar and Surendra Shukla," he added.

The accused were booked under Section 481.

<https://timesofindia.indiatimes.com/india/up-police-seizes-2-crore-worth-illicit-liquor-6-arrested/articleshow/70312478.cms>



# DECCAN Chronicle

September 15, 2015

## Gold worth ₹90L seized by customs

DC CORRESPONDENT  
CHENNAI, SEPT. 14

The customs officers at Chennai international airport detected several cases of smuggling of gold and silver gold valued at ₹90 lakh.

According to sources, Ajmal Khan Mahomed Farooq 120 of Madurai, arrived from Kuala Lumpur by Air Asia flight on Saturday morning. The officials intercepted him on his pickup. On his personal search, 5 semi-finished crude gold chains totally weighing 304 grams valued at ₹164 lakhs were recovered and the same seized under provisions of Customs Act 1962.

In a similar incident on Friday Syed Ahsan Hameed and Nijaz Khan (30) of Ramnathapuram, arrived from Dubai by Fly Dubai



The gold seized by customs officials.

Flight were intercepted at the exit. During their personal search, gold in rubber form kept concealed in their waist was recovered, 80 grams gold of value at ₹10 lakh was recovered and the same was seized under provisions of Customs Act 1962.

On Thursday, Mubham Jahan (30) of Kollara

Further, on examination of their checked-in baggage 24 old used laptops valued at ₹1.2 lakh and 6.10 lakhs of Goutham Cigarettes (28 Cartons) totally valued at ₹67,200 were also recovered and the same seized.

In another case on Thursday, Pankaj Narasimhan (41) a Sri Lankan national, was intercepted at the exit of the arrival hall. On her personal search and persistent questioning, she admitted having concealed gold in the return in rubber spread form.

After extraction 172 grams gold valued at ₹16.5 lakhs was recovered and seized under the Customs Act. Total goods worth ₹90 lakhs (1.5 Kg gold worth ₹60 lakhs and laptops and cigarettes worth ₹1.8 lakhs) were seized under Customs Act 1962. Further probe is on.

# India Today

## Delhi: Man smuggling 27 iPhones, 330 branded watches held by customs at IGI Airport

The Customs Department team of India Gandhi Airport, Delhi, held a man for smuggling expensive phones, watches and other goods to foreign countries.

UPDATED: September 28, 2019 14:41 IST



The Delhi airport department confiscated innumerable phones and watches from the accused.

The Customs Department team of India Gandhi Airport, Delhi, held a man for smuggling expensive phones, watches and other goods to foreign countries.

The Delhi airport department confiscated innumerable phones and watches from the accused.

On September 23, the customs department confiscated 330 branded watches, 27 iPhones and other various goods from a passenger, who was coming from Hong Kong.

The total value of seized goods comes to Rs 20 lakh, the Customs authorities said.

The man reportedly revealed to the customs department that from October 2017 to September 2018, he had smuggled items worth several crores.

The accused was arrested in terms of Section 104 of the Customs Act 1962, police said.

<http://www.indiatoday.in/prime-story/story/delhi-man-smuggling-27-iphones-330-branded-watches-5466474-2019-09-28>

## Foreign cigarettes worth ₹1.3 crore seized, five in the dock

EXPRESS NEWS SERVICE  
@ Hyderabad

HYDERABAD Task Force sleuths on Friday arrested five persons for importing foreign cigarettes illegally and selling them at higher prices. Police seized cigarettes worth ₹1.3 crore from the accused.

The arrested persons are Vipul Ranka, Jagadish Kumar, Doongarchand Shrishrimal, Pavan Kumar Perthani and M A Hameed. Another accused, Ravinder Singh Sarna, is absconding.



The cigarettes were imported from China, Malaysia, Switzerland and South Korea, among other countries. | SENSASAPANDHYA

Police Commissioner Anjali Kumar said the main accused, Vipul Ranka, was running a business called D Rajesh Kumar and Co, situated at Begum Bazar, and would sell tailoring material and incense sticks.

Due to insufficient income, he entered into the business of selling foreign cigarettes. Ranka became acquainted with the owner of Sarna Transports. He would purchase huge quantities of foreign cigarettes from him and sell them at D Rajesh Kumar & Co to known customers for high prices.

Ranka had hired the other accused for running the business. The cigarettes were being illegally smuggled from foreign countries such as China, Malaysia, Switzerland and South Korea, among others, to evade taxes and were being sold in New Delhi, Hyderabad and other States at cheaper rates than the MRP, but with heavy profit margins to the sellers, the police said.

As compared to Indian brands, many customers would prefer to buy these imported cigarettes.





### Gold, cigs, laptop worth ₹1cr seized

Chennai: Gold, cigarette and laptop worth over ₹1 crore was seized by the customs official at the Chennai international airport on Friday. According to airport sources, when the customs officers raided two direct flights traveling from Dubai to Chennai and one from Dubai to Chennai via Kochi 3.2 kilograms of gold, cigarette and laptop were found. The accused reportedly concealed them in their suitcases, weighing machine and dress. They were arrested by the officers under the customs act of 1962. On questioning it was found that the five men were from Kerala, Chennai, and Ramanathapuram. Investigations are on.

### DRI seizes fake Indian currency worth around Rs 1.2 lakh; one arrested

Nov 1, 2018, 06:00 PM IST

The DRI officers conducted a search of the person in which it recovered 80 pieces of fake Indian currency notes(FICN), having a face value of Rs 1.2 lakh.



The Directorate of Revenue Intelligence (DRI) on Saturday intercepted a person attempting to smuggle Fake Indian Currency Note (FICN) into India from Chapal Nawabgunj and other areas of Bangladesh.

Acting on the intelligence that a consignment of FICN was being smuggled into India from Chapal Nawabgunj and other areas of Bangladesh by a man in a bus traveling from Mirsada to Sokennagar in Darjeeling District on Nov 27, the DRI officers apprehended him after he departed from a bus coming from Jamnagar.

The DRI officers conducted a search of the person in which it recovered 80 pieces of Fake Indian currency notes(FICN), having face value of Rs 1,25,000.

The accused, Md. Bektulak, 40 years old, hails from Suronta Sabodang village in Kishanganj, Bihar. On interrogation of the said person it was learnt that the FICN consignment was procured by him from a resident of Balidanga, Kishanganj, District, Muzaffar, for supplying the same to a person in Jorhat in Bihar and he admitted his role in carrying such consignments in the past also. The recovered FICN was initially examined and appeared to be of high quality.

<https://www.dnaindia.com/india/story/dri-seizes-fake-indian-currency-notes-worth-around-rs-1-lakh-one-arrested-3365029>

## छापे में छह लाख रुपये की विदेशी सिगरेट बरामद

एलआइयू व पुलिस की संयुक्त टीम ने दो व्यापारियों के यहां मारा छापा

दिल्ली: एलआइयू व पुलिस की संयुक्त टीम ने दो व्यापारियों के यहां मारा छापा। छह लाख रुपये की विदेशी सिगरेट बरामद की गई। एलआइयू व पुलिस की संयुक्त टीम ने दो व्यापारियों के यहां मारा छापा। छह लाख रुपये की विदेशी सिगरेट बरामद की गई। एलआइयू व पुलिस की संयुक्त टीम ने दो व्यापारियों के यहां मारा छापा। छह लाख रुपये की विदेशी सिगरेट बरामद की गई।



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### Chinese Woman Arrested At Delhi Airport For Smuggling Gold In Rectum

The gold, valued at Rs 42.12 lakh, has been seized and the passenger arrested. Additional Commissioner of Customs at the airport said in the statement.

Updated: January 07, 2020 11:27 pm IST



New Delhi: A Chinese woman has been arrested by the customs officials for allegedly trying to smuggle gold into the country by concealing it in her rectum, an official statement said on Tuesday.

The accused was intercepted after her arrival at the Indira Gandhi International Airport from Chengdu in China on Sunday.

"Customs officers recovered six dumb-shaped pieces of gold collectively weighing 1.2 kg that were brought by her concealed in her body," Jayant Sahay, Additional Commissioner of Customs at the airport said in the statement.

The gold, valued at Rs 42.12 lakh, has been seized and the passenger arrested, it said.

The passenger, who is in her late forties, also admitted to have smuggled one kg gold in her previous visit.

"Thus, the total offence value amounts to Rs 77.26 lakh," the statement said.

<https://www.ndtv.com/india-news/chinese-woman-arrested-for-smuggling-gold-in-rectum-2340362>



## PurbanchalPrahari, Guwahati

3 March 2020

## The Times of India

### Fake sanitizers worth Rs 20 lakh seized in Palghar.

7 April 2020

MUMBAI: Amid shortage of masks and hand sanitizers for protection against Covid-19, duplicate sanitizers worth Rs 20 lakh were seized from Wada taluka of Palghar district.

The company Janu Chemicals was manufacturing fake sanitizers to be sold in the market. The local crime branch of Solapur raided the unit located in Hemrapur MIDC area of Wada.

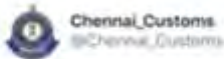
Around 4,000 tested bottles, raw materials and machineries were seized from the factory.

The company had no permission to manufacture sanitizers. The bottles were to be sold in the market as there is a growing demand for hand sanitizers.

<https://timesofindia.indiatimes.com/Ch/thane/fake-sanitizers-worth-20lakh-seized-in-palghar/articleshow/72024437.cms>

February 09, 2020

Tweet



On 09-02-2020 two pax arrvd from Dubai by Ek542 intercepted at exit. 3 crude gold chains of 348 gms valued at Rs14.6 lakhs recovered from one pax and 23520 Cigg sticks( Gudang garam )valued at Rs 4.7 lakhs recovered from check in bag of 2nd pax.Goods seized under Custom Act.



## The Indian Express

### WATCH: CISF seizes foreign currency hidden inside peanuts, meatballs at Delhi airport

The unique modus operandi of currency notes smuggling was revealed when security personnel confronted 25-year-old **Manoj** after observing his suspicious **behavior** when he reached Terminal-2 of the airport.

February 13, 2020 10:10:13 am



The estimated worth of the seized cash is about Rs 43 **lacs** and the passenger, who carries a tourist visa for Dubai, and the currency have been handed over to Customs authorities.

In a stark case of foreign currency smuggling unearthed Wednesday, the Central Industrial Security Force (CISF) seized notes hidden inside cooked pieces of meat, paneers and sealed plastic packets from a passenger at the **Indira Gandhi International (IGI)** airport.

None of 500 currency notes were recovered from the seized meat agency PTI reported.

The unique modus operandi of smuggling notes came to light when security personnel at Terminal-2 confronted a 25-year-old man, **Manoj**, after noticing his suspicious **behavior**. The passenger was slated to board an Air India flight to Dubai.

<https://indianexpress.com/article/india/india-cisf-seizes-cash-in-peanuts-and-meatballs-at-delhi-airport-6424472/>



# THE ECONOMIC TIMES

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Thu, 23 Jul-20; Economic Times - Delhi; Size : 36 sq.cm.;  
Circulation: 134320; Page : 7

## ₹72-Crore GST Evasion on Cigarettes Unearthed

**NEW DELHI** The Directorate General of Goods and Services Tax Intelligence unveiled evasion of tax of more than ₹72 crore involving clandestine clearance of cigarettes through a factory in Kota. Acting on specific intelligence, searches were conducted at various places in Kota and Nagaur on July 17, including the factory, trading firms, godowns, secret offices and residences of beneficiaries, the finance ministry said in a statement on Wednesday. "Incriminating documents and electronic devices pertaining to the supply of cigarettes without payment of taxes and duties were recovered," said the ministry. - **Our Bureau**

## The New Indian Express

### THE NEW INDIAN EXPRESS

## DRI sleuths seize cigarettes worth Rs 3 crore in Andhra Pradesh

Upon inspection, DRI officials found that the vehicle was loaded with HDPC woven sacks containing goods stacked from the top and where the cigarettes were kept hidden under sleekless storeware. When questioned, the driver told officials that the vehicle started from New Delhi with another driver and after reaching Guntur, he took over the vehicle and drove to Vijayawada as per the instructions of his management.

Published: 25th May 2020  
By Express Bureau Services

**VIJAYAWADA:** Sleuths of Directorate of Revenue Intelligence (DRI) seized 29,99,600 foreign brand cigarettes worth Rs 3 crore which are being smuggled in Vijayawada on Sunday. The DRI officials who compounded the vehicle used for transporting the stock.



For representational purposes

Acting on a tip-off that 'PARIS' brand cigarettes are being illegally transported, the DRI-Vijayawada unit launched an operation and intercepted a container truck bearing registration number RJ11 GD0616 on its way from New Delhi near a godown at P Nannavaram village.

Upon inspection, DRI officials found that the vehicle was loaded with HDPC woven sacks containing goods stacked from the top and where the cigarettes were kept hidden under sleekless storeware. When questioned, the driver told officials that the vehicle started from New Delhi with another driver and after reaching Guntur, he took over the vehicle and drove to Vijayawada as per the instructions of his management.

Source: <https://www.indianexpress.com/article/andhra-pradesh/dri-sleuths-seize-cigarettes-worth-rs-3-crore-in-andhra-pradesh-5747387.html>

## THE HINDU

### Crime Branch busts cigarette, tobacco smuggling racket

Ganjam S. Mergie | Mumbai, May 09, 2020

Material brought illegally in vehicles that had permission to carry fruits and vegetables

Where there is prohibition, black marketing rackets are inevitable. The Mumbai Police Crime Branch has busted a racket where tobacco, cigarettes and pan masala were being smuggled in vehicles that had government permission to transport fruits and vegetables.

According to Crime Branch officials, the lid was blown off the racket after police inspector Sunil Mane, in charge of Unit X, received a tip-off. A Unit X team visited Gaganan Colony in Shivaji Nagar, Govandi on Thursday and searched the area covertly till they located the Tata S Model tempo the informant had spotted.

"The tempo had a sticker issued by the government, which permitted it to ply during the lockdown. The sticker said it had permission to transport fruits and vegetables. We spotted two men near the tempo who tried to speak out as soon as the saw us inspecting it," a Unit X officer said.

Ghazi Ahmed Khan (38) and Shehzad Khatibi (31), were intercepted and asked to open the tempo, after which the police found packets of tobacco-mixed scented sajan, pan masala, chewing tobacco and cigarettes, collectively worth ₹21.48 lakh, stored inside.

The material was seized in the presence of Food and Drug Administration officers and the two were arrested.

"Based on their interrogation, we arrested a third accused, S.M. Khan (27), from Shivaji Nagar on Friday. We also raided a godown specified by the them and seized 14 bundles of gudkha worth ₹28 lakh. The accused and the seized goods have been handed over to the Shivaji Nagar police for investigation," the officer said.

Preliminary inquiries indicate that more people are involved in the racket, which includes picking up the material from the manufacturers and smuggling it to various parts of the city, where it is being sold at higher rates. The racket operates on word-of-mouth publicity and is suspected to be active for at least the past one month, sources said.

Source: <https://www.thehindu.com/news/nations/mumbai/crime-branch-busts-cop-smuggling-tobacco-smuggling-racket/article71579267.ece>

## First Post

### Delhi Customs officials seize PPE kits, sanitisers and lakhs of masks; consignments were being smuggled to US, UAE and Europe.

18 May 2020

New Delhi: Large quantities of sanitiser, PPE kits, masks and raw material being sent abroad illegally have been seized by customs officials at the cargo terminal in New Delhi, officials said.

The goods were mis-declared as garments, kids dresses, cosmetic items and packing materials for pouches to avoid suspicion and further scrutiny by the customs officials, officials said on Thursday.

The export of such goods is prohibited by the government due to the COVID-19 pandemic. Many countries have either increased the production of such products or ordered their imports owing to demands as they stare at its possible shortage.

Giving details of the seizures, a senior customs official said 1,488 kg of raw material for masks was intercepted by air cargo export.

In addition to these, the air cargo officers intercepted multiple shipments containing 3 GB lakh masks, 57 litres of sanitiser in 850 bottles and 952 PPE kits at the courier terminal in New Delhi, he said.

"These were attempted to be smuggled or exported out of the country to the United States, United Kingdom, the United Arab Emirates and other European countries, the official said.

These goods are prohibited for export as per the latest guidelines issued by the Directorate General of Foreign Trade (DGFT).

No arrests have been made so far in the case and further investigation is continuing.

<https://www.firstpost.com/india/delhi-customs-officials-seize-ppe-kits-sanitizers-and-lakhs-of-masks-government-warns-against-smuggling-to-us-uae-and-europe-5846791.html>



# MEDIA COVERAGE



the-kashmir-horizon.com/2020/07/04/ficci-holds-webinar-on-counterfeiting-smuggling-during-covid-19/



**New Delhi: Federation of Indian Chamber of Commerce & Industry (FICCI) organized a webinar on 'Combating Counterfeiting and Smuggling during the COVID-19 Pandemic and Beyond' here Friday.**



సంగీం అరికడదా

జయపూర్, 14 ఫిబ్రవరి (ఎజెన్సీ)। 'జాలసాజీ మరియు తस्करी के सामान ने भारत की विकास रणनीति एवं आर्थिक विकास एजेंडा में घुसपैठ कर ली है। यह बात आज यहां फिक्की केस्केड ने कंज्यूमर एक्शन नेटवर्क सोसायटी (केन्स) के सहयोग से आयोजित उपभोक्ता सम्मेलन एवं कैण्डल लाइट मार्च के दौरान उजागर हुई। आयोजन में उपभोक्ताओं को इस बात पर जोर दिया गया था कि इस तरह के अवैध व्यापार से जुड़ी गतिविधियों से देश के आर्थिक स्वतंत्रता पर अंकुश लगता है और नागरिकों से नकली उत्पादों का उपयोग करने और देश की अर्थव्यवस्था के बड़े हित में होने वाली तस्करी के खतरों से लड़ने का संकल्प देने का आग्रह किया गया। फिक्की केस्केड के सलाहकार एवं दिग्गज पुलिस के पूर्व विशेष आयुक्त श्री दीपचंद ने अपने स्वागत भाषण में कहा " भारत सरकार ने जालसाजी, चोरी और तस्करी से निपटने के उपाय शुरू किए थे। दो प्रमुख प्रयास सामने खड़े हैं। पहला, कानूनी ढांचा भारत में काफी विकसित है। दूसरा, सरकार ने महत्वपूर्ण प्रयासों के माध्यम से उपभोक्ताओं के स्वास्थ्य और सुरक्षा को गंभीर उत्पादों से बचाने के लिए कदम उठाए हैं। इन कार्रवाइयों के बावजूद, फिक्की के एक अध्ययन से पता चलता है कि नकली, सामान और तस्करी की दर अधिक है। श्री दीप चंद ने उपभोक्ताओं से खतरों से अलग होने और इस खतरों से सर्वसम्मति से लड़ने का आग्रह किया। फिक्की केस्केड के सलाहकार एवं पूर्व अध्यक्ष प्रत्यक्ष कर एवं उत्पाद शुल्क श्री पी.सी. झा ने कहा "जालसाजी और तस्करी एक विशाल, वैश्विक व्यवसाय बन चुके हैं, एक मल्टीबिलियन डॉलर के अवैध उद्योग का प्रतिनिधित्व करते हैं जो विश्व अर्थव्यवस्था पर एक महत्वपूर्ण प्रभाव डाल रहा है। इसके साथ ही उन्होंने कहा केस्केड द्वारा हाल ही किए गए एक अध्ययन "इन्विजेबल एनिमी: इम्पैक्ट ऑफ स्मगलिंग ऑन इण्डियन इकोनॉमी एण्ड एम्प्लॉयमेंट" में इस बात का खुलासा हुआ है कि " पांच विशिष्ट उद्योगों में वर्ष 2017-18 के दौरान तस्करी के कारण 5.1 लाख आजीविका का अवसर कम हो गए हैं जिनमें कपड़ा, तंबाकू उत्पाद (सिगरेट), रेडोमेट गारमेंट्स, कैपिटल गुड्स (मशीनरी और पाटर्स) और उपभोक्ता (इलेक्ट्रॉनिक्स) इयूरोबल्स प्रमुख इससे इन पांच उद्योगों के पिछड़े जुड़ाव और गुणक प्रभाव के कारण 2017-18 में लगभग 16.36 लाख की अर्थव्यवस्था में कुल आजीविका अवसर की हानि रही है।



Foreign currency of Rs 30 crore & gold worth Rs 228 crore seized in last one year




## एक कदम राष्ट्र निर्माण की ओर पर उपभोक्ता सम्मेलन और कैण्डल लाइट मार्च

जयपुर, 14 फरवरी ( एजेंसी )। 'जालसाजी और तस्करी के सामान ने भारत की विकास रणनीति एवं आर्थिक विकास एजेंडा में घुसपैठ कर ली है। यह बात आज यहां फिक्की केस्केड ने कंज्यूमर एक्शन नेटवर्क सोसायटी (केन्स) के सहयोग से आयोजित उपभोक्ता सम्मेलन एवं कैण्डल लाइट मार्च के दौरान उजागर हुई। आयोजन में उपभोक्ताओं को इस बात पर जोर दिया गया था कि इस तरह के अवैध व्यापार से जुड़ी गतिविधियों से देश के आर्थिक स्वतंत्रता पर अंकुश लगता है और नागरिकों से नकली उत्पादों का उपयोग करने और देश की अर्थव्यवस्था के बड़े हित में होने वाली तस्करी के खतरों से लड़ने का संकल्प देने का आग्रह किया गया। फिक्की केस्केड के सलाहकार एवं दिग्गज पुलिस के पूर्व विशेष आयुक्त श्री दीपचंद ने अपने स्वागत भाषण में कहा " भारत सरकार ने जालसाजी, चोरी और तस्करी से निपटने के उपाय शुरू किए थे। दो प्रमुख प्रयास सामने खड़े हैं। पहला, कानूनी ढांचा भारत में काफी विकसित है। दूसरा, सरकार ने महत्वपूर्ण प्रयासों के माध्यम से उपभोक्ताओं के स्वास्थ्य और सुरक्षा को गंभीर उत्पादों से बचाने के लिए कदम उठाए हैं। इन कार्रवाइयों के बावजूद, फिक्की के एक अध्ययन से पता चलता है कि नकली, सामान और तस्करी की दर अधिक है। श्री दीप चंद ने उपभोक्ताओं से खतरों से अलग होने और इस खतरों से सर्वसम्मति से लड़ने का आग्रह किया। फिक्की केस्केड के सलाहकार एवं पूर्व अध्यक्ष प्रत्यक्ष कर एवं उत्पाद शुल्क श्री पी.सी. झा ने कहा "जालसाजी और तस्करी एक विशाल, वैश्विक व्यवसाय बन चुके हैं, एक मल्टीबिलियन डॉलर के अवैध उद्योग का प्रतिनिधित्व करते हैं जो विश्व अर्थव्यवस्था पर एक महत्वपूर्ण प्रभाव डाल रहा है। इसके साथ ही उन्होंने कहा केस्केड द्वारा हाल ही किए गए एक अध्ययन "इन्विजेबल एनिमी: इम्पैक्ट ऑफ स्मगलिंग ऑन इण्डियन इकोनॉमी एण्ड एम्प्लॉयमेंट" में इस बात का खुलासा हुआ है कि " पांच विशिष्ट उद्योगों में वर्ष 2017-18 के दौरान तस्करी के कारण 5.1 लाख आजीविका का अवसर कम हो गए हैं जिनमें कपड़ा, तंबाकू उत्पाद (सिगरेट), रेडोमेट गारमेंट्स, कैपिटल गुड्स (मशीनरी और पाटर्स) और उपभोक्ता (इलेक्ट्रॉनिक्स) इयूरोबल्स प्रमुख इससे इन पांच उद्योगों के पिछड़े जुड़ाव और गुणक प्रभाव के कारण 2017-18 में लगभग 16.36 लाख की अर्थव्यवस्था में कुल आजीविका अवसर की हानि रही है।







### Foreign currency of Rs 30 crore gold worth Rs 220 crore seized in last one year

Foreign currency value

## Kolkata

He was addressing a webinar on 'Combating Counterfeiting and Smuggling during the COVID-19 pandemic and beyond' organised by FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE). Chairman Anil, Additional Director General, Directorate of Revenue Intelligence (DRI), Kolkata in an address during the webinar said that the DRI has seized a total of 23 tonnes of gold worth of around Rs 220 crore and foreign currency worth of Rs 30 crore in the last one year. Several cases of smuggled gold were detected where a total of 23 tonnes of gold worth of around Rs 220 crore were seized. He added, the webinar was attended by industry, government officials, officers from the enforcement agencies and stakeholders in this segment.

## early TIMES

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NEWS DETAILS

### 'Constant vigilance, consumer awareness key in combating trade of illicit goods'

Agencies

NEW DELHI, July 5: Union Minister for Home, Additional Secretary, Department of Food, Civil Supplies and Consumer Affairs, Govt. of J&K said that COVID-19 pandemic has heightened the danger posed by illicit trade. These risks call for greater focus on the growing hazards of items, smuggling and counterfeiting by taking immediate steps to curb the illicit trade.

Addressing a webinar 'Combating Counterfeiting and Smuggling during the COVID-19 Pandemic and Beyond' organised by FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE), Dr. Rishi said, "Many consumers are unaware of the dangerous nature of counterfeit products." Speaking on the role of consumers, he mentioned, "The attitude of consumers towards buying counterfeit goods needs to change. Checklist vigilance and consumer awareness will play a key role in combating the growing trade of illicit goods."

ANI Rajiv, Chairman, FICCI-CASCADE said, "The ITI (J&K) is particularly sensitive to the effects of illicit trade, and this is due to the unavailability of essential goods by the reality amongst the neighbouring states."

Complementing the role played by the enforcement agencies, of J&K to check the growth of illicit trade, he further said, "The Prime Minister's call for 'Jai to Jai' will create a conducive environment for the economy of the state government and play a major role in strengthening India."

Manojit Jena, Inspector General, Crime, Jammu and Kashmir Police said, "Combating this by adverse impact of Jammu & Kashmir as illegal trade not only weakens the trust in the government but also leads to unemployment amongst the youth in Jammu and Kashmir. To mitigate this, there is a need for policy level coordination between police and the industry bodies."

## Judges, cops express grave concern over counterfeiting

CAIN CAPITAL

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## Bengal govt fighting counterfeiting amid pandemic: Minister

The Hawk | 9 July 2020 9:05 AM

New Delhi: West Bengal Minister in-charge for Consumer Affairs, Siddhan Panda, has said that counterfeiting and smuggling are two major economic crimes across the globe and the state government is making extra efforts to combat such crimes amid the coronavirus pandemic.

Addressing a webinar organised by FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE), Panda invited CASCADE to join hands with his department to run a campaign on the subject in West Bengal.

## FICCI holds webinar on Counterfeiting, Smuggling during COVID-19

NEW DELHI: Federation of Indian Chambers of Commerce & Industry (FICCI) organised a webinar on 'Combating Counterfeiting and Smuggling during the COVID-19 pandemic and beyond' here on Friday.

Organised by FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE), the event was addressed by Chairman FICCI-CASCADE, Anil Rajiv; Inspector General, Crime, JK Police, Manish K Shrivastava; Additional Secretary, Food, Civil Supplies and Consumer Affairs, Dr. Rishi; and Dr. Rishi, Former P.F. Director General, DRI and Former Chairman, Enforcement Committee, World Customs Organisation, Dr. Dilli who stressed the need for policy level coordination between police and the industry bodies.

The webinar also deliberated on the industry efforts in tackling the flow of illicit products during the coronavirus; the role that the government and enforcement agencies can play to thwart criminals who are making it during the crisis and highlighted areas of concern in consumer safety. The webinar was attended by industry, government officials and officers from the enforcement agencies and other stakeholders.

## ‘ಸಾಗಣೆ ನಿಯಂತ್ರಣಕ್ಕೆ ಸ್ಪಷ್ಟ ಕಾನೂನು ಅಗತ್ಯ’

ಮಹಾನ್ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು ಸ್ಪಷ್ಟ ಕಾನೂನು ಸಂಯಮನು ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು

Strengthening the Fight Against Counterfeiting and Smuggling

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# COVID-19 Triggered Economic Distress Sees Sharp Spike in Smuggling of Goods: FICCI CASCADE

JULY 2020



THE TIMES OF INDIA

## 'Spike in smuggling of gold, cigarettes, liquor'

**New Delhi:** Industry chamber FICCI's arm on Wednesday said illicit trade has emerged as one of the most formidable challenges before the nation, especially during the current coronavirus pandemic which has led to an economic distress.

FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) said several cases of smuggling of goods such as gold, cigarettes, liquor have been reported amid the Covid-19 pandemic.

"The perpetrators of il-

licit trade are always looking at innovative ways to deceive the system to carry out their activities. This deeply harms the economic interests of the nation and the society ends up paying a huge cost," FICCI Cascade chairman Anil Rajput said in a statement.

Asking policy makers to treat illicit trade as a "national threat", it said, "Illicit trade has emerged as one of the most formidable challenges before our nation, especially during the pandemic which has led to an economic distress." #FI

## Outlook

THE NEWS SCROLL

(#FICCI CASCADE) @ FICCI CASCADE PTI

### Sharp spike in smuggling of goods amid COVID-19 pandemic: FICCI CASCADE

[f](#) [t](#) [p](#) [i](#) [s](#)

New Delhi, Jul 15 (PTI) Industry chamber FICCI's arm on Wednesday said illicit trade has emerged as one of the most formidable challenges before the nation, especially during the current coronavirus pandemic which has led to an economic distress.

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Asking policy makers to treat illicit trade as a "national threat", FICCI CASCADE said, "Illicit trade has emerged as one of the most formidable challenges before our nation, especially during the current pandemic which has led to an economic distress."

Citing instances of the recent seizures of smuggled cigarettes at New Delhi Railway station, Mumbai and Hyderabad, and gold in Kerala, FICCI CASCADE said, "not only does smuggling dent the government exchequer, by creating opportunities from tax arbitrage, but also threatens local industries on which livelihoods of many depend."

Rajput said while the recent efforts of enforcement officers are laudable, the government cannot afford to let the guard go down.

"At a time when the country is already dealing with the coronavirus triggered financial stress, it is even more important that the government maintains strict vigil to ensure that these offenders we keep at bay," he said. PTI REG. DWR/DBR

millenniumpost  
NO HALF TRUTHS

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IMPOST



## कोविड- 19 महामारी के दौरान तस्करी में में तेजी के खतरे पर निगरानी रखे सरकार: फिक्की कास्कैड

नयी दिल्ली, 15 जुलाई (भास)। राष्ट्रीय संसद विधायी की एक समिति ने बुधवार को कहा कि देश के समस्त राज्यों में कोरोना महामारी के दौरान अर्थिक संकट के इस दौर में तस्करी का खतरा सबसे बड़ी चुनौती बनकर उभर रही है और सरकार को इस का बड़ा निवारण रखनी चाहिए। तस्करी और नकली कारोबारी गतिविधियों में अर्थव्यवस्था को नुकसान का बहुत खतरा भी बढ़ता है। फिक्की कास्कैड ने कहा कि इतिहास 18 राज्यों के इस दौर में सोम, सिमेट, शराब जैसे सामान की तस्करी के कई मामले सामने आये हैं। फिक्की कास्कैड के चेयरमैन अनिल राजपुत ने कहा जारी बयान में कहा, "जैसा

विश्वव्यापी: एक अंतर्राष्ट्रीय एजेंसी रीपोर्ट में अर्थी-अर्थव्यवस्था दुबारा है। इसे नए भारतीयों के बीच की टीम ने एजेंडा नहीं किया है।

समा | Updated: 15 Jul 2020, 04:05:00 PM IST



## NBT नवभारत टाइम्स

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राज्यों के इस दौर में सोम, सिमेट, शराब जैसे सामान की तस्करी के कई मामले सामने आये हैं। फिक्की कास्कैड के चेयरमैन अनिल राजपुत ने कहा, "जैसा विश्वव्यापी करने वाले लोग अर्थव्यवस्था को नुकसान देने के लिए नये नये तरीकों की खोज में करते हैं। इस तरह की गतिविधियों से राष्ट्र को बड़ा आर्थिक नुकसान होगा है और सरकार को इसकी पूरी जागरूकता बढ़ानी पड़ेगी है।" फिक्की की इस इकाई ने नशील निर्यातों में कहा है कि यह अर्थव्यवस्था को "राष्ट्रीय चक्रवर्त" करने। उन्होंने कहा है कि अर्थव्यवस्था के इस दौर में नशील निर्यातों के खतरा बहुत बड़ा है। फिक्की कास्कैड ने हाल ही में नयी दिल्ली तैयार स्टेशन,

## जनसत्ता

### कोरोना संकट के बीच बढ़ी सोना, शराब और सिगरेट की तस्करी, FICCI की रिपोर्ट में खुलासा, स्टेशनों पर अटके हैं सीज्ड माल

फिक्की की एक रिपोर्ट के मुताबिक कोरोना संकट के चलते सोना, शराब और सिगरेट की तस्करी बढ़ गयी है। फिक्की CASCAD के चेयरमैन अनिल राजपुत का कहना है कि जहाँ व्यापार करने वाले हमेशा अपनी गतिविधियों के लिए निगरानी को धीरे धीरे के जल-जल प्रतिक्रिया करते हैं।

समाचार | Updated: July 15, 2020 3:09 PM



## The Statesman

### Rise in smuggling amid pandemic: Ficci

PRESS TRUST OF INDIA  
NEW DELHI, 15 JULY

Industry chamber Ficci's arm today said illicit trade has emerged as one of the most formidable challenges before the nation, especially during the current coronavirus pandemic which has led to an economic distress. Ficci's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (Cascade) said several cases of smuggling of goods such as gold, cigarettes, liquor have been reported amid the Covid-19 pandemic.

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## DH DECCAN HERALD

### Sharp spike in smuggling of goods amid Covid-19 pandemic: FICCI CASCADE



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## rediff REALTIME NEWS

### Sharp spike in smuggling of goods amid coronavirus pandemic: FICCI CASCADE

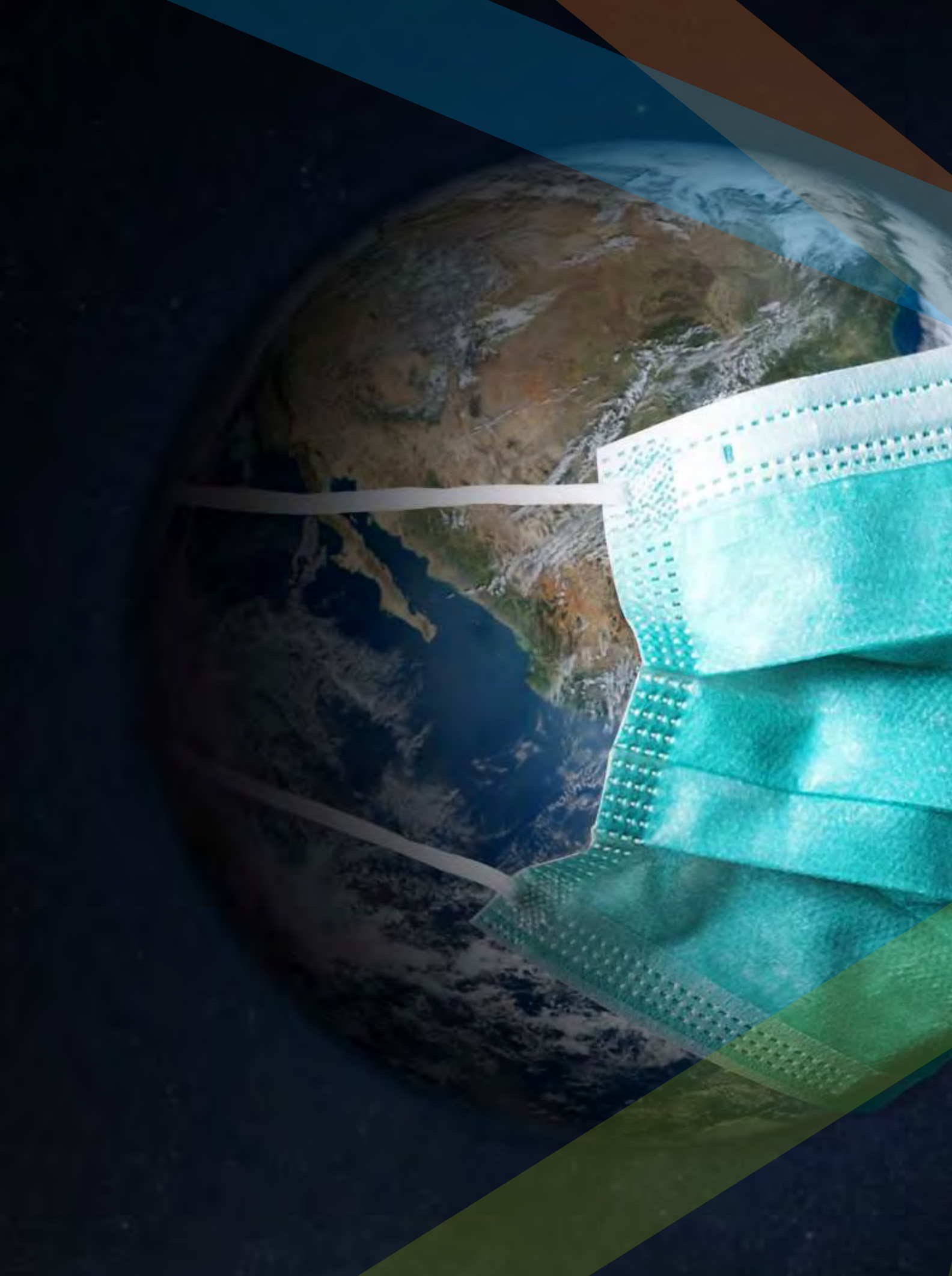


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Read full article on Economic Times











**COVID-19:  
PRODUCT FRAUD ALERT**

# FICCI CASCADE Addresses COVID-19 Pandemic

## COVID-19: PRODUCT FRAUD ALERT

Counterfeit, Falsified and Substandard Medical Products and Medicines



### WARNING

Emergency response measures to protect people from the COVID-19 virus must include the urgent need to protect them from fake, falsified and substandard medical and healthcare products and medicines.

Ineffective, fraudulent products undermine public health and efforts to stem the pandemic. In the hands of citizens, infected patients and healthcare professionals, these illicit products heighten risk to exposure and create a false sense of security that accelerates the spread to others. Falsified versions of treatment options (such as Hydroxychloroquine and Azithromycin) will harm or kill already vulnerable patients.

Current shortages of medical and healthcare products are rapidly being exploited by criminal organisations in total disregard of patient health

and safety. And while legitimate manufacturers are working overtime to keep up with demand, the availability of fakes and fraudulent products on the Internet is expected to increase dramatically, especially with the closure of retail stores and the imposition of population distancing strategies.

Internet shopping websites and popular social media platforms are already vulnerable to fake and fraudulent product offerings misleading advertisements, and Interpol reports thousands of links to fraudulent advertising of COVID-19 related medical products.

Law Enforcement authorities in the US, UK, China, Germany, Uganda, France, India, Indonesia, Vietnam and elsewhere are taking action and have already begun seizing fake and falsified medical products. These are expected to increase as more illicit products enter the market.





## PRODUCT ALERT – WHAT TO LOOK FOR

- Fake, falsified and substandard medical products and medicines: surgical masks, hydro-alcoholic gels, testing kits, thermometers, gloves, sanitizers and engineering monitors to measure body/head temperatures and treatment options currently explored such as Hydroxychloroquine and Azithromycin.
- Counterfeit, substandard healthcare and consumer products that are in exceptionally high demand because of the pandemic and the consequential lockdowns: cleaning solutions, toilet paper, anti-bacterial wipes, indoor sports equipment, refrigerators and freezers, food products and reading materials



## FOR IMMEDIATE ACTION

### GOVERNMENTS

- Prioritize the response to fraud among COVID-19 emergency measures, allocate resources to blocking distribution of fake, falsified and substandard medical products and medicines. Reiterate these messages by top government officials.
- Increase vigilance to securing supply chains (e.g., warehouses, hospitals) for genuine COVID-19 related medical products and medicines targeted by criminal organizations.
- Warn consumers about the risks of fake and fraudulent products and medicines, especially online sales of COVID-19 related high-demand and quick-fix products.
- Warn businesses, especially small and medium-sized, about the dangers of buying products from unfamiliar or unauthorized supply chains.
- Step up collaborative work with Internet-based shopping websites and social media networks to accelerate prevention and removal of suspicious sales offers.
- Impose immediate sanctions on the manufacture and sale of fraudulent COVID-19 related products and pursue effective enforcement.

### LAW ENFORCEMENT

- Establish a coordinated national strategy to deal with pandemic-related fraud.
- Increase vigilance for theft of targeted medical products and substandard and falsified medicines such as counterfeits, expired, tampered and illegally diverted medicines.
- Share intelligence and best practices and cooperate on cross-border investigations and enforcement actions with other jurisdictions and the private sector.

### INTERNET PLATFORMS

- Increase policing and takedown of online offerings and advertisement of COVID-19 related medical products and medicines purporting remedy to COVID-19.
- Warn online shoppers of the insurgence of fake, fraudulent and substandard COVID-19 related products available on the subject platform.

### BRAND OWNERS

- Support law enforcement by sharing data from compromised supply chains.
- Raise awareness about online shopping fraud and increase monitoring of online offerings of counterfeit and other illicit products.
- Increase vigilance to securing supply chains for genuine COVID-19 related medical products and medicines that are highly targeted by criminal organizations.
- Collaborate with health authorities and WHO by rapid reporting of all confirmed incidents of falsified medicines.

# COVID-19: PRODUCT FRAUD ALERT COVERAGE

## FICCI CASCADE, TRACIT warning on illicit products during coronavirus

POSTED BY: DDP | APR 6, 2020



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Both organizations, known for mitigating illicit trade across industry sectors worldwide, report a surge in ineffective, fraudulent products that undermine public health and efforts to stem the COVID-19 pandemic.

Anil Rajput, Chairman, FICCI CASCADE said, "Arresting the sale of illicit goods at the time of the unprecedented crisis needs our immediate and unwavering attention. It is well known that illicit trade exacerbates unemployment, slows the economy and causes tremendous harm to the health and safety of the people. The current situation which is already witnessing a severe socio-economic distress, sale of fake and substandard goods will only worsen the problem. Such actions should be taken to see that consumers do not profit from the pandemic by buying illicit products."

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## फिक्की ने नकली चिकित्सा उत्पादों को लेकर चेतावनी

नई दिल्ली। फिक्की कास्केड (अर्थव्यवस्था को बर्बाद कर रही तस्करी एवं जालसाजी जैसी गतिविधियों के खिलाफ कमेटी) ने अवैध कारोबार से लड़ने के लिए अंतरराष्ट्रीय संगठन (ट्रेसइट) के साथ मिलकर आज एक बयान जारी किया है, जिसमें उपभोक्ताओं को झूठे, नकली और कम मानक वाले मेडिकल, हेल्थकेयर एवं अन्य उत्पादों की बढ़ती उपलब्धता और इनके खतरे के बारे में चेतावनी दी गई है।

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## FICCI CASCADE AND TRACIT ISSUES WARNING ON ILLICIT PRODUCTS DURING CORONAVIRUS CRISIS

POSTED BY: DDP | APR 6, 2020

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**फिक्की कास्केड और ट्रेसइट ने अवैध उत्पादों पर दी चेतावनी**

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Established in 1927, FICCI is the largest and oldest apex business organisation in India. Its history is closely interwoven with India's struggle for independence, its industrialization, and its emergence as one of the most rapidly growing global economies.

A non-government, not-for-profit organisation, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reaching out to over 2,50,000 companies.

FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.

[www.ficci.in](http://www.ficci.in)



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 at FICCI Federation House, New Delhi.

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

[www.ficcicascade.com](http://www.ficcicascade.com)