



11th MASCRADE 2025
EDITION MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
Growing Illicit Trade: Destabilising Economic Welfare

SEPTEMBER 2025



KEY DELIBERATIONS



11th MASCRADE 2025

EDITION MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE

Growing Illicit Trade: Destabilising Economic Welfare

SEPTEMBER 2025



KEY DELIBERATIONS

illicit trade

The world has increasingly been impacted by the scourge of illicit trade including smuggling and counterfeiting. These illicit activities have far-reaching consequences on various aspects such as trade, foreign investment, employment, innovation, criminality, the environment, and most critically, the health of consumers. It escalates each day in scope and magnitude. The impact of this nefarious activities on the global economy is profound, with losses exceeding US\$ 2 trillion annually. Illicit trade stands as a formidable barrier hindering the progress of the global development agenda. It siphons off nearly 3% of the world's economy, surpassing the economic output of entire nations such as Brazil, Italy, and Canada. To put it into perspective, if illicit trade were a country, its shadow economy would rival the size of Mexico and Indonesia combined.

The nexus between illicit trade and transnational organized crime is evident. It undermines economic growth, individual prosperity, and corporate profitability. Transnational organized crime continues intricate connections with criminal syndicates, spanning national and local levels, facilitating the trafficking of people and goods, and bolstering international terrorism.

It is crucial to recognize that no nation, regardless of its size, development status, or geographical location, remains immune to the devastating effects of illicit trade. As per a 2022 FICCI CASCADE's study titled - 'Illicit Markets: A Threat to Our National Interests', over a period of 10 years, the tax loss to the Government of India because of the illicit trade has jumped by 163% to reach a mammoth Rs 58,521 crore (from Rs. 22,230 crore) for 5 key industries - Alcoholic Beverages, Mobile Phones, FMCG-Household and Personal Goods, FMCG-Packaged Foods and Tobacco Products. In the same period tax loss because of the illicit trading in two highly regulated and taxed industries - alcohol and tobacco products has jumped by 227%. In the FMCG category, Packaged Foods and Household & Personal Goods, the loss witnessed an increase by 162% during the same period. The overall size of the illicit market in this 10-year period has swelled to a whopping Rs. 2,60,094 crores.

According to a report by FICCI CASCADE- 'Regulatory Interventions and Illicit Trade Across Border- Impact on Six key Industries' published in the year 2023, the impact of tariff



and non-tariff regulatory measures on illicit trade in the six key industries namely Alcoholic Beverages, Consumer Electronics, FMCG - Packaged Foods, FMCG-Household & Personal Goods, Mobile Phones and Tobacco Products can be examined. Based on the empirical findings and overall analysis of tariff and nontariff regulatory measures, the report assesses the extent of illicit trade and offers strategic insights to combat this pervasive global challenge.

In another report released in the year 2023, titled, 'Hidden Streams: Linkages between Illicit Markets, Financial Flows, Organized Crime, and Terrorism' it delves into the pervasive threats posed by illicit financial flows to both the global economy and security. The report highlights the vulnerabilities associated with the expanding global trade, with a particular focus on India, where illicit financial transactions have the potential to impede economic progress and finance criminal and terrorist activities.

The recent report released in September 2024 titled – “Challenging Landscape of Illicit Trade: How Changing Factors of Consumption Affect Illicit Markets in 5 Key Industries in India”, estimates the size of illicit market in India at Rs 7,97,726 crore in 2022-23. Considering 5 key industries—FMCG (packaged goods), FMGC (personal and household care goods), alcohol, tobacco, and textiles & apparel, where illicit trade significantly undermines legitimate businesses, distorts market competition, and erodes government tax revenues. Several elements contribute to the persistence and

perpetuation of the grey market, including substantial profitability, expansive market dimensions, tax discrepancies, convenient access to distribution channels, and the simplicity of concealing operations, compounded by inadequate enforcement measures.

As we continue to combat illicit trade, it is imperative to strengthen international cooperation, enhance regulatory frameworks, and adopt innovative technologies to safeguard the integrity of our markets and protect the interests of consumers, businesses, and societies worldwide. Over the years, FICCI CASCADE has remained steadfast in its commitment to address the critical issue of illicit trade through collaborative efforts with policy makers, industry stakeholders, enforcement agencies, media, and consumers. Our mission involves fostering an engaged and informed public discourse on this pressing issue through various awareness programmes across different states. Effectively addressing such issues are crucial to preserve India's economic stability, fostering fair competition, and cultivating an environment conducive to sustainable growth and ease of doing business.



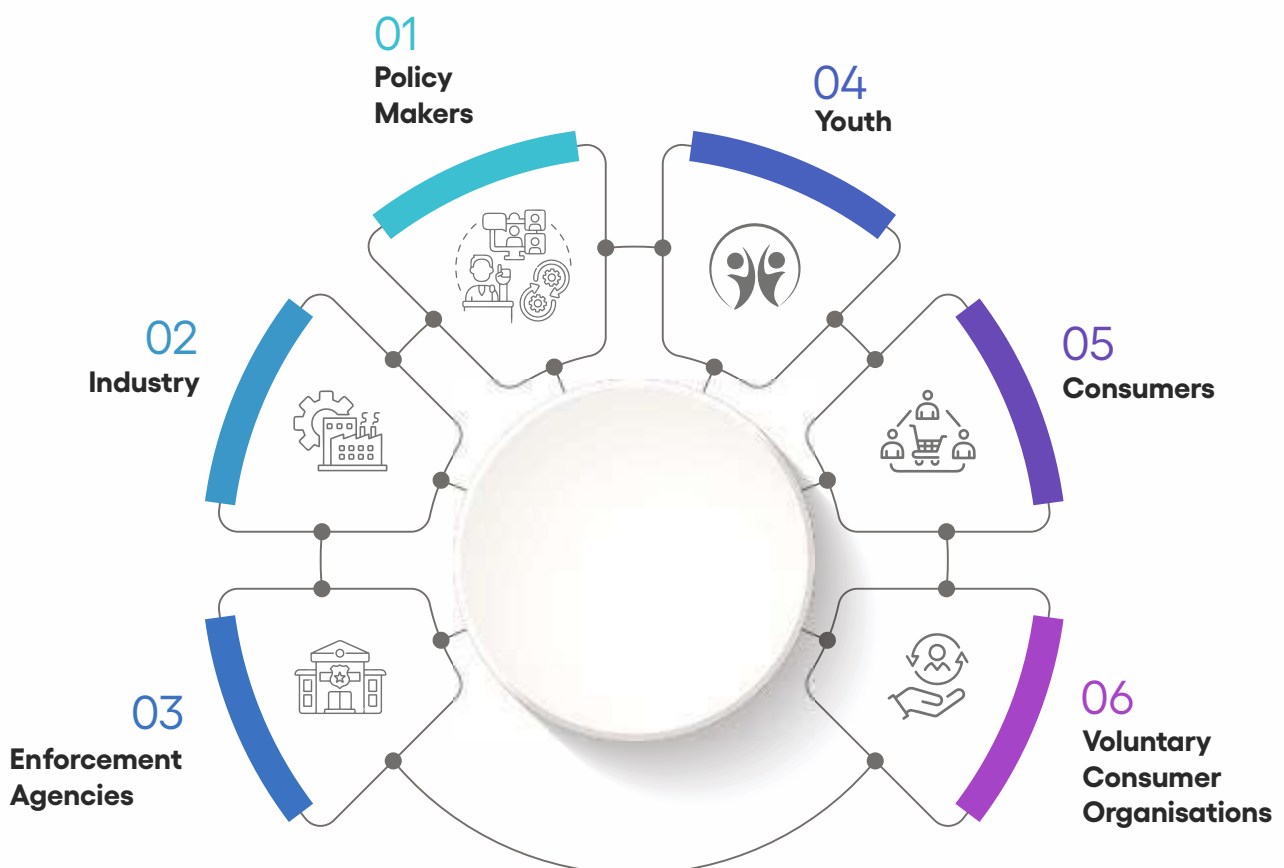
FICCI CASCADE

Committee Against Smuggling and Counterfeiting Activities Destroying the Economy

FICCI has been focusing on curbing the problem of growing illicit trade in counterfeits, pass offs and smuggled goods, and accordingly has dedicated a forum by establishing CASCADE-Committee Against Smuggling and Counterfeiting Activities Destroying the Economy. FICCI CASCADE is working closely with the Industry and Government to create awareness on how counterfeiting and smuggling has become a serious menace to public health and safety, and why all concerned must address these important issues.

FICCI CASCADE has been successful in stirring an active debate on the menace of smuggling and counterfeiting nationally through various

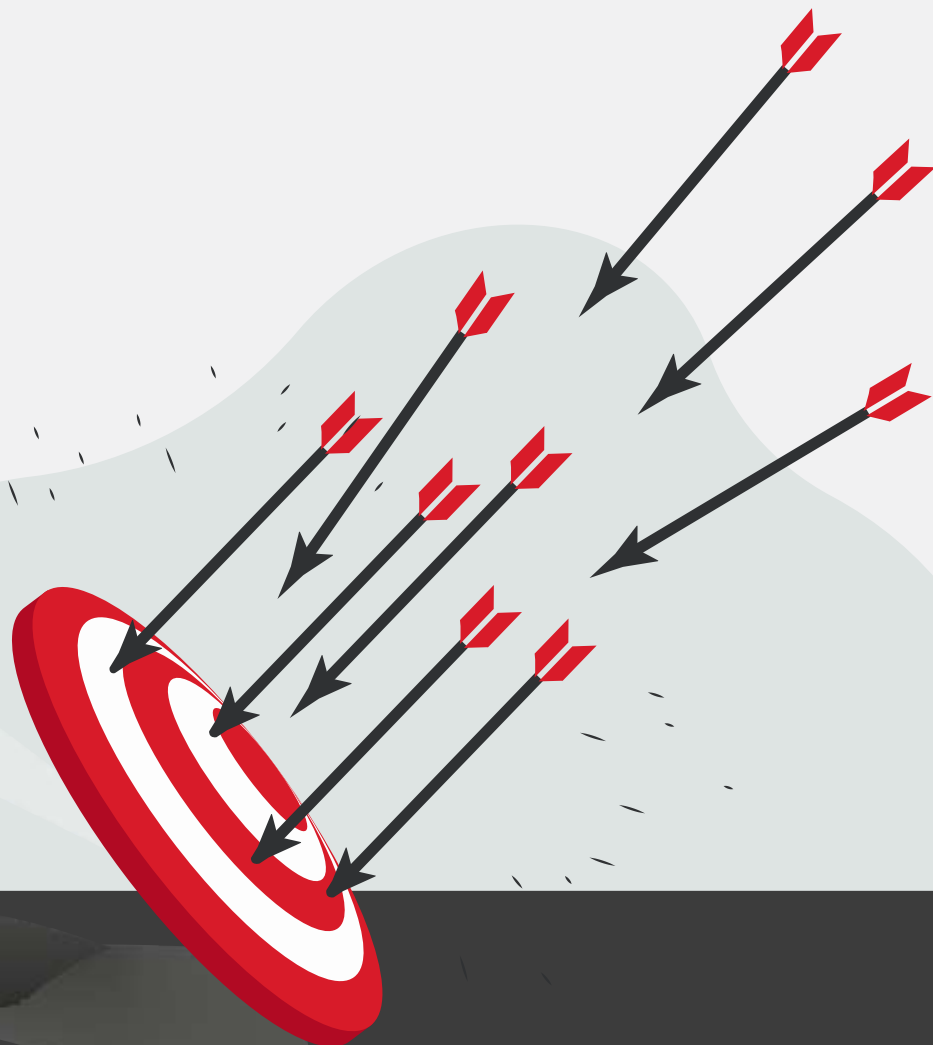
awareness programmes and initiatives engaging industry, policy makers, law enforcement officials, voluntary organizations and consumer at large. Since its inception, FICCI CASCADE has over the years organised various awareness programmes and initiatives across the nation to fight the hazards of counterfeiting and smuggling. It has been successful in stirring an active debate on the topic nationally and internationally. These awareness programs were well attended comprising across sectors, consumer rights activists, youth, government officials, the judiciary, police, customs and border enforcement officials, and have received wide public appreciation and media coverage.



FICCI CASCADE engages with various ministries at the National and State level. CASCADE works closely with the Ministry of Consumer Affairs in their vision to protect the rights and interests of consumers, to spread awareness about consumer rights, duties and responsibilities and to promote consumer welfare by strengthening consumer movement in the country.

An integral part of FICCI CASCADE is to conduct multi-stakeholder dialogues focused on identifying opportunities for joint action between governments, enforcement agencies, international institutions and the private sector to combat illicit trade. In furtherance of

this mandate, CASCADE has organized 11th editions of its flagship international conference. The objective being to bring together and encourage deliberations between the stakeholders on the alarming magnitude of unfair trade practices such as counterfeiting and smuggling to spread awareness about its adverse socio-economic impact. These forums saw overwhelming response in terms of delegate participation, media coverage and witnessed a host of international and national speakers who deliberated on the theme. Post conference reports and suggestions were shared with policy makers at the highest levels.





INTERNATIONAL **CONFERENCES**









AGENDA

Growing Illicit Trade: Destabilising Economic Welfare

Programme Outline



18 September 2025 DAY 1	
09:30 am-10:30 am	REGISTRATION
10:30 am - 11:30 am	INAUGURAL SESSION
	Lamp Lighting
	Welcome Address by Mr. Anil Rajput , Chairman, FICCI CASCADe
	Video Address by Ms. Gael Grooby , Director, Policy and Standards, World Customs Organization
	Inaugural Address by Mr. Arjun Ram Meghwal , Hon'ble Minister of State (Independent Charge), Ministry of Law and Justice, Government of India
	Release of TARI Study: Decoding the Journey of GST Reforms: GST and Its Effect on Economy, Business and Household Consumption
	Concluding Remarks by Mr. P K Malhotra , Former Secretary, Ministry of Law & Justice, Government of India and Think Tank Member, FICCI CASCADe
11:30 am - 11:45 am	Highlights of the Study: Decoding the Journey of GST Reforms: GST and Its Effect on Economy, Business and Household Consumption
	Presentation by Mr. Kaushik Dutta , Director, Thought Arbitrage Research Institute
11:45 am - 01:00 pm	PLENARY SESSION 1: Panel Discussion
	Driving Economic Prosperity: Confronting the Global Challenge of Illicit Trade
	The session will talk about:
	<ul style="list-style-type: none"> ■ Socio-economic impact of illicit trade on both global and Indian economies and the way forward. ■ Exploring how illicit trade undermines tax equity, shifting the burden to compliant taxpayers and eroding public trust in the taxation system. ■ Evaluating the economic consequences of illicit trade including losses in government revenue, job loss, threat to public health and safety and broader economic distortions.

	<ul style="list-style-type: none"> ■ Identifying regulatory gaps and proposing actionable policy reforms to enhance enforcement, governance, and economic resilience. ■ Establishing and enforcing international norms to effectively prevent, detect, and combat illicit trade practices. <p>Session Chair: Mr. Najib Shah, Former Chairman, Central Board of Indirect Taxes and Customs and Think Tank Member, FICCI CASCADE</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Ms. Claire CASTEL, Head of the Outreach and Knowledge of IP Service, European Union Intellectual Property Office ■ Ms. Pragya Chaturvedi, Legal Counsellor, Building Respect for IP Division, World Intellectual Property Organization ■ Mr. Prem Mahadevan, Senior Analyst, Global Initiative Against Transnational Organized Crime ■ Mr. Vishal Pal Singh, Commissioner, Customs- Airport and General <p>Q&A</p>
01:00 pm - 02:00 pm	Networking Lunch
02:00 pm - 02:30 pm	<p>Fire Side Chat with Dr. Ajay Shah, Professor, National Institute of Public Finance and Policy, New Delhi</p> <p>Moderator: Mr. Najib Shah, Former Chairman, Central Board of Indirect Taxes and Customs and Think Tank Member, FICCI CASCADE</p>
02:30 pm - 03:45 pm	PLENARY SESSION 2: Panel Discussion
	<p>Innovation at the Forefront: Using Emerging Technology and Strategies to Combat Counterfeiting and Smuggling</p> <p>The session will talk about:</p> <ul style="list-style-type: none"> ■ Formulating holistic strategies that integrate policy, enforcement, and technology interventions to disrupt illicit networks and build long-term resilience. ■ Use of advanced technologies such as AI, machine learning, and blockchain to counteract emerging patterns of illicit trade. ■ Leveraging digital tools to support revenue protection, reduce tax evasion linked to illicit trade, and encourage fair, widespread tax compliance. ■ Strengthening cybersecurity measures to safeguard institutions from the growing risks of cyber threats and digital exploitation linked to illicit trade. ■ Fostering collaborative research, monitoring and developing innovative tools and technologies for tracking products on e-commerce platforms. <p>Keynote Address: Dr. Rajiv Mani, Secretary, Legislative Department, Ministry of Law & Justice, Government of India</p>

	<p>Session Chair. Mr. P K Malhotra, Former Secretary, Ministry of Law & Justice, Government of India and Think Tank Member, FICCI CASCADE</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Dr. Gulshan Rai, Former National Cyber Security Coordinator & Former DG, CERT-In ■ Mr. Vivek Johri, Former Chairman, Central Board of Indirect Taxes and Customs ■ Dr. Vivek Mittal, Executive Director Legal & Corporate Affairs, Hindustan Unilever Limited ■ Ms. Padma Jaiswal, IAS, Secretary, Government to the State & Union Territory of Puducherry <p>Q&A</p>
<p>03:45 pm - 04:15 pm</p>	<p>Counterfeiting in the Digital Age: Protecting Consumers, Businesses, and Innovation</p>
	<p>Fireside Chat with Mr. Kebharu Smith, Director, Counterfeit Crimes Unit (CCU), Amazon</p> <p>Moderator: Mr. Sumiit Lakhutia, Senior News Editor, Times Influence, Times Network</p>
<p>04:15 pm - 05:30 pm</p>	<p>PLENARY SESSION 3: Panel Discussion</p>
	<p>Empower, Educate, and Eliminate: A Unified Multilateral Response to Illicit Trade and Tax Evasion</p> <p>The session will talk about:</p> <ul style="list-style-type: none"> ■ Promoting strategic alliances across nations to drive unified investigations and coordinated crackdowns on illicit trade. ■ Integrating proven international best practices that foster transparency, integrity, and effective policy frameworks to curb illegal trade networks. ■ Advancing cross-border cooperation via international treaties, shared protocols, and mutual legal support systems to dismantle illicit operations. ■ Fostering a shared global commitment by encouraging tax-compliant societies through transparent and collaborative governance. ■ Navigating the complexities of international collaboration by addressing barriers and harnessing opportunities for seamless data and intelligence sharing. <p>Session Chair: Dr. D P Dash, Former Pr. Director-General, DRI, Former Chairman, Enforcement Committee, World Customs Organisation and Think Tank Member, FICCI CASCADE</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Mr. Ramesh Abhishek, Former Secretary, Department for Promotion of Industry and Internal Trade ■ Mr. Esteban Giudici, Senior Policy Advisor, Transnational Alliance to Combat Illicit Trade

	<ul style="list-style-type: none"> ■ Mr. Jayant Misra, International Consultant, Law Enforcement, United Nations Office on Drugs and Crime ■ Ms. Louise Boisen, Counsellor, Intellectual Property Rights, Embassy of Denmark <p>Q&A</p>
05:30 pm - 05:45 pm	Coffee, Connect and Converse
19 September 2025	Day 2
09:30 am - 10:00 am	Registration
10:00 am - 10:30 am	OPENING SESSION - Illicit Trade 360°: Shaping New Frontiers in the Fight Against the Global Cost of Crime
	<p>Opening Remarks by Mr. Anil Sinha, Former Director, Central Bureau of Investigation and Think Tank Member, FICCI CASCADE</p> <p>Video Address by Ms. Delphine Sarfati-Sobreira, President, Global Anti-Counterfeiting Group</p> <p>Keynote Address by Mr. Abhai Kumar Srivastav, Director General, Directorate of Revenue Intelligence</p> <p>Q&A</p>
10:30 am - 11:45 am	PLENARY SESSION 4: Interactive Session
	<p>Expert Speak: Policy, Strategy & Enforcement - Connecting the Dots on Illicit Trade and Tax Compliance</p> <p>The session will talk about:</p> <ul style="list-style-type: none"> ■ Bridging policy, enforcement, and strategic gaps to build a unified national approach against illicit trade. ■ Discussing how a larger tax base is more effective vis-a-vis high rates of taxes in achieving sustainable revenue. ■ Exploring the relationship between tax rates and levels of evasion and compliance. ■ Leveraging think tank insights and empirical evidence to inform targeted anti-illicit trade interventions. ■ Examining the role of public-private partnerships in strengthening enforcement capacity and preventive strategies. <p>Moderator: Mr. Sumiit Lakhutia, Senior News Editor, Times Influence, Times Network</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Mr. Sanjeev Tripathi, Former Chief, Research and Analysis Wing and Think Tank Member, FICCI CASCADE ■ Mr. Suvashis Choudhary, Former Joint Commissioner of Police, Chief Security Commissioner, Delhi Metro Rail Corporation and Think Tank Member, FICCI CASCADE

	<ul style="list-style-type: none"> ■ Mr. Rajiva Ranjan Verma, Former Director General, RPF, NCRB, Civil Defence, Home Guard & Fire Services, BPR&D and Think Tank Member, FICCI CASCADE ■ Mr. Hem Kumar Pande, Former Secretary, Ministry of Consumer Affairs, Food and Public Distribution, Government of India and Think Tank Member, FICCI CASCADE
<p>11:45 am - 01:00 pm</p>	<p>PLENARY SESSION 5: Panel Discussion</p>
	<p>Disrupting Organized Crime: Enforcement Strategies for a Borderless Threat</p> <p>The session will talk about:</p> <ul style="list-style-type: none"> ■ Examining the scale, complexity, and economic impact of organized crime driven by illicit trade activities. ■ Enhancing the use of data and insights to drive coordinated investigations, enforcement, and disruption strategies. ■ Role of enforcement agencies in detecting and investigating illicit trade activities. ■ Need for cross-border coordination to combat smuggling and mitigating vulnerabilities in supply chains that are susceptible to exploitation by illicit trade networks. ■ Discussing how improved tax compliance can foster nation-building by driving a positive shift in core value system. <p>Keynote Address: Mr. Rahul Navin, Director of Enforcement, Directorate of Enforcement</p> <p>Moderator: Mr. Ashish R. Pareek, News Anchor, Principal Correspondent and Content Strategist, Times Network</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Mr. Manoj Sashidhar, Special Director, Central Bureau of Investigation ■ Mr. Ajai Sahni, Executive Director, Institute for Conflict Management, Delhi ■ Ms. Pragya Chaturvedi, Legal Counsellor, Building Respect for IP Division, World Intellectual Property Organization ■ Mr. Anuj Bedi, Senior Counsel - Brand Protection, Puma Sports India Pvt Ltd.
<p>01:00 pm - 02:00 pm</p>	<p>LUNCH</p>
<p>02:00 pm - 03:00 pm</p>	<p>PLENARY SESSION 6: Panel Discussion</p>
	<p>Resilience in Action: Industry-Led Solutions to Counter Smuggling and Counterfeiting</p> <p>The session will talk about:</p> <ul style="list-style-type: none"> ■ Promoting collaboration between government bodies and private enterprises to more effectively combat counterfeiting and smuggling. ■ Highlighting real-world examples and key takeaways from initiatives that have successfully curbed illicit trade.

	<ul style="list-style-type: none"> ■ Emphasizing the role of tax equity in fostering a level playing field for businesses and supporting economic growth. ■ Exploring cutting-edge technologies and strategic frameworks for identifying and neutralizing threats in illegal markets. ■ Evaluating the challenges and opportunities of uniting diverse industries and sectors in the collective fight against illicit trade. <p>Session Chair - Mr. Ravi Capoor, Former Secretary, Ministry of Textiles & CEO, Sansad TV and Think Tank Member, FICCI CASCADE</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Mr. Devraj Lahiri, Divisional Chief Executive, ITD, ITC Ltd. ■ Mr. Saif Jamali, General Manager, Legal and Brand Protection, Hindustan Unilever Limited ■ Dr. R.G. Agarwal, Chairman Emeritus, Dhanuka Agritech Limited
03:00 pm - 04:00 pm	<p>Interactive Session: Judicial Power & Policy: Strengthening Legal Frameworks to Combat Illicit Trade</p>
	<p>Moderator: Hon'ble Mr. Justice Manmohan Sarin, Former Lokayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi and Think Tank Member, FICCI CASCADE</p> <p>Speakers:</p> <ul style="list-style-type: none"> ■ Hon'ble Mr. Justice Manmohan Singh, Former Judge, High Court of Delhi ■ Ms. Lakshmidevi Somanath, Partner, Litigation and Strategy, Anand and Anand
4:00 pm - 05:00 pm	<p>Valedictory Session</p>
	<p>Opening Address by Hon'ble Mr. Justice Manmohan Sarin, Former Lokayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi and Think Tank Member, FICCI CASCADE</p> <p>Special Address by Mr. Mohan Kumar Singh, Member - Compliance Management, Central Board of Indirect Taxes and Customs</p> <p>Valedictory Address by Hon'ble Mr. Justice Manmohan, Judge, Supreme Court of India</p> <p>Anti-Counterfeiting and Anti-Smuggling Awards</p> <ul style="list-style-type: none"> ■ Enforcement Officers ■ School Children ■ Journalists <p>Words of Thanks by Mr. Arun Chawla, Director General, Indian Council of Arbitration (ICA), Former Director General, FICCI and Think Tank Member, FICCI CASCADE</p>





SUMMARISED **REPORT**



In today's global landscape, rising geopolitical tensions, strained supply chains, and increasing environmental crises are creating conditions that enable the growth of illicit trade. These challenges are being actively exploited by criminal networks to expand their operations, ultimately leading to severe pressure on individual, societal and national safety and security. The problem of smuggling, counterfeiting and other forms of illicit trade are enemies of progress and development, and their expansion is detrimental to civilization.

In response to this alarming reality, FICCI CASCADE has spearheaded the **Movement Against Smuggled and Counterfeit Trade (MASCRADE)**, a flagship initiative dedicated to combating the surge in illicit trade. FICCI CASCADE successfully hosted the 11th edition of MASCRADE, themed "**Growing Illicit Trade: Destabilising Economic Welfare**", on 18th-19th September 2025 at The Lalit, New Delhi. The conference served as a crucial platform to underscore the urgency of a united global response to the growing menace of illicit trade and its far-reaching consequences for economies, governance systems, and societies at large.

SUMMARISED REPORT

Addressing the inaugural session as the Chief Guest, **Mr. Arjun Ram Meghwal**, Hon'ble Minister of State (Independent Charge), Ministry of Law and Justice, Government of India, highlighted the transformative nature of GST 2.0, stating that it is "not just about taxation, it is about making life easier for households and businesses." He stated that the remarkable shift from 37 GST returns filed annually in 2017 to only 3 today, reflecting how governance can truly respond to industry's needs. Mr. Meghwal further emphasised the importance of clearly defining illicit trade and working collectively to eliminate it. He assured that the recommendations emerging from MASCRAD 2025 will be taken to the government and acted upon.

Addressing the gathering, **Dr. Rajiv Mani**, Secretary, Legislative Department, Ministry of Law & Justice, Government of India, underscored the importance of innovation alongside legal measures in tackling illicit trade. He remarked that history shows how even progressive ideas can falter without proper safeguards, citing the 14th century token currency experiment as an example. Likewise, in today's context, he emphasized the need to look beyond laws and adopt

innovative solutions to effectively combat the growing menace of illicit trade.

In the video message, **Ms. Gael Grooby**, Director, Policy and Standards, World Customs Organization, highlighted the WCO's efforts to support legitimate trade while countering illicit flows. Citing Operation STOP, she shared how counterfeit medical supply chains were disrupted to protect consumers and economies. She underscored the evolving challenges posed by e-commerce, which enables the rapid spread of counterfeits, and outlined the WCO's investments in AI, real-time data sharing, and detection technologies to handle the surge in small packages. She also acknowledged India's support in enhancing the WCO's Customs Enforcement Network (CEN) with improved data visualization tools.

Mr. Anil Rajput, Chairman, FICCI CASCADIE, congratulated the Hon'ble Prime Minister for announcing the historic and bold GST 2.0 reforms, calling it a significant step towards Viksit Bharat. He stated that while GST 2017 transformed India's taxation landscape, GST 2.0 builds on that foundation with simplified rate structures and enhanced efficiency, truly





embodying the vision of "One Nation, One Tax." He reiterated FICCI CASCADE's longstanding advocacy for rational tax structures to curb illicit trade, pointing out that high tax rates widen price gaps that fuel smuggling and counterfeiting. GST 2.0, he said, addresses these issues effectively, and urged policymakers to maintain a balanced structure to discourage illicit markets.

Building on the spirit and success of Operation Sindoor, which showcased the power of clarity, precision, and coordination in dismantling entrenched threats, Mr. Rajput unveiled '**SHIELD**', a strategic framework to combat illicit trade in India. **S** stands for Strategic Monitoring through tech-enabled surveillance across supply chains; **H** for

Harnessing Technology like AI, blockchain, and analytics; **I** for Industry Collaboration to share intelligence and support enforcement; **E** for Enforcement through swift action and deterrence; **L** for Legal Reforms to strengthen laws and expedite trials; and **D** for Demand Reduction through public awareness to curb the consumption of illicit goods at the source.

During the conference, FICCI CASCADE report titled, "**Decoding the Journey of GST Reforms: GST and Its Effect on Economy, Business and Household Consumption**" was released. The report acknowledges the government's significant role in advancing GST 2.0 as a transformative reform, underscoring its impact in simplifying taxation, enhancing fiscal strength, and shaping consumption behaviour.



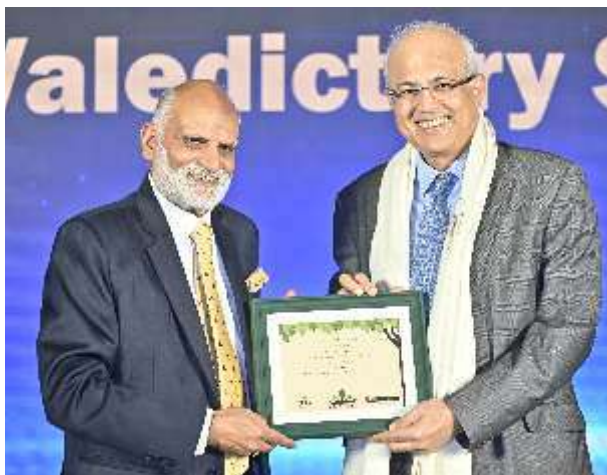


Mr. P K Malhotra, Former Secretary, Ministry of Law & Justice, Government of India and Think Tank Member, FICCI CASCAIDE emphasized that this battle cannot be fought by governments alone, industry must invest in authenticity, citizens must stay vigilant, and stronger international collaboration is essential for joint investigations, intelligence sharing, and harmonized standards.

The Day-1 of the conference also witnessed a Fireside Chat with **Dr. Ajay Shah**, Professor, National Institute of Public Finance and Policy, New Delhi, and **Mr. Kebharu Smith**, Director, Counterfeit Crimes Unit (CCU), Amazon. The discussion delved into the gravity of the illicit trade problem, exploring its economic, technological, and regulatory dimensions,

and underscored the need for collaborative strategies to effectively address this growing challenge.

Day 2 of the conference brought together a distinguished panel of leaders and experts, featuring **Mr. Rahul Navin**, Director of Enforcement, Directorate of Enforcement; **Mr. Abhai Kumar Srivastav**, Director General, Directorate of Revenue Intelligence; Hon'ble **Mr. Justice Manmohan Singh**, Former Judge, High Court of Delhi; along with several other eminent voices from **policy, industry, academia, enforcement agencies** and among others. The discussions highlighted the need for stronger enforcement mechanisms, enhanced inter-agency





coordination, and robust legal frameworks to curb illicit trade and protect legitimate economic activity.

Delivering the valedictory address, Hon'ble **Mr. Justice Manmohan**, Judge, Supreme Court of India, underlined the importance of collective action by the judiciary, government, and civil society in tackling the growing menace of illicit trade. He highlighted that illicit trade is estimated at nearly \$3 trillion annually and cautioned that its impact extends far beyond revenue loss. The real cost manifests in job losses, stifling of innovation, empowerment of criminal networks, and the funding of terrorism, making it not only an economic issue but also a significant socio-economic and security challenge. He called for a multi-stakeholder approach, stressing the need for collaboration across sectors to effectively combat this pervasive threat.

In his special address, **Mr. Mohan Kumar Singh**, Member - Compliance Management,

Central Board of Indirect Taxes and Customs, pointed out the enforcement and systemic challenges posed by illicit trade. He noted, "Illicit trade not only undermines national security but also provides funding channels to organised crime networks. Vulnerabilities arise from factors such as weak border control, gaps in surveillance, lack of inter-agency coordination, and regulatory complexities. Combating this requires dynamic and adaptable solutions, stronger information-sharing across agencies, deployment of advanced surveillance technologies, and robust cross-border cooperation

Hon'ble Mr. Justice Manmohan Sarin, Former Lokayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi and Think Tank Member, FICCI CASCADE mentioned that that the industry should not view itself merely as a victim of





counterfeit trade. Instead, it must actively engage as a key partner in combating illicit trade by fostering robust and resilient supply chains, thereby safeguarding both business integrity and consumer trust.

The 11th edition of MASCRADe witnessed participation from senior functionaries of leading international organisations such as the WCO, WIPO, EUIPO, GITOC, TRACIT, DKPTO and among others. Over the two-day conference, experts from India and abroad made insightful presentations and participated in plenaries, stressing the significance of empowering consumers to reject smuggled and counterfeit goods and contribute to the fight against illicit trade.



As part of the closing ceremony, **Anti-Counterfeiting and Anti-Smuggling Awards** were presented to enforcement officers, school students and journalists for their role in creating awareness and strengthening the fight against illicit trade.







INAUGURAL SESSION

INAUGURAL SESSION



Mr. Anil Rajput

Chairman,
FICCI CASCADE

GST 2.0 was welcomed as a historic reform unveiled by the Hon'ble Prime Minister, Shri Narendra Modi, on Independence Day, marking a significant milestone in India's journey towards Viksit Bharat.

The landmark GST reforms of 2017 marked one of the most transformative tax overhauls in independent India. By replacing a fragmented and complex tax regime with a streamlined, destination-based unified framework of 'One Nation One Tax', GST laid the foundation for transparency, improved compliance, and a broader tax base, simplifying business operations and advancing the formalisation of the economy. Building on this foundation, GST 2.0 further strengthens the system. With fewer rate slabs, enhanced Centre-State coordination, and greater efficiency, it is poised to boost consumption, encourage investment, and stimulate growth.

FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) has consistently advocated the need for a rational and simplified tax system. Our voice found resonance with policymakers, for such a framework not only eases the tax burden across commodities but also reduces the incentive for illicit trade by narrowing the price gaps that encourage it, thereby curbing illicit trade at its roots.

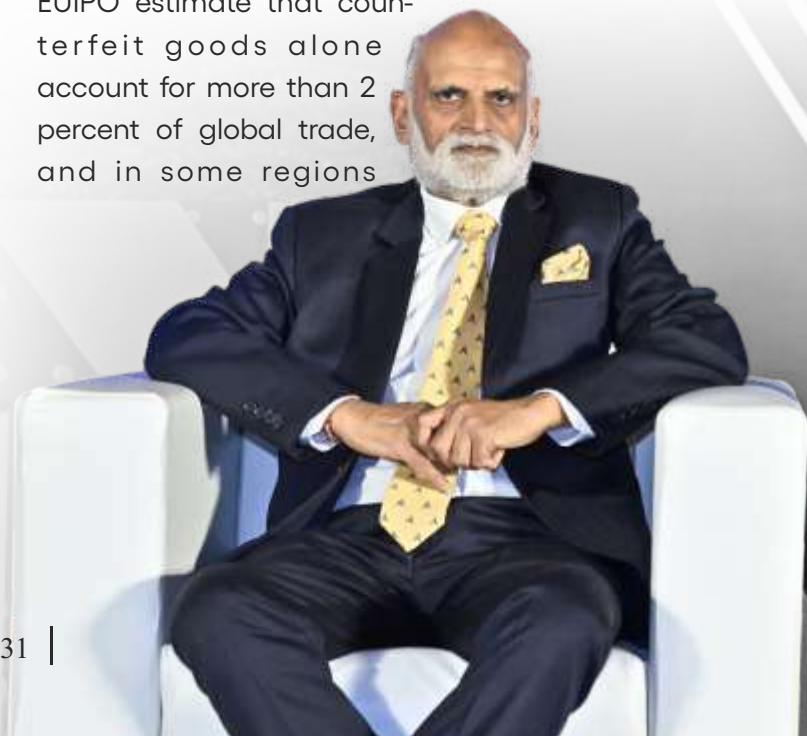


The reduction in rate slabs under GST 2.0 is therefore a significant step in this direction. It will help create an environment conducive to sustainable growth, optimise revenue collection, generate more employment in the formal economy and ensure that the benefits of a unified tax framework reach businesses and households alike. Moreover, it will reinforce India's trajectory towards an inclusive and resilient economy, while serving both as a growth enabler and a safeguard against the parallel illicit economy.

FICCI CASCADE has been at the forefront of the fight against Illicit trade, including smuggling and counterfeiting. Through sustained advocacy, stakeholder engagement, and widespread public awareness campaigns, CASCADE has worked tirelessly to highlight the severe socio-economic consequences of illicit trade and to foster a culture of compliance and vigilance. The 11th edition of MASCRADIE under the theme 'Growing Illicit Trade: Destabilising Economic Welfare', calls for a renewed urgency. This forum strengthens our pledge to fight smuggling and counterfeiting, while also deepening our commitment to protect consumers, support legitimate businesses, grow our economy and strengthen national security. MASCRADIE has, over the years, evolved into a dynamic forum,

one that sparks dialogue, builds partnerships, and inspires action. Here, challenges are not merely discussed but converted into opportunities, paving the way for fresh perspectives, innovative solutions, and united approaches to counter illicit trade.

The scale of illicit trade today is unprecedented, threatening not only businesses but also the welfare of societies and the trust of consumers. It is no longer a peripheral issue, it strikes at the very core of our economic and social fabric. The global picture is sobering. Illicit trade has assumed proportions that would rank it among the world's largest economies. According to Global Financial Integrity, the illicit economy is now valued at over 3 trillion US dollars annually. OECD and EUIPO estimate that counterfeit goods alone account for more than 2 percent of global trade, and in some regions



nearly 5 percent of imports. The World Economic Forum lists illicit trade as one of the top ten risks to global stability, while UNODC warns that nearly two-thirds of terrorist groups worldwide rely on illicit trade as their primary source of funding. These are not abstract figures; they are stark reminders that illicit trade is not just an economic nuisance, it is a national and global security threat.

Here in India, the challenge is no less daunting. The recent FICCI CASCADE study titled "Challenging Landscape of Illicit Trade: How Changing Factors of Consumption Affect Illicit Markets in 5 Key Industries in India", states that illicit trade across just five key sectors- FMCG (Packaged foods) and FMCG (Personal and Household Care Goods), alcohol, tobacco, textiles, and apparels has touched almost eight lakh crore rupees annually. To put that in perspective, this figure exceeds the entire budget allocated for rural development. It represents the resources that could have built district-level hospitals across the nation, created thousands of schools, or provided healthcare for millions of citizens. Every rupee lost to illicit trade is a rupee taken

away from the welfare of our people and from the growth and progress of our nation.

FICCI CASCADE recent study titled 'Decoding the Journey of GST Reforms: GST's Effect on Economy, Businesses, and Household Consumption', debunks the myths associated with GST and showcases how the reform has streamlined taxation, reinforced fiscal resilience, and influenced consumption behaviour in meaningful ways.

Certain products, such as cigarettes and alcohol, continue to attract a high incidence of tax. Significant price differentials in these categories create opportunities for evasion and illicit trade. The legal industry, which operates within the framework of regulation and contributes significantly to government revenue, must not be placed at a disadvantage because of structural gaps that incentivise tax evasion. Policymakers must therefore ensure that tax structures remain rational and balanced narrowing price gaps that feed illicit markets. At the same time, enforcement agencies must act decisively against those who exploit such gaps, strengthening compliance and safeguarding the formal economy.

Therefore, thoughtful policy design and firm enforcement together will allow GST reforms to realise their full potential as a driver of growth and as a robust defence against the parallel illicit economy.

Operation Sindoor, undertaken earlier this year, stands as a powerful illustration of how clarity of purpose and precision in execution can dismantle even the most entrenched threats. Within twenty-three minutes, nine hostile infrastructure sites were neutralised with surgical accuracy and without collateral damage. The operation demonstrated that when intelligence, technology, coordination, and determination align, the results can be





exceptional. The same approach and spirit are essential in addressing the growing challenge of illicit trade.

Last year, the 'SECURE' framework was introduced as a holistic approach to addressing the multifaceted challenge of illicit trade. Building on that foundation, and drawing inspiration from the precision and coordination demonstrated in Operation Sindoor, a new framework for collective action is now being presented—the 'SHIELD' framework, which stands for:

- **'S' for Strategic Monitoring.** Like Operation Sindoor, which was driven by real-time intelligence, we must strengthen monitoring across trade and supply chains. From ports to borders to e-commerce platforms, sharp vigilance powered by technology will provide with pre-emptive dominance over illicit operators.
- **'H' for Harnessing Technology.** Criminal networks continue to innovate, making it imperative to outpace them through smarter and faster solutions. Blockchain-based product authentication, AI-driven anomaly detection, big data analytics, and digital tracking systems must serve as frontline tools in strengthening the response to illicit trade.
- **'I' for Industry Collaboration.** Businesses cannot remain passive victims. They must

invest in safeguards, share intelligence, and partner with enforcement agencies. Industry must become a warrior, not a bystander.

- **'E' for Enforcement.** Laws must carry real consequences. Economic crimes cannot be allowed to remain low-risk, high-reward ventures. Swift, strict, and visible enforcement is non-negotiable to build deterrence.
- **'L' for Legal Reforms.** Laws must evolve with the changing nature of illicit trade. Stringent penalties, faster trials, and international cooperation frameworks will tighten the noose around offenders.
- **'D' is for Demand Reduction.** Awareness is power. By educating consumers about the risks of smuggled and counterfeit goods,



be it health hazards, loss of jobs and funding of organized crime, we can reduce demand and choke the market for illicit operators.

This framework will not only add depth and value but will also serve as a powerful force multiplier in the fight against illicit trade. It brings together vision, collaboration, and action, significantly strengthening our collective strategy to counter this menace.

Customs, BSF, CRPF, DRI, CEIB, and our intelligence services, stand on the frontlines of this battle every single day. In the past year alone, seizures of illicit goods have risen sharply, with contraband worth thousands of crores intercepted. These are not just numbers; they represent lives safeguarded, revenues protected, and public trust preserved. Yet the task before these agencies is growing and becoming even more complex. To succeed, they will need greater resources, faster processes, and stronger deterrents. It is a collective responsibility to ensure they are fully equipped with the tools required to carry

out this mission effectively.

Industry, too, must step forward with resolve. Companies have made authenticity their brand promise and are transforming trust into their greatest competitive advantage. This is the kind of leadership we need to see across all sectors. Industry should not remain a passive victim of illicit trade, it must become an active partner in building resilience and thwarting the perpetrators of the crime.

International cooperation is equally vital. Illicit trade crosses border effortlessly, so must our response. That is why collaboration from global entities including WCO, WIPO, UNODC, GITOC, INTERPOL, GACG and TRACIT, is important. Their presence signals that this is not India's fight alone. This is humanity's fight, and when global organizations unite, criminals find it increasingly difficult to operate.

The impact of illicit trade cannot be measured merely in terms of lost tax revenue. When smuggled goods enter markets, the entire value chain is exported, legitimate





businesses are undermined, jobs disappear, innovation is stifled, and revenues are siphoned away. The proceeds, in turn, are often used by criminal syndicates to fund activities that destabilise societies. Governments, in turn, are compelled to divert vast resources to safeguard their citizens. The true cost of illicit trade, therefore, extends far beyond economics, it strikes at the social fabric, undermines political stability, and threatens national security.

In this collective effort, inspiration can be drawn from the timeless Indian philosophy of Satyameva Jayate-truth alone triumphs. It underscores that integrity, transparency, and fairness are not merely ideals but the foundations of a strong and resilient economy. A united stand against deceit and illegality reinforces the principle that truth ultimately prevails over criminality.

As taxation reforms lay the foundation for the future, a simple yet meaningful idea also merits reflection. The widely known acronym KISS-'Keep it Simple and Stupid'-offers an opportunity to reimagine what 'STUPID' can signify in the context of effective tax policy:

'S' for Simple

'T' for 'Transparency and Trust' between the policymakers and the taxpayer

'U' for 'Untiringly and Unitedly' working towards expanding the tax base

'P' for 'past experiences' that guide and build better policy frameworks and enabling greater compliance

'I' for 'interpretations', things should be self-explanatory, clear and simple

'D' for Dispute Free - taxation policies should leave no room for contention

If crores of rupees are locked up in disputes, it clogs the entire judiciary, results in huge distrust between the tax payers and tax collectors. Additionally, huge amounts of resources are wasted in fighting litigation which can be used for building a stronger India.

With this awareness, MASGRADE 2025 is being approached as a pivotal platform for dialogue and action. The conversations are expected to offer significant learning opportunities, deepen collective understanding, and contribute to the development of sharper strategies to dismantle illicit networks and strengthen institutional resilience.

INAUGURAL SESSION



Ms. Gael Grooby

Director, Policy and Standards, World Customs Organization

The WCO theme for International Customs Day 2025-"Customs Delivering on its Commitment to Efficiency, Security and Prosperity" aligns closely with the focus of the discussions. In an increasingly globalised world, the shadow economy driven by smuggled and counterfeit goods continues to pose a significant and persistent challenge, undermining legitimate markets, eroding public trust, and financing criminal enterprises.

The WCO's approach focuses on international collaboration through targeted initiatives. "Operation Storm" has achieved substantial seizures and successful disruptions of counterfeit and substandard medical products and intellectual property rights violations, protecting both citizens and legitimate markets. However, contemporary customs and trade systems face unprecedented challenges that differ markedly from those of earlier times.

E-commerce has fundamentally reshaped trade dynamics, and emerging technologies such as artificial intelligence have altered the landscape on both sides of the equation. These technologies enable advanced detection tools, yet they are also leveraged by criminal networks involved in illicit trade. Modern customs administrations now face the immense task of managing millions of small parcels moving through e-commerce channels, while simultaneously contending

with increasingly sophisticated counterfeiting techniques. As a result, preventing illicit trade has become one of the most complex logistical challenges for any customs authority.

WCO addresses these evolving challenges through comprehensive projects focusing on detection capabilities for various restrictions in e-commerce, enhanced information sharing between customs administrations, and development of artificial intelligence-utilising tools. Our Customs Enforcement Network has been enhanced through substantial support from India Customs with generalisation tools providing WCO members comprehensive overviews of illicit trafficking patterns. The U.S. Department of State has funded the synthetic drug detection project, while Korea's RAKUDA project has enabled development of customs AI algorithms and online training capabilities.

These technological advancements represent one of the most critical opportunities to enhance operational efficiency while strengthening the security and integrity of global supply chains. They also expand customs administration capacity to maintain legitimate trade flows despite the surge in

trading of small parcels. By harnessing real-time analytics and predictive insights, customs authorities are better equipped to respond to evolving trade dynamics, anticipate emerging risks, and develop more adaptive and forward-looking regulatory strategies. Together, these technologies create a strong data-driven foundation for evidence-based enforcement and practical innovations that significantly improve enforcement outcomes.

Effective cooperation between customs administrations and rights holders remains indispensable in the fight against illicit trade. Unlike many other prohibitions and restrictions where harm is not tied to a specific entity, illicit trade have a direct and measurable impact on legitimate businesses. This conference offers an important platform to deepen mutual understanding and reinforce collaboration among all stakeholders committed to curbing these criminal activities. The WCO is proud to contribute to this global effort, addressing shared challenges and advancing meaningful solutions through coordinated action, shared responsibility, and long-term partnerships between customs authorities and the private sector.



INAUGURAL SESSION



The challenge of combating illicit trade requires a comprehensive understanding of legal frameworks and their effective implementation. Addressing criminal activities, including those linked to illicit trade, requires careful consideration of the balance between deterrent and reformative approaches to justice. Deterrent measures act as a strong warning against criminal behaviour, while the reformative approach focuses on reducing criminality through education, rehabilitation, and societal awareness. Maintaining this balance is essential for developing effective and sustainable responses to economic crimes.

India's long-standing cultural tradition of mediation and arbitration offers significant potential for resolving commercial disputes efficiently. The societal emphasis on dialogue and peaceful conflict resolution aligns naturally with alternative dispute-resolution mechanisms. The expertise present within this forum can contribute meaningfully to strengthening mediation and arbitration capacities, helping to reduce the burden on

Shri Arjun Ram Meghwal

Hon'ble Minister of State (Independent Charge),
Ministry of Law and Justice, Government of India



courts while also supporting broader efforts to address challenges associated with illicit trade.

The establishment of commercial courts marks a significant milestone in strengthening the judicial architecture. In the past, commercial disputes often languished for years, sometimes taking up to five years to reach resolution. The creation of specialised commercial courts has greatly enhanced the speed and efficiency with which business-related matters are adjudicated. Around the world, international commercial courts in Dubai, London, Singapore, and Hong Kong illustrate the global shift toward specialised forums for commercial dispute resolution. Developing similar world-class international commercial courts in India would not only reinforce our credibility as a preferred hub for commercial adjudication but also help reduce vulnerabilities that can give rise to illicit trade.

These institutional advancements, together with the recommendations emerging from this conference, will contribute to strengthening the legal ecosystem by discouraging illicit activities and enabling legitimate businesses to grow. The implementing agencies of the Government of India remain prepared to support the execution of the decisions and proposals shaped through this forum, with FICCI's coordination serving as a pivotal anchor in this process.

The unveiling of the FICCI CASCADE study titled "Decoding the Journey of GST Reforms: GST and its Effects on Economy, Business and Household Consumption" marks another significant contribution to our understanding of fiscal reforms and their role in reducing opportunities for illicit trade. This research will inform our ongoing efforts to create a more transparent and efficient economic environment that supports legitimate commerce while deterring illegal activities.

MASCRADE 2025 serves as an invaluable platform for stakeholders to examine the complex issues surrounding illicit trade and to explore appropriate legal responses and enforcement mechanisms. The discussions focus on identifying the specific challenges posed by illicit trade and formulating practical, actionable solutions aimed at strengthening the country's economic foundations.



INAUGURAL SESSION



Mr. P. K. Malhotra

Former Secretary, Ministry of Law and Justice, Government of India

Illicit trade in terms of smuggling, counterfeiting, tax evasion, or trafficking undermines economic progress, inflates costs, and derails the shared development objectives. In India, this threat is especially acute, illegal markets erode legitimate industries, compromise consumer safety, and weaken public trust. As the nation aspires to become a USD 30 trillion economy by 2047, illicit trade continues to pose a formidable obstacle to transformative and inclusive growth.

Legislation alone cannot deliver meaningful outcomes unless it is clear, practical, and consistently enforced. Ambiguous laws create opportunities for illicit actors, fragmented enforcement introduces gaps that can be exploited, and overly burdensome compliance requirements may encourage evasion rather than adherence. The discussions underscore three essential imperatives: precision in lawmaking,



coordinated enforcement, and innovation that strengthens public trust. Laws must be unambiguous, enforcement agencies must operate in seamless coordination across jurisdictions, and technologies such as blockchain, artificial intelligence, and digital traceability must be deployed with accountability, transparency, and ethical responsibility.

Industry must invest in secure and authentic supply chains, adopt robust consumer protection measures, and uphold the highest standards of compliance. Citizens, too, play a crucial role by staying vigilant, questioning product authenticity, and supporting legitimate businesses. International collaboration is just as vital in advancing these efforts. Global bodies such as the WCO, EUIPO, INTERPOL, UNODC, WTO, and others can reinforce national efforts through intelligence sharing, joint investigations, and the harmonization of standards.

FICCI CASCADE study titled 'Decoding the Journey of GST Reforms: GST and Its Effect on Economy, Business and Household Consumption' highlights the government's pivotal role in advancing GST 2.0 as a transformative reform. The report underscores how these changes have simplified taxation, strengthened fiscal stability, and influenced consumption

behaviour across the country.

As the way forward is charted, it remains essential for the government, industry, enforcement agencies, and citizens to work collectively to dismantle the networks that sustain illicit trade. Conferences of this nature play a crucial role in fostering informed dialogue, strengthening institutional capacity, and inspiring coordinated action. The insights, recommendations, and shared commitments emerging from this forum are expected to translate into impactful policies and decisive enforcement measures. Such collective efforts will help build a safer marketplace, safeguard economic aspirations, and ensure that India's progress toward a USD 30 trillion economy is grounded in integrity, transparency, and sustained growth.



STUDY HIGHLIGHTS

Decoding the Journey of GST Reforms: GST and its effect on Economy and Business and Household Consumptions



Mr. Kaushik Dutta

Director, Thought Arbitrage Research Institute

The introduction of the Goods and Services Tax (GST) in 2017 fundamentally transformed India's indirect tax landscape by creating a unified national market. A comprehensive study conducted by our institute for FICCI CASCADE, titled Decoding the Journey of GST Reforms: GST and its Effect on Economy, Business and Household Consumption, evaluates this transformation and examines the potential impact of the GST 2.0 framework.

The study confirms that GST has been a catalytic force for the Indian economy. The taxpayer base has more than doubled since

its introduction, growing from 6.65 million in 2017 to over 1.51 crore by 2025, reflecting significant formalisation. Monthly average collections have risen from INR 82,000 crores to over INR 2 lakh crores, demonstrating remarkable resilience even during the COVID-19 pandemic. The indirect tax-to-GDP ratio has improved, and tax buoyancy has strengthened for both the Union and State governments, indicating broad-based benefits.

A key finding is that GST has proven to be a progressive tax regime, contrary to initial concerns. Data analysis shows that the tax burden increases with higher consumption levels and that the redistributive effect has been positive. Increased government revenue from higher tax collections has enabled greater redistribution of benefits to lower-income groups. The tax incidence on final consumption has decreased from 13.3 percent in the pre-GST era to 12.9 percent post-GST, leaving more disposable income with consumers. This has contributed to a notable shift in consumption patterns, with households moving from subsistence spending toward discretionary consumption.

For businesses, particularly MSMEs, GST 2.0 aims to improve the duty framework and

create a more balanced tax structure, ensuring greater efficiency and fairness across the value chain. The reforms will also harness technology to simplify registration, filing, refunds, and dispute resolution, further enhancing the ease of doing business. While the rationalisation of tax rates is expected to narrow the price gaps that often fuel illicit markets, certain high-value products may still remain vulnerable to smuggling and counterfeiting. This makes continued vigilance and strong enforcement measures essential.

Overall, the report affirms that GST 2.0 will further accelerate India's progress toward a truly unified tax market, stimulate consumption, strengthen business competitiveness, and significantly reinforce the formal economy. The reforms under GST 2.0 are expected to simplify compliance, encourage wider tax participation, improve revenue buoyancy, and create a more transparent and efficient ecosystem that benefits consumers, industry, and government alike. By fostering predictability and reducing operational friction, GST 2.0 has the potential to drive sustained economic growth and deepen India's integration into global value chains.





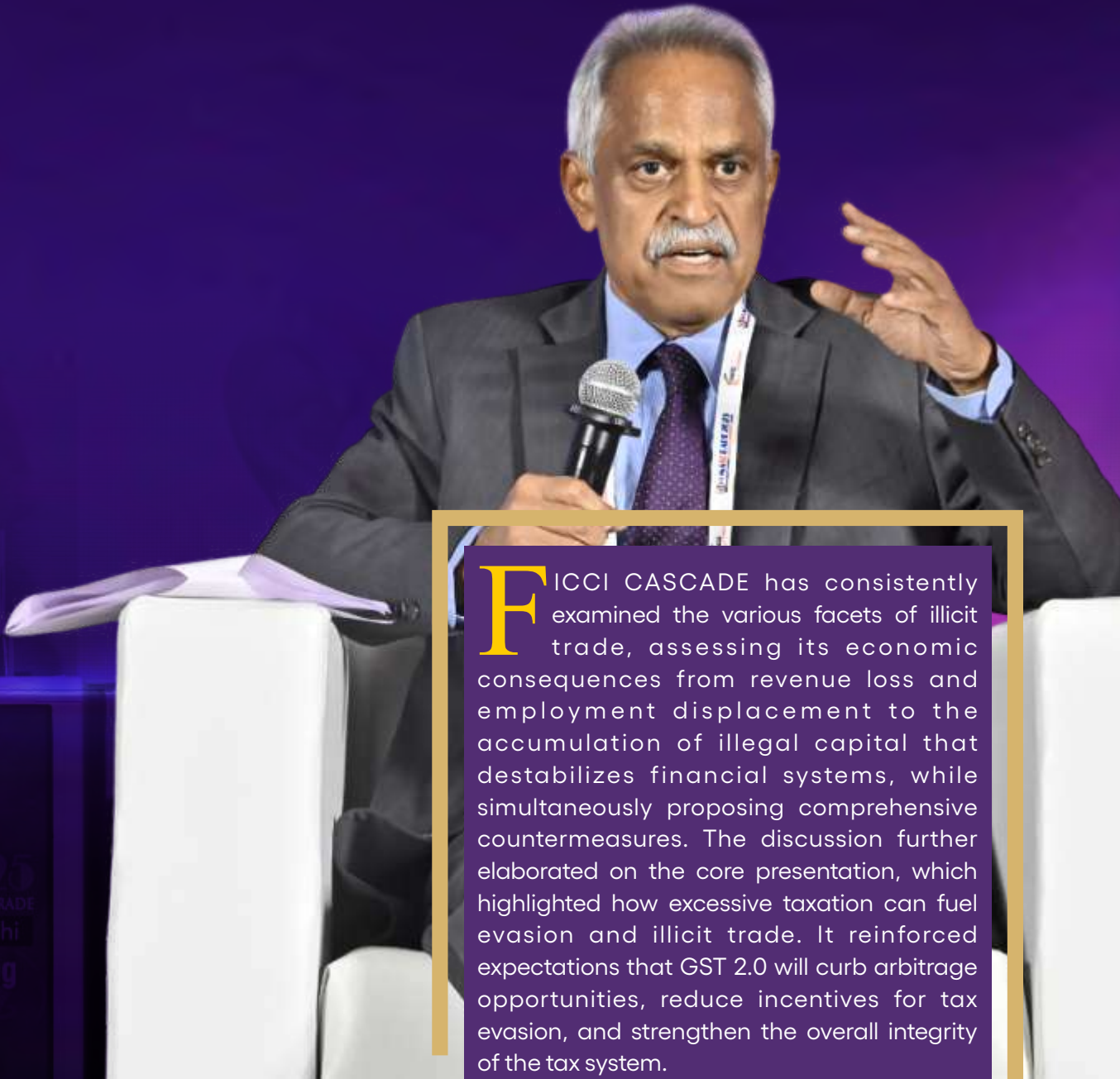


PLENARY SESSION 1

PANEL DISCUSSION

Driving Economic Prosperity:
Confronting the Global Challenge
of Illicit Trade

PLENARY SESSION 1: PANEL DISCUSSION



FICCI CASCADE has consistently examined the various facets of illicit trade, assessing its economic consequences from revenue loss and employment displacement to the accumulation of illegal capital that destabilizes financial systems, while simultaneously proposing comprehensive countermeasures. The discussion further elaborated on the core presentation, which highlighted how excessive taxation can fuel evasion and illicit trade. It reinforced expectations that GST 2.0 will curb arbitrage opportunities, reduce incentives for tax evasion, and strengthen the overall integrity of the tax system.

The rollout of the revised GST rates marks an important turning point in India's tax landscape. While the long-term effectiveness of this reform will unfold over time, the government's confidence in the new structure underpins the introduction of GST 2.0. Although GST has been among the most debated and scrutinised tax reforms in recent years, studies indicate that consumption

Mr. Najib Shah

Former Chairman, Central Board of Indirect Taxes and Custom and Think Tank Member, FICCI CASCADE



patterns remained stable following its initial implementation in 2017, demonstrating that well-designed tax reforms do not necessarily impede economic activity.

A key assumption shaping the reform is that reducing tax arbitrage will diminish incentives for smuggling, illicit trade, and various forms of evasion, ranging from transfer pricing manipulation to contraband trafficking and intellectual property violations. However, several prohibited activities such as narcotics trafficking and money-laundering networks operate entirely outside legitimate tax frameworks and continue to present serious challenges.

As India advances toward GST 2.0 and broader tax reforms, the focus must remain on simplifying procedures, enhancing transparency, reducing compliance burdens,

and strengthening enforcement capabilities. A balanced and well-designed tax framework not only supports revenue mobilisation but also plays a pivotal role in safeguarding market integrity and ensuring a fair, resilient, and competitive economy.

Going forward, sustained collaboration between the government, industry, and enforcement agencies will be crucial to ensuring that policy reforms translate into tangible outcomes. By combining robust regulatory frameworks with vigilant enforcement and informed public participation, meaningful progress can be made in reducing the scale of illicit trade. FICCI CASCADIE remains committed to driving this collective effort and fostering dialogue that supports a safer and more resilient economic environment.



PLENARY SESSION 1: PANEL DISCUSSION



The global challenge of illicit trade, particularly counterfeiting and smuggling, has reached staggering proportions. Recent figures published by the European Union Intellectual Property Office (EUIPO) show that imports of counterfeit and pirated products into the EU are approaching €100 billion annually. Although this represents 4.7% of total imports, even a small percentage at such scale reflects an immense volume of illicit goods. At the international level, counterfeit and pirated products account for 2.3% of global trade, underscoring the substantial value of this shadow economy. The scale of detentions has also increased steadily over the years, indicating both the persistence and the growing sophistication of the problem.

Ms. Claire Castel

Head of Outreach and
Knowledge of IP Service,
European Union Intellectual
Property Office

**INFRINGEMENT
(COUNTERFEITING AND PIRACY)**

- **€100 billion:** imports of counterfeit and pirated products into the EU
- **4.7% of imports** to the EU are fakes
- **10.2 average online** accesses to pirated content per user per month in EU



INTERNATIONAL TRADE

- **€ 398 billion:** global trade in fakes
- **2.3% of world trade:** volume of international trade in counterfeit and pirated products

The European Union has adopted a multi-pronged strategy grounded in strong public-private collaboration and a robust enforcement ecosystem to address the challenge of illicit trade. A central element of this approach is the European Multidisciplinary Platform against Criminal Threats (EMPACT), which sets out ten priority areas for law enforcement and policymakers. Collaborative enforcement operations form another key pillar of the strategy. Operation Fake Star, launched in 2022, illustrates this approach effectively. In its first year, 17

countries coordinated joint enforcement actions, resulting in the seizure of more than two million articles valued at €87 million. By 2024, the operation expanded to 19 participating countries including 14 EU member states and three non-European partners targeting counterfeit fashion accessories, toys, and packaging. Such joint operations are essential, as no single country or entity can tackle this challenge in isolation.

One of the most effective mechanisms in place is the IP Enforcement Portal (IPEP), a secure, multilingual, and free-of-charge



IP crime remains a priority under the 2026-2029 EMPACT cycle!!

platform that facilitates seamless communication between rights holders and enforcement authorities. The portal is continuously being upgraded to integrate e-commerce marketplaces, enabling direct engagement with enforcement agencies and further strengthening the broader enforcement ecosystem.

A vital component of our approach involves working closely with intermediaries. This includes online marketplaces, search engines, app stores, domain name registrars, payment providers, social media platforms, and transport and logistic operators. EUIPO collaborate with these stakeholders to identify and promote good practices that help prevent the misuse of their services by infringers. By harmonising and sharing these practices, we can build a more secure ecosystem and prevent infringers from simply "platform hopping" to continue their illicit activities.

Free Trade Zones (FTZs) constitute another major area of attention. With an estimated 7,000 FTZs operating globally, they play a significant role in international commerce. Collaborative work with the OECD has generated critical intelligence on how FTZs may be misused for illicit trade, culminating in a landmark 2018 report that flagged them as high-risk hubs. This collaboration led to the OECD Council Recommendation on countering illicit trade and enhancing FTZ transparency, the development of a Code of Conduct for "Clean Free Trade Zones," and the establishment of a certification scheme. To date, three FTZs-located in Barcelona, Mexico, and Central America-have received certification. While still limited in number, these early certifications mark meaningful progress, and efforts continue to expand participation. Benefits for certified zones include stronger compliance, enhanced credibility, improved investment potential, and reduced operational risks.





At the same time, enforcement measures must be complemented by efforts to influence consumer behaviour. Reducing demand for counterfeit and smuggled goods remains essential. In this regard, broad public-awareness initiatives have been undertaken, including campaigns with influencers and the development of educational content aimed at reshaping perceptions. Influencers have emerged as particularly effective intermediaries for reaching younger audiences, who tend to exhibit higher consumption of illicit goods. Tailored materials equip them to communicate the

wider harms associated with illicit trade from safety risks to the financing of organised crime.

Building long-term societal resilience requires early sensitisation. Accordingly, collaboration with the Ministry of Education and other relevant bodies is underway to integrate themes such as ethical consumption, fair trade, and the socioeconomic impacts of illicit activities into the school curriculum. Instilling these values from an early age will help cultivate a future environment in which illicit trade is unable to flourish.



PLENARY SESSION 1: PANEL DISCUSSION



The global trade in illicit products poses formidable economic challenge. With the OECD and EUIPO's 2025 report estimating its value at USD 457 billion-accounting for 2.3% of global trade. While the expansion of international commerce and complex supply chains has unlocked immense opportunities for growth and innovation, it has simultaneously fuelled illicit trade, creating significant challenges for the enforcement of trade regulations. The impact of illicit trade is not confined to a single sector, it permeates all aspects of life, from consumer goods, automotive spare parts to cosmetics, and toys. In some areas, such as pharmaceuticals and food items, the consequences are particularly dire, posing

**Ms. Pragya
Chaturvedi**

Legal Counsellor, Building Respect for IP Division,
World Intellectual Property Organization



serious health and safety hazards to consumers.

The international community has established a robust framework to combat illicit trade, with the TRIPS Agreement mandating administrative and civil remedies that member states must incorporate into their domestic legislation. Acknowledging that not all countries are WTO members and that enforcement within national jurisdictions can be challenging, the Agreement highlights the critical role of border measures, enabling

rights holders to collaborate with customs authorities to prevent infringing goods from entering their markets. World Intellectual Property Organization (WIPO) draws on this international framework as a benchmark when providing legislative assistance to member states, helping them adapt their domestic laws to align with their specific policy priorities and enforcement needs.

As the United Nations agency responsible for shaping a balanced and effective global framework against illicit trade, WIPO plays a



ADVISORY COMMITTEE ON ENFORCEMENT (ACE)



pivotal role in this collective effort. Its work centres on supporting informed, evidence-based policy discussions and strengthening the capacity of member states to curb illicit trade in all its forms. The approach is holistic, addressing both the demand and supply dimensions of the issue. On the demand side, WIPO collaborates with member states to

design awareness campaigns and educational initiatives that promote responsible consumer behaviour and reduce the appeal of illicit products. On the supply side, it provides technical assistance to enhance national systems, enabling governments and enforcement agencies to detect, deter, and dismantle illicit trade





networks more effectively.

A key pillar of policy and international cooperation efforts is the WIPO Advisory Committee on Enforcement (ACE). ACE is an international forum for IP enforcement policy dialogue between member states and other stakeholders. It is not a norm-setting body but rather a "marketplace of ideas," where member states can freely discuss topical issues in enforcement, share best practices, and learn from each other's experiences.

In addition to the work undertaken with ACE, active cooperation is maintained with several intergovernmental organisations and private sector associations, including the United Nations Office on Drugs and Crime (UNODC), INTERPOL, and the World Customs Organization (WCO). This cooperation is aimed at maximising the overall impact of

collective efforts, aligning capacity-building activities, avoiding duplication, and facilitating dialogue on emerging challenges and solutions related to illicit trade.

The ongoing inter-agency collaboration on transnational organised crime, led by UNODC, represents a significant step toward strengthening the global response to illicit trade. Although the details of these initiatives are not yet publicly available, WIPO continues to contribute to and support this collaborative process.

Through these joint efforts in policy development, international coordination, and targeted capacity-building, WIPO remains committed to helping build a global ecosystem that is more resilient against illicit trade and better equipped to safeguard economies, communities, and legitimate commerce.

PLENARY SESSION 1: PANEL DISCUSSION



Mr. Prem Mahadevan

Senior Analyst,
Global Initiative Against
Transnational Organized
Crime

Illicit trade undermines national economies in profound ways, eroding tax revenues and displacing legitimate employment opportunities. Beyond these measurable losses, it also creates covert channels that can be exploited for activities far more damaging to national security and financial integrity.

Illicit trade often clusters in specific geographic hubs, creating zones of poly-criminality where multiple forms of organised crime operate simultaneously. These hotspots involve not only street-level offenders but also legally registered, tax-paying companies that engage in "discourse distortion," manipulating narratives to mask their complicity. This is where the biggest profiteers of smuggling quietly embed themselves within legitimate supply chains, blurring the lines between lawful commerce and criminal enterprise.



Many countries, including those with strong reputations for ethical business conduct, face challenges arising from opaque global supply chains. Studies indicate that a significant share of Africa's gold production estimated at around 41% is smuggled out of the continent and may enter international markets through complex, multi-country routes. In regions affected by conflict or limited regulatory capacity, such as parts of rural Afghanistan, weak enforcement environments also contribute to the presence of counterfeit pharmaceuticals, which constitute a substantial portion of imported medicines.

India faces distinct strategic vulnerabilities concerning counterfeit goods, as foreign-based counterfeiters may undermine domestic manufacturers or damage their

reputation in international markets by flooding them with substandard products. While the Indian government is taking measures to combat counterfeiting, enhanced international cooperation and information sharing are essential to bolster enforcement efforts. Observations indicate that Indian law enforcement professionals abroad are highly regarded, yet barriers to information sharing often hinder effectiveness.

Ultimately, public awareness is a key pillar in this fight. Educating consumers about the risks counterfeit and smuggled products poses to legitimate businesses, public health, and national economic growth, can empower them to choose responsibly and reject illicit goods.



PLENARY SESSION 1: PANEL DISCUSSION



Mr. Vishal Pal Singh

Commissioner,
Custom - Airport and
General

From the government's perspective, action against smugglers and those engaged in illicit trade is not merely about penalising individual offenders. More importantly, it is a vital means of protecting legitimate businesses and honest taxpayers. Every enforcement action against a non-compliant entity strengthens the integrity of the system and helps create a fair and level playing field for compliant entities. This approach is essential in fostering a healthy and equitable economic environment.

Enforcement strategies are also evolving, with a strong and deliberate emphasis on digitisation. The government has made significant progress in this area, enabling the collection, integration, and analysis of data on a scale that was previously unimaginable. Improved data quality has strengthened the ability to build robust cases and achieve higher rates of detection. Data-driven



analysis has become a cornerstone of contemporary enforcement efforts, delivering measurable results and enhancing the overall effectiveness of the fight against illicit trade.

Alongside data, greater emphasis is being placed on the rigour and quality of investigations. When a case is detected, it is pursued in a more thorough and professional manner. This not only strengthens the prosecution but also makes it harder for offenders to secure bail, ensuring they remain behind bars for longer. Such outcomes act as a strong deterrent and often compel others engaged in illegal activities to reconsider and move towards compliance. The impact of this approach has already been evident in Delhi, particularly in cases of gold smuggling.

The decline in gold smuggling is the result of a dual strategy combining policy reform with stronger investigative action. The initial reduction in customs duty significantly lowered the number of smuggling attempts. However, the subsequent emphasis on more rigorous investigations created an even deeper impact. Compared to the period

when duty rates were high, there was a 50-60% drop following the reduction in duty, and a further decline to just 5% of the earlier level due to enhanced investigative efforts. This clearly demonstrates the effectiveness of pairing policy-driven incentives with robust enforcement.

Public awareness is one of the most powerful tools in preventing exploitation by criminal networks. In many cases, especially in narcotics and human trafficking, innocent individuals are lured into becoming unwitting carriers. Raising public awareness is a key to ensure that ordinary citizens are not drawn into criminal networks. Platforms like FICCI CASCADE play an important role in highlighting the broader threats posed by illicit trade, exposing how these activities fuel organised crime, endanger public safety, and undermine the economy. By spreading credible information and fostering informed vigilance, such platforms help build a society that is better equipped to identify risks and resist manipulation. Public support, therefore, remains a vital pillar of the larger strategy to combat illicit trade in all its forms.





FIRESIDE CHAT

FIRESIDE CHAT



Dr. Ajay Shah

Professor, National Institute of Public Finance and Policy, New Delhi

Addressing the evolving challenge of illicit trade requires a clear understanding of the forces that sustain it, along with a realistic appreciation of the state's limited capacity. Strategic prioritisation is therefore essential. When viewed through this lens, smuggling and counterfeiting emerge as distinct phenomena, driven by different incentives and requiring tailored responses.

India's experience in the early 1990s illustrates this point well. With customs duties at 300%, smuggling networks flourished. The real disruption came not from increased enforcement, but from policy reform dismantling restrictive trade barriers that eroded the economic logic of smuggling. The same principle applies today. India's long-term interests lie in becoming a fully open economy with the free movement of goods, services, capital, and labour. Greater global integration has consistently enhanced national prosperity.



Accordingly, efforts to curb smuggling must focus on removing trade and non-trade barriers that create incentives for illicit flows, rather than relying solely on enforcement. Progress on the Indo-UK and prospective Indo-EU free trade agreements is encouraging, as such frameworks reduce arbitrage opportunities and narrow the space for smuggling.

Counterfeiting, however, demands a different strategy. Fake goods whether produced domestically or abroad move across markets through diverse channels. Effective action requires targeting both production sources and distribution networks. A useful distinction lies between offences causing immediate harm, such as fake medicines, pesticides, and adulterated food, and those causing broader economic losses. The former warrant priority enforcement due to their direct threat to public health and safety.

For economically harmful counterfeiting, long-term solutions are essential. Strengthening civil enforcement is key. Today, civil remedies lack deterrent value due to slow processes and limited consequences. Reform is needed in three areas: faster adjudication, full legal cost recovery for successful litigants, and damages that reflect the real economic

impact of counterfeiting. These measures would transform incentives and improve judicial efficiency.

E-commerce platforms also bear responsibility. Their traditional claim of non-liability requires reconsideration. With visibility into transactions and seller behaviour, platforms must play a meaningful role in curbing counterfeit products. However, obligations must be balanced to avoid shifting activity to unregulated channels while protecting consumers and sustaining a competitive digital marketplace.

Going forward, three strategic priorities are essential:

1. Focus government efforts on illicit activities-especially counterfeiting and smuggling-that threaten public health, economic stability, and financial integrity.
2. Strengthen the civil justice system so civil remedies act as credible deterrents.
3. Gradually dismantle trade and non-trade barriers to reduce the underlying incentives for smuggling.

This long-term direction is rooted in sound economic logic and a realistic assessment of capacity, aiming to build a safer, more resilient, and trustworthy marketplace.





PLENARY SESSION 2

PANEL DISCUSSION

Innovation at the Forefront: Using Emerging
Technology and Strategies to Combat
Counterfeiting and Smuggling

PLENARY SESSION 2: PANEL DISCUSSION



Mr. P. K. Malhotra

Former Secretary, Ministry of Law and Justice, Government of India and Think Tank Member, FICCI CASCADE

Illicit trade, including counterfeiting and smuggling is a global menace that undermines economic growth, weakens legal institutions, and endangers consumer safety. It disrupts markets, drains public revenue, and funds organized crime. As economies strive for inclusive and sustainable development, this shadow economy continues to destabilize progress and threaten livelihoods. Counterfeiting and smuggling are no longer confined to back alleys and hidden warehouses. They have evolved into sophisticated, borderless operations that exploit technology, global supply chains, and even our trust in digital commerce.

In an era defined by rapid technological advancements, the country is uniquely positioned to leverage innovation to combat illicit activities. Emerging technologies such as artificial intelligence, blockchain, and



advanced data analytics provide powerful tools to detect, prevent, and dismantle counterfeiting and smuggling networks. Artificial intelligence enables real-time monitoring and pattern recognition, allowing authorities to identify suspicious activity with greater speed and accuracy. Blockchain enhances transparency and traceability across supply chains, making it far more difficult for counterfeit goods to enter legitimate markets. Advanced data analytics equips enforcement agencies to anticipate smuggling routes and deploy resources more effectively.

Addressing illicit trade requires a unified national effort, one that combines robust policy reform, vigorous enforcement, industry collaboration, and sustained public awareness. Government agencies, the private sector, and civil society each have an important role to play in building an ecosystem where transparency is strengthened, accountability is enforced, and illegal operators find no safe haven. With the right mix of technology, coordination, and long-term vision, the country can significantly disrupt illicit networks and safeguard the integrity of its markets, ensuring consumer safety, and a secure economic future.



PLENARY SESSION 2: PANEL DISCUSSION



Dr. Rajiv Mani

Secretary, Legislative
Department, Ministry of Law
and Justice, Government of
India

Counterfeiting and smuggling are not new phenomena. Throughout history, anything of value has been vulnerable to illicit replication and unlawful trade. Kautilya, in the Artha Shastra, cautioned rulers to adopt strong safeguards against such threats. A striking example from the 14th century is Sultan Muhammad Bin Tughlaq's experiment with token currency. Intended to conserve gold and silver for military campaigns, the initiative collapsed when the coins were widely counterfeited, ultimately forcing the Sultan to replace all the fake currency with real precious metals. This episode underscores an enduring reality: wherever value exists, attempts to illicitly duplicate or divert it are never far behind.

Within the Government of India's legislative framework, the central challenge lies in shaping laws that can keep pace with rapidly evolving threats. Yet legislation on its own

cannot address every dimension of illicit trade. Counterfeiting and smuggling operate within complex, adaptive ecosystems, where the ongoing contest between enforcement agencies and offenders often resembles a continuous battle of innovation. Smugglers, for example, have developed highly inventive concealment methods including gold hidden in paste form to bypass detection. Each improvement in surveillance is quickly met with a new tactic, making the fight against illicit trade an ever-shifting landscape.

Technological progress has transformed daily life, but it has also created new points of vulnerability. The same digital infrastructure that underpins the JAM trinity-Jan Dhan, Aadhaar, and mobile connectivity has become a potential target for cyberattacks. Incidents such as the AIIMS cyber breach highlight how even critical institutions remain exposed to this growing threat.

Artificial intelligence now supports the detection of anomalies and suspicious activity in real time, while advanced watermarking and security features strengthen currency protection. Recent legal reforms including updates to the Arbitration Act, the Mediation Act, and the new Income Tax Act have incorporated e-documents and digital processes. The new criminal laws also recognise the central role of technology in evidence gathering and investigation, creating pathways for faster and more efficient justice delivery.

Yet law alone is never sufficient. Ethics, personal values, and cultural guidance must

complement statutory enforcement. Indian traditions emphasise adherence to the righteous path upheld by earlier generations. As the Dharamshastras observe, "One should walk the path followed by the virtuous; in doing so, one never goes astray." This insight remains relevant today. When consumers knowingly purchase goods priced far below their legitimate value ₹500 for a product that should cost ₹1,000, they risk becoming participants in illicit trade. Combating counterfeiting and smuggling therefore requires not only strong enforcement but also responsible consumer choices and respect for genuine products.

Through a combination of robust laws, technological innovation, ethical conduct, vigilant industry action, and an informed citizenry, significant progress can be achieved in reducing counterfeiting and smuggling. Such a collective effort protects consumers and markets while reinforcing the values and integrity that underpin the nation's civilisational ethos.



ANI
 CADE
 CADE 2025
 COUNTERFEIT TRADE
 5 New Delhi
 Deatbilla

PLENARY SESSION 2: PANEL DISCUSSION



Dr. Gulshan Rai

Former National Cyber Security Coordinator & Former DG, CERT-In

Technology plays an essential role in combating illicit trade. Emerging solutions such as Artificial Intelligence (AI), Machine Learning (ML), data analytics, blockchain, and advanced surveillance systems provide powerful tools to detect and disrupt illegal networks. The sheer volume of data generated in an increasingly connected world makes manual detection virtually impossible. With everyone linked through digital platforms, mobile phones, and messaging services, an enormous digital footprint is constantly being created.

A major challenge, however, lies in the lack of coordination among agencies involved in anti-counterfeiting and anti-smuggling enforcement. Many remain unequipped with modern technological infrastructure, and there are significant gaps in understanding how to effectively use AI, ML, blockchain-based tracking, and big data analytics. Bridging this capability gap is essential to building a unified, technology-driven enforcement framework.

Strengthening technological competence must be the starting point. Only with a clear understanding of detection processes can reliable systems be designed to identify counterfeits and smuggled goods. At the core of this effort lies the financial system. Effective action requires bringing together two critical stakeholders: the financial sector and law enforcement. Both need to adopt technology in a systematic manner, define clear objectives, streamline processes, outline expected outcomes, and establish mechanisms to track progress. Cutting through existing layers of administrative complexity is necessary to achieve measurable results.

The adversaries confronting the system today are far more sophisticated than before. Terrorist and criminal networks use encrypted messaging services to coordinate smuggling with precision in border regions. The rapid emergence of quantum-based systems now accessible even to hostile groups adds another layer of complexity, as these technologies are exceptionally difficult to decode.

To respond effectively, enforcement agencies must become more deliberate, technologically adept, and future-ready. Strengthening

manpower, deploying advanced tools, and ensuring rapid adoption of cutting-edge technology in high-risk regions are critical steps.

It is also important to understand how different technologies complement one another. Machine Learning focuses on identifying patterns and performing defined tasks, while Artificial Intelligence uses these processes to generate insights and guide intelligent decision-making. Both are essential components of a robust solution. Meanwhile, the technology used to produce counterfeit goods has advanced rapidly. High-resolution printers, copiers, and digital tools make it easier than ever to create fake currency, documents, and products, underscoring the urgency of strengthening technological capabilities.

Technology is no longer optional, it is the foundation of modern governance and security. When harnessed with clarity and purpose, it enables the country to stay ahead of illicit networks and build systems that are transparent, resilient, and future-ready. The path forward is clear: embracing technology with conviction is essential to safeguarding national security and economic integrity.



PLENARY SESSION 2: PANEL DISCUSSION



Mr. Vivek Johri

Former Chairman, Central Board of Indirect Taxes and Customs

The challenge of combating counterfeit and illicit trade is immense. Estimates suggest that nearly 3.3% of global trade, worth between USD 1.7 trillion and USD 4.2 trillion, consists of counterfeit products. This shadow economy is so vast that, by some measures, it could rank as the fourth-largest economy in the world. The rapid growth of e-commerce has further intensified the problem, with millions of small parcels crossing borders and domestic markets, making detection and interception extremely difficult.

Technology is indispensable in this context. While it enables the creation of sophisticated counterfeits, it is also the most powerful tool to detect, track, and dismantle illicit networks.

A core challenge lies in the fragmented administrative structure addressing counter-



feiting and smuggling . Multiple agencies operate across the value chain, yet systems are largely non-interoperable, and inter-agency communication is minimal. At the district level, IPR units manage intellectual property, state and UT police handle local enforcement, and customs monitor cross-border IP violations. However, this framework struggles to address domestic operators or the complete transnational network.

At the national level, policy, intelligence, and feedback mechanisms remain fragmented. Companies identifying infringements often face uncertainty about which authority to approach. Immediate interventions such as removing counterfeit goods from markets or e-commerce platforms lack clear support. Furthermore, data on enforcement outcomes is scattered, with no consolidated records of registered cases, prosecutions, or conviction rates, leaving the effectiveness of efforts unclear.

Enforcement priorities also vary across agencies, resulting in inconsistent action. Cross-agency feedback loops are largely absent: a seizure at the border rarely triggers alerts to state police or other authorities about potential domestic networks. This gap prevents a comprehensive understanding of the criminal ecosystem, from production to distribution.

Addressing these challenges requires strong coordination mechanisms, modelled on existing inter-agency platforms used for other law enforcement issues. Regional law enforcement committees should include counterfeiting and smuggling as a standing agenda item. Legal reforms are equally essential: rules governing the admissibility of AI-generated evidence must be clarified, and provisions for seizing proceeds of crime should account for cryptocurrencies. Technology should also be leveraged to enhance consumer awareness, using tools like virtual and augmented reality to help buyers identify genuine products.

By integrating administrative, legal, and technological measures, India can build a coherent, modern, and effective national response to the growing threat of counterfeiting and illicit trade.



PLENARY SESSION 2: PANEL DISCUSSION



Dr. Vivek Mittal

Executive Director, Legal
and Corporate Affairs,
Hindustan Unilever Limited

Protecting brand authenticity in a rapidly evolving marketplace has become a critical priority. While global estimates highlight the scale of counterfeiting, the ground reality suggests an even larger challenge. At HUL, anti-counterfeiting initiatives currently safeguard over Rs. 1,500 crores in value each year, including the removal of more than 2,00,000 fake online listings. Despite these efforts, counterfeit versions of our products may still account for lost sales in the range of Rs. 5,000 to Rs. 10,000 crores, underscoring the need for sustained vigilance.

India's rapid digital expansion offers extraordinary opportunities for brands to reach millions of consumers. At the same time, this connectivity has made it easier for counterfeiters to operate across online and offline channels. Many illicit operators evade taxes and reinvest those savings into increasingly



sophisticated production methods, resulting in counterfeits that are more polished, professionally packaged, and difficult for consumers to distinguish from genuine products.

The growth of e-commerce and quick-commerce platforms has amplified this challenge. While these platforms have transformed access and convenience, inconsistent seller verification allows counterfeit goods to enter the marketplace, affecting consumer confidence and placing legitimate businesses at a disadvantage. Counterfeiters now employ advanced tools, including AI, to create packaging for products that HUL has never manufactured.

To counter this, HUL has strengthened collaborations with e-commerce and quick-commerce partners, supporting enhanced vendor vetting and product authentication. Digital tools such as product-verification apps, invisible watermarks, and on-pack security features empower consumers to verify authenticity instantly. Yet, counterfeiting remains a complex ecosystem, with physical markets still serving as a major source of illicit activity. The lack of systematic domestic and global data sharing further limits the ability to predict and prevent counterfeit flows.

Industry leaders believe the path forward lies in coordinated action. A shared technological platform for information exchange supported by manufacturers, digital marketplaces, and government agencies would significantly bolster national efforts. Counterfeiters are evolving rapidly, and industry must keep pace. A united, technology-driven approach is essential to protect consumers, safeguard brands, and ensure a fair and transparent marketplace for all.



PLENARY SESSION 2: PANEL DISCUSSION



Ms. Padma Jaiswal

Secretary, Government to
the State and Union Territory
of Puducherry

Counterfeiting and smuggling are longstanding challenges that undermine economies by affecting production, distribution, employment, and consumption. These activities erode national GDP and revenue, which are essential for funding social programs and promoting equity. As India pursues the vision of Viksit Bharat 2047, a holistic, multi-pronged strategy is imperative. While counterfeiting was once largely physical, rapid technological advancements have transformed it into a transnational issue involving both state and non-state actors.

The rise of social media and e-commerce has "virtualised" illicit trade, making it increasingly difficult to identify those behind these operations. Technological evolution, moving from basic AI to generative AI and large language models (LLMs), has expanded the reach and sophistication of counterfeiting. These tools



can create documents, deepfakes, or narratives that spread widely via social platforms. Algorithms driven by likes, shares, and comments amplify misinformation and disinformation, leaving citizens especially in Tier 3 and Tier 4 cities vulnerable to counterfeit products. Counterfeiting is often more rampant and damaging in underdeveloped and developing areas, where awareness and access to information are limited.

The government has leveraged technology to mitigate these threats. Initiatives under the National Logistics Policy have improved trade corridors and multi-modal transport to reduce transaction costs. Blockchain applications, supported by 5G connectivity and IoT devices, enhance supply chain transparency and security, with encrypted blocks that are added only when all documents are verified. Yet, the benefits of these advancements have yet to reach many remote and rural areas, which remain susceptible to counterfeit goods.

Differences in technological approaches and penalties across countries and sectors are

complex. AI is still evolving, and comprehensive laws, standards, or regulations are not yet fully established. While the European Union has introduced AI regulations, India is working toward a similar framework. The Information Technology Act of 2000 currently governs activities in the electronic domain. Hesitation to impose stricter AI regulations often stems from concerns about stifling innovation and experimentation.

Addressing these challenges requires a holistic, adaptive approach. Technological solutions must be complemented by robust data collection, awareness-building, and outreach, particularly in underserved communities. Combating counterfeiting and smuggling is not merely a law enforcement task, it is critical for the nation's economic and social well-being. Success depends on coordinated efforts by government, industry, and civil society to build a resilient and secure economic environment. Open dialogue and continuous adaptation are essential to staying ahead in this ongoing battle.





FIRESIDE CHAT

Counterfeiting in the Digital Age:
Protecting Consumers, Business,
and Innovation

FIRESIDE CHAT



Mr. Kebharu Smith

Director, Counterfeit Crime Unit (CCU), Amazon

The scale of global counterfeiting is enormous, with estimates ranging from USD 500 billion to nearly USD 1 trillion. At Amazon, being the most trusted marketplace requires ensuring that every product purchased is safe and authentic. Through proactive efforts, 99% of infringing listings are removed before brands even need to notify us, demonstrating the strength of automated systems and comprehensive brand protection programs. This work is supported by thousands of machine learning scientists, investigators, and legal experts who protect the integrity of the Amazon store.

Amazon's brand protection strategy is anchored in four key pillars, as outlined in the recent Brand Protection Report:

1. Proactive Controls: Rigorous seller vetting ensures only legitimate sellers operate on the platform. Accounts are verified before activation, and ongoing monitoring detects fraudulent activity. Swift actions, such as removing listings, blocking sellers, and seizing goods and funds, are taken when necessary. This approach is fully operational in India.
2. Brand Empowerment: Tools like Project Zero allow brands to proactively remove counterfeit listings themselves, forming a crucial part of the overall strategy.
3. Accountability for Bad Actors: The Counterfeit Crimes Unit (CCU) pursues

counterfeiters worldwide, working closely with brands and law enforcement. Over the past five years, the CCU has filed more than 200 civil suits, acted against over 24,000 offenders, secured over USD 180 million in judgments and forfeitures, and contributed to more than 65 convictions. Last year, Amazon identified, seized, and disposed of more than 15 million counterfeit products. In India, similar efforts focus on understanding production networks and tracing counterfeit origins to maximize deterrence.

4. **Consumer Awareness:** Educating consumers about the harms of counterfeiting is essential. Counterfeiting is often linked to serious crimes such as narcotics and human trafficking or terrorism financing. Initiatives like "Mission GraHAQ" in India aim to raise awareness and inform consumers of these risks.

Amazon's commitment to India is long-standing. Investments of USD 20 billion support over 1.4 million sellers contributing to GDP growth and the expansion of small and medium-sized businesses. The fulfilment network spans over 43 million cubic feet and delivers to 100% of serviceable PIN codes, with

97% receiving products within two days. Since the first development centre in Bengaluru in 2003, Amazon has remained dedicated to strengthening the Indian economy and serving its growing consumer base.

To further protect customers and brands, Amazon introduced Transparency, a product-serialization service that adds unique codes to each item. Consumers and Amazon can scan these codes to verify authenticity. Over 2.5 billion products have been authenticated through Transparency, now used by more than 88,000 brands, from small businesses to Fortune 500 companies. Transparency complements Amazon's Brand Registry tools, empowering brands and safeguarding consumers.

Combatting counterfeiting and smuggling is a global challenge requiring a collaborative, multi-layered approach. Amazon works closely with brands, law enforcement, and government agencies in India and worldwide to protect consumers and hold bad actors accountable. Tools like the Brand Registry, Transparency, and the A-to-Z Guarantee ensure a secure and trustworthy shopping experience. Amazon remains dedicated to being a reliable partner in India's growth story.







PLENARY SESSION 3

PANEL DISCUSSION

Empower, Educate, and Eliminate:
A Unified Multilateral Response to
Illicit Trade and Tax Evasion

PLENARY SESSION 3: PANEL DISCUSSION



Dr. D P Dash

Former Pr. Director General
DRI, Former Chairman,
Enforcement Committee,
World Custom Organization
and Think Tank Member,
FICCI CASCADE

The global fight against illicit trade and tax evasion remains a complex challenge. Despite decades of coordinated efforts by institutions such as the World Customs Organization, WIPO, INTERPOL, and others, the problem continues to grow. Increased connectivity has expanded legitimate trade, but it has equally opened new pathways for illicit activity. While strong legal frameworks exist across jurisdictions, the real gap lies in implementation and enforcement. International cooperation, though supported by treaties, conventions, and joint mechanisms, often falls short in practice. In this context, Gandhi ji's reminder, "Be the change you want to see in the world," resonates strongly, as nations and organisations frequently find themselves relying on their own systems and determination.

The rise of e-commerce has fundamentally changed the landscape of trade and, with it, the nature of illicit activities. The relentless drive for "ease of doing business" has led to intense competition among manufacturers and traders to serve the last mile of the supply chain as quickly as possible. This has given rise to "quick commerce," where goods can be delivered within minutes, at any time of the day or night. While this offers unprecedented convenience to consumers, it also presents a



significant challenge for enforcement. The very speed that defines quick commerce leaves little room for due diligence, creating vulnerabilities that counterfeiters and illicit operators readily exploit by capitalizing on consumer urgency.

To effectively counter illicit trade, a unified, multilateral approach is essential built on three key pillars: empowerment, education, and elimination.

Empowerment begins with a strong legal architecture, but its success relies equally on institutional capacity and the competence of individuals tasked with enforcement.

Education, including sustained capacity building, is critical. Legislators must be equipped to identify regulatory gaps, enforcement officers must be trained to apply the law effectively, and prosecutors and judges must be prepared to navigate the technical complexities inherent in illicit trade cases. Current training efforts often fall short; it is not enough to merely send personnel for workshops. The right people must be identified, trained, and retained long enough to meaningfully apply their expertise. Addressing systemic delays in justice delivery remains a global imperative.

Elimination, the third pillar, depends on strong cooperation and the intelligent use of technology. Although Artificial Intelligence (AI) and Machine Learning (ML) are widely discussed,

their true potential remains underutilised. Their success depends on access to clean, standardised, and interoperable data. Initiatives such as data-sharing between CBIC, CBDT, and the Enforcement Directorate, enabled by GSTN are important steps, alongside the establishment of the Directorate of Analytics and Risk Management (DARM) and the National Targeting Centre within CBIC. With India preparing to host the upcoming AI Summit, there is renewed optimism about deepening technological innovation to strengthen enforcement.

Yet even with advanced tools, combating illicit trade remains a formidable challenge. Offenders typically operate in small, agile networks with deep technical expertise, while enforcement agencies are large, hierarchical, and slower to adapt. Bridging this gap requires breaking down institutional silos, enhancing cooperation, and enabling seamless data sharing so that agencies can identify and track illicit activities in real time.

Though the battle is long and evolving, a unified and coordinated multilateral approach can achieve significant progress. With strengthened frameworks, empowered institutions, informed communities, and collaborative innovation, economies and societies can be better protected from the persistent and damaging threat of illicit trade.

PLENARY SESSION 3: PANEL DISCUSSION



The share of illicit trade in global commerce is rising rapidly, driven by the explosive growth of e-commerce, the increasing use of cryptocurrencies, and the expansion of free trade zones. These developments have created unprecedented opportunities for illicit networks to operate across borders with speed and anonymity. Given its global nature, illicit trade undermines governance, destabilizes economies, and erodes business confidence through widespread intellectual property theft. A coordinated multilateral response from governments is essential-yet achieving such unified action remains one of the greatest challenges.

A significant portion of illicit trade is fuelled by sanctions, trade restrictions, and geopolitical tensions. Countries that benefit economically from these illicit flows are often reluctant to cooperate. Domestic political considerations and competing economic priorities may also prevent governments from acting comprehensively against all forms of illicit activity. While advanced economies may demon-

Mr. Ramesh Abhishek

Former Secretary,
Department of Promotion of
Industry and Internal Trade



strate strong resolve, alignment across nations is inconsistent. Cooperation is frequently selective, shaped less by collective responsibility and more by national interest.

In this complex environment, building strong public awareness becomes indispensable. Educating citizens about the economic, social, and health-related harms of illicit trade can generate bottom-up pressure for government action. Most consumers are unaware of the prevalence of counterfeit goods and lack reliable ways to distinguish genuine products from fakes. Providing clear guidance on identifying counterfeit items and highlighting the medium and long-term risks posed by seemingly "cheap" alternatives is critical.

A sustained public awareness campaign is not only necessary to address immediate

concerns but also to push governments to allocate resources, enhance enforcement, and develop robust institutional capabilities. Without broad public demand, effective intelligence sharing, meaningful legal agreements, and strong investigative frameworks remain difficult to achieve all of which are essential for a successful multilateral response.

A casual or indifferent attitude toward counterfeit and smuggled goods must not be tolerated. By building strong public consensus against illicit trade, societies can create the political will needed to drive decisive national and international action. This public mandate forms the foundation for any effective, coordinated, and truly global approach to combatting illicit trade.



PLENARY SESSION 3: PANEL DISCUSSION



Mr. Esteban Giudici

Senior Policy Advisor,
Transnational Alliance to
Combat Illicit Trade

The challenge of illicit trade is undeniably global, and the response must be equally collective, coordinated, and transnational. Yet international cooperation is falling short at a time when it is most urgently needed. A range of factors contribute to this gap, from geopolitical tensions to operational challenges on the ground. Small parcels shipped via e-commerce platforms, for example, have become a major conduit for illicit trade including counterfeit medical devices. While artificial intelligence can help analyze shipping patterns and flag suspicious parcels, technology alone is insufficient. Its effectiveness depends on access to detailed data about illicit actors, their networks, routes, and methods which are often sensitive, legally protected, and subject to strict data-use constraints. Responsible use of such data requires clear legal pathways and robust data-protection frameworks.

At the Transnational Alliance to Combat Illicit Trade (TRACIT), efforts are focused on addressing these specific gaps through practical, solutions-oriented collaboration. In Latin America, TRACIT has successfully brought together customs authorities and technology providers to identify urgent

challenges and co-develop actionable solutions. These summits have delivered tangible outcomes, curbing illicit flows and benefiting both member companies and communities affected by organized crime. The approach prioritizes real-world problem-solving within existing legal boundaries, enabling effective cross-border cooperation even where regulatory frameworks are still evolving.

TRACIT works extensively with intergovernmental organizations such as the OECD and UNODC. Recently, the alliance released an illicit trade index spanning 158 countries, identifying the unique vulnerabilities each nation faces. By diagnosing root causes, TRACIT helps governments design targeted and effective responses. In South Africa, for instance, the index revealed that the issue was not limited to enforcement failures but was also linked to weaknesses in fiscal policy. This led to discussions with the Minister of Finance on rationalizing taxation, a "carrot and stick" approach where enforcement remains essential, but policy reform ensures legitimate commerce is not inadvertently disadvantaged. As the voice of industry, TRACIT provides policymakers with data-driven insights to guide smarter regulation and strengthen legitimate markets.

Corruption remains one of the most persistent factors enabling illicit trade. TRACIT's work with the OECD's integrity forums and its

collaboration with the UNODC, the custodian of the UN Convention against Corruption, allow the organization to bring essential expertise to this critical area.

A striking example of TRACIT's impact comes from South Africa. In February 2023, TRACIT released a report outlining recommendations to curb illicit trade. The same month, the Financial Action Task Force (FATF) placed South Africa on its "grey list." The FATF action plan for South Africa's removal from the grey list closely reflected TRACIT's recommendations demonstrating how addressing illicit trade strengthens a country's economic stability, governance capacity, and global financial standing.

As a private-sector organisation, TRACIT's role is to catalyse effective public-private partnerships. Illicit trade is a complex, multidimensional challenge affecting every nation, and constructive, solutions-focused approaches are far more effective than punitive measures alone. By aligning with global bodies such as the FATF and leveraging analytical tools, shared intelligence, and industry expertise, TRACIT works to drive meaningful, sustainable progress.

The key is to remain bold, collaborative, and data-driven continuously innovating and strengthening partnerships to address an ever-evolving global threat. Only through coordinated global action can the tide of illicit trade be decisively turned.



PLENARY SESSION 3: PANEL DISCUSSION



Ms. Louise Boisen

Counsellor, Intellectual Property Rights, Embassy of Denmark

The pervasive issue of illicit trade extends far beyond its economic consequences, posing significant threats to public health, innovation, and the integrity of governance systems. A stark reminder of these dangers emerged earlier this spring in Denmark, when five teenagers were hospitalised after consuming illegal "puff bars." These disposable e-cigarettes often packaged in bright colours and flavoured to appeal to young users, were suspected to contain synthetic or semi-synthetic cannabinoids, resulting in acute poisoning. This incident underscores the immediate and serious health risks associated with illicit trade.

Denmark's response to such challenges is shaped by its global reputation for transparency and accountability. Consistently ranked among the least corrupt nations, Denmark has built a governance and business ecosystem grounded in public trust. As an innovation-driven economy, where nearly 40% of jobs and almost half of GDP are tied to IP-intensive industries, counterfeiting poses a direct threat to the nation's economic vitality. Globally, intellectual property crime, including counter-

feiting, remains the most profitable form of illicit trade, even surpassing narcotics and human trafficking in revenue generation.

Recognising the need for a cohesive strategy, the Danish government established the Ministerial Network Against IPR Infringements in 2008. This formal network convenes all public stakeholders involved in enforcement against such crimes, including the judiciary and various enforcement agencies, twice a year. It serves as a platform for sharing practical experiences, coordinating case handling, and ensuring robust enforcement actions. Importantly, rights holders are also invited to participate, ensuring that enforcement strategies are aligned with user needs. This public-private partnership has strengthened Denmark's ability to rapidly detect, effectively investigate, and precisely prosecute economic crimes.

Denmark also acknowledges that illicit trade is inherently transnational. As a small nation, it actively collaborates with international partners and participates in key EU initiatives. Central to this effort is the European Multidisciplinary Platform Against Criminal Threats (EMPACT), the EU's premier crime-fighting network. EMPACT enables swift

coordination among member states to target criminal networks that exploit cross-border movement. Denmark's engagement reflects its broader understanding that counterfeiting, smuggling, and trafficking threaten not only economic interests but also public health, innovation, and the rule of law.

While Denmark's model offers valuable lessons, it is shaped by its unique governance context. The political culture often characterised by minority governments demands compromise and consensus-building. Coupled with high transparency, where government data is easily accessible to citizens, Denmark has created an environment in which collaborative enforcement can thrive.

India's landscape is far more diverse, with states operating at varied capacities. The core principles that underpin Denmark's success are coordination, data sharing, multi-agency collaboration, and public-private partnership. In an era of rapidly evolving threats, cooperative action and shared experience are indispensable. Only by working together and identifying the "man behind the crime" can nations build a global economy that is fair, transparent, and resilient.



PLENARY SESSION 3: PANEL DISCUSSION



Mr. Daniel Grajales

Global Policy Manager –
Environment & Sustainability,
International Chamber of
Commerce

Illicit trade presents a serious threat that undermines public welfare, erodes trust in markets, and disrupts legitimate commerce. At the International Chamber of Commerce (ICC), we believe that no single actor can confront this challenge in isolation. Effective public-private partnerships are essential to mobilise the resources, expertise, and reach of all stakeholders. The business community is not only on the front lines of the fight against illicit trade but also holds critical intelligence that can support enforcement efforts. Yet, this information is not always easy to share with authorities, and even when it is, it does not always translate into effective policy action. For this reason, the ICC continues to advocate for deeper cooperation and greater business engagement to strengthen evidence-based policymaking, intelligence sharing, and the development of actionable best practices.

The ICC has long supported notable examples of international collaboration, including the OECD Working Party on Countering Illicit Trade and its ongoing project to establish a unified scheme for Free Trade Zones. This



initiative represents a gold standard for practical, evidence-driven tools that enhance institutional capacity and protect both businesses and consumers. While enforcement agencies remain at the forefront of countering illicit trade, they often face resource limitations and the pressures of rapid globalisation. The ICC strongly backs initiatives that strengthen the capabilities of customs, law enforcement, and regulatory authorities through training, technology transfer, and international cooperation, to ensure they can perform their roles effectively.

A key priority is supporting micro, small, and medium-sized enterprises (MSMEs) and entrepreneurs, who form the backbone of the global economy. These businesses are particularly vulnerable to the impacts of illicit trade from counterfeit products and unfair competition to regulatory uncertainty and often lack the capacity to navigate these risks. The ICC addresses these challenges through the ICC Centre for Entrepreneurship, which equips MSMEs with the tools, knowledge, and networks needed to operate in a fair and trans-

parent marketplace. By helping businesses identify risks, ensure compliance, and uphold responsible practices, the Centre plays a pivotal role in fostering a more equitable business environment.

Ultimately, the fight against illicit trade is about fairness, ensuring that companies of all sizes and from all regions can compete on a level playing field. Effective action depends on how well-equipped economic actors are to detect counterfeits and collaborate with authorities who themselves may face capacity constraints. This reinforces the need to promote transparency, accountability, and responsible business conduct across the board.

At the ICC, we remain committed to working with partners such as the OECD, WIPO, government agencies, and the broader business community to advance policies that empower businesses, inform decision-makers, and illuminate the challenges posed by illicit trade. Through collective action, we can build a future where legitimate businesses thrive, enforcement is robust, and illicit trade is decisively curtailed.





DAY 2

OPENING SESSION

Illicit Trade 360°: Shaping New Frontiers
in the Fight Against the Global
Cost of Crime

DAY 2 OPENING SESSION



Mr. Anil Sinha

Former Director, Central Bureau of Investigation and Think Tank Member, FICCI CASCADE

Public discourse on illicit trade often oversimplifies a problem that is deeply complex and multidimensional. Counterfeiting is frequently viewed only through the lens of food adulteration or spurious medicines, while smuggling is sometimes perceived with undue tolerance because of its apparent retail level cost advantages. Such a narrow understanding overlooks the far-reaching economic, social, and security implications of illicit trade at both national and global levels.

As the primary responsibility for addressing this threat rests with law enforcement agencies, it is essential to recognise how rapidly illicit markets are evolving. Criminal networks are adapting their methods, exploiting new technologies, and leveraging regulatory and geopolitical disruptions. While public private collaboration remains a cornerstone of effective responses, sustained efforts are equally required to sensitise consumers and communities to the hidden costs of illicit trade, including its links to organised crime and threats to national security.

The current global environment marked by rising trade tariffs, geopolitical tensions, and policy uncertainty has further increased vulnerabilities. Disruptions in legitimate trade flows often create incentives for alternative informal channels, expanding arbitrage



opportunities for smugglers and counterfeiters. This environment heightens the risk of a significant expansion in illicit trade, underscoring the need for proactive and coordinated responses by governments and international institutions. Alongside traditional tools such as intelligence sharing and brand protection, there is now a pressing need to harness emerging technologies in a more strategic and secure manner.

Artificial intelligence is increasingly viewed as a powerful tool in combating illicit trade, offering capabilities such as sensor-based monitoring, image and text recognition, facial identification, Internet of Things applications, and large scale data analysis. At the same time, the growing accessibility of AI presents new risks. These technologies no longer require advanced technical expertise and are becoming widely available, including to actors with malicious intent.

The potential misuse of AI is a serious concern. Systems can be manipulated, compromised, or repurposed to facilitate illicit activities, allowing criminal networks to automate counterfeiting, evade detection, and scale operations rapidly. This dual nature of AI makes it imperative to invest in secure, resilient, and ethically designed systems that are resistant to abuse.

Addressing these challenges requires collec-

tive global action. No single country can effectively manage the risks posed by advanced technologies in isolation. Cooperation among enforcement agencies, technology developers, and policymakers is essential to embed safeguards, accountability, and trust into digital systems. In a global trade environment already marked by structural vulnerabilities, organised crime groups are well positioned to exploit technological advances unless countermeasures evolve at an equal pace.

Platforms such as FICCI CASCADE play an important role in bringing together diverse stakeholders to advance informed dialogue and develop practical, outcome oriented strategies. By strengthening collaboration, promoting responsible use of technology, and focusing on implementation driven solutions, it is possible to build a more resilient framework to counter illicit trade and protect the integrity of the global trading system.



DAY 2 OPENING SESSION



Ms. Delphine Sarfati Sobriera

President, Global
Anti-Counterfeiting Group

Counterfeiting and smuggling pose a serious threat to the global economy, public health, and international security. A report by UNIFAB and the Global Anti-Counterfeiting Group underscores the strong link between fake products and organised crime. Far from being a victimless activity, counterfeiting today finances criminal networks, undermines legitimate businesses, erodes government revenues, and exposes consumers to unsafe and substandard products. According to the OECD, counterfeit goods account for over 2 percent of global trade, rising to nearly 5 percent within the European Union. In 2023 alone, EU authorities seized more than 150 million counterfeit items valued at over three billion euros.

The appeal of counterfeiting for organised crime lies in its high profitability and relatively low legal risk. Europol has identified numerous criminal groups engaged in counterfeiting operations, employing sophisticated methods comparable to those used in drug trafficking, including complex logistics, money laundering, and the use of digital platforms. Many of these networks operate across multiple crime areas, such as narcotics trafficking, human trafficking, and financial fraud. Well known groups, including the Italian Camorra and Chinese Triads, have established extensive operations involving fake luxury goods, electronics, and pharmaceuticals.

The threat extends beyond conventional criminal groups to state and non-state actors.



Terrorist organisations such as Hezbollah and ISIS have reportedly used counterfeit goods and currency to finance their activities. The D Company has been linked to media piracy and large-scale counterfeiting, while Mexican cartels are known to produce counterfeit medicines, including highly dangerous fentanyl laced pills. These networks control significant segments of the global counterfeit market, ranging from cigarettes and jewellery to pharmaceuticals and illegal digital content.

Globalisation and the rapid expansion of e-commerce have further enabled counterfeiters and smugglers. Social media platforms offer anonymity and easy access to consumers, sometimes aided by influencers who use coded language to promote fake products. Despite these risks, counterfeiting is often underestimated. In reality, profit margins are enormous, with products costing a few cents to manufacture being sold for several tens of euros. Criminal networks continuously adapt by relocating production closer to consumer markets to evade border controls, fragmenting supply chains, and using sophisticated financial systems to launder proceeds. The health, safety, and environmental risks are severe, including exposure to toxic materials, unsafe medicines, and defective industrial components.

Counterfeiting and smuggling therefore demand a coordinated global response. Governments must work together to harmonise legal frameworks, strengthen enforcement, and enhance intelligence sharing. Public awareness is essential to ensure consumers understand the real dangers associated with fake and smuggled goods. Businesses must also play a proactive role by securing supply chains and collaborating closely with enforcement authorities. Illicit trade is not a minor economic offence. It fuels organised crime, endangers lives, and weakens the global economic system. Only sustained and unified action can effectively disrupt these networks and protect societies from the growing threat of counterfeit and smuggled goods.



DAY 2 OPENING SESSION



Mr. Ferhat Cakmak

Criminal Intelligence Officer,
IP Crime and Digital Piracy
INTERPOL

Organised crime remains a major global challenge, with criminal networks becoming increasingly borderless, sophisticated, and adaptive. These groups exploit vulnerabilities in trade systems, supply chains, and digital platforms, posing serious threats to economic stability, public health, and consumer safety. Interpol is committed to countering these risks through intelligence-led operations and coordinated international action. By leveraging data, identifying emerging patterns, and strengthening cross-border cooperation among law enforcement agencies, Interpol works to disrupt criminal networks and prevent the circulation of counterfeit and illicit goods.



Protection of intellectual property and the fight against digital piracy are central to these efforts. Intellectual property crime undermines legitimate businesses, suppresses innovation, and often serves as a funding source for broader organised criminal activity. Interpol's engagement in this domain includes international investigations, specialised capacity-building programmes for law enforcement, and strategic collaboration with private-sector stakeholders. These partnerships are critical to strengthening market integrity and creating a unified response to such theft.

Cross-border coordination underpins all of Interpol's work. As criminal networks operate beyond national boundaries, enforcement responses must be equally international. By facilitating intelligence sharing, enhancing

operational capabilities, and promoting cooperation across member countries, Interpol seeks to stay ahead of evolving threats and ensure that criminals find no safe haven. This collective approach is essential for building a resilient and responsive global security framework.

International conferences such as MASCRAGE play an important role in advancing both industry engagement and global enforcement efforts. They provide a vital platform for exchanging insights, sharing best practices, and strengthening the partnerships required to counter organised crime and protect public health. The outcomes of such forums contribute meaningfully to more coordinated and effective responses to shared global challenges, reflecting a collective commitment to building a safer and more secure world.

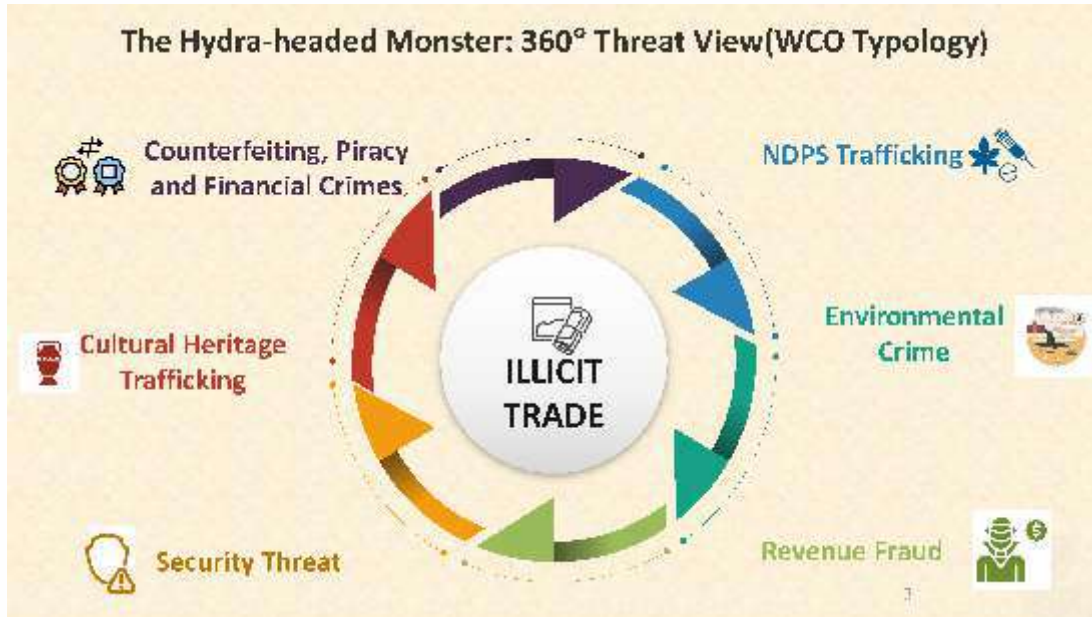
DAY 2 OPENING SESSION



Illicit trade encompassing counterfeiting, smuggling, piracy, and tax evasion represents one of the most insidious threats to national sovereignty, economic stability, and public safety. Far from being limited to customs violations or revenue leakages, it has evolved into a vast shadow economy that systematically undermines legitimate markets and governance structures worldwide. A 360-degree assessment reveals a hydra-headed menace attacking multiple fronts simultaneously.

Mr. Abhai Kumar Srivastav

Director General,
Directorate of Revenue
Intelligence



The World Customs Organization's 2023 report underscores the breadth of this challenge. Narcotics trafficking continues to pose a persistent and evolving threat to global public health. Environmental crimes, including illegal wildlife trafficking and hazardous waste dumping, cause irreversible damage to ecosystems. Counterfeiting and piracy erode intellectual property rights, weaken legitimate industries, and expose consumers to unsafe products. Financial crimes ranging from money laundering and trade-based money laundering to terror financing through smuggled cash distort markets and empower

transnational criminal networks. Revenue fraud further undermines state capacity to deliver essential public services, while the illicit trafficking of cultural property, including stolen archaeological artefacts, adds yet another troubling dimension to this expanding illicit trade landscape.

These activities are deeply interconnected within a sophisticated criminal ecosystem. Organised syndicates routinely exploit the same logistics routes, financial channels, and human networks across multiple crimes, a phenomenon widely recognised as poly-



criminality. Forensic operations such as Interpol's Operation Black Poseidon have exposed counterfeit trade networks valued at over €120 million, linked to European criminal cartels. Counterfeiting, in particular, offers a low-risk, high-reward revenue stream and has increasingly been used to finance terrorism. Groups such as Hezbollah, Al-Shabaab, and the Real Irish Republican Army (RIRA) have reportedly funded operations through counterfeit cigarettes and pirated goods, with even the 2004 Madrid train bombings partially financed through proceeds from pirated CD sales.

The financial architecture supporting these networks closely mirrors that of other serious crimes, relying on informal hawala channels, shell companies, trade mis-invoicing, and cryptocurrency transactions. In India, the Directorate of Revenue Intelligence has documented cases where intellectual property violations intersect with customs fraud and money laundering in highly coordinated operations. Despite extensive enforcement action, the true scale of illicit trade remains difficult to quantify due to fragmented data and differing methodologies across jurisdictions.

Globally, the OECD estimates the value of counterfeit goods at USD 464 billion in 2019,



accounting for 2.5% of global trade comparable to the GDP of countries such as Austria or Belgium. The WCO reported seizures of over 98 million counterfeit items across 48,000 incidents worldwide in 2023 alone. Illicit trade in tobacco and alcohol continues to drain government revenues, with counterfeit cigarettes accounting for nearly 66% of global tobacco seizures, totalling more than 3.1 billion sticks. In India, illicit trade is estimated to cause annual economic losses of approximately ₹1 trillion. Consumer exposure is equally alarming, with nearly one in three adults unknowingly purchasing counterfeit products online.

The nature of illicit trade has also transformed. Traditional images of shadowy containers and clandestine ports no longer reflect reality. Today's networks are decentralised, embedded within legitimate global supply chains and



digital marketplaces, and increasingly reliant on advanced technologies. Criminals now favour fragmented, low-value consignments over large shipments, exploiting e-commerce platforms and de minimis thresholds that allow small parcels to bypass customs scrutiny. Free trade agreements, shell corporations, and falsified documentation further obscure financial trails, enabling the laundering of billions in illicit proceeds.

Addressing this complex threat requires strong public-private collaboration. Industry must adopt a "phygital" defence approach, integrating physical and digital safeguards such as serialization, track-and-trace systems, QR-based consumer authentication, and blockchain-enabled traceability. Effective partnerships should focus on customs-level IP registration, rapid-response escalation mechanisms, intelligence sharing, designated operational points of contact, and joint capacity-building programmes.

Emerging enforcement tools ranging from AI-driven darknet surveillance and digital deception to molecular tagging, atmospheric signature tracking, and quantum-enabled technologies offer new opportunities to disrupt criminal trust, coordination, and profitability. At the same time, legal frame-



works must evolve to ensure that enhanced enforcement remains aligned with human rights obligations and the rule of law.

Ultimately, combating illicit trade demands a fully integrated ecosystem in which governments, industry, enforcement agencies, and consumers act in cohesion. India must aspire to become one of the world's most resilient markets against illicit trade, strengthening legitimate commerce while decisively eliminating space for criminal enterprises.

Future Horizons: Government Strategy Evolution



Predictive Disruption Technologies

Governments can transition conventional enforcement through quantum-level technologies and behavioral economics, or padding molecular tags and using cannypheric signature coding for "previously impossible origin proof."

Cognitive Warfare Applications

AI-driven protocols tracing darknet markets with ease, while government-controlled honeypot investments attract and expose criminal activity through systematic reputation disruption campaigns.





Paradigm Shift Implementation

Moving from reactive seizures to proactively engineering environments where criminal networks collapse from psychological friction and financial destabilization, making crime absolute rather than punishable.



PLENARY SESSION 4

INTERACTIVE SESSION

Expert Speak: Policy, Strategy & Enforcement — Connecting the Dots on Illicit Trade and Tax Compliance

PLENARY SESSION 4: INTERACTIVE SESSION



Mr. Sumiit Lakhutia

Senior News Editor,
Times Influence,
Times Network

Illicit trade is a multi-dimensional challenge that demands coordinated enforcement, intelligent use of technology, strong consumer protection measures, and a careful alignment of tax policy with market realities. Addressing this issue requires both structural reforms and sustained vigilance across institutions and sectors.

Strengthening coordination among enforcement agencies is essential. A unified mechanism for inter-agency collaboration can improve intelligence sharing, streamline operations, and support joint action. Better cooperation at ports, borders, and railway networks is particularly important since these transit points remain vulnerable to smuggling and counterfeiting.

Illicit trade has also expanded rapidly into the digital environment. Online platforms, social media channels, and encrypted networks now facilitate the movement of illegal goods. The adoption of AI-enabled surveillance, advanced data analytics, and digital traceability tools can help agencies transition from

reactive enforcement to proactive detection. Monitoring online marketplaces, examining financial flows, and identifying criminal linkages are critical capabilities in this evolving landscape.

Consumer protection remains a central concern. Counterfeit and smuggled products undermine legitimate industry, reduce government revenue, and expose consumers to serious health and safety risks. Stronger regulatory frameworks, widespread awareness initiatives, and effective product verification tools are necessary to safeguard citizens and to build public confidence. Legislative steps aimed at countering illegal financial activity reinforce these protections.

Disrupting organised crime networks requires early detection and swift intervention. Preventing these groups from expanding is significantly more effective and cost efficient than attempting to dismantle them after they become entrenched. Strengthening preventive strategies helps safeguard economic interests, public safety, and consumer wellbeing.

Tax policy also shapes the environment in which illicit trade operates. Both high tax rates that create incentives for smuggling and narrow tax bases that complicate compli-



ance contribute to vulnerabilities. A balanced and calibrated approach is needed to minimise distortions. In this context, the GST 2.0 reforms scheduled to take effect on September 22 are expected to influence pricing, compliance behaviour, and overall market competitiveness.

Institutions such as FICCI CASCADIE play a vital role in building a coordinated response to illicit trade. By facilitating cooperation between government agencies, industry stakeholders, and civil society, and by advancing consumer awareness and policy advocacy, these organisations help translate intelligence into actionable strategies. A collaborative, technology-driven, and community-supported approach remains essential to effectively address the evolving threat posed by illicit trade.



PLENARY SESSION 4: INTERACTIVE SESSION



Mr. Sanjeev Tripathi

Former Chief, Research and Analysis Wing and Think Tank Member, FICCI CASCADE

Illicit trade is a pervasive challenge that undermines economic welfare, public safety, and national security. Its impact extends far beyond revenue loss. It erodes consumer trust, discourages legitimate enterprise, enables organised crime, and in certain cases, finances activities that threaten internal stability. India's vast market and rapidly expanding economy make it especially vulnerable. While significant progress has been achieved through GST rationalisation, digitised compliance, and strengthened customs oversight, illicit networks continue to evolve. They exploit enforcement gaps, tax distortions, and above all, low consumer awareness. What India needs is a unified national approach that brings policy, strategy, and enforcement into one coherent framework. Three elements are fundamental to this effort: integrated inter-agency coordination, a



balanced and broad-based tax structure that reduces incentives for evasion, and strong public-private partnerships supported by sustained consumer awareness. Enforcement alone cannot succeed unless society at large rejects illicit trade.

A dedicated inter-agency coordination cell would be transformative. Illicit trade spans multiple jurisdictions, involving customs, GST authorities, police, financial regulators, and sector-specific bodies such as food and drug administrations. When these agencies operate independently, duplication of effort coexists with critical blind spots. A central coordination mechanism can overcome this by enabling real-time intelligence sharing, harmonising standard operating procedures, and establishing clear lines of accountability. International examples such as the US Homeland Security multi-agency task forces demonstrate that integrated structures lead to better outcomes. In India, given the scale and complexity of illicit trade, such a cell would help align enforcement actions with policy objectives and industry inputs, improving tax compliance while strengthening national security.

Organised crime groups view illicit trade as a strategic instrument, not merely a revenue

source. It provides them with stable financing for other criminal activities such as narcotics trafficking, arms smuggling, and even terror funding. It also enables infiltration into legitimate supply chains, particularly in regions with weak regulatory systems, as seen in parts of Africa where criminal actors have penetrated sectors like pharmaceuticals. Control over illicit supply routes further grants these networks social and political influence. For India, this poses serious risks. Illicit trade can energise cross-border smuggling, destabilise border regions, compromise consumer safety in critical sectors such as food and medicine, and undermine internal security.

Countering these threats requires a multi-layered strategy. Intelligence-led enforcement is central. Rather than focusing on seizures alone, enforcement must map financial flows, track supply chains, and analyse digital footprints to dismantle networks from within. International cooperation is equally indispensable, since illicit supply chains increasingly function across borders. Mechanisms for collaboration with global bodies such as Interpol and the World Customs Organization can significantly enhance India's enforcement capabilities. Technology must also be at the core of this strategy. AI-driven risk profiling, blockchain-enabled supply chain transpar-

ency, and advanced data analytics enable early detection and faster disruption. Prevention is key. Once criminal networks merge into legitimate commerce or local political structures, the cost of dismantling them escalates dramatically. A proactive, intelligence-driven, and technology-enabled approach is therefore essential for protecting both economic interests and national security.

In this context, FICCI CASCADE plays a vital bridging role. It brings together research, industry intelligence, and policy recommendations in ways that enforcement agencies alone cannot. CASCADE's studies on the economic impact of counterfeiting and smuggling quantify the scale of the problem, helping policymakers understand its urgency. Its engagements with customs, GST authorities, and industry stakeholders create a platform where operational insights feed directly into policy development. This integration of evidence, industry experience, and enforcement realities is precisely what India needs for a well-informed and effective national strategy.

Equally critical is the role of consumer awareness. Illicit trade persists not only because it is profitable but also because consumers often underestimate the risks. Counterfeit goods endanger health and safety, compromise product quality, and indirectly support criminal networks. Awareness initiatives can fundamentally change consumer behaviour. CASCADE's outreach campaigns in schools, colleges, and business communities provide a strong foundation. When young people understand that purchasing counterfeit goods is not a victimless choice but an act that strengthens organised crime, long-term attitudes shift. Enforcement addresses the supply side of the problem, while awareness reduces demand. Together, they create a comprehensive response.

By connecting intelligence with policy, strengthening institutional partnerships, and empowering consumers, FICCI CASCADE plays a catalytic role in India's fight against illicit trade. Expanding these collaborations will significantly enhance national efforts to curb counterfeiting, smuggling, and associated criminal activity.



PLENARY SESSION 4: INTERACTIVE SESSION



The Indian railway network, with its vast and porous borders, presents a unique and formidable challenge in the fight against illicit trade. This trade manifests in two primary forms: the movement of booked goods and the transport of unbooked goods by passengers. While booked goods, such as containerised cargo, are subject to a protocol of documentation and technological screening, vulnerabilities still exist. Containers may not be accurately weighed, and the sheer volume of traffic makes comprehensive inspection difficult. This necessitates a multi-agency approach involving customs, local police, and railway authorities to ensure that booked consignments are legitimate. However, the more significant challenge lies in the realm of unbooked goods, which are

Mr. Rajiv Ranjan Verma

Former Director General, RPF
NCRB, Civil Defence, Home
Guard & Fire Service, BPR&D
and Think Tank Member,
FICCI CASCADE



The Indian railway network, with its vast and porous borders, presents a unique and formidable challenge in the fight against illicit trade. This trade manifests in two primary forms: the movement of booked goods and the transport of unbooked goods by passengers. While booked goods, such as containerised cargo, are subject to a protocol of documentation and technological screening, vulnerabilities still exist. Containers may not be accurately weighed, and the sheer volume of traffic makes comprehensive inspection difficult. This necessitates a multi-agency approach involving customs, local police, and railway authorities to ensure that booked consignments are legitimate. However, the more significant challenge lies in the realm of unbooked goods, which are transported by passengers as headloads or hand baggage. A historical example of this is the smuggling of banned substances like *doda* from Nepal into India via headloads on passenger trains running from border towns like Jogbani. This type of illicit trade often involves counterfeit products as well, highlighting the need for robust screening measures within the railway system.

Addressing this challenge requires a strategy that combines infrastructural upgrades with

operational reforms. High-density railway corridors, where overcrowding makes effective screening nearly impossible, illustrate the scale of the problem. An example often cited is an Israeli security team that, after observing the crowds at Bandra station post-26/11, concluded that no workable security solution could be implemented. Yet practical measures do exist. One option, modelled on China's approach to managing large passenger volumes, is an airport-style system for long-distance trains, where passengers undergo thorough screening before boarding and luggage is secured separately like the procedure already followed at the Attari border.

Another essential improvement is the introduction of centrally controlled doors across the railway fleet, a standard feature in many developed countries, which would help curb the practice of throwing consignments out of moving trains. While newer trains have begun adopting such systems, network-wide modernisation is needed. The expansion of CCTV coverage at stations is also encouraging, but its effectiveness depends on real-time video analytics to identify suspicious activity. These upgrades require investment, but they are vital for creating a safer and more secure railway environment.

Ultimately, the effectiveness of any strategy boils down to execution. FICCI CASCADE has been at the forefront of this effort, adopting a multi-pronged approach to combat the menace of illicit trade. This includes extensive awareness programs in schools, colleges, and among law enforcement agencies; recognising and rewarding the efforts of enforcement officials; and engaging with governments to improve enforcement strategies and legislative frameworks. A crucial aspect that needs immediate attention is the legal framework. The new Bharatiya Nyaya Sanhita (BNS) addresses illicit trade in sections 224 to 276, but the prescribed punishments, minor fines and short-term imprisonment are not a sufficient deterrent. Given the Honourable Minister's expressed willingness to consider legislative reforms, there is a clear opportunity to strengthen the penalty provisions in the BNS to make them more effective.

The inconsistency in the enforcement of existing laws across different states and union territories is a major concern. Data from the

National Crime Records Bureau (NCRB) reveals a stark disparity. In 2022-23, out of 4,694 cases registered under the relevant sections of the BNS dealing with counterfeiting and illicit trade, a staggering 95% were from just two states, Andhra Pradesh and Telangana, while 23 states and UTs reported no cases at all. Similarly, under the Essential Commodities Act, out of 5,543 cases, six states accounted for over 500 cases each. The Food Adulteration Act saw only 17 cases registered nationwide, and under the Food Safety Act, 210 out of 237 cases were from Maharashtra alone. This data clearly indicates that while the laws exist, their implementation is highly fragmented and inconsistent. A more uniform and concerted enforcement effort is required across the country to create a credible deterrent against illicit trade. The challenge is immense, but through a combination of targeted infrastructural upgrades, operational reforms, stronger legal penalties, and consistent enforcement, we can begin to make meaningful progress in securing our railways and curbing the flow of illicit goods.



PLENARY SESSION 4: INTERACTIVE SESSION



Mr. Suvashis Choudhary

Former Joint Commissioner of Police, Chief Security Commissioner, Delhi Metro Rail Corporation and Think Tank Member, FICCI CASCAD

The growing shift toward a digital economy, especially through the rise of e-commerce, offers significant advantages in the fight against illicit trade. Every digital transaction creates a traceable footprint, providing law enforcement with actionable data. Expanding digital payments and online commerce therefore strengthens the overall enforcement ecosystem by generating large datasets that can be analysed to identify and disrupt counterfeiting and smuggling networks. Agencies such as the Directorate of Revenue Intelligence have already begun adopting AI-driven tools and data analytics, signalling an important shift toward technology-enabled enforcement.

Artificial intelligence has the potential to map illicit supply chains, detect abnormal trade patterns, and identify counterfeit listings



across online platforms and dark-web marketplaces. Predictive analytics have already proven effective in various domains and can be applied to anticipate high-risk locations, identify emerging trends, and enable timely interventions. By automating the detection of suspicious behaviour and scanning vast amounts of digital information in real time, AI can significantly enhance the accuracy and efficiency of enforcement operations.

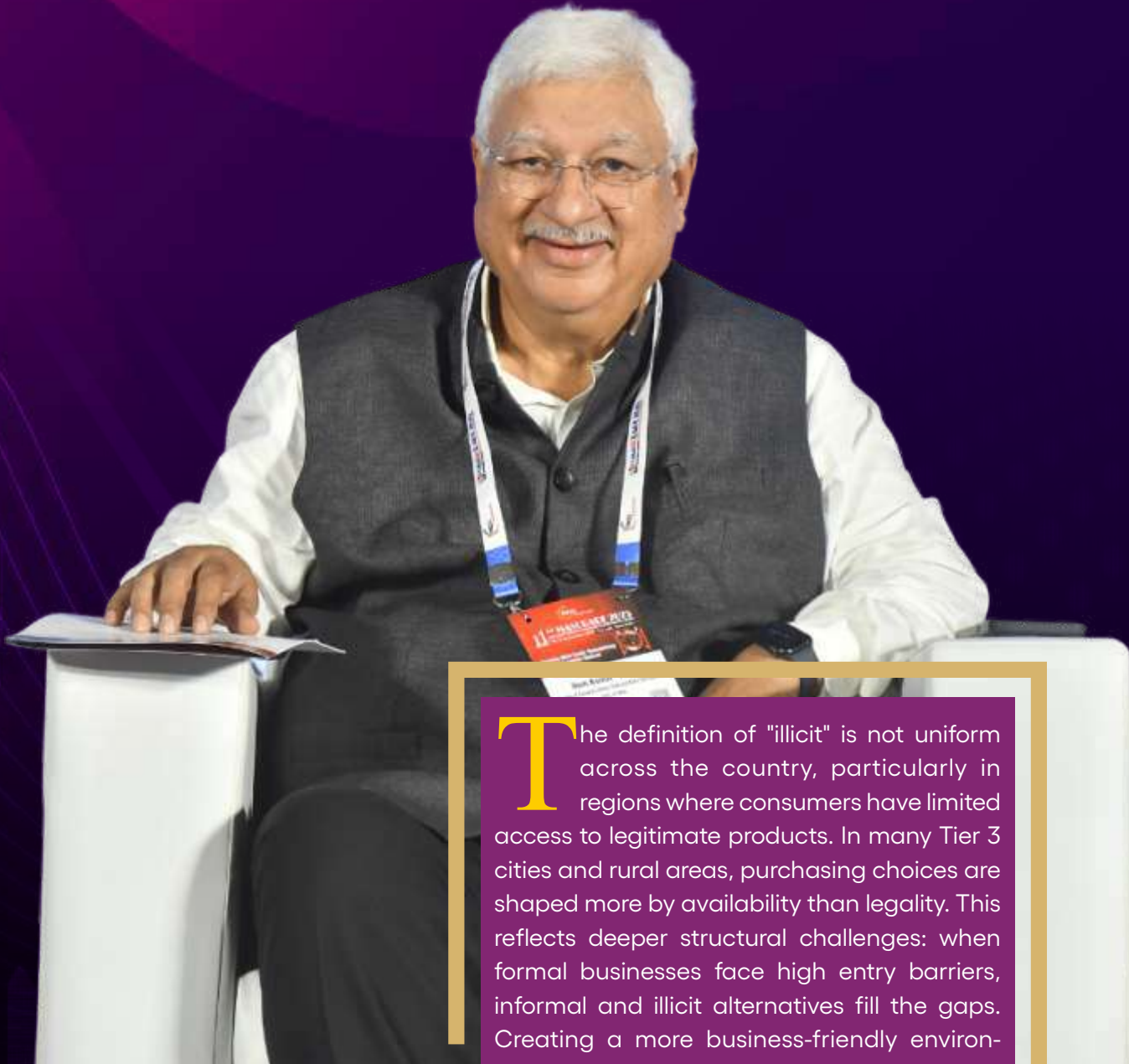
Tax policy also plays a critical role in shaping the environment in which illicit trade either flourishes or declines. High tax rates can discourage compliance, while a narrow tax base limits the availability of data and digital trails that underpin modern enforcement. A broader tax base creates more touchpoints, produces richer datasets, and provides a deeper digital footprint for identifying illegal transactions. A balanced approach one that maintains rational tax rates while progressively expanding the tax base is essential for reducing incentives for evasion and strengthening the intelligence infrastructure required to combat illicit activity.

FICCI CASCADE contributes meaningfully to

this ecosystem by acting as a bridge between central enforcement bodies and local police forces, whose cooperation is essential for sustained impact. While agencies such as DRI and GST formations address large-scale economic offences, day-to-day enforcement on the ground depends heavily on local police jurisdictions. In many areas, economic crimes related to counterfeiting and smuggling have traditionally received lower priority. Through sustained engagement, sensitisation programs, and capacity-building initiatives, organisations like FICCI CASCADE help elevate the importance of combating illicit trade within local law enforcement.

Strengthening awareness among frontline police officers ensures that economic offences are recognised not as minor regulatory violations but as serious crimes with implications for public health, revenue integrity, and national security. By enhancing digitalisation, harnessing AI for predictive enforcement, adopting balanced tax policies, and fostering deeper collaboration between central agencies and local police, a more robust and coordinated national response to illicit trade can be achieved.

PLENARY SESSION 4: INTERACTIVE SESSION



Mr. Hem Kumar Pande

Former Secretary, Ministry of Consumer Affairs, Food and Public Distribution, Government of India and Think Tank Member, FICCI CASCADE

The definition of "illicit" is not uniform across the country, particularly in regions where consumers have limited access to legitimate products. In many Tier 3 cities and rural areas, purchasing choices are shaped more by availability than legality. This reflects deeper structural challenges: when formal businesses face high entry barriers, informal and illicit alternatives fill the gaps. Creating a more business-friendly environment through simplified compliance for the initial years of operation, periodic digital reporting, and proportionate penalties for violations can encourage formalisation and reduce incentives for illicit activity.

Strengthening consumer protection is equally critical. The Consumer Protection Act of 2019, with its strong emphasis on product liability, marks a significant shift toward placing

responsibility on manufacturers, sellers, and online platforms to ensure product authenticity and safety. This transition from caveat emptor to caveat venditor is essential in a market where awareness levels vary widely and counterfeit goods remain prevalent. Ensuring that consumers have access to accurate product information, transparent pricing, and safe choices is an important step in weakening the demand for illicit goods.

Consumer rights form the backbone of a fair and functional marketplace. Access to information, the right to be heard, and the right to fair pricing remain uneven across regions. Violations such as charging above the Maximum Retail Price continue to affect consumers, especially in underserved markets. Expecting consumers alone to identify illegal or unsafe products is unrealistic, particularly when illicit networks innovate rapidly to evade detection. A wider and rationally structured tax base, combined with stronger compliance by producers and sellers, can reduce these vulnerabilities and support a more transparent market.

Equally important is the consumer's right to effective grievance redressal. The three-tier redressal mechanism was originally designed to offer quick and accessible justice within 90 days. However, delays, backlogs, and non-functional commissions undermine its effectiveness. A system that cannot resolve complaints promptly erodes consumer confidence and weakens the legitimacy of the broader regulatory framework. Ensuring efficient redressal is therefore fundamental to maintaining trust, particularly when consumers are expected to comply with taxation and other obligations.

A resilient strategy to counter illicit trade must integrate all these dimensions lowering barriers to legitimate business, strengthening product liability, safeguarding consumer rights, and revitalising the grievance redressal system. A holistic approach that reinforces legal structures, expands consumer access to reliable products and information, and ensures swift remedies for grievances can significantly reduce the space in which illicit trade operates.







PLENARY SESSION 5

PANEL DISCUSSION

Disrupting Organized Crime: Enforcement
Strategies for a Borderless Threat

PLENARY SESSION 5 : PANEL DISCUSSION



Mr. Rahul Navin

Director of Enforcement,
Directorate of Enforcement

Organised crime, fuelled by the vast profits generated through illicit trade, has evolved into a borderless, adaptive, and deeply corrosive threat to national economies and global security. International assessments estimate illicit financial flows to run into trillions of dollars annually, rivalling the GDPs of major economies. These flows not only erode public finances but also sustain criminal networks that undermine governance, economic stability, and social order.

The role of specialised financial enforcement agencies has become critical in this context. While investigative bodies focus on detecting and prosecuting predicate offences such as fraud, corruption, drug trafficking, and cybercrime, anti-money laundering authorities concentrate on tracing, attaching, and confiscating the proceeds of crime. By dismantling the financial architecture that sustains organised crime, these agencies aim to ensure that illicit activity does not yield economic gain.

Globally, the anti-money laundering framework has expanded significantly since the establishment of the Financial Action Task Force (FATF) in 1987. What began as a response to drug-related money laundering now encompasses terrorism financing, tax evasion, cyber-enabled fraud, and complex transnational financial crimes. While legal approaches vary across jurisdictions, with some adopting broad definitions of predicate

offences and others relying on detailed schedules the underlying objective remains consistent: to disrupt organised crime by targeting illicit financial flows.

A risk-based enforcement approach prioritises cases involving large-scale proceeds and significant public harm. Financial fraud continues to dominate the typology of money laundering cases, including bank frauds, corporate scams, and corruption-related offences. Asset attachment and restitution mechanisms have increasingly demonstrated deterrent impact, contributing to a decline in new large-scale fraud cases. Public-impact scams, particularly those affecting vulnerable groups such as homebuyers, receive focused attention to ensure both financial recovery and accountability.

Cyber-enabled fraud has emerged as a rapidly growing frontier. The expansion of digital payments, online platforms, and virtual assets has created new vulnerabilities exploited by criminal networks. Investigations increasingly involve cryptocurrency-based scams, online investment frauds, phishing operations, and organised cybercrime syndicates. Enforcement responses are adapting through specialised teams, digital forensics, and the identification and confiscation of virtual assets linked to illicit activity.

Despite heightened awareness of financial fraud and cybercrime, counterfeiting and smuggling continue to be underestimated in public perception. These offences often attract fewer formal complaints and limited social stigma, even though counterfeit and smuggled goods are widely available. The relatively small value of individual transactions obscures the cumulative scale of harm, allowing organised networks to operate with reduced scrutiny.

In reality, counterfeiting and smuggling pose serious economic and security risks. They are typically controlled by transnational syndicates, with fragmented local operators managing production, logistics, and distribution. These activities exploit porous borders,

regulatory gaps, and trade facilitation mechanisms, resulting in revenue loss, market distortion, and harm to legitimate businesses. When organised networks are detected, financial investigations play a decisive role in dismantling their funding structures.

Case-based evidence demonstrates the close linkage between illicit trade and money laundering. Investigations have uncovered complex schemes involving fake invoicing, shell companies, trade mis-invoicing, hawala transactions, cryptocurrency usage, and cross-border remittances designed to legitimise large volumes of criminal proceeds. Such cases illustrate how illicit trade can distort markets and enable the large-scale movement of unaccounted wealth across jurisdictions.

Strengthening supply chains, enhancing transparency in trade and taxation, and closing regulatory and digital gaps are essential to reducing the space in which illicit trade operates. Addressing these challenges is not solely an enforcement exercise but a broader effort to protect economic integrity, promote fair competition, and reinforce trust in financial systems. A sustained, coordinated approach aligned with global standards and supported by inter-agency and international cooperation remains central to safeguarding economic security against organised crime.



PLENARY SESSION 5 : PANEL DISCUSSION



Mr. Ashish R. Pareek

News Anchor, Principal Correspondent and Content Strategist, Times Network

Smuggling and counterfeiting are not merely economic offences; they pose serious threats to national security, government revenue, public health, and public safety. Illicit trade fuels organised crime, disrupts legitimate supply chains, and weakens state institutions. Reframing public perception is essential to build stronger societal resistance and to shape policies that reflect the true scale and gravity of the threat.

A key theme of the discussion was technology-enabled enforcement. Agencies such as the Enforcement Directorate and the Central Bureau of Investigation highlighted the increasing use of artificial intelligence, data analytics, and advanced digital tools to accelerate investigations and trace financial flows. The Enforcement Directorate is deploying sophisticated software for real-time



analysis, risk profiling, and criminal network mapping, while the CBI underlined the need for continuous technological modernisation to keep pace with rapidly evolving criminal methods.

Collaboration emerged as another critical pillar. A "360-degree watchtower" approach is important for seamless coordination among enforcement agencies through intelligence sharing and joint operations. International cooperation is equally vital to close legal and jurisdictional gaps exploited by transnational crime networks. Counterfeiting and smuggling are not victimless crimes; their proceeds often finance broader criminal enterprises, fuelling corruption and instability. Effective

enforcement must therefore go beyond seizures to dismantle the financial structures sustaining these networks.

Illicit trade is a borderless challenge that demands a multi-dimensional response. Advanced technology, stronger legal alignment, public-private collaboration, consumer awareness, and sustained international cooperation are all indispensable. Platforms such as FICCI CASCADE play an important role in bridging policy, enforcement, and public engagement. Only through a unified, multi-stakeholder approach can illicit trade be curbed, national security safeguarded, and an ecosystem created in which legitimate businesses can thrive.



PLENARY SESSION 5: PANEL DISCUSSION



Mr. Manoj Sashidhar

Special Director,
Central Bureau of
Investigation

Illicit trade is often trivialised as a minor economic or regulatory concern. In reality, it is one of the most powerful enablers of organised crime and an under-recognised threat to internal security. Activities that begin as small-scale illegal operations can rapidly escalate into extortion, arms trafficking, and direct challenges to state authority. From a national security perspective, episodic enforcement is insufficient. What is required is a systemic strategy that dismantles the entire enabling ecosystem in which illicit trade and smuggling play a central role.

Illicit trade is not a single, uniform activity. It spans intellectual property violations, large-scale tax evasion, revenue losses to the state, distortion of legitimate markets, and serious risks to consumer safety. From an enforcement standpoint, a distinction must be made between domestic offences and those with a transnational footprint. The latter present heightened complexity, as production, financing, logistics, and distribution frequently extend across multiple jurisdictions.

India's engagement with transnational crime is supported by robust international law-enforcement cooperation mechanisms. As the National Central Bureau for Interpol, Indian authorities are integrated into a global network spanning nearly 200 countries, enabling

continuous intelligence exchange, secure communication, and rapid coordination in cross-border investigations. Such mechanisms are critical in responding to the increasingly international nature of illicit trade networks.

A significant shift is underway in enforcement capability, driven by a whole-of-government approach that is now moving from concept to implementation. The focus has shifted from creating new institutions to ensuring that existing systems are effectively interconnected. Large-scale investments in digitisation have resulted in extensive databases that can increasingly interact through interoperable platforms and APIs. Initiatives such as NATGRID and the Inter-operable Criminal Justice System have laid the groundwork for real-time information sharing across enforcement, intelligence, and judicial agencies.

This digital infrastructure enables the next phase of enforcement with advanced analytics, machine learning, and predictive artificial intelligence. However, deploying these tools requires careful balancing of competing priorities, including individual liberties, ease of doing business, and security imperatives. Risk-based, intelligence-led approaches are essential to ensure targeted interventions without unnecessary disruption to legitimate trade.

Enforcement effectiveness cannot be assessed solely by seizures at the retail or last-mile level. Seizures are only an entry point. Sustainable impact depends on tracing criminal activity upstream to financiers, producers, logistics operators, and protection networks. A bottom-to-top investigative approach that maps the full architecture of criminal enterprises is necessary to dismantle networks rather than merely displace them.

Institutional adaptability has been critical in responding to evolving threats, ranging from corruption and economic offences to terrorism, cybercrime, and large-scale financial fraud. This capacity for reinvention is essential



as illicit trade increasingly intersects with organised crime, digital platforms, and national security concerns.

At the same time, no single agency can address the illicit trade ecosystem in isolation. Effective responses require collaboration among enforcement agencies, industry stakeholders, and consumers, each of whom holds partial visibility of the problem. Integrated platforms that enable intelligence sharing, policy alignment, and joint action are therefore indispensable.

From an enforcement perspective, the guiding principle should be enhanced traceability with minimal regulatory friction. Systems must be designed so that routine transactions generate reliable audit trails without imposing excessive compliance burdens. Well-architected economic and digital systems can both deter criminal activity and provide investigators with critical leads to trace illicit networks upstream.

If enforcement remains focused only on surface-level offences, illicit trade will persist and re-emerge in new forms and locations. Preventing this requires a combination of structural reforms that close systemic gaps and a robust enforcement framework capable of identifying and dismantling entire criminal networks. Only such a comprehensive approach can deliver lasting impact against the evolving threat of illicit trade.

PLENARY SESSION 5: PANEL DISCUSSION



Mr. Ajai Sahni

Executive Director,
Institute for Conflict
Management, Delhi

The convergence of organised crime and terrorism poses a serious and evolving threat to national and international security. Criminal syndicates that originate as profit-driven smuggling and extortion networks can, under certain conditions, transform into enablers of large-scale terrorist violence. Such trajectories demonstrate how illicit economic activity can escalate into direct acts of terrorism and subsequently embed itself within transnational extremist ecosystems.



Contrary to the conventional assumption that organised crime and terrorism operate in separate spheres, evidence shows that points of convergence emerge when criminal networks gain protection, safe havens, or ideological alignment. While organised crime is typically profit-oriented and seeks collusion rather than confrontation with the state, these boundaries blur when illicit enterprises intersect with geopolitical conflicts, weak governance, or state sponsorship. In such environments, criminal networks may facilitate or directly support terrorist groups, despite the increased enforcement attention such associations attract.

Smuggling and counterfeiting play a central role in this convergence. Illicit trade provides steady, high-volume, and difficult-to-trace revenue streams that can finance terrorist operations, including arms procurement, recruitment, and logistics. Counterfeit pharmaceuticals, electronics, tobacco products, and luxury goods circulate through the same transnational routes used for weapons, narcotics, and human trafficking.

These shadow supply chains undermine legitimate markets, erode government revenues, and create parallel economies that are resilient to traditional enforcement methods.

The nexus between organised crime, terrorism, and illicit trade highlights the need for an integrated response. Addressing these threats in isolation is ineffective. Enforcement strategies must focus on dismantling financial flows, disrupting supply chains, and targeting the enabling ecosystems that sustain both criminal and terrorist networks. Strengthened cross-border intelligence sharing, enhanced regulatory oversight, and the use of advanced technologies to monitor smuggling and counterfeiting are critical. Equally important is sustained international cooperation to deny safe havens and dismantle transnational support structures.

A comprehensive, coordinated, and multi-dimensional approach is essential to counter this convergence and to protect economic stability, public safety, and national security.

PLENARY SESSION 5: PANEL DISCUSSION



Mr. Anuj Bedi

Senior Counsel - Brand Protection, Puma Sports India Pvt. Ltd

Counterfeiting continues to pose a pervasive and multifaceted challenge for global brands, manifesting across both offline and online markets. While traditional, brick-and-mortar counterfeiting has become relatively more manageable over time through sustained enforcement and market familiarity, the digital marketplace presents a significantly more complex and rapidly evolving threat. Online platforms enable counterfeiters to operate with anonymity, scale, and cross-border reach, making detection and enforcement considerably more difficult.



A critical dimension of this challenge lies on the demand side. Evidence suggests that a substantial proportion of consumers, particularly in the apparel segment, knowingly purchase counterfeit products. This reflects a broader lack of awareness regarding the consequences of such behaviour. Consumer education therefore emerges as a key priority, especially among younger demographics, to reinforce the understanding that counterfeit purchases directly support illicit trade, organised crime, and wider societal harm.

Technology has become a central pillar in addressing online counterfeiting. Artificial intelligence-based monitoring tools are increasingly being deployed to scan digital marketplaces, identify suspect listings, and distinguish genuine products from counterfeits. These systems rely on extensive data

training and continuous feedback, initially requiring significant manual verification to refine accuracy. Over time, however, such AI-driven solutions have demonstrated strong capability in independently detecting counterfeit listings, significantly reducing manual effort and enabling faster, more scalable enforcement action.

The experience underscores that counterfeiting, particularly in the online environment, cannot be addressed through enforcement alone. A dual strategy is required: disrupting supply through technology-enabled monitoring and takedowns, while simultaneously reducing demand through sustained consumer awareness and education. Together, these approaches offer a more effective and resilient response to an evolving and persistent illicit threat.







PLENARY SESSION 6

PANEL DISCUSSION

Resilience in Action: Industry-Led
Solutions to Counter Smuggling
and Counterfeiting

PLENARY SESSION 6: PANEL DISCUSSION



Mr. Ravi Kapoor

Former Secretary, Ministry of Textiles & CEO, Sansad TV and Think Tank Member, FICCI CASCADE

Illicit trade poses a challenge of a scale that is often underestimated. Globally, it accounts for approximately 2.3% of total trade, a figure that is nearly equivalent to India's share in global trade at around 2.4%. In effect, the value of illicit and counterfeit goods circulating worldwide is comparable to the total exports of a country of India's size and economic significance. Understanding this scale is essential to framing an effective response.

A critical distinction must be made between smuggling and counterfeiting, as each presents different risks and demands different policy and enforcement responses. Smuggling largely involves high-value goods such as gold, cigarettes, electronics, select textiles, and narcotics, and is primarily an enforcement challenge driven by misdeclaration, under-invoicing, and border vulnerabilities. Counterfeiting, however, represents a far deeper structural problem for industry and the economy. It is widespread across pharmaceuticals, agrochemicals, textiles, apparel, FMCG, and consumer goods. Estimates suggest that nearly 31% of textile and apparel products in India are counterfeit, and overall, the counterfeit economy may be worth close to USD 1 trillion-nearly 25% of India's GDP.



This shadow economy has far-reaching implications. While awareness of counterfeit goods is relatively high among consumers, public attitudes remain largely indifferent, allowing illicit markets to flourish. If even a portion of this parallel economy were brought into the formal system, the resulting gains in tax revenue could significantly strengthen public infrastructure and social services. Yet, despite its size and its links to organised crime, this segment of the economy does not receive commensurate attention at the highest levels of policy discourse.

Counterfeiting affects virtually every major industry, often accounting for as much as 30% of products in certain sectors. In contrast, smuggling has a more limited industrial impact, with notable exceptions such as tobacco. The persistence of counterfeiting is compounded by inconsistent enforcement and low prioritisation of economic crimes. In many regions, the locations of counterfeit manufacturing and distribution are widely known, yet enforcement outcomes remain limited. Industry-led actions, including private investigations and raids, have helped raise awareness but have not been sufficient to dismantle entrenched networks. This points to the need for systemic solutions rather than isolated interventions.

An especially concerning development is the proliferation of counterfeit agrochemicals. Estimates indicate that up to 40% of fertilisers in circulation may be counterfeit or smuggled. These substances enter the food chain, posing serious risks to public health and potentially contributing to low agricultural productivity. The use of counterfeit pesticides and fertilisers

has also been linked, in some studies, to longer-term health outcomes, underscoring the broader societal costs of illicit trade beyond immediate economic losses.

Addressing a challenge of this magnitude requires a coordinated, strategic response. Several priority actions emerge clearly. First, the designation of a single nodal ministry or authority, potentially the Department for Promotion of Industry and Internal Trade, could bring coherence to policy, intelligence, and enforcement efforts. Such a mechanism would enable the creation of a central information repository and facilitate coordinated action across agencies. Second, the scale of illicit trade warrants consideration of a comprehensive, overarching legal framework, as the current fragmented laws are insufficient to address an issue affecting a quarter of the economy. Third, penalty structures must be strengthened substantially. High financial incentives coupled with weak deterrence have allowed counterfeiting to thrive, and punitive measures must be proportionate to the economic and social harm caused. Fourth, existing systems such as GS1 and barcode-based track-and-trace mechanisms need to be leveraged more effectively to improve supply chain transparency and product authentication.

Taken together, these measures point to the need for stronger institutional ownership, sharper legal tools, meaningful deterrence, and better use of existing technologies. Without elevating illicit trade to a national priority, the risks to industry competitiveness, public health, and economic integrity will continue to grow.

PLENARY SESSION 6: PANEL DISCUSSION



Mr. Devraj Lahiri

Divisional Chief Executive
ITD, ITC Ltd.

Illicit trade in tobacco presents a distinct and complex challenge within the Indian context due to the unique structure of the domestic tobacco market. Legal cigarettes account for only around 10 percent of total tobacco consumption, while the remaining 90 percent consists of bidis and smokeless tobacco products. Despite this limited share, the legal cigarette segment contributes nearly 80 percent of total government revenue from tobacco, reflecting a disproportionately high tax burden. Other forms of tobacco remain either significantly undertaxed or are subject to widespread tax evasion, resulting in a highly uneven competitive landscape.

Key Drivers and Impact of Illicit Trade..

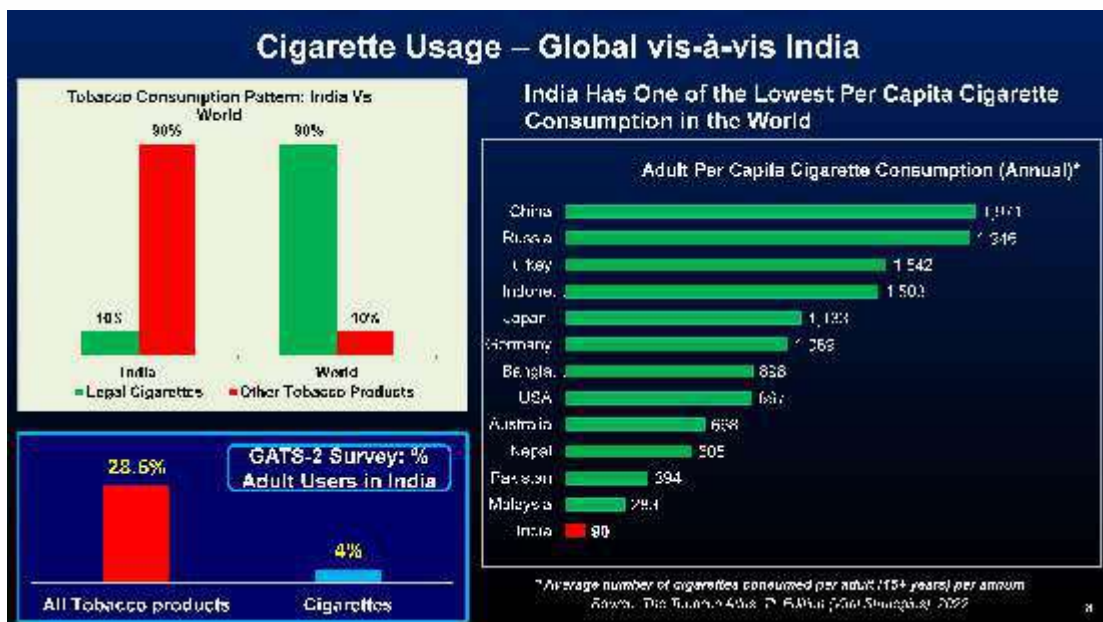


The steep and repeated increases in cigarette taxation between 2012 and 2017 had unintended consequences. As taxes rose sharply, the illicit cigarette market expanded rapidly and now accounts for roughly 25 percent of total cigarette consumption, making it nearly one third the size of the legal market. This has led to substantial revenue losses for the government, estimated at approximately Rs 21,000 crore annually. When viewed alongside broader discussions on the scale of illicit trade, this distortion within a single sector highlights the seriousness of policy induced market imbalances.

The impact of illicit cigarette trade extends

well beyond revenue loss. It weakens economic sovereignty and fuels parallel criminal networks with transnational linkages. Smuggled cigarettes often originate from regions such as Southeast Asia and the Middle East and enter India through porous land and maritime routes. Many of these products bypass statutory requirements, including mandatory health warnings, which may mislead consumers into perceiving them as less harmful. These factors collectively intensify public health risks while strengthening organised criminal ecosystems.

Enforcement agencies have increased efforts in recent years, particularly at ports and land



borders, leading to higher seizures. Collaboration between industry and enforcement bodies has yielded encouraging operational outcomes, yet the scale of the challenge remains significant. Cigarettes continue to be highly attractive to smugglers due to large price differentials between legal and illicit products. India's high affordability adjusted pricing further amplifies arbitrage opportunities, making illicit trade economically lucrative. The financial and logistical backends of these networks raise serious concerns, including potential links to wider security threats and the emergence of new smuggling corridors in the region.

Addressing this issue requires a comprehensive and coordinated strategy. Rationalisation of taxation is a critical component, as moderating the tax incidence on legal cigarettes would reduce price gaps and weaken incentives for smuggling. Strong and consistent enforcement must continue, supported by intelligence led operations and closer coordination across agencies. Ground level engagement with retailers, combined with local enforcement outreach, remains essential to disrupt distribution networks. Encouragingly, while the illicit market remains sizeable, its growth appears to have stabilised in recent years, indicating that sustained interventions can yield results.

Corporate Strategies To Reduce Illicit Trade

<p>Marketing Campaigns for awareness</p>	<p>Ex: Retailer Awareness Drive</p> <ul style="list-style-type: none"> • The sole objective of educating retailers should be about the legal consequences of selling illegal cigarettes. • Press clippings highlighting actions taken against such retailers need to be shared. • This activity also needs to be carried out in wholesale outlets to ensure maximum reach and awareness.
<p>Supply Chain Management</p>	<ul style="list-style-type: none"> • There are multiple potential points like ports, dry ports, land-borders, air cargo etc. for entry of smuggled/Counterfeit products and/or parts in the Supply Chain. • Rigorous monitoring of each level in the chain can check entry of illicit goods.



Looking ahead, long term success will depend on deeper collaboration between government authorities, industry, trade bodies and enforcement agencies. Technology must be leveraged more effectively, particularly in tracking containerised shipments and monitoring supply chains. Following financial trails, including those involving digital and opaque payment mechanisms, can significantly disrupt illicit operations. Equally important is continuous sensitisation of enforcement agencies to the broader economic and national security implications of illicit trade. A sustained policy dialogue, supported by rational taxation and coordinated enforcement, will be central to curbing the illicit cigarette market and protecting legitimate economic activity.

PLENARY SESSION 6 : PANEL DISCUSSION



India's agricultural sector is facing a crisis of unprecedented scale, with an estimated opportunity loss of nearly USD 1 trillion. This figure underscores the vast untapped potential of Indian agriculture. A comparative assessment with China highlights the depth of the challenge. Despite having approximately 30 percent more arable land and receiving nearly 67 percent higher rainfall, India's agricultural GDP remains only about one third of China's. This disparity is not a reflection of farmer effort, but rather of systemic constraints, particularly the quality, availability and integrity of agricultural inputs.

One of the key indicators of this imbalance is the stark difference in the use of critical agri inputs. Pesticide consumption in India stands at around 240 grams per hectare, compared to approximately 1.83 kilograms per hectare in China, with a similar gap observed in fertiliser usage. These differences translate directly into lower productivity and reduced per hectare farm incomes. Bridging this gap has the potential to significantly improve agricultural output and contribute meaningfully to national economic growth.

Dr. R.G. Agarwal

Chairman Emeritus,
Dhanuka Agritech Limited



The situation is further aggravated by the widespread presence of smuggled and counterfeit agri inputs, which are estimated to constitute nearly 40 percent of the legitimate market. This phenomenon is closely linked to a highly regulated regime under the Insecticide Act of 1968 and the Insecticide Rules of 1971, where enforcement has been uneven and, in some instances, compromised. Evidence of biased quality control practices has emerged through official disclosures, revealing disproportionate sampling of a limited number of compliant companies, while several others remain largely uninspected. Such selective enforcement undermines the intent of the law and allows substandard and illegal products to proliferate.

The consequences for farmers are severe. Repeated feedback from the farming community has highlighted three persistent challenges: limited access to new technology, inconsistent implementation of Minimum Support Price mechanisms, and most critically, the lack of availability of quality agri inputs. The use of duplicate seeds and ineffective or spurious pesticides often results in complete crop failure, leading to significant financial distress and social hardship. The diversion of subsidised urea for industrial use

and its smuggling into neighbouring countries further compounds the problem, resulting in substantial losses to both farmers and the exchequer.

Smuggling and counterfeiting of agrochemicals have evolved into an organised and highly profitable activity. High value products are routinely misdeclared at a fraction of their actual worth, creating a parallel supply chain that evades regulatory scrutiny. Investigations have revealed the presence of unregistered and hazardous chemicals in products sold as bio solutions, posing serious risks to food safety and public health. In cases of exposure to such substances, the absence of recognised antidotes increases the risk of fatal outcomes.

Awareness initiatives aimed at educating farmers on the importance of purchasing authenticated inputs against proper invoices and verifying products through QR codes have shown promise. Government efforts to scale up such awareness campaigns through national farmer databases are a positive development. However, the persistence of counterfeit networks, supported by financial incentives and weak enforcement, continues to undermine these efforts.

Government Interventions

From surprise raids to stronger enforcement

INDIA TODAY



Under the leadership of Shri Kirodi Lal Meena Ji

- Conducted surprise raids in 40 warehouses & factories across Rajasthan and sealed them
- 200 trucks were caught dispatching raw materials of fake fertilisers like marble/ dust and soil.
- SIT has been created for investigation

Raids all over the country...

Hindi News | Uttar Pradesh | Hapur News | Fake Fertiliser | Lakh | 22 Districts Of Pradesh | India

Hapur News: पश्चिमांचल के 22 जिलों से जुड़ा है नकली उर्वरक, कीटनाशक सप्लाई का तार, एक लाख पैकेट मिले

AND MANY MORE..

Addressing this crisis requires a coordinated, multi dimensional response. Strengthening supply chain traceability through digital tools such as QR codes and blockchain based systems is essential, building on existing platforms for seed monitoring and extending them to all agri inputs. Enforcement agencies must invoke the full spectrum of applicable laws, including provisions related to smuggling, counterfeiting, tax evasion and organised crime, rather than relying solely on intellectual property statutes. At the same time, rationalisation of the tax structure for agri inputs is critical. High GST rates, combined with customs duties and income tax

obligations for compliant businesses, create distortions that disadvantage legitimate manufacturers while enabling illegal operators.

Unless these structural issues are addressed with urgency and coordination across ministries, enforcement agencies and industry stakeholders, India risks further erosion of agricultural productivity, farmer livelihoods and food safety. Tackling illicit trade in agri inputs is therefore central to strengthening the agricultural economy and advancing the broader vision of a developed and resilient India.



PLENARY SESSION 6: PANEL DISCUSSION



Mr. Saif Jamali

General Manager, Legal
and Brand Protection,
Hindustan Unilever Limited

Counterfeiting has emerged as a pervasive and rapidly evolving threat to the Fast-Moving Consumer Goods (FMCG) sector. Given the extensive reach of leading FMCG brands across Indian households, the sector has become a prime target for counterfeiters. What was once largely an urban phenomenon has now penetrated deeply into rural markets, leading to a situation where legitimate FMCG supply chains are increasingly infiltrated by fake products. Counterfeiting has effectively transformed FMCG markets into fast-moving counterfeited goods markets, driven by the ease with which products can be imitated using increasingly sophisticated technologies and processes.

The challenge must be examined from both demand and supply perspectives. On the demand side, price sensitivity plays a role, but a more serious concern is consumer unawareness. In many cases, buyers are unable to distinguish between genuine and counterfeit products due to near-identical packaging and branding. A particularly worrying trend is the growing consumption of counterfeit goods among younger consumers. Individuals below the age of 30, especially Gen Z, are emerging as a key driver of demand, making this demographic a primary target for counterfeit networks.

The global dimension of counterfeiting further complicates enforcement. Fragmented regulatory and enforcement mechanisms across jurisdictions limit the effectiveness of action against transnational



counterfeit operations. While discussions around establishing international institutional frameworks are underway, progress remains slow. At the national level, the absence of a designated nodal or federal agency to address counterfeiting continues to be a critical gap. The landscape has also shifted dramatically towards digital channels. Whereas online counterfeiting was marginal prior to the pandemic, it now accounts for an estimated 70 percent of counterfeit product circulation, mirroring the broader digitisation of the economy. Despite ongoing cooperation with e-commerce platforms, counterfeiters have adapted quickly to evade platform-level safeguards.

Several troubling patterns have emerged in the online ecosystem. Sellers increasingly avoid brand identification in images to bypass automated detection systems and frequently reappear across platforms under new identities after takedowns. This highlights the urgent need for stronger and standardised seller KYC norms across platforms. Counterfeiting activity is also spreading beyond major cities into Tier II and Tier III locations, where enforcement capacity is often weaker. In addition, the involvement of social media influencers in promoting imitation or "dupe" products has further normalised counterfeit consumption and eroded consumer trust.

In offline markets, counterfeiting has reached unprecedented levels. Enforcement actions across the country have increased substantially, placing significant strain on brand

protection and regulatory mechanisms. A particularly serious concern is the infiltration of counterfeit products into legitimate distribution channels, where original and fake goods are mixed to improve margins. This practice makes detection extremely difficult and undermines the integrity of formal supply chains. The fragmented nature of the broader ecosystem, including logistics providers and courier services, further complicates coordinated enforcement.

Jurisdictional challenges add another layer of complexity, with counterfeit products originating both domestically and from overseas sources. Imported fakes, particularly from parts of East Asia and the Middle East, continue to enter through porous borders. In response, greater engagement with customs and border enforcement authorities in source countries has become increasingly important. Digital brand protection efforts have expanded significantly, involving round-the-clock monitoring of hundreds of online platforms, resulting in large-scale takedowns of listings and sellers. However, the scale and adaptability of counterfeit networks continue to outpace existing interventions.

Technology is increasingly being leveraged as a critical enabler in countering this threat. Advanced analytics, artificial intelligence and machine learning tools are being used to identify patterns, predict high-risk locations and prioritise enforcement action. Product-level innovations, including QR codes, blockchain-enabled traceability and cryptographic authentication features, are being

deployed to empower consumers to verify product authenticity. There is also a strong case for creating a neutral, shared intelligence repository of repeat offenders, accessible to enforcement agencies and industry stakeholders, to enable more targeted disruption of counterfeit networks.

Several systemic reforms are required to strengthen enforcement outcomes. Limitations within the existing legal framework, particularly under the Trademarks Act, restrict swift police action and delay on-ground enforcement. Enabling immediate action based on trademark registration, similar to provisions under copyright law, would significantly enhance deterrence. The establishment of a dedicated federal agency to address counterfeiting, along with consolidation of relevant provisions across multiple statutes into a unified anti-counterfeiting framework, would further improve coordination and effectiveness. Stronger and more stringent penalties are essential to counter the high profitability of counterfeit operations.



Mandatory adoption of QR codes on all domestically manufactured products could serve as a simple yet powerful consumer-facing tool, especially given widespread smartphone usage. Online platforms must also be held accountable, with clear liability for hosting counterfeit sellers and stronger traceability of seller identities. Finally, a large-scale, professionally executed consumer awareness campaign is required to complement enforcement efforts. Building on existing initiatives, such a campaign could help shift consumer attitudes and foster a culture of zero tolerance towards counterfeit goods.





INTERACTIVE SESSION

**Judicial Power & Policy:
Strengthening Legal Frameworks
to Combat Illicit Trade**

INTERACTIVE SESSION



Illicit trade, encompassing counterfeiting, smuggling, and tax evasion, poses a serious and growing challenge to legal frameworks, economic stability, and public safety worldwide. Counterfeiting continues to thrive due to strong consumer demand driven by social perceptions, price differentials, delayed enforcement, and the ease of access created by e-commerce. The proliferation of small, low-value consignments and the exploitation of free trade zones have further complicated detection and enforcement. Counterfeit and smuggled networks have demonstrated high adaptability, frequently shifting production and distribution to jurisdictions with weaker regulatory oversight.

At the international level, frameworks such as the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement and conventions under the World Intellectual Property Organization provide a foundation for coordinated action against counterfeiting. Operations such as PANGAEA, which targets counterfeit medicines sold online, and OPSON, which focuses on fake food and beverages, have yielded significant results. Since 2008, Operation PANGAEA has led to the seizure of over 105 million units of counterfeit goods and more than 3,500 arrests. In 2019 alone, Operation OPSON resulted in seizures worth USD 130 million, reflecting the gravity of the situation. In India, the Directorate of Revenue Intelligence reported seizures worth Rs. 3,500 crores in the financial year 2023-24.

Hon'ble Mr. Justice Manmohan Sarin

Former Lokayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi and Think Tank Member, FICCI CASCADE

primarily focusing on narcotics, gold, and cigarettes.

The impact of illicit trade is wide-ranging. Counterfeit products, particularly medicines, cosmetics, and food items, pose serious risks to public health and safety. Beyond direct consumer harm, illicit trade undermines legitimate businesses, erodes brand equity, distorts markets, and fuels organised crime and other serious offences. The global trade in counterfeit and pirated goods was estimated at USD 467 billion in 2021, accounting for 2.3% of global imports. The expanding role of digital platforms and inadequate regulatory monitoring have further intensified these risks, making illicit trade a critical economic and governance challenge.

Effective adjudication and enforcement form the final pillar of the response. While discussions on comprehensive legislation continue, immediate emphasis must be placed on strengthening and effectively applying existing laws. Enforcement challenges arise from procedural delays, the limited deterrent effect of penalties, and tensions between the principle of personal liberty and the need for strong action against economic offenders.

Laws such as the Prevention of Money Laundering Act provide important tools for attaching and confiscating the proceeds of crime, but their application requires careful judicial scrutiny.

A key concern relates to the protection of bona fide third parties who may unknowingly acquire assets linked to illicit proceeds. Judicial oversight is essential to ensure that enforcement actions are proportionate, evidence-based, and do not infringe upon the rights of innocent parties. Similarly, in intellectual property matters, interim remedies such as ex-parte injunctions must be granted with due caution to prevent misuse while remaining effective against genuine counterfeiting operations.

Overall, addressing illicit trade demands a balanced, multi-dimensional approach combining legislative refinement, effective enforcement, judicial prudence, international cooperation, and consumer awareness. A robust and accessible justice system, capable of addressing complex economic offences while safeguarding fundamental rights, is central to creating a fair, secure, and resilient economic environment.



INTERACTIVE SESSION



Hon'ble Mr. Justice Manmohan Singh

Former Judge,
High Court of Delhi

The existing legal framework in India comprising legislations such as the Trademarks Act, the Patent Act, the Copyright Act, and the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act (SAFEMA) was highlighted as being fundamentally robust and adequate to address the challenges of counterfeiting and smuggling. These laws have been harmonised with India's obligations under the TRIPS Agreement and operate as special statutes, thereby prevailing over general laws in the event of any conflict. A comprehensive range of legal remedies is already available, including injunctions, appointment of local commissioners and receivers, attachment of property, and the imposition of costs and damages.

The key concern, however, lies not in the absence of legal provisions but in their effective application and enforcement. It was emphasised that judges presiding over commercial courts must adopt a commercial and pragmatic mindset, focusing on the substantive issue such as whether counterfeiting or smuggling has occurred, rather than being overly constrained by procedural technicalities. Judicial hesitation, particularly in granting timely ex-parte injunctions, can seriously undermine enforcement efforts, as infringers often exploit delays to prolong proceedings and move cases into protracted stages of evidence.

Recent procedural developments, such as Order XV Rule 1 of the Code of Civil Procedure, were noted as significant enablers, allowing courts to grant permanent injunctions and award damages without a full trial where no triable issues exist. While intellectual property litigation remains largely concentrated in metropolitan High Courts, the establishment of dedicated IP divisions in cities such as

Mumbai, Chennai, Kolkata, and Ahmedabad has ensured the availability of experienced judges to handle such matters. Avoiding unnecessary recording of evidence in straightforward cases was underscored as critical to ensuring timely justice.

In counterfeiting matters, delays in appointing local commissioners or granting interim relief were cited as factors that can render proceedings ineffective. Reference was made to earlier instances where reluctance to pass orders against foreign entities led to delays, including in cases involving software piracy, though such orders were later corrected on appeal. The combined application of SAFEMA and the Prevention of Money Laundering Act (PMLA) was described as providing strong enforcement mechanisms, enabling authorities to initiate investigations, attach properties, and effect arrests against those involved in smuggling and counterfeiting.

The discussion also highlighted the limitations of criminal provisions under certain intellectual property laws. Under the Trademarks Act, counterfeiting is a non-cognizable and bailable offence, with relatively modest penalties, whereas the Copyright Act treats infringement as a cognizable offence, permitting police action and search and seizure. The Patent and Design Acts do not provide for criminal remedies. In contrast, the stringent

provisions of the PMLA particularly those governing bail under Section 45 were identified as the real deterrent, making early-stage bail difficult and thereby strengthening enforcement outcomes.

A case study involving counterfeit medicines illustrated the severe public health risks posed by illicit trade. In this instance, counterfeit versions of a life-saving antibiotic were found to contain inert substances instead of active ingredients, resulting in multiple fatalities. Judicial intervention, supported by laboratory evidence and the seizure of counterfeit materials through a local commissioner, led to the award of substantial damages. The case demonstrated the increasing sophistication of counterfeit operations and their potentially fatal consequences.

In conclusion, it was noted that strengthening the fight against counterfeiting and smuggling requires not only effective use of existing laws but also judicial decisiveness, inter-agency coordination, and wider adoption of advanced enforcement tools. Supportive government policies, industry collaboration, incentives for technology adoption, and formal recognition of digital evidence can further enhance enforcement capabilities. When complemented by a proactive and commercially aware judiciary, these measures can significantly reinforce efforts to combat the growing threat of illicit trade.





Ms. Lakshmidevi Somanath

Partner, Litigation and Strategy, Anand and Anand

India currently relies on multiple statutes to address various dimensions of illicit trade, including the Trademarks Act, Customs Act, Drugs and Cosmetics Act, and the Copyright Act. However, the absence of a single, comprehensive legislation dedicated exclusively to counterfeiting remains a significant gap in the legal framework. This gap becomes more pronounced when compared with jurisdictions such as Ireland and the European Union, which have enacted specific anti-counterfeiting laws. While existing laws provide for imprisonment and monetary penalties, enforcement continues to be the primary challenge, particularly given the speed and sophistication with which illicit goods move across borders.

Judicial processes also present notable challenges. In several instances, courts have hesitated to grant ex-parte interim injunctions against known counterfeiters due to differing interpretations of judicial precedents. Such hesitation enables infringers to exploit procedural delays, often by simultaneously seeking anticipatory bail from higher courts. These situations underscore the need for consistent judicial application to ensure that counterfeiters do not benefit from fragmented interpretations of the law.

The effective use of available procedural remedies was emphasised as a critical enforcement tool. Provisions such as Order 39, Rule 2(2) of the Code of Civil Procedure empower courts not only to grant injunctions but also to direct defendants to furnish security and disclose assets and financial accounts. When applied strategically, these provisions can act as strong deterrents, particularly in cases where infringers attempt to minimise the scale of their illicit activities. Requiring security deposits linked to potential unlawful gains can provide both deterrence and partial restitution, even when the full extent of counterfeiting is not immediately established.

To reduce delays and strengthen enforcement outcomes, the establishment of specialised fast-track benches to deal exclusively with counterfeiting matters was identified as an important step. Such mechanisms would enable faster adjudication and ensure that cases are handled by judges with the necessary subject-matter expertise. Greater use of case-management provisions under the Civil Procedure Code, including early disclosure of documents, was also seen as essential for expediting proceedings. Strengthening the admissibility and use of digital forensics, including appropriate amendments under the Information Technology framework, was identified as another priority.

The role of technology in combating counterfeiting was also underscored. Artificial intelligence, blockchain-based traceability systems, and platform-level monitoring tools can significantly enhance detection and dispute resolution. Global e-commerce platforms have demonstrated the effectiveness of technology-driven interventions in curbing the sale of counterfeit goods, offering models that can be replicated more widely. Indian jurisprudence has also shown adaptability to the transnational nature of counterfeiting, including cases where injunctions were granted against the manufacture of counterfeit goods in India intended solely for export, recognising exports as "use" under trademark law.

Overall, while India's existing legal framework offers multiple tools to address counterfeiting, its effectiveness is constrained by enforcement gaps, procedural delays, and the absence of specialised mechanisms. Until a comprehensive anti-counterfeiting legislation is introduced, meaningful progress can be achieved through consistent judicial interpretation, strategic deployment of existing legal remedies, specialised adjudication, technological integration, and alignment with the realities of a globalised digital economy. These measures are essential to strengthen deterrence and protect consumers, legitimate businesses, and the broader economy from the growing threat of illicit trade.







VALEDICTORY
SESSION

VALEDICTORY SESSION



Mr. Mohan Kumar Singh

Member - Compliance
Management, Central Board
of Indirect Taxes & Customs

The serious threats posed by illicit trade are widely acknowledged. Illicit trade undermines economic stability, weakens border control and enforcement mechanisms, and creates vulnerabilities that can be exploited by hostile elements. Its implications extend to national security, as it provides funding channels for organised crime syndicates and terrorist networks. Factors such as porous borders, inadequate surveillance infrastructure, gaps in inter-agency coordination, and corruption create enabling conditions for illicit trade to flourish. In addition, high tax rates and complex regulatory frameworks can inadvertently push certain businesses and consumers towards illegal channels.

Addressing this multifaceted challenge requires dynamic, adaptable, and coordinated responses. A comprehensive approach must integrate enforcement, policy reform, technology, and stakeholder collaboration. From an enforcement perspective, several critical pillars emerge:

1. Information Sharing - Ensuring timely availability and accessibility of actionable intelligence across agencies, minimising siloed operations, and enabling seamless dissemination of information.
2. Tools and Technology - Deploying advanced surveillance systems, data analytics, and AI-driven risk profiling to detect and intercept illicit consignments before they enter domestic markets.

3. Coordination- Strengthening inter-agency cooperation, enhancing cross-border collaboration, and deepening engagement with international enforcement bodies.
4. Legal Framework and Asset Recovery - Establishing strong deterrent mechanisms, supported by financial investigations, attachment of assets, and disruption of criminal supply chains.

Periodic assessments such as the World Customs Organization's Illicit Trade Report and the Directorate of Revenue Intelligence's Smuggling in India Report provide valuable insights into emerging trends and evolving patterns of illicit trade. Key areas of concern include narcotics trafficking, smuggling of endangered flora and fauna, protection of cultural heritage, intellectual property rights violations, counterfeiting, money laundering, terror financing, and broader national security risks. Each of these domains presents distinct challenges, necessitating targeted and sector-specific enforcement strategies.

In India, enforcement agencies continue to play a central role in addressing illicit trade through coordinated action by Customs, GST field formations, and intelligence agencies such as the Directorate of Revenue Intelligence and the Directorate General of GST Intelligence. Customs functions as the first line of defence at national borders, utilising risk-based inspections, non-intrusive cargo screening, advanced data analytics, and AI-driven profiling to intercept illegal consignments. International cooperation is further strengthened through mutual assistance agreements with key trading partners, facilitating the tracking and disruption of transnational smuggling networks.

Beyond enforcement, policy interventions are critical in reducing the incentives that fuel

illicit trade. Simplified tax structures, streamlined compliance procedures, and rationalised tax rates encourage voluntary compliance and reduce opportunities for evasion. Recent reforms introduced by the GST Council including simplification of the GST regime, rationalisation of tax slabs, and procedural improvements such as faster registrations and refunds have contributed to improved compliance and a reduction in illicit market distortions.

The fight against smuggling and counterfeiting extends beyond enforcement imperatives; it is central to protecting consumers, preserving economic integrity, and safeguarding national security. A combination of strong policy reforms, advanced technological tools, and enhanced inter-agency and international cooperation is essential to build a resilient response to this challenge. Equally important is the active participation of industry, trade bodies, and civil society in promoting awareness, adopting compliance-oriented practices, and partnering with enforcement agencies. Such collaborative efforts are vital to creating a transparent, fair, and resilient ecosystem aligned with the vision of a Viksit Bharat.



VALEDICTORY SESSION



Hon'ble Mr. Justice Manmohan

Judge,
Supreme Court of India

Illicit trade represents a grave and escalating threat to both global and national economies, with its estimated annual value running into trillions of dollars worldwide. In India alone, the economic losses are estimated at several lakh crore rupees annually. Beyond revenue erosion, illicit trade results in large-scale job losses, stifles innovation, weakens legitimate businesses, and significantly strengthens organised criminal syndicates. Its impact is not confined to economics alone; it carries serious social and national security implications, underscoring the urgency of addressing its scale and complexity.

The risks posed by counterfeit products are immediate and tangible, particularly in relation to public health and safety. Counterfeit cigarettes, though often visually indistinguishable from genuine products, have been found to contain inferior materials, such as substandard adhesives, which can significantly increase health risks. The dangers are even more pronounced in the case of spurious medicines. Consumption of counterfeit drugs can lead to treatment failure, deterioration of health conditions, misdiagnosis, and the unnecessary administration of stronger medications, thereby compounding risks to patients and placing additional strain on healthcare systems.

The economic consequences of counterfeiting and smuggling are equally severe. Transactions involving illicit goods operate entirely outside the formal economy, resulting in substantial losses of GST and other tax revenues. Consumers are left without warranties, after-sales support, or legal remedies, while legitimate manufacturers and retailers face unfair competition and erosion of brand trust. These dimensions collectively highlight the multifaceted nature of illicit trade and reinforce the need for coordinated action



involving government agencies, industry, and civil society.

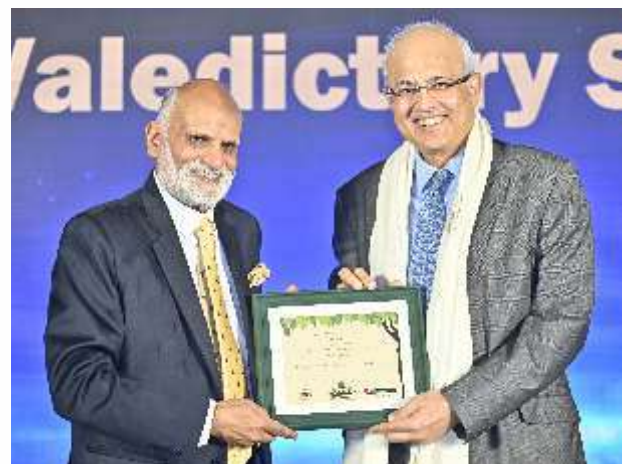
India's existing legal framework including the Food Safety and Standards Act, the Bharatiya Nyaya Sanhita, the Information Technology Act, and the Bureau of Indian Standards Act was largely designed to address illicit trade in traditional, physical marketplaces. However, the rapid shift of counterfeit and illegal goods to online platforms has exposed regulatory and enforcement gaps. The digital economy has outpaced the evolution of legal and institutional responses, necessitating innovative, forward-looking strategies to effectively address technology-enabled violations.

Judicial innovation was cited as a critical tool in addressing the "hydra-headed" nature of online infringement. In a landmark case involving leading film studios, courts issued dynamic injunctions that enabled telecom service providers to block not only specific rogue websites but also their alphanumeric variants. Plaintiffs were authorised to notify service providers of newly identified infringing websites, which were subsequently blocked. While such measures demonstrate judicial adaptability, they also highlight the scale of the challenge, particularly given that proceeds from digital piracy and counterfeiting are often linked to terror financing and cross-border criminal networks.

International discourse increasingly emphasises the responsibility of e-commerce platforms in curbing illicit trade. Recent

deliberations, including those at global conferences, have underscored the need for greater platform accountability. Attention has also been drawn to the role of social media influencers, whose reach can inadvertently legitimise counterfeit products. There is a growing call for closer scrutiny of influencer arrangements, particularly profit-sharing models that may be linked to illicit trade.

Effectively addressing illicit trade requires sustained collaboration among industry, trade bodies, civil society, enforcement agencies, legal professionals, the judiciary, and policymakers. Given its far-reaching economic, social, and security implications, illicit trade must be treated as a shared responsibility. By translating dialogue into coordinated action, and through continued engagement facilitated by platforms such as FICCI CASCADIE, there is a strong basis for building a more resilient ecosystem capable of significantly curbing illicit trade in the years ahead.



VALEDICTORY SESSION



Mr. Arun Chawla

Director General, Indian Council of Arbitration (ICA), Former Director General FICCI and Think Tank Member, FICCI CASCADE

The Movement Against Smuggled and Counterfeit Trade (MASCRAGE) continues to stand as a committed and credible initiative dedicated to safeguarding the economy and securing the future against the growing threats of smuggling and counterfeiting. Over the years and particularly reinforced through the deliberations held over the two days of the conference, MASCRAGE has evolved into a widely supported platform that brings together diverse stakeholders in a collective and determined response to illicit trade.

This evolution reflects a broader understanding of MASCRAGE as a mass action supporting communities against the dangerous exploitation caused by illicit trade. The growing engagement from policymakers, enforcement agencies, industry leaders, legal experts, and civil society demonstrates a shared resolve to reject smuggling and counterfeiting in all their forms. This convergence of thought leadership, enforcement experience, and public commitment has strengthened MASCRAGE's purpose, reach, and impact.

Discussions reaffirmed that effectively combating illicit trade requires stricter laws, stronger deterrence, and proportionate punishment for offenders. The judiciary was recognised as playing a pivotal role through firm interpretation and effective enforcement of laws addressing counterfeiting and smuggling. Emphasis was placed on collective responsibility, highlighting that sustained

cooperation among government, enforcement agencies, industry, and civil society remains the only viable path to dismantling organised smuggling networks and counterfeit operations. This collaborative approach continues to guide the future initiatives of FICCI CASCADE.

The importance of continued institutional support in strengthening tax compliance, addressing illicit trade, and promoting a fair and transparent marketplace was underscored. Effective integration of policy measures, enforcement action, and advanced technology was identified as essential to protecting national economic interests from the adverse impacts of smuggling and counterfeiting.

Over more than a decade, FICCI CASCADE has demonstrated consistent commitment in building a strong and credible voice against illicit trade. Its initiatives, supported by a dedicated think tank and sustained engagement with policymakers and enforcement institutions, have contributed meaningfully to national efforts in this domain. Participation from senior officials of the Directorate of Enforcement, the Department of Law and Justice, the Central Board of Indirect Taxes and Customs, the Directorate of Revenue Intelligence, the Police, and other law enforce-

ment agencies highlights the strong institutional resolve to counter smuggling and counterfeit trade.

The international dimension of illicit trade featured prominently in the deliberations. The involvement of distinguished institutions such as EUIPO, WIPO, GITOC, TRACIT, GACG, ICC, and WCO enriched the discussions, enabled the exchange of best practices and reinforced the importance of coordinated international action to address cross-border illicit trade challenges.

The Anti-Counterfeiting and Anti-Smuggling Awards recognised the contributions of enforcement officers, journalists, and students whose efforts at the frontlines continue to inspire action against smuggling and counterfeiting. Their commitment and innovation reinforce the broader movement against illicit trade.

With sustained collaboration, innovative approaches, and shared resolve, MASCRAGE is well positioned to continue strengthening collective action against smuggling and counterfeiting. The forum concluded with a renewed focus on advancing the shared objective of creating a transparent, fair, and resilient marketplace while reinforcing long-term cooperation among all stakeholders.



ANTI-COUNTERFEITING AND ANTI-SMUGGLING AWARDS



FICCI CASCADE'S RECOMMENDATIONS TO COMBAT ILLICIT TRADE



FICCI CASCADE'S RECOMMENDATIONS TO COMBAT ILLICIT TRADE

India has taken several noteworthy steps to curb the growing menace of counterfeiting and smuggling. With a robust legal framework and multiple initiatives aimed at protecting consumers' health, safety, and economic interests, the Government has demonstrated its commitment to tackling this challenge. However, given the evolving nature of illicit trade, there

remains a pressing need for further policy interventions to enhance the effectiveness of enforcement agencies, strengthen inter-agency coordination, ensuring expeditious adjudication and raise public awareness on this critical issue.

In this context, FICCI CASCADE is pleased to present the following recommendations for the Government's consideration.

Ministry of Finance	
i	Incentivizing Vigilance through Reward Schemes
ii	'Mera Bill Mera Adhikar' Scheme
Ministry of Consumer Affairs	
i	Strengthening the 'Jago Grahak Jago' Campaign
ii	Empowering Businesses through CSR to Combat Illicit Trade
Ministry of Home Affairs	
i	Addressing Hotspots of Illicit Trade
ii	Legal Framework Against Organized Crime
iii	Focus on Infrastructure, Capacity and Resource Building
iv	Advancing Border Security through Technological Integration
Ministry of Law and Justice	
i	Legal Reforms for an Effective Deterrence Regime
ii	Enhancing Judicial Proactivity for Swift and Efficient Enforcement
Ministry of Electronics and Information Technology	
<i>Technology-Driven Strategies to Combat Illicit Trade</i>	
i	Strengthening Cybersecurity Awareness and Digital Literacy
ii	Real-Time Monitoring of Digital Marketplaces-
Ministry of Education	
<i>Awareness on Counterfeiting and Smuggling in Educational Curriculum</i>	
i	Institutionalizing Economic Integrity Education
ii	Integration with Skilling and Employability Ecosystem
iii	Creation of a Digital Learning Suite on Ethical Trade
iv	Teacher Training and Institutional Capacity Building
v	University-Level Interventions
vi	Behavioural and Civic Transformation through Early Sensitization

MINISTRY OF FINANCE

I. Incentivizing Vigilance through Reward Schemes

Under the “Guidelines for Grant of Reward to Informers and Government Servants, 2015,” the Central Board of Indirect Taxes and Customs (CBIC) provides monetary rewards to informers, officers, and other individuals who provide valuable information leading to the seizure of illicit goods, including narcotics, drugs, and psychotropic substances.

Recommendation:

Currently, products such as tobacco are destroyed after seizure, and there is no provision for monetary rewards to informers, officers, or contributors who facilitate such enforcement actions. This absence of incentives often serves as a disincentive for pursuing tobacco-related cases. To address this gap, it is recommended that the reward scheme for tobacco seizures be aligned with that applicable to narcotics and psychotropic substances, ensuring that individuals providing credible and actionable intelligence are duly rewarded.

A standardized, transparent, and performance-linked reward framework may be instituted, with incentives calibrated to factors such as the quantity of goods seized, the nature and gravity of the violation, and the overall impact of the enforcement action. Such a mechanism would foster greater vigilance, encourage proactive intelligence sharing, and significantly enhance the effectiveness of enforcement efforts against the illicit tobacco trade.

II. ‘Mera Bill Mera Adhikar’ Scheme

The Mera Bill Mera Adhikar initiative, launched on the GSTIN portal, marks a significant step towards fostering consumer participation and promoting transparency in business-to-consumer (B2C) transactions.

Since its inception, the scheme has played a crucial role in enhancing tax compliance, curbing tax evasion, and cultivating a culture of responsible consumerism, where citizens actively contribute to the larger goal of nation-building.

Implemented through the collaborative efforts of the Central Board of Indirect Taxes and Customs (CBIC) and the state governments of Assam, Gujarat, Haryana, as well as the Union Territories of Daman and Diu, Dadra and Nagar Haveli, and Puducherry, the initiative has effectively encouraged consumers to submit genuine invoices and participate in a transparent economic ecosystem.

Recommendation:

- **Enhancing Invoice Verification Systems:** To further strengthen the effectiveness of the scheme, it is recommended to integrate advanced, technology-driven verification mechanisms. Leveraging blockchain technology and AI-enabled validation tools can help detect fraudulent or duplicate invoices, ensuring that only authentic transactions qualify for rewards.
- **Introducing Incentives for Regular Engagement:** To sustain long-term engagement with the initiative, we recommend introducing additional rewards for frequent participation that increases the chances of winning based on the number of invoices submitted.
- **Promoting Integration with E-Commerce Platforms -** Expanding the scheme’s scope to include e-commerce marketplaces and digital platforms would significantly widen participation. Encouraging consumers to upload electronic invoices or e-receipts for online purchases would not only enhance reach but also strengthen transparency in digital transactions.

MINISTRY OF CONSUMER AFFAIRS

I. Strengthening the 'Jago Grahak Jago' Campaign

The Jago Grahak Jago campaign, a flagship initiative of the Ministry of Consumer Affairs, has been instrumental in empowering consumers and raising awareness about their rights and responsibilities. In light of the growing threat posed by counterfeit, spurious, and smuggled goods, the campaign can serve as a powerful tool to educate citizens on identifying and avoiding such products, thereby safeguarding both consumer health and the national economy.

Recommendation:

- **Targeted Messaging on Illicit Goods:** It is recommended that the Jago Grahak Jago campaign be further strengthened through focused messaging that helps consumers identify counterfeit products, understand the legal and financial risks associated with smuggled goods, and recognize the broader economic consequences of purchasing substandard items. Such communication would empower consumers to make informed, responsible, and ethical purchasing decisions.
- **Enhanced Outreach through Digital and Regional Campaigns:** To maximize reach and impact, the campaign should leverage digital and social media platforms, public service announcements, and localized awareness programs. The messaging should focus on helping consumers identify counterfeit products and providing practical guidance on verifying product authenticity before purchase, along with clear steps to follow if a counterfeit is detected after purchase.
- **Encouraging Consumer Vigilance:** These

efforts would cultivate greater consumer vigilance and reinforce a strong preference for genuine, high-quality products, thereby contributing a transparent, fair, and trustworthy marketplace.

II. Empowering Businesses through CSR to Combat Illicit Trade

Corporate Social Responsibility (CSR) serves as a powerful instrument for businesses to drive positive social change. By directing CSR funds toward initiatives aimed at combating illicit trade, companies can make a significant contribution to safeguarding the integrity of India's economy. Strategic investment of CSR resources in awareness creation, capacity building, and promotion of ethical business practices can help curb counterfeiting and smuggling.

Recommendation:

- **CSR-led Awareness Campaigns:** Dedicated CSR-led awareness campaigns should be launched to educate stakeholders about the multifaceted impact of illicit trade. These campaigns can emphasize both the economic costs, such as revenue loss, market distortion, and tax evasion and the wider societal effects, including reputational harm, diminished consumer trust and a threat to national security.
- **Promoting Ethical and Transparent Business Practices:** By emphasizing the risks and legal penalties faced by those involved in illicit trade, these campaigns can effectively deter unethical practices. Ultimately, CSR initiatives can promote a culture of transparency, accountability, and ethical conduct, driving meaningful change and strengthening the collective effort to combat illicit trade.

MINISTRY OF HOME AFFAIRS

I. Addressing Hotspots of Illicit Trade

The networks of retailers and wholesalers dealing in counterfeit and smuggled products have become deeply entrenched in major markets across Delhi and other metropolitan cities. Prominent commercial hubs such as Gandhi Nagar, Kashmere Gate, Palika Bazaar, Nehru Place, Ghaffar Market, and Sadar Bazaar in Delhi, as well as Burma Bazaar in Chennai, have been repeatedly identified as centres for the sale of counterfeit, fake, and smuggled goods. These markets cater to a wide range of illicit products including apparel, footwear, electronics, mobile phones, luxury goods, and automobile parts, thereby sustaining the demand for illegal trade and undermining legitimate businesses.

Recommendations:

To effectively disrupt the ecosystem of illicit trade in these identified hotspots, it is recommended that enforcement authorities adopt a targeted, intelligence-driven, and sustained enforcement strategy comprising the following measures:

- **Targeted Enforcement Drives:** Conduct regular, coordinated raids and inspections to dismantle supply chains and deter the sale of counterfeit and smuggled goods.
- **Strategic Monitoring Posts:** Establish dedicated monitoring and enforcement posts in and around these markets to ensure continuous vigilance, rapid response to violations, and deterrence through visible enforcement presence.
- **Intelligence-Led Operations:** Create specialized intelligence units for continuous surveillance, data analysis, and infor-

mation-sharing among enforcement, customs, and regulatory bodies to ensure seamless coordination and sustained operational pressure on illicit networks.

II. Legal Framework Against Organized Crime

Organized crime remains one of the most formidable challenges confronting India, posing serious threats to economic integrity, public safety, and national security. The transnational nature of such crimes, coupled with the increasing sophistication of criminal operations, makes detection, investigation, and prosecution particularly difficult. Although several states have enacted laws to address organized criminal activities, India still lacks comprehensive national legislation dedicated exclusively to combating organized crime. While the Central and State Governments have undertaken several initiatives in recent years to identify and disrupt illegal networks using cutting-edge technologies, significant scope for improvement remains particularly in fostering the participation of both government and non-government stakeholders in the intelligence ecosystem and ensuring well coordinated enforcement actions.

The Maharashtra Control of Organized Crime Act (MCOCA), 1999, serves as a pioneering legal framework in this regard. It provides enhanced investigative powers, allows for extended custody and interception of communications, and includes stringent provisions for prosecution, thereby significantly empowering law enforcement agencies. While this law has been subsequently extended to Delhi, Karnataka and Arunachal Pradesh, there is a pressing need for a unified national law with adequate safe-

guards for protecting fundamental rights, to address the full scope of transnational criminal activities.

Recommendation:

Given the expanding reach and complexity of organized criminal networks, there is an urgent need to develop a comprehensive national law to effectively control and combat organized crime. It is recommended that the Government of India consider enacting a central legislation that:

- Provides a uniform legal framework to address organized crime across all states;
- Facilitates enhanced coordination and intelligence sharing among law enforcement and regulatory agencies; and
- Ensures a consistent, robust, and long-term response to evolving threats arising from illicit trade and other organized criminal activities.

III. Focus on Infrastructure, Capacity and Resource Building

While law enforcement agencies remain primarily focused on maintaining law and order, ensuring public safety, and addressing conventional crimes, it is equally imperative that crimes related to counterfeiting and smuggling receive greater institutional priority within state police frameworks.

In recent years, several states have established Economic Offences Wings (EOWs) and other specialized units to deal with financial and trade-related offences. However, despite these positive developments, a significant gap persists between the scale of the problem and the capacity of enforcement agencies. The available human resources, technical training, and forensic and technological support often fall short of the requirements needed to address complex, multi-

jurisdictional, and technology-driven criminal networks.

To enhance the effectiveness of enforcement against illicit trade, a strategic investment in human capital, infrastructure, and modern investigative tools is essential. Strengthening these components will not only improve investigation and prosecution outcomes but also deter organized criminal enterprises more effectively.

Recommendation:

- **Strengthening Specialized Enforcement Units:** States should review and reinforce the capacity of Economic Offences Wings and similar specialized units by ensuring adequate manpower, advanced skill development, and access to modern forensic, digital, and analytical tools.
- **Prioritize Economic and Trade-Related Crimes:** State police forces should accord higher priority to investigating and prosecuting economic crimes such as counterfeiting and smuggling, given their profound economic and social impact. Enhancing institutional focus, improving infrastructure, and leveraging advanced technology will enable more effective enforcement.
- **Invest in Capacity and Technology Upgradation:** Allocate dedicated resources for continuous training, the adoption of digital investigation platforms, data analytics, and inter-agency information-sharing systems to ensure a coordinated and technology-driven response to illicit trade.

IV. Advancing Border Security through Technological Integration

The integration of modern surveillance and intelligence systems marks a paradigm shift from reactive measures to predictive and

preventive approaches. Advanced digital tools ranging from high-resolution cameras and motion sensors to unmanned aerial vehicles (drones) are redefining how border forces monitor, detect, and neutralize threats in real time. Such innovations not only enhance situational awareness but also empower enforcement agencies to take swift, informed action against smuggling and infiltration attempts and strengthening overall border security.

Recommendation:

a. Deploy Advanced X-ray Scanning and Imaging Systems: All key border checkpoints should be equipped with state-of-the-art X-ray and imaging technologies to enable rapid, nonintrusive inspection of vehicles and cargo. Such systems can identify concealed contraband, hidden compartments, and unauthorized goods

without the need for physical dismantling. By minimizing manual intervention and enhancing detection accuracy, these technologies significantly improve both the efficiency and integrity of border management operations.

b. Implement Electronic Cargo Tracking

Mechanisms: To strengthen supply chain security and reduce smuggling risks, the adoption of electronic cargo tracking systems is essential. These tools facilitate real-time, continuous monitoring of shipments, ensuring adherence to approved transit routes and reducing opportunities for diversion or tampering. The data generated through such systems can also be leveraged for predictive risk analysis, thereby enhancing transparency, accountability, and intelligence-based decision-making across border operations.

MINISTRY OF LAW AND JUSTICE

I. Legal Reforms for an Effective Deterrence Regime

The Customs Act, 1962 prescribes robust punitive measures to curb large-scale smuggling, underscoring the gravity with which such offenses are viewed. Under Sections 111 to 114 and 135, authorities are empowered to confiscate smuggled goods, levy fines up to three times their value, and impose imprisonment of up to seven years, particularly when the goods involved exceed a value of .1 crore. These stringent provisions serve as a strong deterrent against organized smuggling networks. However, the penalties under the Trademarks Act, specifically Sections 102 to 105, concerning counterfeit goods, remain inadequate in addressing the rising tide of counterfeit trade, which continues to harm consumers, businesses, and the broader economy.

Recommendation:

- **Reclassify Counterfeiting as a Non-Bailable Offense:** The current bailable status for offenses with imprisonment up to three years enables offenders to re-engage in illicit trade. Reclassifying such offenses as non-bailable would ensure stronger enforcement and deterrence.
- **Enhance Penalties for First-Time Offenders:** Introduce higher fines ranging from Rs. 1 lakh to Rs. 5 lakh and imprisonment of 1 to 3 years for first-time offenders to reflect the seriousness of the crime.
- **Escalate Penalties for Repeat Offenders:** For habitual offenders or those engaged in largescale counterfeiting, penalties should be significantly higher with a fine between Rs. 2 lakh and Rs. 10 lakh, with imprisonment extending from 3 to 7 years.

- **Empower Courts to Confiscate Assets:** Provide judicial authority to seize property, vehicles, equipment, and other assets used in the manufacture or distribution of counterfeit goods, dismantling the financial backbone of such operations.

II. Enhancing Judicial Proactivity for Swift and Efficient Enforcement

The judiciary plays a pivotal and decisive role in interpreting laws and combating counterfeiting and smuggling. Its proactive engagement is crucial in identifying and bridging the gaps that allow such offenses to persist. As these illicit activities inflict lasting harm on the country's economy and public confidence, it becomes imperative for the judicial system to address them as serious threats to national economic integrity. A forward-looking and assertive judicial approach can not only strengthen the enforcement of existing laws but also ensure that offenders are met with timely and proportionate penalties, reinforcing faith in the justice delivery system.

Recommendation:

- **Expeditious Adjudication and Prosecution:** To reinforce deterrence and improve enforcement efficiency, all adjudication and prosecution proceedings related to counterfeiting and smuggling should be concluded within one year of initiation. Timebound proceedings will enhance the credibility of enforcement and ensure swift and visible justice.
- **Promotion of Alternate Dispute Resolution:** To further address case backlogs and minimize the burden on regular courts, the introduction of Alternate Dispute Resolution (ADR) mechanisms is recom-

mended. ADR can serve as an efficient platform for resolving certain categories of cases more expeditiously, thereby allowing the judiciary to focus on complex and high-impact matters.

- **Specialized Courts and Judicial Benches:** A focused judicial mechanism dedicated to counterfeiting and smuggling cases is essential to achieve speedy and effective outcomes. The creation of specialized courts or the designation of exclusive judicial benches would significantly improve case disposal rates and reinforce deterrence.
- **Utilizing Summary Judgment in Civil Litigation:** Civil disputes arising from counterfeiting often involve clear evidence and straightforward facts and are ideally

suited to benefit from summary proceedings. It is therefore recommended that the proposed case management system incorporate provisions for summary trials in counterfeiting cases.

There is need for sensitization of the judiciary on the alarming magnitude and ill effects of smuggling and counterfeiting and the need for effective and expeditious adjudication, orientation programs be organized at the National and State level judicial academies. FICCI CASCAIDE would happily associate itself with such programs and provide domain expertise as may be required. The Law Ministry is requested to issue appropriate guidelines and advisory in this regard for consideration and implementation by the National and State level judicial academies.

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY

Technology-Driven Strategies to Combat Illicit Trade

As an emerging global hub of technological innovation, India possesses a vast pool of expertise within the IT and digital sectors, positioning the nation as a key driver of digital transformation and global value chain resilience. To effectively address the growing threat of counterfeiting and smuggling, it is imperative to leverage this technological strength towards building advanced systems that promote transparency, traceability, and accountability across supply chains. Information systems form the backbone of these efforts by enabling real-time counterfeit detection, data sharing, and coordinated enforcement actions. Through the integration of digital tracking, product authentication technologies, and intelligence-sharing platforms, India can establish a robust, technology-enabled ecosystem to curb illicit trade, protect legitimate enterprises, and safeguard the national economy from its adverse impacts.

Recommendation:

I. Strengthening Cybersecurity Awareness and Digital Literacy

The Ministry has made commendable progress through initiatives such as Safer Internet Day, National Cyber Security Awareness Month, and Cyber Surakshit Bharat workshops, which have enhanced cybersecurity capabilities among government officials. The “Stay Safe Online” campaign launched during India’s G20 Presidency further advanced digital hygiene and inclusivity.

Building upon these successes, the Ministry may consider expanding these awareness programmes to include education on

counterfeit e-commerce listings, and online scams linked to illicit trade.

- Such campaigns should target consumers, MSMEs, and online vendors, equipping them with knowledge on cybersecurity best practices, digital authentication tools, and safe online transaction methods, especially focusing on counterfeit e-commerce listings and ecommerce frauds.
- This expanded outreach will foster trust in digital commerce, reduce vulnerabilities to cyberenabled crime, and support a safer digital economy.

II. Real-Time Monitoring of Digital Marketplaces-

With the rapid expansion of e-commerce, online platforms have emerged as a significant conduit for counterfeit and smuggled goods. To effectively address this challenge, the Ministry of Electronics and IT, along with other Ministries may consider:

- Jointly deploying advanced cybersecurity and data analytics systems, including Intrusion Detection Systems (IDS), Security Information and Event Management (SIEM) platforms, and Endpoint Detection and Response (EDR) tools, to enable real-time surveillance and early threat detection; and
- Collaborating with e-commerce intermediaries to develop automated monitoring and reporting mechanisms that flag suspicious listings, track transaction anomalies, and facilitate timely enforcement action.

The adoption of such next-generation monitoring solutions will enable continuous oversight, strengthen platform accountability, and help safeguard digital marketplaces from the proliferation of illicit goods.

MINISTRY OF EDUCATION

Awareness on Counterfeiting and Smuggling in Educational Curriculum

The youth of India are the architects of the nation's future. Engaging them in the national effort against counterfeiting and smuggling is essential not only for safeguarding consumers but also for protecting the country's economic integrity and national security. As future leaders, innovators, and decision makers, young people possess the potential to influence social attitudes and promote ethical conduct across society. By equipping students with knowledge of the risks, consequences, and broader implications of illicit trade, they can be encouraged to become informed, vigilant, and responsible consumers who value authenticity, transparency, and fairness. Cultivating such awareness from an early age will help build a culture of integrity and accountability, reinforcing the moral and economic strength of the nation.

1. Institutionalizing Economic Integrity Education

- It is recommended to introduce a dedicated module titled "Economic Integrity and Ethical Consumption" within value education, social science, and commerce curricula from upper primary to higher education levels.
- The module should cover concepts such as authenticity, consumer ethics, and the social consequences of consuming counterfeit and smuggled goods.
- This can be incorporated under NEP's multidisciplinary and experiential learning framework, ensuring it reaches both general and vocational education streams.

2. Integration with Skilling and Employability Ecosystem

- The inclusion of anti-counterfeiting and supply-chain authenticity components in Skill India and NCVET-approved vocational curricula is recommended —especially in logistics, retail, ecommerce, and manufacturing trades.
- Sector Skill Councils (SSCs) can be encouraged to embed modules on "Trade Ethics and Product Authenticity", ensuring youth entering these sectors are equipped with compliance awareness and consumer integrity principles.
- This integration would also help industry partners reduce reputational and operational risks arising from the infiltration of illicit goods.

3. Creation of a Digital Learning Suite on Ethical Trade

Awareness efforts must align with the digital-first approach of modern pedagogy.

- The development of an interactive Digital Learning Suite hosted on the DIKSHA and Skill India Digital Platform is suggested, comprising e-learning modules, short films, gamified simulations, and real-world case studies.
- The suite can demonstrate the chain of harm caused by counterfeit and smuggled trade —from loss of jobs and tax revenue to consumer safety risks — in a language relatable to youth.

4. Teacher Training and Institutional Capacity

Building Curriculum reform alone cannot

yield behavioural change unless educators are equipped to deliver it meaningfully.

- Orientation modules for teachers and institutional administrators through the National Institute of Educational Planning and Administration (NIEPA) and Pandit Madan Mohan Malaviya National Mission on Teachers and Teaching (PMMMNTT) is recommended.
- These modules should focus on contextual understanding of illicit trade, pedagogical tools for ethical literacy, and evaluation frameworks for behavioural impact assessment.

5. University-Level Interventions

Higher education institutions can serve as powerful incubators for awareness and innovation.

- University Research Hubs on Economic Integrity and Consumer Awareness can be established in collaboration with the Ministry of Education's Innovation Cell (MIC).
- Such centres can undertake policy research, behavioural studies, and public awareness initiatives around illicit trade and its socio-economic impact.
- Universities can also host Annual National Integrity Hackathons that challenge

students to design tech-based solutions for traceability, authentication, and transparency in supply chains.

6. Behavioural and Civic Transformation through Early Sensitization

The ultimate aim must be to embed a civic consciousness of authenticity from early education onwards.

- Experiential activities under the “Ek Bharat Shreshtha Bharat” framework can be undertaken where students learn to identify genuine versus illicit goods including both counterfeit and smuggled products through guided observation, community projects, and ethical debates.
- National Service Scheme (NSS) and Unnat Bharat Abhiyan can be encouraged to incorporate outreach modules on the socio-economic harm of smuggling and counterfeiting within community engagement drives.
- An Education Integrity Index (EII) can also be created to annually assess awareness levels across schools, colleges, and vocational training institutions regarding illicit trade.
- The index can evaluate the penetration of curriculum content on illicit goods, student perception shifts, and regional awareness outcomes.



MEDIA COVERAGE

GST 2.0: Making life easier for households, businesses

FINANCIAL EXPRESS
New Delhi: Union Finance Minister Nirmala Sitharaman on Monday announced the second generation of GST reforms, which will be implemented from September 22, 2025. The reforms include a 1% increase in the GST rate on luxury goods, a 1% increase in the GST rate on services, and a 1% increase in the GST rate on electronics. The reforms also include a 1% increase in the GST rate on cars and a 1% increase in the GST rate on real estate. The reforms are expected to generate an additional ₹1.5 lakh crore in revenue for the government.



Union Finance Minister Nirmala Sitharaman (left), Union Minister for Law and Justice Arjun Ram Meghwal (center), and Union Minister for Skill Development and Entrepreneurship Anant Singh (right) holding copies of the GST 2.0 reform document.

The Union minister of state for law and justice Arjun Ram Meghwal on Thursday said that GST 2.0 taxation reform is government's response to the industry's demand. "It is not just about taxation, it is about making life easier for households and businesses," Mr Meghwal said. He also said that the recent GST reforms have brought significant relief to all stakeholders. Addressing the inaugural session of the 11th edition of Movement Against Smuggled and Counterfeit Trade (MASCRADE), organised by Ficci-CASCADE, Mr Meghwal said that India is committed to protecting its citizens against illegal and counterfeit trade. Talking about the GST reforms, the Union law minister said, "From filing 37 GST returns in a year in 2017 to only three today, this reform shows how governance can truly respond to industry's voice."

GST 2.0 reform govt response to industry's voice: Meghwal

AGE CORRESPONDENT
NEW DELHI, SEPT. 18

Union minister of state for law and justice Arjun Ram Meghwal on Thursday said that GST 2.0 taxation reform is government's response to the industry's demand. "It is not just about taxation, it is about making life easier for households and businesses," Mr Meghwal said. He also said that the recent GST reforms have brought significant relief to all stakeholders. Addressing the inaugural session of the 11th edition of Movement Against Smuggled and Counterfeit Trade (MASCRADE), organised by Ficci-CASCADE, Mr Meghwal said that India is committed to protecting its citizens against illegal and counterfeit trade. Talking about the GST reforms, the Union law minister said, "From filing 37 GST returns in a year in 2017 to only three today, this reform shows how governance can truly respond to industry's voice."

GST reforms, rate cut kick in from today

From daily essentials to cars and electronics get cheaper

GVANENDRA KESHRI
NEW DELHI, INDIA

The country's indirect tax structure will undergo a significant revamp from Monday with introduction of the second generation of the goods and services tax (GST 2.0) system, making essential and mass-market products cheaper while pushing up the prices of ultra-luxury and sin goods.

From the first day of Navratri festival, the GST moves to a new rate structure, where the majority of goods and services will fall either under 5% or 12% tax slab or attract no tax. The 12% and 20% GST tax slabs have been scrapped. However, a special 40% GST rate also kicks in. It will apply ultra-luxury products and sin goods like pan masala, cigarettes, aerated water with added sugar and carbonated beverages.

Auto sector is among the biggest beneficiaries. Duties on small cars have been cut to 18% from earlier 28% plus surcharge. Even the luxury cars that are to be taxed at 40% have witnessed price reduction due to the scrapping of cess. Most automakers including Maruti Suzuki, Tata Motors, Mahindra and Hyundai have announced significant reduction in vehicle price.

Leading FMCG firms like Hindustan Unilever, Procter & Gamble and Emami have also announced significant cut in prices of daily-use items like toilet soaps, hair oil, shampoo, toothpaste, toothbrush, razors, after-shave lotions and baby diapers. The GST on these items has been cut to 5% from earlier 12/18%.

The mass consumption items like ghee, paneer, butter, 'namkeen', ketchup, jam, dry fruits, coffee and ice-creams will also witness significant drop in prices.

While the companies have announced reduction in prices with effect from September 22, it may take months to be reflected in the price tags of the items. The old maximum retail price (MRP) tag can continue to be used until March 31, 2026, or until existing stock is exhausted.

However, the Department of Consumer Affairs has directed companies and retailers to ensure that the correct revised MRP is communicated and displayed through stickers, stamping, or online printing at any place on the package.

The Department of Consumer Affairs has introduced a new GST grievance redressal facility on the National Consumer Helpline (NCH), giving consumers a direct channel to report issues related to revised GST rates, billing, and exemptions.

According to an analysis conducted jointly by the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Thought Arbitrage Research Institute (TARI), there will be either 2% or 3% GST on more than 75% of the items rural Indians spend money on, while for urban Indians this proportion will be 60%.

This move is expected to significantly boost consumption, especially during the festive seasons of Navratri and Dussehra.

Union Finance Minister Nirmala Sitharaman said the GST reform would put around ₹2 lakh crore in the hands of the people, which will help boost consumption and accelerate economic growth.

The decisions regarding GST reforms and rate cut were taken by the GST Council at its meeting held on September 3. Apart from the rate cuts the Council has also approved structural reforms in the system to make doing business easier.

For businesses, especially MSMEs, GST 2.0 introduces rationalised rates that address distortions caused by the inverted duty structure.

Sectors critical for rural employment and manufacturing—such as tractors, farm machinery, fertilizers, textiles, handicrafts, auto components, and construction inputs—are now subject to lower, more rational rates, FICCI-TARI report said.

"These reforms are among the most revolutionary tax transformations in independent India, aimed at empowering small traders, enhancing consumer confidence, and advancing the nation's economy towards the \$30 trillion mark," said Praveen Khandealwal, National Secretary General, Confederation of All India Traders (CAIT).

Khandealwal said the CAIT has advised all trade associations across the country to ensure that the benefit of the GST rate cut is passed on to consumers both in letter and in spirit.

GST 2.0: Making life easier for households, businesses



Union Finance Minister Nirmala Sitharaman (left), Union Minister for Law and Justice Arjun Ram Meghwal (center), and Union Minister for Skill Development and Entrepreneurship Anant Singh (right) holding copies of the GST 2.0 reform document.

Lower GST rates will ease tax burdens and empower MSMEs: Ficci CASCADE

Lower GST rates will ease tax burdens and empower MSMEs: Ficci CASCADE



GST Reforms To Reduce Counterfeit Goods Trade: Ficci CASCADE Chairman

For businesses, especially MSMEs, GST 2.0 introduces rationalised rates that address distortions caused by the inverted duty structure. Sectors critical for rural employment and manufacturing—such as tractors, farm machinery, fertilizers, textiles, handicrafts, auto components, and construction inputs—are now subject to lower, more rational rates, the report said.

| Last Updated: Sep 18, 2025, 10:30 PM IST | Source: IANS

Trending Photos

Vande Bharat Sleeper Launch: Delayed: Railway Minister
Ashmi Vaidhwan Shares Big Update - Check Expected New Launch Date, Route, Other

MEDIA COVERAGE



India Commits To Combat Illegal Trade: Arjun Ram Meghwal



Union Minister of State for Law and Justice Arjun Ram Meghwal has said that India is committed to protecting its citizens against illegal and counterfeit trade.

Lower GST rates will ease tax burdens and empower MSMEs: FICCI CASCADe

Agency: ANI
Last Updated: September 18, 2025, 11:03:07

Impact Shorts
By ANI, 18/09/2025

Discover more on Google



Representational image. Photo: News18

New Delhi [India] September 18 (ANI): GST 2.0 is set to almost triple the share of items taxed at 5 per cent, rising from 54 consumption categories under GST 1.0 to 149 categories under GST 2.0, as per a recent study by FICCI CASCADe. For rural households, the share of exempt and merit goods in their consumption basket will rise sharply from 56.3 per cent to 73.5 per cent. For urban households, this share is expected to rise from 50.5 per cent to 66.2 per cent. As a result, effective GST incidence for rural families is assumed to fall from 6.03 per cent to 4.27 per cent, while for urban households it will reduce from 6.38 per cent to 4.38 per cent. This means more disposable income in the hands of consumers. The report estimates that these shifts will generate savings of Rs. 58 to Rs. 88 per person per month, which in turn will fuel discretionary spending on services, retail, and local businesses. Federation of Indian Chambers of

Lower GST Rates to Ease Tax Burdens, Empower MSMEs, and Accelerate Formalisation: Report

Synopsis
FICCI companies in India have slashed prices on daily essentials and food products, passing on the benefits of the GST cut to consumers. Effective September 22, reduced price lists reflect reductions on items like soaps, shampoo, toothpaste, snacks, and dairy products.

Take Your Place at the Top **APPLY NOW**

- GST 2.0 will ease tax burden on households, empower MSMEs, and accelerate formalisation, and bring India closer to a single tax regime, ANI FICCI CASCADe report.
- Share of items taxed at 5% will rise from 54 to 149 categories.
- Rural households' expenditure goods share to fall from 56.3% to 73.5%.
- Effective GST incidence will fall from 6.03% to 4.27% for rural families, and from 6.38% to 4.38% for urban households.

Soaps, powder, coffee, diapers, biscuits, ghee, oil to be cheaper as cos extend GST 2.0 benefits

Daily essentials and food products will be cheaper from Monday, as leading FMCG companies have slashed prices, extending GST cut benefits to consumers.

The move is expected to lead to a spike in consumption and a surge in sales during the upcoming festival season, which starts with the Navratri celebrations.

Lower GST rates to ease tax burdens, empower MSMEs, and accelerate formalisation: Report

The GST overhaul will nearly triple the share of items taxed at 5% from 54 consumption categories to 149 categories under GST 2.0, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADe) said in a report.

New GST rates HIGHLIGHTS: 90% of GST benefits will flow to end customers, govt. estimates

New GST rates HIGHLIGHTS: India's GST framework is set for its biggest overhaul since 2017, with a new two-slab system rolling out from September 22. Most goods and services will fall under 5% or 18%, while luxury and big goods face higher rates. The move is aimed at easing compliance and bringing simplicity to the indirect tax regime.

Lower GST rates to ease tax burdens, empower MSMEs, and accelerate formalisation: Report

NEW DELHI: (Sep 19) The government's announcement of GST 2.0 will not only ease tax burden on households, empower MSMEs, and accelerate formalisation, but also bring India closer to the dream of a single tax regime, a report said.

The GST overhaul will nearly triple the share of items taxed at 5 per cent, rising from 54 consumption categories to 149 categories under GST 2.0, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADe) said in a report.

GST 2.0: Lower Tax, Empower MSMEs, Boost Formalisation

New Delhi, Sep 19 (PTI) The government's announcement of GST 2.0 will not only ease tax burden on households, empower MSMEs, and accelerate formalisation, but also bring India closer to the dream of a single tax regime, a report said.

The GST overhaul will nearly triple the share of items taxed at 5 per cent, rising from 54 consumption categories to 149 categories under GST 2.0, FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADe) said in a report.

Lower GST rates to ease tax burden, boost MSMEs, aid formalisation: Report

For rural households, the share of exempt and merit goods in their consumption basket is expected to rise sharply from 56.3 per cent to 73.5 per cent.

Advertisements

Discover more: [AI technology insights](#) [Tariff impact analysis](#)



For businesses, especially MSMEs, GST 2.0 introduces rationalised rates that address distortions caused by the inverted duty structure.

Press Trust of India | New Delhi
3 min read Last Updated : Sep 19 2025 | 1:35 PM IST

Add Business Standard as preferred source on Google

व्यापार: जीएसटी सुधार से देश में नकली सामानों के व्यापार में कमी आएगी फिक्की कैस्केड



18 Sept 2025 4:53 PM

जीएसटी सुधार से देश में बड़े स्तर पर सभी सेक्टर में टैक्स में कटौती हुई है। इससे नकली सामानों के व्यापार में कमी देखने को मिलेगी। यह बयान फिक्की कैस्केड के चेयरमैन अनिल राजपूत ने गुरुवार को दिया।

Illicit Trade Raising Socio-Economic, Security Concerns: Justice Manmohan



Cracking Down on Illicit Trade: A Call for Unified Action

Justice Manmohan highlighted the severe global impact of illicit trade on socio-economic issues, innovation exploitation, and terrorism funding, during the MASCRADE event organized by FICCI CASCAD. He emphasized the need for unified efforts and a new approach to combat the challenges posed by counterfeit products and online piracy.

Delhi News Desk | New Delhi | Updated: 15-09-2025 19:13 IST | Created: 18-09-2025 19:13 IST





SOCIAL MEDIA

11th MASCRADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18th-19th September 2025 | Hotel Lalit, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

अवैध व्यापार की पहचान और उसके लिए सज़ाओं का निश्चिन्ता करना ज़रूरी है, ताकि देश पर इस खतरों को जड़ से खत्म किया जा सके।

ARJUN RAM MEGHWAL
Hon'ble Minister of State (Independent Charge), Ministry of Law and Justice, Government of India




11th MASCRADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18th-19th September 2025 | Hotel Lalit, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

The recent reduction in tax slabs in the GST 2.0 reforms is a significant step in reducing illicit trade, encouraging businesses, enhancing compliance, and safeguarding the formal economy.

ANIL RAJPUT
Chairman, FICCI CASCADe



11th MASCRADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18th-19th September 2025 | Hotel Lalit, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Modern illicit trade networks are deeply invaded in the fabric of our economy, evolving constantly through decentralised operations, e-commerce superhighways, and digital ecosystem integration.

ABHAI KUMAR SRIVASTAV
Director General, Directorate of Revenue Intelligence



11th MASCRADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18th-19th September 2025 | Hotel Lalit, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

The judiciary plays a decisive role in interpreting laws, combating socio-economic crimes, and closing the gaps in the legal framework that allow illicit trade to thrive.

HON'BLE JUSTICE MANMOHAN SARIN
Former Additional JCT of India, Chief Justice, High Court of Kerala & Madhya Pradesh, High Court of India and Trade Desk Member, ITCI DDCI/ITC



11th MASCRADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18th-19th September 2025 | Hotel Lalit, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Speaker
SAIF JAMALI
General Manager, Legal and Brand Protection, Hindustan Unilever Limited



11th MASCRADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18th-19th September 2025 | Hotel Lalit, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Words of Thanks
ARUN CHAWLA
Director General, Indian Council of Arbitration (ICA), Former Director General, FICCI and Think Tank Member, FICCI CASCADe



11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Counterfeit goods may look attractive, but they are extremely harmful in the short, medium, and long term. Consumers need greater awareness to identify and avoid such products, and to understand the risks they pose to health, safety, and the economy.

RAMESH ABHISHEK
Former Secretary, Department for Protection of Industry and Intellectual Trade

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Public perception about counterfeiting is mostly around fake medicines, and when it comes to smuggling, people see it as cheaper goods, but the ultimate cost is borne by society at large.

ANIL SINHA
Former Director, Centre for Studies of International and Trade Law Studies, IIT Bombay, IITD, IIT Kanpur

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

The fight against illicit trade is not only about better enforcement but about safeguarding the nation's security. Government and industry must work together to curb this menace and pave the way for a vibrant liberal.

NIKILAN KUMAR SINGH
Member, Committee on Economic and Financial Crime, Ministry of Finance, India

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

India already has strong legal frameworks like the Copyright Act, Patent Act, and Trademark Act. The challenge is not the absence of laws, but the effective application and enforcement of these provisions.

ROHIT DEE, JUSTICE, HARSHVARDH SARKAR
Former Judge, High Court of India

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Speaker
LAKSHMIDEVI SOMANATH
Partner, Litigation & Strategy, Anand and Anand

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Illicit trade doesn't stop at borders. Stronger coordination, data sharing, and international cooperation are essential to outpace criminals and build a global economy that is fair, transparent, and resilient.

LOUISE BOISEN
Consultant, Intellectual Property Rights, Embassy of Sweden

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

To fight illicit trade effectively, we need to build cooperation platforms, increase coordination, and bring together customs, technology providers, and communities to create practical solutions on the ground.

ESTEBAN GIUDICI
Senior Policy Advisor, Transnational Alliance to Combat Illicit Trade

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Illicit trade is estimated at about 2.7 trillion dollars annually. It is not just revenue loss. The real cost is in environmental, job loss, impoverished criminal syndicates, and the severe social, academic and security damages it causes.

ROHIT DEE, JUSTICE, MANOHARAN
Judge Supreme Court of India

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Capacity building is important across the ecosystem, legislators, enforcers, prosecutors, and judges must all be trained and equipped to understand and address the complexities of illicit trade effectively.

D. P. DASH
Former P. Director General, CBI, Former Chairman, Information Commission, WTO, and Think Tank Member, TRIP, CAIGAL

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

The Network of counterfeiters do not respect national boundaries, and neither can our response rely through cooperation, intelligence sharing, and operational capacity building can we stay ahead of evolving threats of the Illicit Trade.

FERRAT CANIMAK
Chief of Police, The G3 OFI

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

Counterfeiting causes huge financial losses for businesses and governments, undermines legitimacy, fuels crime, fuels organized crime, and weakens global security. Tackling this menace urgently requires stronger international cooperation, effective enforcement, and greater awareness among all stakeholders.

DISHIPHIE SATHIASE JOHNSON
President, Global Anti-Counterfeiting Day

11th MASCADE 2025
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE
18-19 September 2025 | Hotel Leela, New Delhi

Growing Illicit Trade: Destabilising Economic Welfare

History shows us that without adequate safeguards, even progressive ideas can fail – as seen in the 18th century token currency experiment. Similarly, in today's world, we must look beyond laws and adopt innovative solutions to curb the menace of Illicit Trade.

RAJIV MANI
Secretary, Legislative Department, Ministry of Law & Justice, Government of India

SOCIAL MEDIA



11th MASCRADE 2025

EDITION MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE

Growing Illicit Trade: Destabilising Economic Welfare

THANK YOU PARTNERS

INSTITUTIONAL PARTNER



TITLE PARTNER



PLATINUM PARTNERS



SILVR PARTNERS





See
you
soon...

at

12TH
EDITION

 **MASCRADA 2026**
MOVEMENT AGAINST SMUGGLED & COUNTERFEIT TRADE

September 2026 | New Delhi

Key Contacts

Kashifa Hasan
Joint Director
kashifa.hasan@ficci.com

Shikha Bhatt
Senior Assistant Director
shikha.bhatt@ficci.com

+91-11-23487528

cascade@ficci.com

www.ficcicascade.in





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



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.in