

FICCI - CASCADE SEMINAR

‘Curbing Counterfeiting and Smuggling

– An Imperative for Indian Economy’

25th July 2012, Lucknow

FICCI Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) organized a Seminar on ‘Curbing Counterfeiting and Smuggling—An Imperative for Indian Economy in Lucknow on July 25th 2012. This event flags off a nationwide awareness building campaign of FICCI CASCADE to highlight the issues on the growing menace of Counterfeit and Smuggling.

The seminar received an overwhelming response with over 100+ participants across Industry, Consumer Activists / Consumer, Government and Media of Lucknow, U.P. The panel of experts consisted of Dr. Arbind Prasad, Director General, FICCI, Shri P.C. Jha, Advisor, FICCI CASCADE, Shri Dilip Awasthi, Resident Editor, Jagran Group, Shri Ajay Dixit, Commissioner- Customs, Lucknow (UP), Ms. Kalpana Reddy, First Secretary for Intellectual Property, US Embassy, New Delhi, Shri Vijay Acharya, President, Bharat Jyoti Foundation

The objective of the event was to spread awareness about the menace of smuggling and counterfeiting. The event further helped sensitize the various stakeholders in the state of U.P on the problem of smuggling and counterfeiting and how it is not only affecting the economy but also poses a serious threat to our lives.

The seminar witnessed vigorous interaction where the delegate present demonstrated active interest in the issue concerned. Mr. Harsh Chawla, Trader, enlightened the gathering with the fact that the magnitude of the problem of counterfeiting in U.P. is high. Cigarettes are sold in the market for Re. 1 while the current tax structure does not allow any legal product to be sold below Rs. 250. The increasing volume of illicit trade encourages entry of organized criminals and leads to generation of huge black money. Issues have been raised in the past by media but manufacturing units are still running and evading huge amount of taxes.

Mr. P.C. Jha, Advisor, FICCI CASCADE, suggested that such problems must be informed to Chief Commissioner of Central Excise and Customs, Directorate General of Central Excise Intelligence and to Chairman of Central Excise and Customs. Mr. Ajay Dixit, Commissioner of Customs (Lucknow), suggested that State authorities must be informed for seizures. Also, Mr. Deep Chand, Advisor, FICCI CASCADE, advised that brand owners must inform police who can take the request of the public under Trade Marks Act.

Another delegate Mr. Aslam Ahmed, Advocate, Corporate Laws and IPR Laws brought the problem of distress on taxation part between Government and public under notice. Mr. Dixit further added that implementation of IPR Act does not entail any revenue rather it is to avoid the sufferings of the economy. Mr. Jha emphasized on the role of the media to spread awareness among the public and taking the problem of consumers ahead

Another delegate from Unilever put forward a question on the seizures by customs stating that the seizures are more in Southern and Western part of country than in North and how to fill the gap between the import authorities and the companies. Commissioner of Customs welcomed information from companies' end which could help them detect counterfeit products.

Several suggestions were given by the delegates like disparity of taxes must be avoided by the Government to reduce smuggling; awareness must be spread among the consumers about the importance of cash memo and also manufacturer must come up with scheme for the consumers to detect counterfeit products. FICCI CASCADE should initiate a National helpline to register the cases of illicit trade. Also, Economic Court must be established as judges are reluctant to hear cases of economic offences.

Key Points:

- Traders and Industry should proactively inform the Central Excise Department, Chief Commissioner of Excise and Customs as well as local police
- Public at large and Consumer organization encouraged to bring their complaint/ issues to the notice of FICCI CASCADE which will help to take it further
- Consumer Rights should play an active part in highlighting the issue and spreading awareness amongst consumers
- Consumer should act forcefully and always demand a bill while making a purchase
- Enforcement agencies should act pro-actively to control this problem
- FICCI CASCADE may initiate National helpline to gather information on cases of illicit trade which can after due checks put forth to the requisite government department for further action
- CBI or other such special task force should take up the enforcement issues related to this illicit trade
- Industry to should build awareness related messages in its promotional campaign
- Study USPTO infrastructure and systems to learn the best practices of enforcement that may inform the future enforcement strategy