



Minister calls for drive against smuggling and counterfeiting to club Fiscal Deficit

FICCI-CASCADE and Shaheed Sukhdev College of Business Studies Organize CONFLUENCE' 13

"Youth Against Smuggling and Counterfeiting"

New Delhi, March 4, 2013: To spread large scale awareness against the menace of smuggled and counterfeit products, **FICCI-CASCADE** (Committee Against Smuggling and Counterfeit Activities Destroying the Economy) along with the Management Interaction Cell (MIC) of Shaheed Sukhdev College of Business Studies (University of Delhi) organized "**CONFLUENCE '13**, a youth festival to energize the youth to take up the fight against this menace on 4th March at the Vallabh Bhai Patel Chest Institute Auditorium.

The festival was inaugurated by **Shri Ajay Maken, Minister of Housing and Urban Poverty Alleviation**. In his inaugural address, the Minister stated that, "The report released by FICCI-CASCADE highlighting the impact of counterfeit and smuggling on seven key sectors of the economy and the loss to government is a right step in creating awareness." He said that it was very important for this "invisible enemy" to become visible and customer awareness is an extremely important step for this in addition to supply chain management and enforcement. The Minister highlighted that while products like alcohol and tobacco harm the consumers, if these products are fake and counterfeit, the harm is increased manifold. The Minister also stated that drive against counterfeiting and smuggling can help in plugging the fiscal deficit.

Dr. Arbind Prasad, Director General FICCI welcoming the Hon'ble Minister, stated that, " It is extremely important to understand the impact on society in terms of the involvement of organised crime cartels who are the people engaged in the nefarious activities of fake, counterfeit and smuggled goods. The main thrust of FICCI-CASCADE is creating awareness. This is being done through engagement with Consumer Affairs Ministry in the Jago Grahak Jago" programme, working with youth in various festivals and also creating a knowledge base like the study released to study the economic impact of fake, counterfeit and smuggled goods.

'Confluence' 13 had an array of events including Case Study Competition, Poster making, T-shirt painting, On-line photography competition, Broad walk Empire, Bid to win and 'The Ultimate leader'. A Cross-Country race was also organized in North Campus as a pre-cursor to the festival. The race was flagged off by **Mr. Arjun Vajpai, the youngest Indian to climb Mount Everest**. Around 200 participants ranging in the age of 10-45 years ran for the cause. College students hailed from Kirori



Mal College, College of Business Studies, Shyamlal College, SOL, Miranda House, YWCA, DDU, DPS school, Bhagat Singh College, Hansraj College, PGDAV, St. Stephens College, Faculty of Law and many more. The winners, Jitendra Kumar from Shyamlal College(category male) and Meenu Dabas from Miranda College (category female) received prizes worth INR 2000 each and goodies worth INR 6000 in the form of vouchers. The youngest runner Dev (12 years) from Pushpanjali Public School was also awarded a special prize.

Mr. P.C. Jha, Advisor FICCI-CASCADE gave an overview of the problem of counterfeiting and smuggling. A call was given for the youth to take up the “Quit Fake” movement and work towards eradicating this menace which affects all sections of the society. FICCI-CASCADE looks at the youth of the country as a harbinger of change. The committee has been supporting a number of youth festivals across the country with the agenda to inform the youth about the problem and involve them in bringing about a movement against the same.

According to a **FICCI study on “Socio-economic Impact of Counterfeiting, Smuggling and Tax evasion in seven key Industry Sectors”** the estimated annual Tax loss to government in the year 2012 is estimated at Rs. 26, 190 crores. The study further estimates an annual sales loss to industry at a whopping Rs. 1,00,000 crores. **The key sectors which were included in the study were Auto Components, Alcohol, Computer Hardware, FMCG (Personal Goods), FMCG Packaged Goods), Mobile Phones and Tobacco. The highest loss to industry in terms of revenue is from FMCG (Packaged Goods) at Rs. 20,378 crores (23.4%), FMCG (Personal Goods) at Rs. 15,035 crores (25.9%), Auto Components at Rs. 9,198 crores (29.6%), Mobile Phones at Rs, 9,042 crores (20.8%) and Tobacco at Rs. 8,965 crores (15.7%). The maximum tax loss on account of smuggled and counterfeit products to the government is from the Tobacco Sector at Rs. 6, 240 crores followed by FMCG (Packaged food) at Rs. 5,660 crores and FMCG (Personal Goods) at Rs. 4,646 crores.** The study also reconfirms government estimates of 5% of medicines in the market being fake that have a direct impact on the health and safety of consumers.