

Counterfeiting, smuggling have risen across the world: Rajasthan Minister

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Jaipur: Mr Ramesh Chand Meena, Minister for Food, Civil Supplies & Consumer Affairs, Government of Rajasthan, today said that crimes related to counterfeiting and smuggling have increased across the world.

He made the observation while speaking at FICCI CASCADA (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) seminar on 'Containing Counterfeiting and Smuggling – A Step Towards Prosperous Nation Building'.

“Counterfeiting and smuggling related crimes have increased manifold in the global market resulting in revenue loss to government and businesses and adversely impacting the health and safety of the consumers” Mr Meena said.

Extending his support, the Minister sought close collaboration with FICCI CASCADA to address the issue. The seminar discussed the importance of increased awareness on the hazards of counterfeiting and smuggling, and need for effective enforcement to enhance India's economic development.

Dr KL Jain, Member, FICCI Rajasthan State Council & Honorary Secretary General, RCCI, said that illicit trade has a serious decelerating effect on growth which must be curbed substantially. Consumers must be emphasized on taking a bill on every purchase for making India a tax compliant nation and encouraging citizens to be a part of progressive nation building.

FICCI CASCADE's recent study titled 'Invisible Enemy: Impact of Smuggling on Indian Economy and Employment' quantitatively estimates both revenue and employment opportunity lost due to smuggling in five specific industries.

As per the report, total loss to the industry on account of illicit markets in just seven manufacturing sectors is about Rs 1,05,381 crore and the loss to the government is Rs 39,239 crore. Amongst the various sectors, maximum revenue loss of Rs 9,139 crore is attributed to tobacco products, followed by mobile phones at Rs 6,705 crore and alcoholic beverages at Rs 6,309 crore.

The total direct employment opportunity lost in textiles, cigarettes, readymade garments, capital goods and consumer electronics is about 5.01 lakh in 2017-18. Direct employment opportunity lost in readymade garments and tobacco products, both largely labour-intensive industries, is 3.55 lakh, the report said.

While the total employment opportunity lost in the economy is about 16.36 lakh in 2017-18 due to backward linkage and multiplier effects of these five industries, the Indian economy loses Rs 1,17,253 crore due to smuggling in these five sectors.

Another FICCI report titled 'Illicit trade: Fueling Terror Financing and Organized Crime', highlights that the total employment losses globally due to counterfeit and piracy stood at 2 to 2.6 million jobs in 2013 and is expected to rise to 4.2 to 5.4 million jobs in 2022, suggesting an approximate increase of 110 per cent.

As per reports, seizures of highly smuggled goods such as gold, cigarettes etc. have been carried out in the state of Rajasthan. Smuggled cigarettes are widely available in major cities such as Jaipur, Jodhpur, Udaipur, Jaisalmer, etc, apart from other small towns. The customs, police department and the state enforcement agencies have taken actions in the state against those dealing in smuggled products.

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

Source: <https://orissadiary.com/counterfeiting-smuggling-have-risen-across-the-world-rajasthan-minister/>