

FICCI-CASCADE 2024: Urgent need for strict measures against illicit trade

Thursday, 26 September 2024 | Deepak Kumar Jha | New Delhi



The Centre on Wednesday emphasized on the need of harsh penalties and cracking down heavily on the nexus of people engaged in illicit trade and activities across the country. "Punishment is necessary, and it is important to instill fear in the minds of perpetrators that harsh penalties are in store for them if they engage in illicit trade activities," said Ravneet Singh Bittu, Minister of State for Food Processing Industries & Minister of State for Railways.

Addressing the 10th edition of FICCI-CASCADE's - 'MASCRade 2024', Bittu asserted that co-ordination between various enforcement agencies is key to overcome the battle against the nefarious elements ruining our economic growth. "Together, we build resilient economies, fostering global collaboration to combat these threats with robust initiatives. Let's safeguard Bharat's future together," he added. He further stated that the opinions and views of FICCI CASCADE's report will help the government to come down heavily on illicit trade activities.

Special Secretary to the Government of India and Member (Compliance Management), Central Board of Indirect Taxes and Customs (CBIC), Rajiv Talwar, said, "CBIC is serving as the fulcrum in the movement against counterfeit goods and smuggling. We have built a technology-driven risk management portal with very wide capabilities that help us predict possible smuggling operations.

CBIC field officers are making on an average 60 detections a day with the help of this portal."

Talwar added that over 3,000 people have been arrested in the last 15 months and foreign products worth Rs 40 crore were seized.

FICCI CASCADE Chairman Anil Rajput said consumers have and will continue to remain the prime focus group for both legal and the illicit players. In today's technology-dominated landscape, artificial intelligence has assumed great significance and at present we are witnessing the positive impact of this technology on our businesses and society.

"I believe that my mantra called the 'SECURE' framework which stands for Surveillance, Enforcement, Capacity Building, United Front against illicit trade, Rigorous Punishment, Entire Ecosystem built on simplicity- when looked at in totality, will provide a 360 degree addressal of the complicated issue of illicit trade and will also add value and significantly strengthen our strategy against this global menace," he said.

Director, Compliance and Facilitation Directorate, World Customs Organization Pranab Kumar Das, Director General, Indian Council of Arbitration (ICA) and Former Director General, FICCI and Think Tank Member, FICCI CASCADE Arun Chawla were present on the occasion.

During the event, FICCI CASCADE, in association with the Thought Arbitrage Research Institute (TARI), launched a report 'Consuming The Illicit: How Changing Factors of Consumption Affect Illegal Markets in 5 Key Industries' which pegs 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), alcohol, tobacco, and textiles & apparel—where illicit trade is undermining legitimate businesses, distorting competition, and significantly eating into government tax revenues, the report attributes the burgeoning size of the illicit market to heightened consumption of high-value branded, luxury, high-end, taxed goods and services, especially among the expanding aspirational middle class, both in rural and urban India.

Source: <https://www.dailypioneer.com/2024/business/ficci-cascade-2024--urgent-need-for-strict-measures-against-illicit-trade.html#:~:text=FICCI%2DCASCADE%202024%3A%20Urgent%20need%20for%20strict%20measures%20against%20illicit%20trade,-Thursday%2C%2026%20September&text=The%20Centre%20on%20Wednesday%20emphasized,and%20activities%20across%20the%20country>