

‘Counterfeit goods account for 5 % of global trade’

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Counterfeit/smuggled goods are visibly impacting the economy by generating black money, said PC Jha, Advisor, FICCI CASCADE (Committee against smuggling and counterfeiting activities destroying the economy).

The markets are getting inundated with cheap quality goods available at a lower price, thus decimating sales of genuine manufacturers. This grey market adversely impacts the economy, he said at a seminar organised by it in Hyderabad today. Smuggling has become a low-risk, high reward field, Jha said. The penal code is not strong enough to deal with smuggling and the court takes too much time in prosecuting, he added.

Jha called for public awareness campaigns to combat the menace. “For every product you buy, ask for a bill. It solves 80 per cent of the problem,” he said.

“The most dangerous form of counterfeiting occurs in pharmaceutical products, said Gowra Srinivas, President, Ftapcci. Hospital patients often end up getting counterfeit medicines that are hazardous to health, he added.

According to estimates, counterfeit goods account for 5 per cent of global trade, he said. The seminar discussed the impact of counterfeiting and smuggling on the Indian economy, and proposed solutions to curb the same.

As per a FICCI CASCADE report released in 2015, it is estimated that illicit markets in just seven manufacturing sectors cause a loss of ₹39,239 crore to the government. The maximum revenue loss is attributed to tobacco products (₹9,139 crore) followed by mobile phones (₹6,705 crore). The report also pegged the total employment loss globally due to counterfeiting and smuggling at two million in 2013. Etela Rajender, Telangana State Minister for Finance & Consumer Affairs expressed regret over the current trend of avariciousness over ethics, morals, the health of consumers, and the economy. He pleaded for the public’s commitment and conviction to curb the menace. The counterfeiting business may be the bread and butter for a few, but it destroys lakhs of others, he added.

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