

ADVERTISEMENT


HOME

BUSINESS

India lost Rs. 26,000 cr to grey markets, says a study

January 15, 2013 08:52 pm | Updated 08:52 pm IST - Patna

STAFF REPORTER

 COMMENTS SHARE

Bihar Deputy Chief Minister Sushil Kumar Modi being greeted at FICCI-CASCADE seminar on 'Curbing Counterfeiting and Smuggling-An Imperative for Indian Economy' in Patna on Jan. 15, 2013. Photo: Ranjeet Kumar

Trade in grey markets in a variety of goods has cost the national exchequer losses to the tune of Rs. 26,000 crore in 2012, a study by the Federation of Indian Chambers of Commerce and Industry (FICCI) and Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) has estimated.

The estimated tax loss to the government from spurious goods in sectors such as auto components, alcohol, computer hardware, FMCG (personal goods and packaged food), mobile phones and tobacco, for 2012 was Rs. 26,196 crore. The sales loss to the industry was calculated at Rs. 72,969 crore.

According to the study, Bihar was a "hotbed of illegal cigarettes trade in India." "Over 40 million illegal sticks are sold in the State every month."

At a seminar on 'Curbing Counterfeiting and Smuggling – An Imperative for Indian Economy', held in the city on Tuesday, industry representatives, government and enforcement agencies echoed the dangers of spurious goods not just to profit margins, but to the to the society at large, for instance the recent hooch tragedies in Bihar which claimed several lives.

"The Customs Act to prevent smuggling existed for a long time. However, smuggling activities have gone down to a large extent [in the liberalised world], but counterfeiting of goods has increased," SD Sanjay, Additional Advocate General, Patna High Court pointed out.

Several laws were in place against trademark and copyright violation, and food adulteration, but given the scale of the problem the legislation was inadequate, he said.

Bihar shared a large part of its border with Nepal where the movement was high, said JS Gangwar, Inspector General, Darbhanga district. He said, for the next seven years, Bihar police would be focussed on cracking down on economic offences.

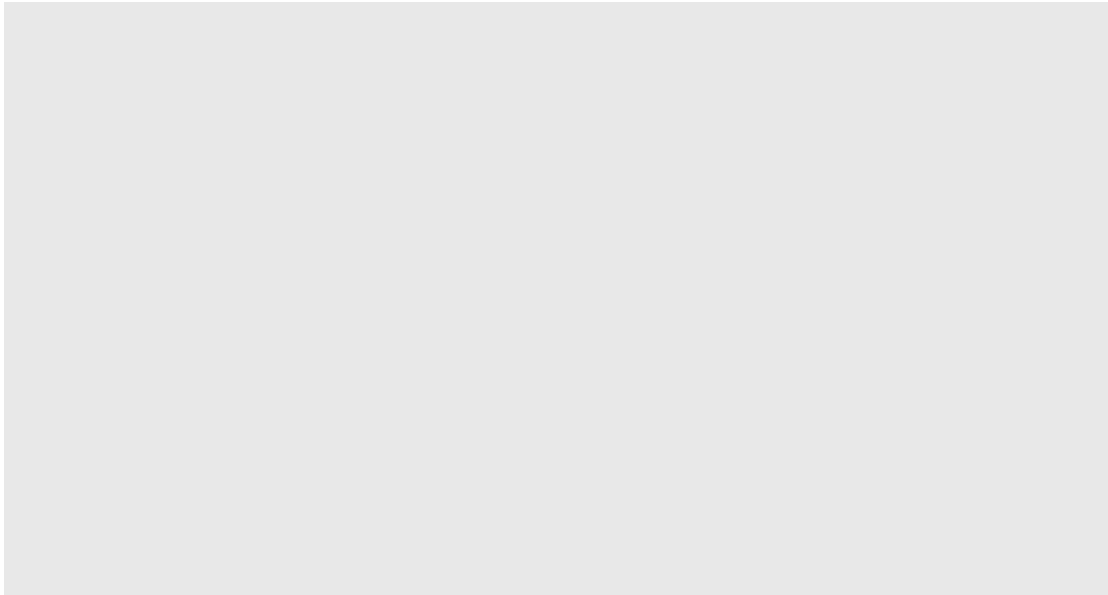
Driving home the enforcement measures in America, Kalpana Reddy, first secretary, US Patent and Trademark Office, US Department of Commerce, said it was important to recognise the scope of the problem and realise that counterfeiting and piracy harmed entire societies.

Despite a host of agencies, “a lot more actually gets through the Customs to the open market,” she said. Online piracy in this digital world was a huge site for intellectual property theft. The National Intellectual Property Rights Coordination Center (NIPRCC) in the US had already seized 758 domain names. Online complaint registration systems for consumers went a long way in addressing the problem, she said.


Consumer activist JN Singh of Awake India Foundation held the government accountable for the proliferation of illegal goods. “End consumers suffer the most due to fake goods. The government has a huge network and certainly knows everything, but does nothing. That’s the reality,” he said.

Bihar deputy chief minister Sushil Kumar Modi asked FICCI to prepare a memorandum on anti-counterfeiting and give it to the State government.

He called for technical solutions to tackle the menace of smuggling and counterfeiting.



 COMMENTS

 SHARE

Related Topics

[breach of contract](#) / [fraud](#)

Top News Today

TOP
NEWS

INDIA /

WORLD /

SPORTS /

BUSINESS /

SCI-TECH /

ENTERTAINMENT /

LIFE &

STYLE

ADVERTISEMENT

[Return to frontpage](#)

[Google Play](#)

[Apple Store](#)

The Hindu

[About Us](#)

[News Archive](#)

[Print Subscription](#)

[Subscribe to Newsletters](#)

[Readers Editor-Terms of Reference](#)

[Code of Editorial Values](#)

[Sitemap](#)

[Digital Subscription](#)

[Rss Feeds](#)

Contact us

[Contact Us](#)

[Advertise With Us](#)

[Social Media](#)

Group News Sites

[Business Line](#)

[Sportstar](#)

[இந்து தமிழ் திசை](#)

[Young World Club](#)

[Business Line ePaper](#)

[BL on Campus](#)

[Frontline](#)

[The Hindu Centre](#)

[The Hindu ePaper](#)

[Crossword + Free Games](#)

Other Products

RoofandFloor	STEP
Images	Classifieds - Digital
Classifieds - Print	Bookstore & Special Publications

Popular Sections

Latest News	National News
International News	Videos
Life & Style	Food
Podcast	

Opinion

Editorial	Columns
Comment	Cartoon
Letters	Interview
Lead	

Business

Agri-Business	Industry
Economy	Markets
Budget	

Sport

Cricket	Football
Hockey	Tennis
Athletics	Motorsport
Races	Other Sports

Sci-Tech

Science	Technology
Health	Agriculture
Environment	Gadgets
Internet	

States

Andhra Pradesh	Karnataka
Kerala	Tamil Nadu
Telangana	Other States

Cities

Bengaluru	Chennai
Coimbatore	Delhi

Hyderabad

Kochi

Kolkata

Kozhikode

Madurai

Mangaluru

Mumbai

Puducherry

Thiruvananthapuram

Tiruchirapalli

Vijayawada

Visakhapatnam

Trending on thehindu.com

Stapled visas for Arunachal athletes unacceptable: India

Over 25,000 Shias attend Srinagar Muharram procession after 33 years, L-G says 'testimony to normalcy'

No Waqf Board has authority to expel community from a religion: Smriti Irani amid Ahmadiyya row

Elusive consensus: On transparency and the state of India-China ties

On same day, PM links Opposition to terrorists, HM seeks their cooperation on Manipur: Kharge

Trending on our Group sites

India likely to get the 3rd largest economy tag in 2027: SBI report

RVNL OFS: What should investors do?

The great Goa land grab

Targeting of Kukis the main reason behind Manipur violence

AFC's FIFA World Cup 2026 qualifiers draw: India in Group A with Asian champion Qatar, Kuwait and Afghanistan/Mongolia



[TERMS OF USE](#) / [PRIVACY POLICY](#)

Copyright© 2023, THG PUBLISHING PVT LTD. or its affiliated companies. All rights reserved.

[BACK TO TOP](#)