

**Authentication Forum targeting counterfeiting launched by
Mr BK Prasad, Member – Secretary, Ministry of Social
Justice and Department of Consumer Affairs Joint Sec Shri
P.V. Rama Sastry in New Delhi**

- *ASPA & MFI organized Authentication Forum to Empower Industry, Government and Consumers; Plugging counterfeiting to help Government in increased tax revenue, whilst counterfeiting impacting more revenue worth Rs. 26190 crore.*
- *High-profile panel addresses growing concerns on counterfeiting in the country*

New Delhi, 9th February 2017: In a strong move against counterfeiting and enabling the “Make-Sure-India” movement in the country, India’s first two-day conference authentication conference cum exhibition – The Authentication Forum 2017 opens today at The Taj Mahal Hotel, Man Singh Road, New Delhi. This forum is organised by Authentication Solutions Providers Association (ASPA) and Messe Frankfurt India (MFI) jointly.

A high-profile panel of experts including government authorities and technology specialists have come together in New Delhi to mark the launch of this important platform which was inaugurated by Mr. B K Prasad (IAS), Member – Secretary, National Commission for Denotified, Nomadic & Semi-Nomadic Tribes, Ministry of Social Justice and Empowerment along-with Mr. P. V. Rama Sastry, Joint Secretary – Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution, Govt. of India, and Mr Chandrashekhara Ranga, Dy Drugs Controller (India), Central Drugs Standard Control Organisation.

At the occasion, Mr. B K Prasad (IAS), Member – Secretary, National Commission for Denotified, Nomadic & Semi-Nomadic Tribes, Ministry of Social Justice and Empowerment said: “I am happy that the industry has come together to deliberate on this important issue. This is a major concern which affects industries, government and the public at large and I am happy to be here at the Authentication Forum which can bring forward implementable solutions.”

Mr. P. V. Rama Sastry, Joint Secretary – Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution, Govt. of India said: “Even as industry revenues take a major hit by counterfeits, the biggest loss is to the consumer. All of us need to work together to address this growing concern and the panel discussion with various cross-sector stakeholders at this important forum will serve this purpose.”

Eminent experts including, Mr. Arvind Gupta, National President (Convener) – IT Cell, Bhartiya Janta Party (BJP), Mr. Anil Rajput, Senior Chair – Federation of Indian Chambers of Commerce & Industry – Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (FICCI CASCADE) & Vice President - Corporate Affairs, ITC Ltd, Mr. Rama Shankar Pandey, Co-Chairman, Consumer Affairs & Anti – Counterfeit Committee, Automotive Component Manufacturers' Association of India (ACMA) & Managing Director, Hella India, Mr. Vivek Padgaonkar, Director – Project & Policy, Organization of Pharmaceutical Producers of India (OPPI), Mr. Pradeep Shroff, Noted Anti-Counterfeiting Expert, Author, Former President, ASPA & Former Managing Director – PRS Permacel Pvt. Ltd and many more shared their insight on this vital issues aimed at mitigating counterfeiting concerns.

At the occasion, Mr. U.K. Gupta, President, ASPA, said, "Our Governments seems committed to fight against black money and terrorism and we welcome the initiative of Government of India and the campaign "Made in India". Today, "Made in India" product have great opportunity in India and overseas market. However, with the increase of counterfeiting in various sectors, there is a constant need to ensure that these "Made in India" label product are of highest quality, genuine and secured till its deliver to the end consumer. We offer the various authentication solutions which will ensure that "Made in India" label product are of highest quality and can be easily identified as genuine products by brand owners, Government authorities and consumer by large with the help of IT and digital solutions such as mobile app, SMS and web based applications. This summit will have positive step on our existing Honourable Prime Minister Narendra Modi's dream country campaign "Make in India" & ASPA's campaign "Make Sure India".

On this occasion, **Mr. Nakul Pasricha, Vice-President, ASPA** said, "Counterfeiting is increasing 3% per annum globally. In India, the problem is more severe, it is growing with an alarming rate of almost 44% per year. As per industry body FICCI-CASCADE, from the counterfeiting activity the Government of India incurred a loss of **26,190 crores** in fiscal year 2011-12 which has increased to **39,239 crores** in 2013-14, a growth of **49.8%** in two years.

Mr Arun Agarwal, General Secretary, ASPA said, "Our industry can help Government in plugging these loopholes. A brand owner that employs an authentication solution is likely to increase his business by cutting down the counterfeiter's share. This increased business will consequently bring in in more revenue to the exchequer in form of higher collection of taxes and duties. It is a well-known fact that money earned from counterfeiting is often used to fund transnational criminal activities. Therefore,

reduction in counterfeiting will lead to curtailment of such criminal activities also. Plugging counterfeiting can help Government in increased tax revenue approximately INR 26,190 crore which is currently goes to counterfeiters and to black economy. There are proven studies that adoption of authentication solutions can help curb this menace, minimize black money as well as increasing tax revenue. "For example, the most successful case study is of usage of authentication solutions by various State Excise Department's which provides them an authentic tool to differentiate illicit liquor and helps in fighting against counterfeiting. In India, more than 22 States are already using approximately 2000 crores security hologram (tax stamps) on liquor bottles per annum. The usage of authentication solutions in these States like Tamilnadu, Uttar Pradesh, Karnataka, Madhya Pradesh, Puducherry, Chhattisgarh etc. etc. has not only minimized the tragedies due to spurious liquor but have also substantially increased the excise revenue collection by more than 15-20 percent on year to year basis".

At the occasion, A K Datta, packaging expert and former head, packaging at Jubilant Life Services, said: 'Of the 800 billion USD global pharmaceutical industry, approximately 10 percent is believed to be counterfeit.' Sumantra Mukherjee, director, Forensics Practice at KPMG, pointed out that the FMCG market in India was valued at 49 billion USD in India in 2016 and is expected to reach 104 billion USD by 2020. Addressing the concerns of FMCG counterfeiting, he said: 'Counterfeit products are growing at a staggering rate of 44 percent, as opposed to 30 percent a couple of years back.' The increase, he said, was due to online business where it is easy for counterfeiters to sell fake products and dupe customers. It is, therefore, important to locate the real source of the product before making a purchase. Brands lose up to 20 per cent of market share and companies face roughly 10 per cent losses on revenue and profit due to counterfeit products in India.

Day one of the summit through its focus on these sectors will initiate a panel discussion on reviewing counterfeit menace in country and push the debate to understand the problems of counterfeiting across various sectors including medicines, FMCG, Auto parts, Liquor, Mobile Phones and others. Part two will cover role of Global standards, perspectives of legal and law enforcement agencies in anti-counterfeiting strategy.

Day two of summit will provide insight to delegates about authentication solutions and trends from global experts through a series of sessions on Anti-Counterfeiting Strategies beyond solutions will give a 360 degree integrated approach against counterfeiting, ISO 12931 2012 - Performance criteria for authentication solutions, Successful Execution of Raids, Legal and Law Enforcement Perspectives, Insight into

New Generation OVDs, Security Labels and Strategic Consulting among other key themes.

Highlights - A compact display area near the conference also cover a host of new age digital and physical authentication solutions such as Tamper Seal, Tamper Evident Label, Security Hologram, Security Label, Tax Stamps, Void Tamper Films, Track and Trace Solutions, Anti-Copying Solutions, IT based Authentication solutions, Holographic Shrink Sleeves, RFID Labels, Security papers and fibres, Taggants among other viable solutions for the Indian market.

For further details, please refer to Annexure 1:

About ASPA

The **Authentication Solution Providers' Association (ASPA)** is a self-regulated, non-profit organization of authentication solution providers. Formed in 1998 with the objective to curb counterfeit product in various sector, it is the only association of its type in the world primarily focused on the adoption and advancement of authentication technology and solutions for brand, revenue and document protection. As an industry body of authentication solutions providers, ASPA encourage its members to adopt best practices, standards and usage of advance technology in providing cost effective anti-counterfeiting solutions against counterfeiting. ASPA members protect over 10,000 brands worldwide through the identification of genuine products and documents. ASPA works closely with global authorities such as International Hologram Manufacturers Association (IHMA), Counterfeit Intelligence Bureau (CIB) and Interpol. ASPA members protect over 15,000 brands worldwide through the identification of genuine products and documents.

For more information, visit us at www.aspaglobal.com.

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ANNEXURE 1: FOR HANDY REFERENCE

Table 1: Loss of Sale to Indian Industries 2013-14 (INR Crore)

Industry	F.Y. 2013-14	F.Y. 2011-12
FMCG Packaged Goods	21957	20378
FMCG Personal Goods	19243	15035
Mobile Phones	19066	9042
Alcoholic Beverages	14140	5626
Tobacco	13130	8965
Auto Components	10501	9198
Computer Hardware	7344	4725
TOTAL	1,05381	72969

Table 2: Taxes Loss of Revenue to Indian Government (INR Crore)

Industry	F.Y. 2013-14 (A)	F.Y. 2011-12 (B)	Change (A-B)
FMCG Packaged Goods	6096	5660	436
FMCG Personal Goods	5953	4646	1307
Mobile Phones	6704	3174	3530
Alcoholic Beverages	6309	2511	3798
Tobacco	9139	6239	2900
Auto Components	3113	2726	387
Computer Hardware	1923	1234	689
TOTAL	39237	26190	13047

***Taxes includes direct and indirect**

Source: FICCI Cascade Report