

# The **AUTHENTICATION** Times

The Official magazine of The Authentication Solution Providers' Association (ASPA)



***“Addressing the Menace of Counterfeiting in Agro-Products: A Survey of Challenges, Facts, Figures and Solutions”***



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## Editor's Corner



Dear Readers

Welcome to the 47th edition of The Authentication Times.

In the current edition, we delve into significant discoveries outlined in the ASPA- CRISIL "State of Counterfeiting in India 2022" report, particularly focusing on agro-products. Furthermore, we explore the newly released FICCI CASCADE report and the ASPA's New Governing Body.

ASPA, in partnership with Messe Frankfurt India (MFI), did its flagship event, Traceability and Authentication Forum 2023. The 5th edition was held on July 6-7, 2023, at Hyatt Regency, New Delhi. The theme of the event was "Coming together to pledge for Zero counterfeiting".

We will soon announce the dates of the 6th edition of The Traceability and Authentication Forum 2024.

While you enjoy our regular sections and updates, make sure to know ASPA's recent member companies Ennoventure Marketing India Pvt. Ltd., Pravesha Industries Pvt. Ltd., Lucid Imaging Pvt. Ltd., Sepio Products Pvt. Ltd. and Markem-Image India Pvt. Ltd.

I hope you find this issue informative and exciting, and as always, look forward to receiving your feedback.

Yours Sincerely,

Puneet Maithani  
Editor,  
The Authentication Times

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### About the Authentication Times

The Authentication Times is the official magazine published by Authentication Solution Providers' Association (ASPA). The publication offers in-depth analysis, news, research, article, and expert opinion on the latest developments on Anti-counterfeiting, Brand Protection, Serialization and Traceability in and out of India. The editorial team welcomes news, contributions, and comments.

For further information, subscriptions, contributions and advertisement, please email your submission at vikram@aspaglobal.com or call at +91 7838208944

# Counterfeiting Alert

## Key Industries that are impacted by the trade based money laundering (TBML) and its linkage with terror

In the 2022 Illicit Trade Report by the World Customs Organization (WCO), it was found that tobacco products accounted for approximately two-thirds of all excise seizures, while alcoholic beverages made up just under one-third of the total.

This discrepancy can be attributed to the widespread illegal trade within these two industries. The consistently significant number of confiscated counterfeit tobacco and alcohol products highlights the ongoing and growing issue of illicit trade in these goods, offering an enticing avenue for unlawful profit generation.

This underscores the extent of the problem at hand. Illicit alcohol and tobacco products constitute significant segments within the broader illegal market.

According to a 2022 case study conducted by the Transnational Alliance to Combat Illicit Trade (TRACIT) on illicit trade, the estimated annual

value of these critical commodities ranged from US\$ 284 billion to US\$ 616 billion.

SEIZURES CASES - ALCOHOL/TOBACCO			
YEAR	2019	2020	2021
Cigarettes	157,178	58,694	53,892
Other Tobacco Products	18,617	13,961	17,151
Alcohol	34,675	17,138	20,460

*\*Source: Illicit Trade Report 2022, WCO*

The illicit alcohol and tobacco trade is a major global threat that is exploited by both organized crime and terror groups, which use illicit profits to fund their operations.

According to the Financial Action Task Force (FATF), the low risk of detection associated with smuggling activities and low likelihood of tying these activities to terrorist or individuals exacerbate this vulnerability.

## India-Terrorism, organised crime, and illegal economy: understanding the linkages, relationship

Based on UNODC estimates, when the Indian economy surpassed the \$3 trillion mark in 2021, the quantum of money laundering in India can be estimated at US\$ 159 billion, or about 5% of the GDP, showing the magnitude of the problem.



Further drawing from FICCI CASCADE-TARI's earlier \*research report, there is a concerning trend in the rise of illicit markets in India, as well as the emergence of non-market actors involved in these activities. This poses significant risks, particularly when such markets are run by players linked to incidents of terrorism and crime, creating a looming threat to global security.

**Supreme Court judge Justice KV Viswanathan said on the two-day conference organised by FICCI CASCADE titled "MASCRADE 2023" the complex problem of illicit trade and counterfeit goods was hindering the country's path towards achieving its potential as a global economic powerhouse.**

*\*Source: FICCI Cascade report*

## Anti-Counterfeiting - Initiatives

### Agriculture Dept Introduces QR Code for Seed Distribution to Curb Seed & Fertiliser Misuse

The introduction of the QR code system marks a significant advancement in the Department of Agriculture's mission to promote transparency and accountability in seed distribution.

To combat the misuse of seeds and fertilizers, the Department of Agriculture has implemented a groundbreaking QR code system during the distribution of seeds. \*The department claims to be the first to introduce such a system, providing farmers with seeds through the innovative **K-Kissan software**.

The newly implemented QR code system aims to accurately determine the volume of seeds required for distribution under the

subsidy program. Leveraging the existing farmer land details stored in the **K-Kissan software**, department officials can access comprehensive information by simply inputting the Farmer's Identity (FID) number. The software then calculates the exact quantity of seeds needed for each farmer.

The implementation of the QR code system brings further advantages, allowing for detailed information about seeds and crop observations. By scanning the QR code, farmers can easily track the origin of the seeds they have utilized on their land, enabling better monitoring and management of their crops.

*\*Source: <https://krishijagran.com/>*



# Anti-Counterfeiting - Initiatives



## After developers, MahaRERA asks real estate agents to display QR code or face penalty

Homebuyers can scan the 'quick response' codes with their smartphones to get information about a real estate project or a real estate agent, as well as about the projects.

**According to MahaRERA data, more than 42,000 real estate projects and over 44,000 real estate agents have been registered in Maharashtra since May 2017.**

After making it mandatory for real estate developers to display a QR code in every promotional activity for a real estate project, the Maharashtra Real Estate Regulatory Authority (MahaRERA) has also asked real estate agents to do the same or face a penalty of up to Rs 50,000.

Beginning August 1, MahaRERA made it mandatory for all developers to prominently display a QR code—black-and-white barcodes that are scannable—on every real estate project promotion/advertisement, across all visual media.

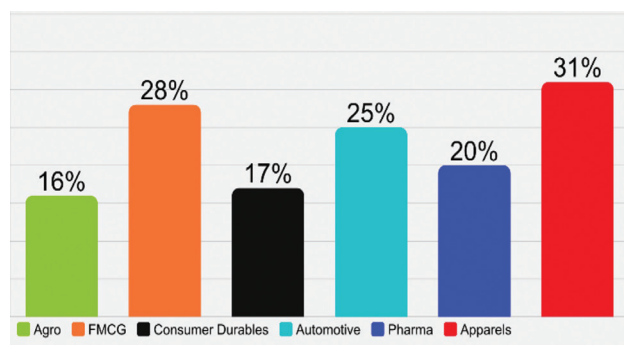
"MahaRERA, having introduced QR Code for each and every registered real estate project, the directions issued by the authority respectively shall mutatis mutandis [translation: with necessary changes] apply to all registered real estate agents. Real estate agents shall prominently display QR Code on each and every real estate project promotion / advertisement published in the mediums as more specifically listed in MahaRERA order of May 2023," the regulator said in an order issued on August 21.

"The QR Code published shall be legible, readable, and detectable with software application and shall be published besides MahaRERA project registration number. Failure to comply with above shall be construed [construed] as violation of the directions issued by the authority, and may attract penalty of up to Rs 50,000/- subject however to a minimum penalty which shall not be less than Rs 10,000/- under Section 65 of the Act shall be imposed upon real estate agents for each such violations," the order added.

*\*Source: <https://www.moneycontrol.com/>*

## “Addressing the Menace of Counterfeiting in Agro-Products: A Survey of Challenges, Facts, Figures, and Solutions”

Counterfeiting in agro-products is a concerning issue that poses significant threats to both consumers and the agricultural industry. This illicit trade practice entails the manufacture and distribution of counterfeit agricultural supplies such as seeds, fertilizers, insecticides, and even food. Counterfeit agro-products not only jeopardize food safety but also undermine the efforts of honest farmers and agri-businesses. These counterfeit products often lack the necessary quality control and safety standards, putting consumers at risk of health hazards while potentially leading to crop failures and decreased agricultural productivity. Tackling counterfeiting in agro-products requires robust regulatory measures, public awareness campaigns, and collaboration between government agencies and the private sector to ensure the authenticity and safety of agricultural inputs and food products.



**Penetration of Counterfeiting**

ASPA, in collaboration with CRISIL, has recently published a report on the State of Counterfeiting in India for the year 2022. The report's key findings reveal that counterfeiting has a notable presence across various sectors, with a 16% penetration rate in Agro-Products, 28% in FMCG, 17% in Consumer Durables and 25% in the Automotive industry.

As per survey reports, it is pertinent to note that the perceived level of harm associated with counterfeit agro-products is relatively low, though industry experts believe it should be higher.

Pharmaceuticals	High
PFMCG/Packaged Goods	High
Automotive Parts	Moderate
Consumer Durables / Electronics	Moderate
Agro-chemicals	Moderate
Apparels	Low

Recognition of Harmfulness of Counterfeiting, concurring to a report by FICCI, counterfeit or illegal pesticides constitute approximately 25% of the total market value and about 30% by volume in India's domestic agro-chemical market. These counterfeit products are typically subpar formulations that fail to effectively combat pests. While some may initially appear effective, they often leave harmful by-products that can severely impact both the soil and the environment. Beyond causing crop loss and diminishing soil fertility, the use of non-genuine pesticides results in financial losses for farmers, agro-chemical companies, and the government. For instance, Kashmiri apple farmers reported a staggering 60-70% reduction in apple production due to the use of fake pesticides.

## Varieties of Counterfeiting in the Agro-Product Industry

- **Counterfeit Pesticides:** Often distributed in basic, unmarked containers (typically white bottles), these products lack comprehensive information on usage, health, or environmental precautions.
- **Counterfeiting of Authentic Branded Products:** These are intricate replicas of genuine, well-known brands, typically characterized by high-quality labeling and packaging.
- **Unlawful Parallel Imports:** Legitimate parallel-traded goods are substituted with illegal generic duplicates, repackaged, and fraudulently marketed as authentic products.

Preventing the counterfeit menace in the agro-industry requires a multi-faceted approach. Firstly, governments must establish and rigorously enforce regulations that set high-quality standards, institute licensing requirements, and impose significant penalties on counterfeiters. The incorporation of advanced authentication technologies, such as QR codes and holograms, is essential for consumers to easily verify product authenticity. Public awareness campaigns play a pivotal role in educating farmers and consumers about the risks associated with counterfeit agro-products and how to distinguish genuine ones. Supply chain transparency is critical; traceability systems can effectively track products from production to distribution, minimizing opportunities for counterfeit infiltration. Collaboration among government agencies, industry associations, and law enforcement is key to sharing information and coordinating efforts against counterfeiters. Legal actions with severe penalties should deter illicit activities, while product serialization and innovative packaging make replication more difficult. International cooperation and constant innovation are also essential in the fight against agro-product counterfeiting, ensuring the protection of farmers and consumers alike.

GS1 India recently conducted the **“National Conference on QR code Implementation in the Agriculture sector”** in Delhi.

**Mr. Swaminathan, the CEO of GS1 India**, emphasized the significant step taken by the Department of Agriculture, Government of India, in introducing a QR Code application. This application aims to curb the presence of spurious, counterfeit, and unauthorized agricultural products in the market, ensuring that farmers have access to high-quality



agri-inputs. We firmly believe that this well-conceived system is both necessary and promising in its potential to eliminate the circulation of substandard agricultural products. By adopting this technology, farmers will be empowered to make informed choices, steering clear of inferior agri-inputs, and enabling them to accurately verify product authenticity.



# ASPA Governing Body 2023-2025

**India Needs to Prioritise Conscious Consumerism to Curb Economy Revenue/ Tax Leak: ASPA Governing Body - “The Non-Deceptive Market is the most critical aspect fuelling widespread Counterfeiting and Illicit trade across the country and plaguing almost all industries”.**

The Authentication Solution Providers' Association (ASPA), a non-profit organization which is the strongest advocate against counterfeiting and illicit trade elects a new Governing Body. Under the new leadership, the pioneering think tank shares a critical

insight into the issue of counterfeiting that is depriving India of precious revenue. ASPA's New Governing Body says, **“There is an immediate need for India to priorities Conscious Consumerism to curb the betterment of the Indian Economy”.**

**Mr. Manoj Kochar, Holoflex Limited has been voted as the President of ASPA. Mr. Ankit Gupta, Holostik India has been given the responsibility of Vice President. Mr. Luv Shriram, Veritech, is the General Secretary and Treasurer.**



**Mr. Manoj Kochar  
President**



**Mr. Ankit Gupta  
Vice President**



**Mr. Luv D Shriram  
Gen.Secretary & Treasurer**



**Mr. Saurabh Agarwal  
Governing Body Member**



**Mr. Vikas Jain  
Governing Body Member**



**Mr. Nakul Pasricha  
Ex-Officio**



**Mr. Ranesh Bajaj  
Co-Opted Governing Body Member**



**Mr. Gaurav Sathaye  
Co-Opted Governing Body Member**

# ASPA Governing Body 2023-2025

**The names of the Governing Body Members are Mr. Saurabh Agarwal, Avery Dennison (India) Pvt. Ltd; Mr. Vikas Jain, ACVISS Technologies; and Ex-Officio: Mr. Nakul Pasricha, PharmaSecure. Co-Opted Governing Body Member is Mr. Ranesh Bajaj, Vinsak India and Mr. Gaurav Sathaye, United Inks Pvt. Ltd.**

Sharing insights during the meeting **Mr. Manoj Kochar, President, ASPA said, "Counterfeiting has and continues to be a very serious hindrance that has been slowing down the growth of India's Economy.** Unfortunately, neither of the stakeholders be it the government, industry associations, businesses or the consumers give the matter the importance it deserves.

Counterfeiting is divided into Deceptive and Non-Deceptive markets. In simpler terms some consumers buy a fake under the impression that it is an original (deceptive) and some consumers buy the product knowing that it is a fake (non-deceptive).

In a recent survey done by us, it was found that an astonishing 31 percent people willingly buy a fake product (ASPA Report to the Nation).

This non-deceptive market fuels the counterfeit market and encourages criminals to produce and sell more such harmful and inferior fake products.

It is extremely critical to nurture and motivate conscious consumerism plus active

participation in the authentication process. Without inclusion of the consumers, it is impossible to fight against fakes.

Mr. Ankit Gupta, Vice President, ASPA, **"Circulation of counterfeit products does not only have financial but also social repercussions. It tarnishes the reputation of the country and reduces faith of consumers. It is disheartening to see that consumers have lost so much faith that they are okay in buying a product even when they know that it is a fake and it could be harmful for them. Awareness about the dangers associated with buying a fake product. They need to know that they might be spending less money, but they might be making a very costly mistake. In critical products such as pharmaceutical, food, alcohol, etc, this mistake could cost lives."**

The survey revealed that the top categories in which consumers come across fakes are Apparel (31%), FMCG (28%), Automotive (25%), Pharmaceuticals (20%), Consumer durables (17%), and Agrochemicals (16%).

The menace of counterfeit, substandard and falsified products is rooted deep into the ecosystem and auctioning a strategic plan to counter it cannot be pushed further. It is an immediate need of the Indian economy which can put the saved revenue into effective use. By encouraging conscious consumerism, the whole ecosystem can be pushed towards a positive change.

# Industry News

The 5th edition of Traceability and Authentication Forum – TAF & Awards were organised by the Authentication Solution Providers' Association (ASPA) and Messe Frankfurt India on 6 - 7 July 2023 at Hyatt Regency, New Delhi, India. The event with the theme, **“Coming together to pledge for zero counterfeiting”** witnessed participation of over 200 industry delegates and eminent speakers who converged with thought provoking deliberations and exchange of insights on best practices in product authentication, traceability, counterfeit prevention and thereby consumer protection.



In addition to the conference, ASPA also presented the first edition of its annual industry awards **“U K Gupta Excellence Awards 2023”**, in the fond memory of late Mr. U K Gupta, Founder Member ASPA & Chairman and Managing Director, Holostik India Ltd. The awards were presented to recognize innovation, development, and excellence in the Anti-counterfeiting industry.



# Industry News

The takeaways from TAF 2023 provided valuable insights into the world of counterfeiting and consumer perceptions. It shed light on the alarming fact that counterfeits make up to 25-30% of the market in India, drawing from the latest findings of the “State of Counterfeiting in India 2022” report. The event also offered a deep dive into the latest regulatory perspectives, focusing on recent anticounterfeiting and track-and-trace regulations. Participants pondered over the readiness of Indian brands to navigate these evolving regulations effectively. Moreover, discussions centred on traceability, emphasizing its significance across the board. Experts deliberated on the roles and future directions of regulators, brands, and consumers in ensuring product traceability.

Industry leaders shared their perspectives on constructing a robust anti-counterfeiting ecosystem in India. They provided insights into the current status quo, outlook, and emerging threats that brands should be prepared for. TAF 2023 also highlighted the importance of staying updated on the future of brand security. The integration of big data, artificial intelligence (AI), blockchain, and other cutting-edge technologies into supply chains was a topic of significant interest. Attendees learned about the latest trademark protection strategies and how to align them with their anti-counterfeiting efforts. The event also featured best practices and global case studies from leading brands, offering valuable lessons and inspiration for all participants.

Representatives from Govt. /private sector companies like Drugs Control Department, Govt of NCT of Delhi, Ministry of Health & Family welfare, Ministry of Chemicals & Fertilizers, Human Rights Group, Indian Chemical Council, Government of Agra, Marico., DS Group, Goldiee Group, Mother Dairy, Pfizer, Ashok Leyland, Mankind, Ford, Polycab, Jockey, Dhanuka Agritech, FMC, Kapiva, Godfrey Philips, Cystal Crop Protection, etc. shared insights during the forum.

The Traceability and Authentication Forum 2023 brought together an impressive array of industry experts and stakeholders, with

**Smt. Urvashi Prasad, Senior Director, NITI AAYOG graced the occasion as the guest of honour and Shri Susanta Kumar Purohit, JS, Ministry of Chemicals and Fertilizers, was the chief guest.**



over 35+ speakers and moderators sharing their insights and expertise.

The event featured a diverse range of discussions, including 12-14 sectoral sessions and technical presentations. In addition to the enriching content, the forum boasted strong support from the industry, with 13 sponsors and exhibitors contributing to its success. With a robust turnout, the event welcomed more than 180 delegates, fostering meaningful connections and collaborations among professionals in the field.

# Industry News



The announcement for the 6th edition of the Traceability and Authentication Forum in 2024 will be made soon. Stay tuned for more details and updates. In recent months, ASPA has actively engaged in various industry events and initiatives. ASPA took part as a Supporting Association at PackPlus India, organized in New Delhi by Reed.

Additionally, ASPA played a pivotal role in organizing a conference session at Propak India 2023, hosted by Informa Markets, under the theme “Innovative Solutions for Secure Futures: Uniting Phygitality, Empowering Packaging, Ensuring Traceability.” During this session, ASPA member companies contributed as panellists, and Mr Ramu from PrintWeek India & WhatPackaging expertly moderated the discussion.

ASPA is pleased to announce its collaboration with Packaging South Asia for the upcoming one day conference, PACK.Nxt 2024, to be held in Mumbai. We are proud to support this event as a Supporting Association.

Additionally, ASPA has joined forces with IPAMA for IntraPac India 2024, during which ASPA will be hosting a conference focused on “Authentication, Traceability, and Secure Sustainable Packaging”. Stay tuned for further details as ASPA will be sharing information regarding participation shortly.

It's worth noting that ASPA members can look forward to exclusive discounts when participating in IntraPac India 2024, taking place in Greater Noida. We are committed to facilitating valuable opportunities for our members and industry stakeholders. ASPA welcomes our recently joined members:



Ennventure Marketing  
India Pvt. Ltd.



Sepio Products Pvt. Ltd.



Pravesha Industries Pvt. Ltd.



Lucid Imaging Pvt. Ltd



markem·imaje  
a DOVER company  
Markem-Image India  
Pvt. Ltd

ASPA is thrilled to announce that we got a speaking slot at The Holography Conference (Online) 2023 (21st and 22nd November 2023). The Holography Conference is the only global conference for the commercial holography industry – and has tracked every new development in holography since 1990. And after a successful run of 30 years in the physical world, for 2020 the event went online for the first time – delivering a new and invigorated format that was not only a reflection of the COVID-induced travel restrictions, but also a reflection of changing the nature of the industry – one that has matured, specialised and diversified.

ASPA's presentation revolved around the theme of **Securing the Future: Combining Holography with different Technologies and Traceability**. The ASPA Secretariat participated in this virtual conference.

The Holography Conference online 2023 consisted of four sessions focused:

Session 1: Holography – a New Dawn

Session 2: Production and Sustainability – Charting the Next Pathway

Session 3: Authentication and Anti-Counterfeiting – Keeping One Step Ahead

Session 4: Security and Beyond – New Technologies and Applications and the award ceremony.

Thanks to the continued collaboration between IHMA and ASPA, all ASPA members were invited to attend the conference free of charge, as the delegation fee was waived for them.

The screenshot shows the website for 'THE HOLOGRAPHY CONFERENCE'. The navigation bar includes 'Programme', 'Attendees', 'Sponsorship', 'Awards', 'Reviews', and 'Contact Us'. The main heading is 'Tuesday 21 November 2023'. On the left, a session list shows 'Session 1 - Conference' at 11:00 by Astrid Mitchell and 'Securing the Holography Technologies' at 11:45 by Puneet Maithani. A modal window titled 'Presentation Abstract' is open, displaying the title 'Securing the Future : Combining Holography with Different Technologies and Traceability' by Puneet Maithani, along with a portrait photo of the speaker and a brief description of the presentation's content.

# FIGHTING COUNTERFEITS

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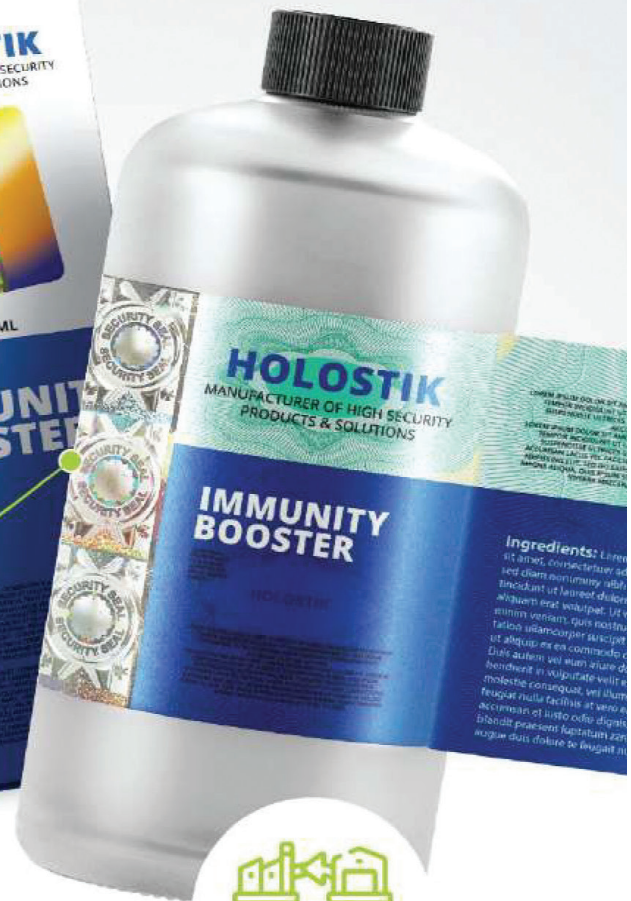




High Security  
Optashield  
Strip



High Security  
Labels



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