

ASPA releases State of Counterfeiting in India Report 2020

- Counterfeit incidents in India are increasing at an alarming rate by 24% in 2019 compared to 2018.
- Counterfeiting activities impacting the Indian economy more than Rs 1 trillion every year.
- First of its kind document to provide insight for Regulators, Policymakers, and Brands to understand counterfeiting trends and analysis and to support stakeholders in formulating an anti-counterfeiting strategy to fight this menace.
- COVID 19 crisis exploited as an opportunity by counterfeiters. Between February to April 2020, more than 150+ cases of incidents had been reported in the media including cases of fake PPE kits, sanitizers, and masks.

July 31, 2020 – The **Authentication Solution Providers' Association (ASPA)**, a self-regulated industry body of Anti-Counterfeiting and Traceability Solutions providers unveil the first edition of its report "**The State of Counterfeiting In India - 2020**". The report highlights the trends of counterfeiting incidents reported in India for the period 2019 and 2018. According to the report, counterfeiting incidents have risen steadily in the last few years and in 2019 these have **increased by 24%** as compared to 2018.

Counterfeiting is a universal issue that no country in the world can afford to overlook. Globally, it now stands at **3.3% of global trade** and is impacting the social and economic development of countries. Even in the Covid-19 crisis, it has been observed that the criminals are taking advantage of the high market demand for personal protection and hygiene products and providing fake and sub-standard products which are a direct threat to our paramedical professionals, security volunteers, and society at large.

The key findings of the report are as follows:

- The number of counterfeit incidents in India increased by 24% between 2018 to 2019.
- The top 10 sectors with the highest number of counterfeit cases reported include Currency, FMCG, Alcohol, Pharma, Documents, Agriculture, Infrastructure, Automotive, Tobacco, Lifestyle & Apparel. Amongst these Currency, Alcohol & FMCG continue to be the top three sectors with the highest counterfeit incidents in the last two years. Among these, the FMCG sector is most vulnerable as counterfeit incidents in the sector increased by 63% between 2018 (79) to 2019 (129).
- States including Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh, West Bengal, Punjab, Jharkhand, Delhi, Gujarat, and Uttarakhand are amongst top ten States which need urgent attention to frame anti-counterfeiting policy mechanism. UP continues at the top followed by Bihar, Rajasthan and together these three States



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represent almost 45% of the total counterfeit incidents reported in India in the last two years.

- Counterfeiting activities are not limited to high-end luxury items. Common day to day items including cumin seeds, mustard cooking oil, ghee, hair oil, soaps, baby care vaccines and medicine are increasingly reported counterfeited by criminals.
- A spike in cases being reported about fake hand sanitizers, masks, and PPE kits
 has been observed during the COVID crisis. Between February to April 2020, more
 than 150+ cases of counterfeit incidents had been reported including Fake PPE kits,
 sanitizers, and masks.

Nakul Pasricha, President, ASPA, said, "The trends call for immediate action. Counterfeit products across various sectors in India are causing over INR 1 trillion (1 lakh crore) every year to our economy and the progress to date is simply not good enough to fight this crime of the 21st century. There is a need for an ongoing focus on building and nurturing authentication eco-systems in the country and as an industry association, we are committed to that. The involvement and active participation of all stakeholders is extremely crucial in this, as a lot of awareness is required at the industry, government, and consumer level. The authentication environment will support the Government's "Make in India" initiative and its image at a global level, where trust is becoming an especially critical factor. We need to ensure that the "Make in India" products are genuine, safe, and secure until they are delivered to the end consumer across the globe. ASPA is building up innovative tools to help policymakers on the need for action and legislation in fighting counterfeiting and this report is one of such tools".

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Picture: Report Cover

Caption: The State of Counterfeiting in India - 2020

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About: Authentication Solution Providers' Association (ASPA)

Formed in 1998, a non-profit organization, ASPA has a rich heritage of 21 years and is recognized globally as a regulated and ethical organization. It is working to build up a world-class environment that supports the advancement of authentication ecosystems in India against counterfeiting activity and illicit economy. ASPA works on four key areas a) Awareness b) Advocacy (Industry Partnership) c) Research & d) Innovation. Its member companies provide physical and digital authentication technologies, solutions & systems present across the globe. As an industry body of authentication solutions providers, it encourages its members to adopt best practices, standards, and advanced use of technology in providing cost-effective anti-counterfeiting solutions against counterfeiting. ASPA works closely with global authorities such as International Hologram Manufacturers Association (IHMA), Counterfeit Intelligence Bureau (CIB - Interpol), FICCI CASCADE, and other industry bodies in India.

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