

## SEMINAR ON GLOBAL CHALLENGES OF ILLICIT TRADE AND THE WAY FORWARD

Smuggling and illicit trade are complex global threats undermining society, harming legitimate economies, and reducing government revenues. Apart from this, these operations now use advanced technologies and global supply chains to evade detection, funding criminal enterprises and terrorist organizations, and compromising national security. In response, FICCI CASCADE organized a seminar on June 20, 2024, titled “Global Challenges of Illicit Trade and the Way Forward,” to address these issues and foster collaboration against this universal threat.

With extensive participation from government bodies, industry leaders, law enforcement agencies, and civil society, the seminar facilitated a comprehensive discussion. While various perspectives were shared, the primary focus remained on formulating effective strategies to combat this growing menace.

“Combating such expansive networks demands a coalition of government bodies and non-state actors,” remarked Mr. Mohan Kumar Singh, Principal Director General of the Directorate of Revenue Intelligence (DRI). He vividly illustrated the profound threat of illicit trade and highlighted how smuggling and counterfeiting erode legitimate economic activities, deplete government revenues, and fuel organized crime. With striking statistics, Mr. Singh revealed that in the 2023-24 financial year alone, the DRI uncovered 623 cases, averaging nearly two per day, resulting in the seizure of contraband worth Rs. 3500 crores. These included narcotics, gold, fake currency and a variety of other illicit goods like cigarettes and wildlife products. Mr. Singh advocated for global cooperation to tackle this menace, highlighting the success of international cooperation efforts giving the example of WCO-led Operation TIN CAN in seizing contraband within legitimate cargo. He praised FICCI CASCADE’s relentless campaign against illicit trade and the seminar for fostering essential dialogue and collaboration. He emphasized the urgent need to involve relevant stakeholders, noting that many DRI investigations reveal troubling infiltration of supply chains and insider involvement.

“It takes a network to defeat a network,” Mr. P K Das, Director of the Compliance and Facilitation Directorate at the World Customs Organisation (WCO), highlighted the WCO’s efforts against illicit trade, including the Illicit Trade Report. He praised Indian Customs’ support, especially through Operation Shesha, a collaboration with Hong Kong Customs and the WCO. Mr. Das highlighted the importance of a networked approach to dismantle illicit networks, calling for coordinated efforts in analysis, interdiction, investigation, prosecution, and penalties. He concluded by promoting trade integrity and commending FICCI for its support to Indian Customs in this fight.

Mr. Anil Rajput, Chairman of FICCI CASCADE, delivering the welcome address at the seminar, said, “In India, DRI and other enforcement agencies have been playing a significant role in combating illicit trade through increased seizures of illicit products like gold, cigarettes, currency, and cosmetics at airports, seaports, and border points. Today, illicit trade operatives exploit AI to automate smuggling processes and analyze border control data, law enforcement activities, and surveillance patterns. This misuse of technology requires our unabated focus.”

“I must emphasize that despite the increase in seizures, these represent only the tip of the iceberg. The

problem's magnitude is significantly higher and continues to grow exponentially. Hence, it is imperative to enhance global cooperation in combating illicit trade. One proposed solution is establishing a 'Global Forum' of enforcement agencies worldwide, supported by a dedicated secretariat. FICCI CASCADE stands ready to collaborate with the government and enforcement agencies to develop a comprehensive strategy," Mr. Rajput added.

"Illicit trade lurks in the underbelly of the economy" Mr. P C Jha, Advisor to FICCI CASCADE and former CBIC Chairman, stressed the need for technology, and international cooperation to combat illicit trade. He noted significant economic impacts and highlighted FICCI CASCADE's role in promoting responsible behaviour among consumers and youth.

"There are no immediate shortcuts that we can apply but we have to think of the long run and within that structure the short run," said, Prof. Arun Kumar, Author & Retd. Professor of Economics at Jawaharlal Nehru University.

"Recognizing that a border is more than just a line is crucial in addressing these complex issues of illicit trade and smuggling effectively." Brigadier Girish Upadhyya SM, VSM, DIG- 23<sup>rd</sup> Sector Assam Rifles briefed on the role of Assam Rifles in ensuring national security and preventing smuggling and illicit trade.

Mr. Najib Shah, Former Chairman of the Central Board of Indirect Taxes and Customs and a FICCI CASCADE Think Tank Member, highlighted the increased quantum of seizures, stressing that the visible figures of seizures by Customs are only a fraction of the actual illicit inflow.

"Educating the public about the dangers associated with smuggling and its consequences is crucial." Mr. Robin Gupta, Joint Director of the Enforcement Directorate, emphasized the importance of public education in combating smuggling.

Ms. Sungita Sharma, Former Special Secretary of the Central Board of Indirect Taxes and Customs, while concluding the seminar, emphasized the urgent need for unified action against illicit trade, highlighting the importance of a networked strategy to disrupt these networks and promote ethical conduct.

### पिछले वर्ष डीआरआई ने जव्त की 3,500 करोड़ की प्रतिबंधित सामग्रियां तस्करी के 623 मामलों का पता लगाया

नई दिल्ली। राजस्व सुनिश्चि न्दिशालय (डीआरआई) ने पिछले वित्त वर्ष में तस्करी के 623 मामलों का पता लगाया और 3500 करोड़ रुपये की प्रतिबंधित सामग्रियां जव्त कीं। इनमें सर्वाधिक जव्तें द्रव्य और सोने की हुईं।

डीआरआई के प्रधान सचिव/निदेशक मोहन कुमार सिंह ने वृहत्संख्यक की बात, अनुचित मुंखारतों में घुसपैठ तस्करी पर अंकुश लगाने में एक बड़ी चुनौती बनकर उभरी है। इन बालुओं की तस्करी के लिए हवाई यात्रियों, कूरियर और डाक कारों का इस्तेमाल किया जाना भी वित्त का विषय है। वह यहां वार्षिक वित्तगत एवं उद्योग मामलों (फिनको) की एक संवेदनी को संबोधित कर रहे थे।

संवेदन कोरम में निकलेला समाधान- फिनको केसेड के वेपारम अजल राजपुत ने बात, अल्प व्यापार करने वाले इट पवनिंग से लेकर रिस्क असैसमेंट एवं स्टेटजी (राजनीति) तक के लिए एआई एवं अन्य तकनीकों का प्रयोग करते हैं। तकनीक के इस दुरुपयोग से निपटने के लिए लगातार प्थन देने की जरूरत है। सौवत परम बनाने से इसका समाधान हो सकता है।

सूत्रों के मुताबिक, डीआरआई ने वित्त वर्ष 2023-24 में 1,658 किलो सोना जव्त किया, जो पिछले वर्ष जव्त किए गए सोने से 35 परसेंट अधिक है। वृत्त

### DRI seizes contraband worth ₹3,500 cr in FY24, drugs major contributor

NEW DELHI, 20 JUNE

Revenue Intelligence officers have seized contrabands worth Rs 3,500 crore in 2023-24 fiscal, with narcotic drugs and gold seizures constituting a major chunk, a top official said on Thursday. Directorate of Revenue Intelligence Principal DG Mohan Kumar Singh said infiltration of supply chains has emerged as a significant challenge in curbing smuggling. Also, growing use of air passenger, courier and postal

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Singh was delivering the inaugural address at a seminar organised by FICCI Committee Against Smuggling and Counterfeiting Destroying the Economy (CASCADE) in New Delhi. Singh said during the fiscal, DRI has also kept a watch to curb smuggling of cigarettes, red sanders, fake and foreign currency, and wildlife products. He said since illicit border trade is transnational, global cooperation with enforcement

### Gold, narcotics among ₹3,500-cr contraband seized by DRI in FY24

RAVIDUTTA MISHRA NEW DELHI, JUNE 20

IMMORT RESTRICTIONS ON GOLD JEWELLERY

Cases of gold smuggling have been on the rise to subvert the 15 per cent duty amid a sharp rise in gold prices. The government earlier this month also imposed import restrictions on gold jewellery and parts

NARCOTIC DRUGS and smuggled gold formed the bulk of illicit items worth Rs 3,500 crore seized during the last financial year by the Directorate of Revenue Intelligence (DRI), Principal Director General, DRI, Mohan Kumar Singh said on Thursday. Cases of gold smuggling have been on the rise to subvert the 15 per cent duty amid a sharp rise in gold prices. The government earlier this month also imposed import restrictions on gold jewellery and parts amid an annual surge in prices. Concentrated international operations and increased infiltration,

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PTI NEW DELHI

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ected 623 smuggling cases, almost an average of 2 cases per day, with seizure of contrabands of Rs 3,500 crore. The seizure of narcotics drugs and psychotropic substances constitute a major part of it, followed by seizure of gold," Singh said at a Ficci seminar on global challenges of illicit trade and way forward. According to sources, DRI has seized 1,658 kg of gold in