



Holographic Tax Stamps Boost Indian Excise Revenue

Presented by:

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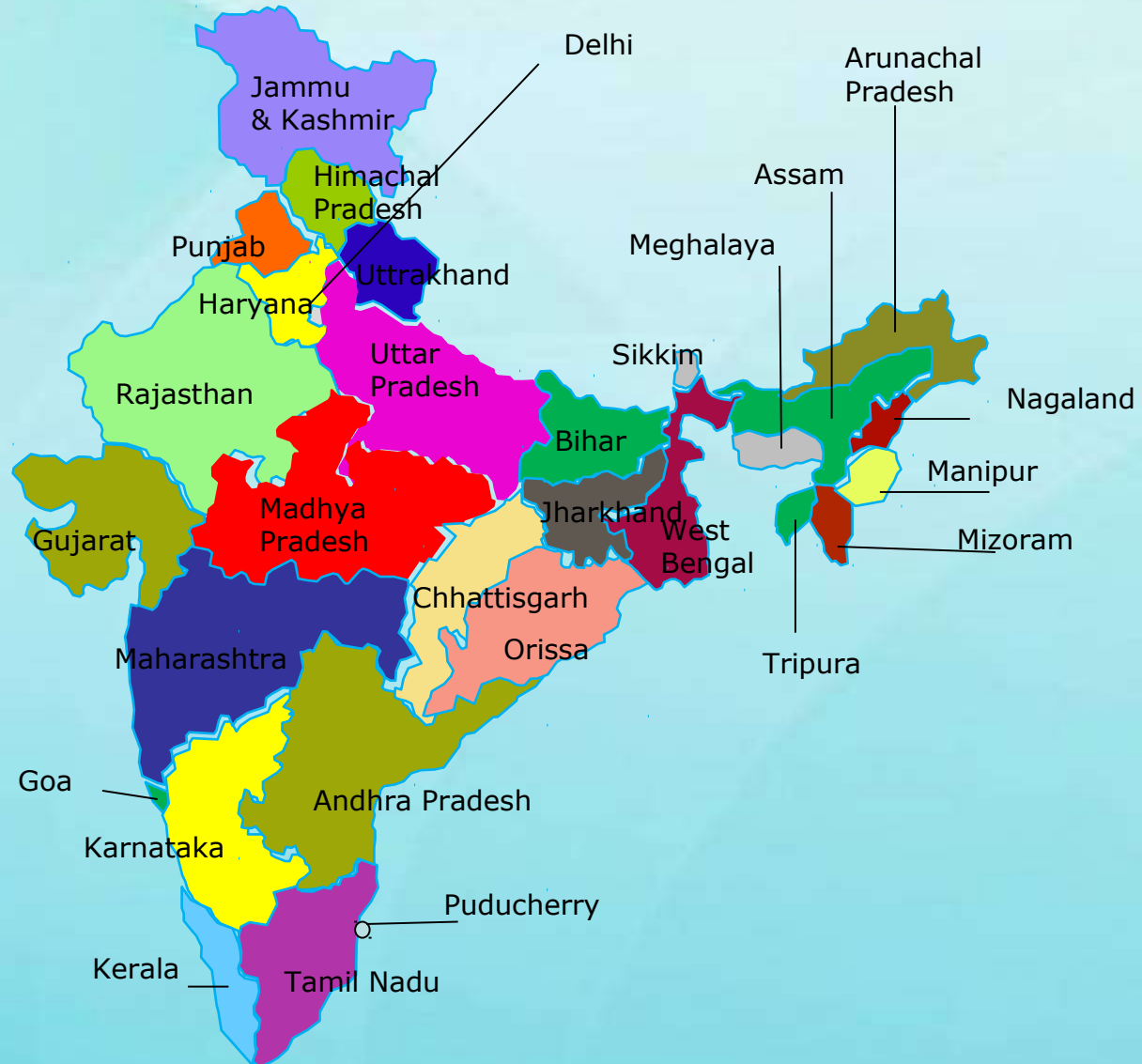


HoMAI

- Hologram Manufacturers Association of India
- Formed in 1998
- Has a strength of 27 Manufacturing, 7 Associate and 5 Honorary members
- Hologram Roster started in Aug 1999: in 2009 was merged with the HIR maintained by CIB in the larger interests of the hologram industry

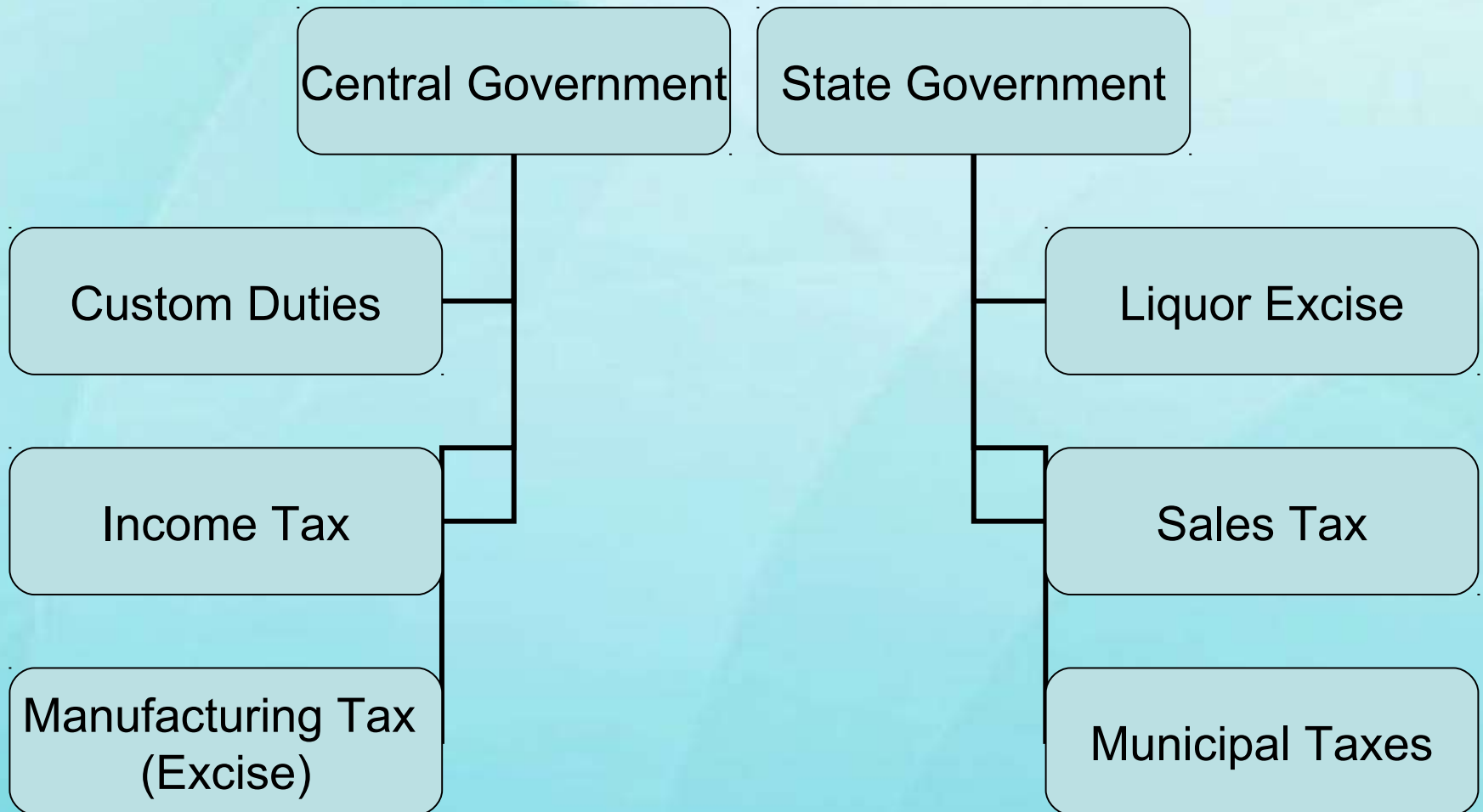


India with all the States





Indian Tax System





Liquor Tax Stamps currently in use

- The first tax stamp appeared in 1980's on a thin glassine based paper.
- No Tax Stamps at all for some states
- Paper based with serial number
- Paper based with serial number and a hologram stripe
- Polyester based hologram label

also called **HEAL** – **H**ologram **E**xcise **A**dhesive **L**abel



Evolution of HEAL

- High level of initial resistance
- Acceptance of hologram on other government issued documents aided credibility
- Positioning – not a panacea but a potent tool to help identification of illicit liquor
- Months, even years of marketing went in
- Finally....The first hologram stripe on a Tax stamp appeared in 1998.
- The first Hologram Excise Adhesive Label (HEAL) appeared in 1999.
- Implementation issues – manual pasting – applicators – bottler education



Evolution of HEAL

- Teething Problems
 - Implementation issues
 - Manual pasting/applicators
 - Bottler education
 - Consumer education
 - Training conducted for Department officials



Technology currently seen on HEAL

- **Combination origination techniques**
 - Classical 2D/3D
 - Dot Matrix
 - High resolution Litho
- **Substrates**
 - Multi coloured bespoke security Films
 - Customised tamper evidence
- **Conversion**
 - Demetallization
 - Security Inks
 - Taggants





Typical Transaction Cycle for HEAL

- RFQ
- Selection of vendor
- Production and supply to the Department
- Numbering/Coding under Department supervision
- Supply to bottlers only after specific approval of the Department
- Bottlers affix the HEAL using applicator/manually
- Only the bottles with the HEAL are saleable
- HEAL serves as the identifier for public and authorities
- Departments conduct awareness campaigns



Awareness Campaign in Madhya Pradesh

कार्यालय आबकारी आयुक्त, मध्यप्रदेश, ग्वालियर

डुप्लीकेट/मिलाबटी शाराब से बचने के लिये बोतलपर चस्पा होलोग्राम में अपनी सुरक्षा के लिये नीचे दिये गये फीचर्स पर गौर कीजिये।



म.प्र.म.प्र.म.प्र.म.प्र.

धुंधा हुआ म.प्र. जो होलोग्राम को खोला घुमाने से दिखेगा.

क्रेनल लेन्स (सफेद रंग की चकरी जो होलोग्राम को घुमाने के साथ साथ घूमती हुई नजर आवेगी)

Partially Aluminium Demeatalized (बोतल के आस पास का हिस्सा पारदर्शी है)



होलोग्राम को खोला खोला घुमाने से कार अलग जलवा फवि दिखेगी

"शराब" छोटा से बड़ा होता है।



उभरा हुआ शब्द MP

सफेद रंग की बोतल



सुराही से मिलास में मदिरा बरी जा रही है

कृपया ध्यान दें : देशी मदिरा के लिये हरा रंग का होलोग्राम है।
विदेशी मदिरा के लिये गुलाबी रंग का होलोग्राम है।

- Such Posters were put up at most of the liquor vends to create awareness of the HEAL
- Some states also conducted mass media campaign

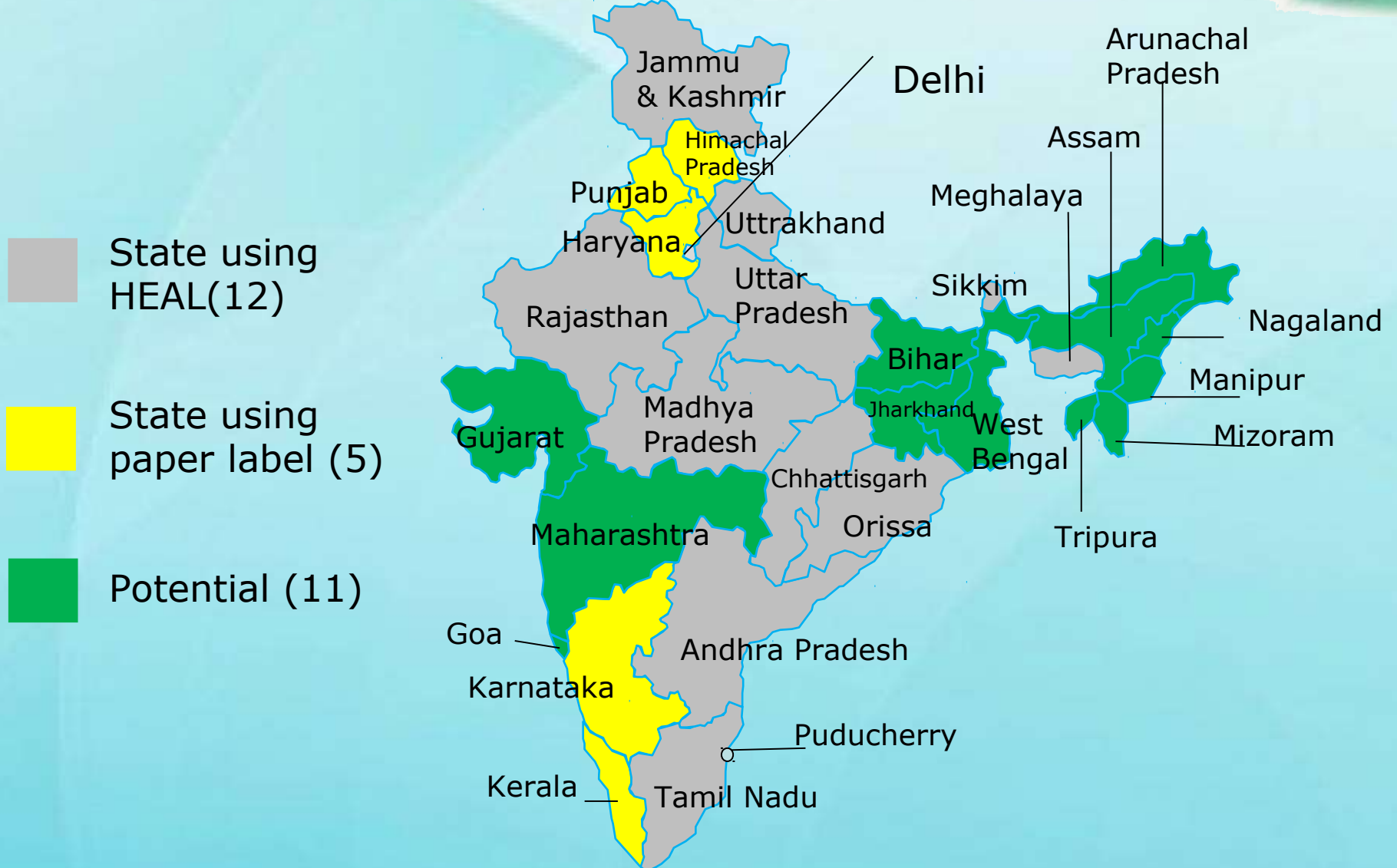


Growth of HEAL

- Successful implementation in the state of Uttar Pradesh inspired the other states
- It was now easier to identify illicit liquor which lead to protection of human lives and increase in Government revenue
- Today almost 75% of all tax stamps in liquor are hologram based
- Almost 15 billion tax stamps needed every year

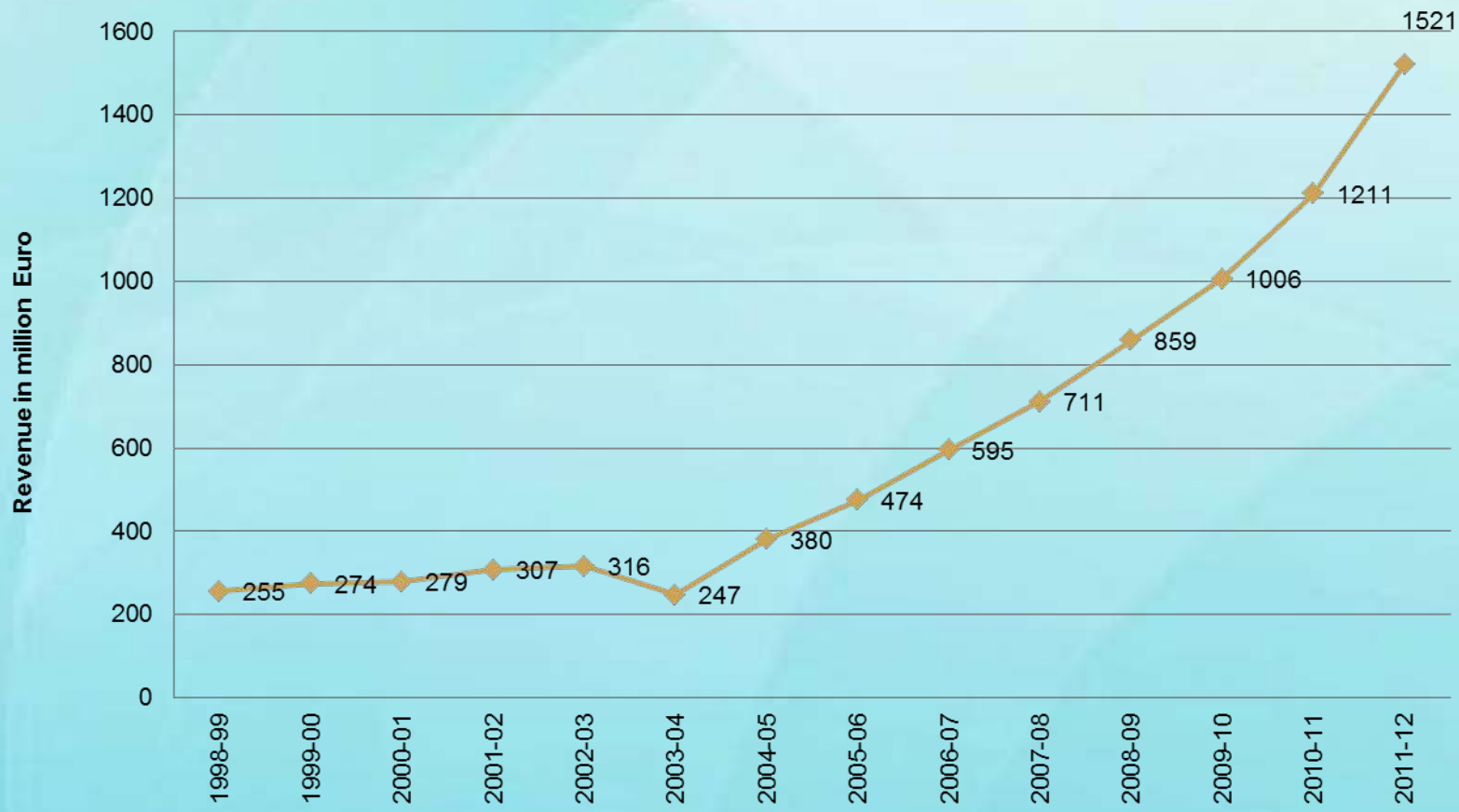


Market Coverage



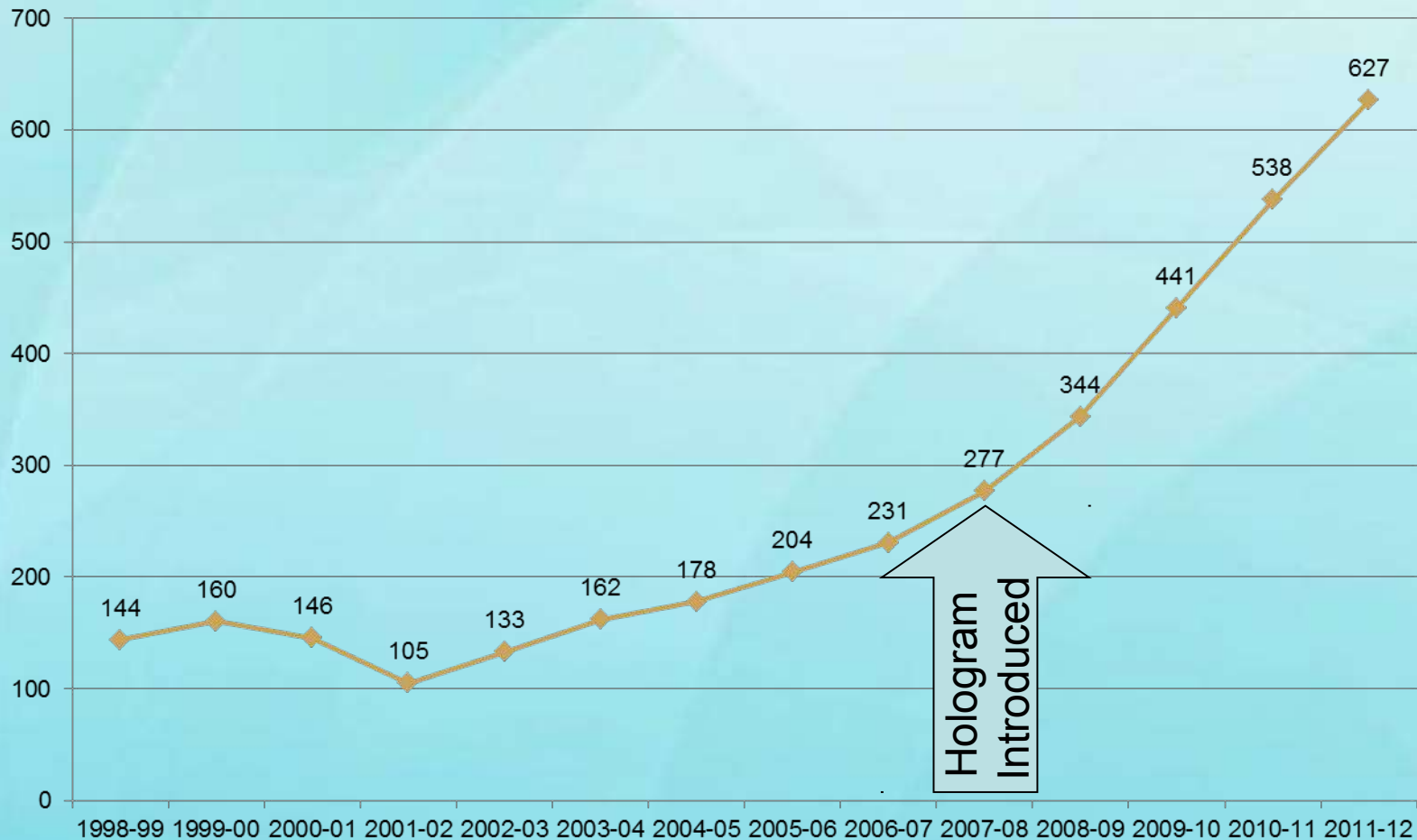


Case Study – Tamil Nadu



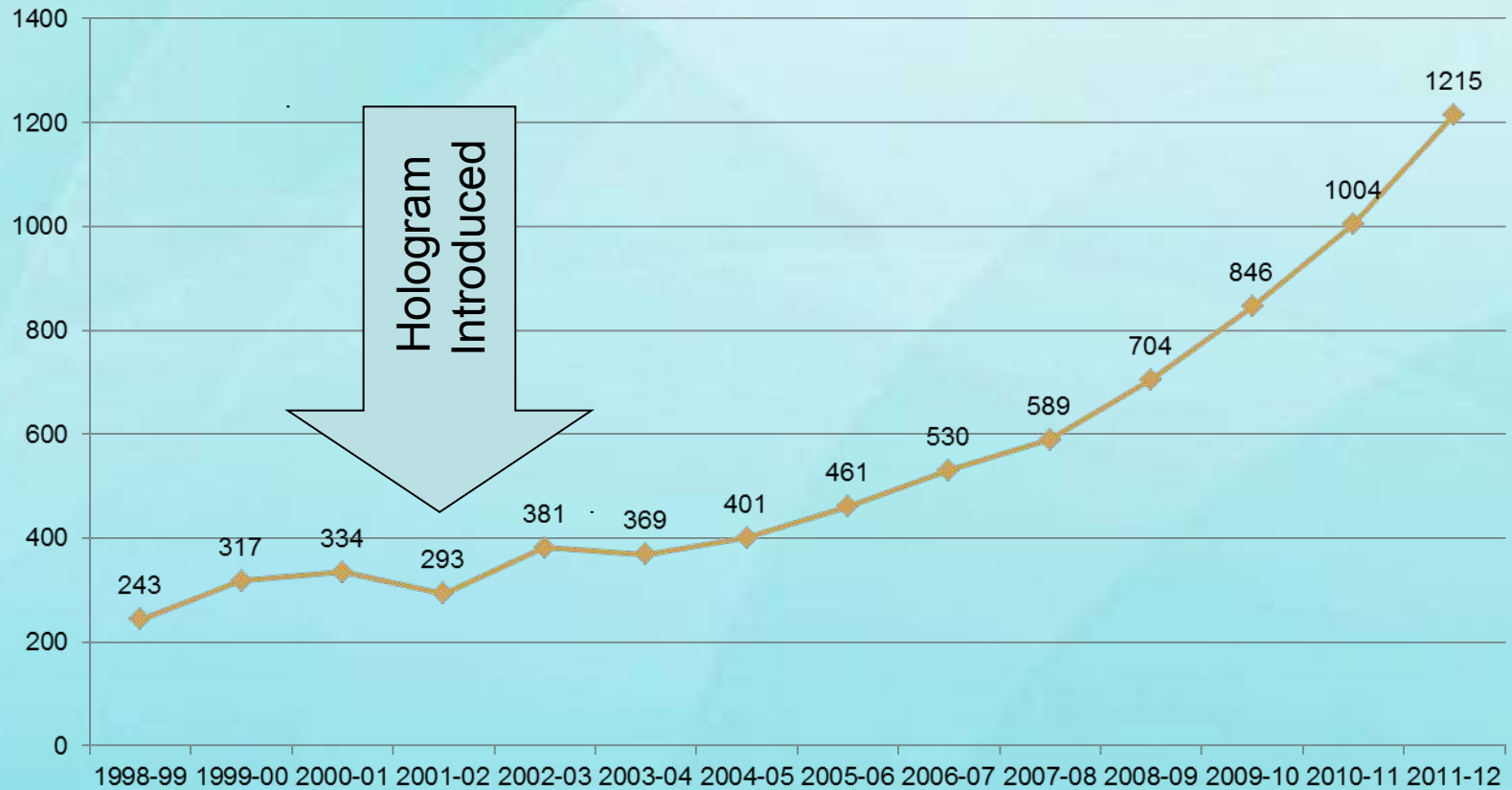


Case Study – Madhya Pradesh



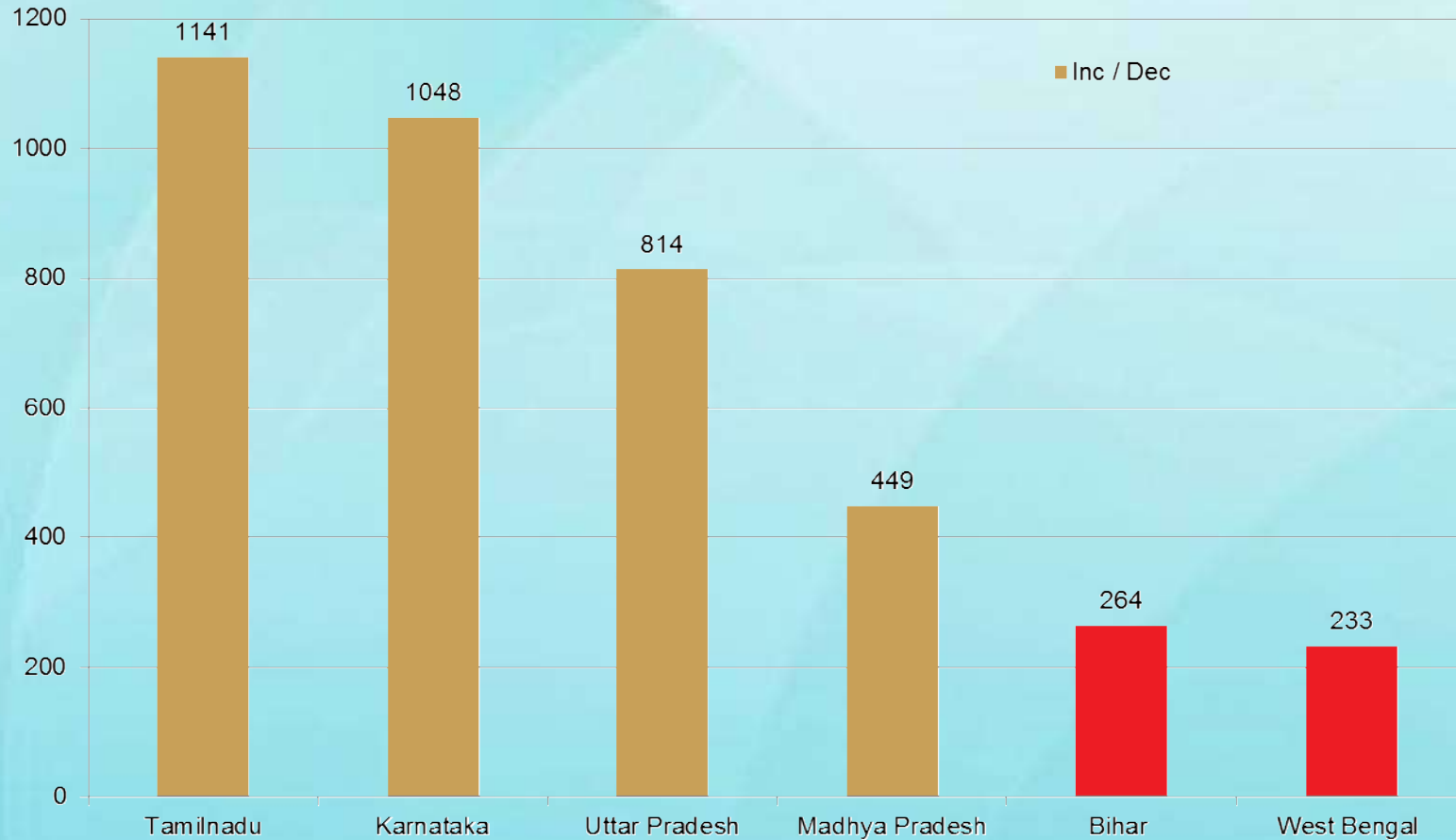


Case Study – Uttar Pradesh





Increase in revenue from 2004-05 to 2011-12



States Using Holograms

States Not Using Holograms



Summary

- Lesser number of deaths reported
- Revenue growth in states using HEAL is higher



Future Trends

- Appearance of track and trace based HEAL
- Paper based labels with holo stripe also making their entry
- Practically all the states are at various stages of considering adoption of HEAL



HoMAI's Role

- HoMAI collects data from States
- Collate and analyse and share the data with members
- Publish reports
- Conduct Press campaigns and mobilise public opinion
- Keep an eye on suspicious activities
- Help in conducting raids



Press Clippings

Hologram securing tax revenue, curbing illicit liquor

Raipur, Apr 06: Illicit liquor trade poses a serious threat to government, socially as well economically. Excise duty which is an important source of revenue is continually under threat from the practice of illicit trade. Considerable amount of money which could be used to benefit the government services of a country are being diverted to the pockets of criminals participating in illegal trading. In addition, the illicit trade in liquor poses a

nize counterfeit & illicit liquor is of vital importance.

According to Pradip Shroff, President, Hologram Manufactures Association of India (HOMI), said, "The fact is that hologram provides an important role for visual authentication to differentiate fake liquor bottle from genuine, for both enforcement authorities and individual consumers. Hologram is the only solution which can provide three layers of authentication

label. Chhattisgarh is using hologram since 2006. It has helped the State in minimising hooch tragedies, curbing illicit liquor, helping enforcement people in differentiating fake vs. genuine liquor and simultaneously increasing state excise revenue. The fact is that, States using hologram are earning more revenue in comparison to state not using any kind of technology. For example the state using holograms are earning more revenue. In 2009-10, the revenue earned by

State to make hologram use on liquor bottles mandatory
RANCHI: Jharkhand will be the 18th state in the country that will be making a mandate for all the liquor companies to use hologram on their bottles to prevent counterfeiting. The step will help the excise department to increase revenue as well as minimise tragedies due to illicit liquor, a statement from Hologram Manufacturers' Association of India said. **HTC**

होलोग्राम से غیر قانونی شراب کی فروخت پر روک
राज्य, 9 अक्टूबर (त न स) غیر قانونी شراب की تجارت حکومت کیلئے مالی اور سماज
दुनों طرح से خطرनाक ثابت ہو رہی ہے۔ پروڈक्شن میں جو حکومت کیلئے ریونیو کا اہم ذریعہ
لاجوری کی جارہی
کام ہو سکتا ہے۔

Delhi mints money with holograms

DELHIITES love to drink. So despite the price of alcohol going up, the state government has managed to rake in an increased revenue of over ₹300 crore in the past two years. And excise department officials feel the use of holograms in liquor bottles have helped in generating the added revenue.

"The introduction of hologram is one of the reasons for increased sale of alcohol," a senior official from the state excise department said. The official said the use of holograms in bottles have checked the sale of spurious liquor and has in turn increased alcohol consumption as people are aware that the bottles they buy are not fake.

"We are expecting revenue figures to go up by ₹500 crore by the end of the year," the official said.

From ₹1,301.24 crore in 2007-08, the government earned a revenue of ₹1,420 crore in 2008-2009 from the sale of alcohol. The figures went up to ₹1,643 crore in 2009-10 and in 2010-11 it reached ₹2,027 crore.

The success with the holograms has made the Delhi gov-

Helped in curbing sale of spurious liquor

ernment think of printing its own stuff at the India Security Press in Nashik. This will ensure that consumers get the best quality of liquor, the official said.

Authorities in the state government said the use of holograms help in curbing the sale of spurious liquor which has

been the basis of deaths in many parts of the country.

"Delhi is one of the states where spurious liquor is not manufactured. It can only be smuggled in Delhi from neighbouring states such as Haryana," an excise department official said.

The Delhi government currently purchases holograms from private firms, which it distributes to distilleries and shops for using them on liquor bottles. But despite such measures, fake hologram rackets have come into light in recent years.

"We will not purchase the holograms from private companies any more. We will use our own holograms," another excise department official said. The new holograms could be out into the market by June-July this year.

Neetu Chandra/New Delhi

राजस्व बढ़ाने का एक प्रमाणित तरीका है होलोग्राम

राज्य: अवैध शराब व्यापार सरकार के लिए -आर्थिक और सामाजिक दोनों क्षेत्रों पर एक गंभीर खतरा का रूप धारण कर रहा है. आर्थिक मोर्चे पर, उत्पाद शुल्क जो सरकार के लिए राजस्व का एक महत्वपूर्ण स्रोत है, लगातार अवैध शराब व्यापार के निर्यात पर है. इन कर चोरी द्वारा भारी मात्रा में उत्पाद शुल्क की चोरी की जा रही है. यदि यह धन वास्तव में सरकार द्वारा वसूल किया जाए तो इससे दोनों को बड़े स्तर पर कल्याण हो सकता है. सामाजिक स्तर पर, शराब का अवैध व्यापार उपभोक्ता के स्वास्थ्य के लिए एक गंभीर खतरा है. 2011-12 में, विभिन्न राज्यों में 300 से अधिक लोग (शराबबंदी वाले राज्यों सहित) अवैध शराब के सेवन के कारण मौत का शिकार हो गए. नक्ली शराब का सबसे ताजा

उदाहरण : अक्टूबर, 2012 को मुजफ्फरपुर, बिहार में हुआ अवैध शराब हादसा है. श्री मनोज कोचर, अध्यक्ष, होलोग्राम मैनुफैक्चरर्स एसोसिएशन ऑफ इंडिया (होमाई) ने कहा कि भारत में 17 से अधिक राज्य एवं केंद्र शासित प्रदेश शराब की बोटलों पर पहले से ही होलोग्राम का प्रयोग कर रहे हैं. उत्तर प्रदेश, तमिलनाडु, उत्तराखंड, मध्य प्रदेश, पांडिचेरी, दिल्ली, छत्तीसगढ़, कर्नाटक आदि राज्यों में होलोग्राम के अनिवार्य प्रयोग से न केवल अवैध शराब से होने वाले हादसे कम हुए हैं बल्कि उत्पाद शुल्क राजस्व संग्रह में भी 25-30 प्रतिशत की वृद्धि हुई है. सिक्कीम में होलोग्राम लेबल उत्पाद राजस्व बढ़ाने का एक प्रमाणित और मूल्यप्रभावी तरीका है और मूल्यवान मासूम जीवन बचाते हैं.