

# Business Standard

## Tobacco lobby hits back at govt over e-cigarette stubbing plan

The ban will lead to growth of illicit trade and large scale smuggling of products

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The tobacco lobby in the country hit back at the Centre on Friday, as the government may ban e-cigarettes in India following an expert committee suggestion.

According to the Tobacco Institute of India (TII), which represents over 90% of the legal cigarette trade in India, a ban on Electronic Nicotine Delivery Systems (ENDS) will not only jeopardise investments made by cigarette companies in India to develop such products, it will also lead to growth of illicit trade and large scale smuggling of these products.



An industry official said that e-cigarettes, as ENDS is commonly referred to, is gaining popularity in the global market which led global tobacco major, Philip Morris to double its stock of e-cigarettes in Japan.

"Even then, demand has outstripped the supply there. Countries such as the UK and the US and EU are increasingly adopting this product. However, it is still in a nascent stage in India but has immense potential", an industry official told *Business Standard*.

Philip Morris has claimed that it has been able to convert 2.9 million smokers from cigarettes to their e-cigarette brand IQOS.

Indian tobacco major ITC Ltd has also come up with Eon, an e-cigarette with produces vapour and is thus smoke-free.

Quoting figures from Euromonitor International and World Health Organisation (WHO), TII said that the global market for e-cigarettes in 2015 was estimated at \$10 billion and by 2030 it will be in excess of \$60 billion.

Realising the potential, cigarette manufacturers in India are in the process of introducing the product under different brand names.

"Huge investments have been globally made to develop and market such products and in case it is banned in India, it will be detrimental to the companies", an official told *Business Standard*.

The TII said that prohibition of e-cigarettes in the country would put India at an enormous structural disadvantage versus countries that have espoused a balanced regulatory policy approach on the category.

It pointed that the 160 signatories to the WHO Framework Convention on Tobacco Control, which includes the US, the UK and EU have not imposed the prohibition on ENDS.

"In fact, Canada and New Zealand which had earlier prohibited ENDS have reversed their decision and allowed these products to be made available in their respective countries", a statement from TII said.

Furthermore, industry officials fear that in case e-cigarettes are banned in the country, it will lead to no research and development of such products in the country which will lead to overseas' foreign entities only able to patent the technology and the associated requisites.

"It is obvious that a ban in India would stop all research and innovation in this area by the domestic industry with no intellectual property being owned by the country, putting India at an enormous disadvantage vis-a-vis countries which would not have prohibited ENDS", a TII official said.

An e-cigarette is a battery-operated device which burns liquid nicotine, propylene glycol, water, glycerin, and flavour, without any smoke to give a consumer a feeling of smoking a traditional cigarette.

Following an expert committee's conclusion that e-cigarettes have cancer causing properties and are not an alternative to a cigarette, the Union government is considering outlawing these products in India.

Industry officials, however, claim that since the tobacco is heated and not burned in ENDS, the level of harmful chemicals are significantly reduced compared to cigarette smoke.

**Source:** [http://www.business-standard.com/article/companies/tobacco-lobby-hits-back-at-govt-over-e-cigarette-stubbing-plan-117080400597\\_1.html](http://www.business-standard.com/article/companies/tobacco-lobby-hits-back-at-govt-over-e-cigarette-stubbing-plan-117080400597_1.html)