

India



Summary of Findings

1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

Though there is no evidence of government entities actively accepting, endorsing any offers of assistance or collaborating in implementing public health policies related to tobacco control or legislations drafted by the tobacco industry (TI). The industry, through its various front groups, did however seek to influence the government to consider a policy change in its favor.

The Cigarettes and Other Tobacco Products (Packaging and Labeling) Amendment Bill 2022, that proposed new display images with warnings on packages of tobacco products was met with criticism from the TI and lobby groups which urged the government to withdraw the bill. Similarly the industry body, Federation of Indian Chambers of Commerce and Industry (FICCI), and the Federation of All India Farmer Associations (FAIFA), and other tobacco lobby groups called for the reduction of taxes on cigarettes ahead of the announcement of the Union Budget 2023-2024. There were also instances of inclusion of TI members in government committees and advisory groups, though none directly related to setting of public health policies.

2. INDUSTRY CSR ACTIVITIES

The pandemic period witnessed an increase in CSR contributions by companies. These activities included contributions to government's relief funds, support to government flagship programs, and provisions for essential services and protective equipment. Similar trends of partnership between government and companies continued during the data collection period. Some partnerships recorded were with state departments on biodiversity conservations, providing renewable energy and watershed development, and working on the capacity building of government staff, government school teachers and anganwadi workers.

3. BENEFITS TO THE INDUSTRY

Though there was no evidence of government accommodation for requests from the TI for implementing or postponing of tobacco control laws, the tobacco companies continued to receive certain privileges and incentives. These included continuing exemption on cess and bidis and smaller tobacco manufactures and 5% GST under reverse charge on tobacco leaves. Though a 16% increase in National Calamity Contingent Duty (NCCD) on specific cigarettes was proposed in the 2022-2023 budget, it only led to a marginal increase in the price of cigarettes. There was also an instance of the Ministry of Commerce extending interest-free loans to tobacco growers who were severely affected by Cyclone Mandous in Andhra Pradesh.

International travelers can bring into India 100 sticks of cigarettes or 25 cigars or 125 grams of tobacco duty free.

4. UNNECESSARY INTERACTION

There were ample instances of unnecessary interactions of top-level government officials with tobacco companies and front groups. Examples recorded included attending social functions, accepting assistance on conducting raids on tobacco smuggling, and entering into partnership for various programs. The 7th edition of the Global Business Summit 2023, in February 2023, witnessed the participation of the CEO of Philip Morris International who spoke about innovation in the TI. The event was witnessed by the Honorable Prime Minister and the Ministry of Road Transport & Highways as Chief Guest. Similarly, the 8th edition Movement Against Smuggled & Counterfeit Trade (MASCRADE 2022) Conference held in September 2022, by the FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE), saw the presence of the Former Vice President of India as Chief Guest, along with the Chairman,



Economic Advisory Council to the Prime Minister. FICCI's CASCADE committee collaborated with the Ministry of Consumer Affairs to encourage the youth to be part of the socio-economic development of the nation by initiating a movement against smuggling and counterfeiting. Partnerships between tobacco companies with various Central and State government departments continued, with ITC alone holding 84 Private Public Partnerships in 2022.

5. TRANSPARENCY

As a Party to the WHO FCTC, India has adopted policy measures to limit the interaction of the TI. The Ministry of Health and Family Welfare, Government of India in July 2020 adopted a Code of Conduct which prevents industry interference and conflict of interest among public officials and all departments within the Ministries jurisdiction. Similar codes have been also adopted by 13 other Indian states on disclosure of interactions with the industry. Despite the presence of policies, there was no publicly available disclosure on such engagements. Though there are no legislations on lobbying related-organizations or individuals on behalf of the TI, the Securities and Exchange Board of India requires top listed 1000 companies to mandatorily disclose on ethical engagement for influencing public policy – encapsulated in Principle 7 of the National Guidelines on Responsible Business Conduct.

6. CONFLICT OF INTEREST

There are no policies at the national level prohibiting contributions from the TI or any entity working to further its interests. The Code of Conduct adopted by the Ministry of Health and Family Welfare, Government of India in July 2020 prevents industry interaction with members and departments that are within the Ministry jurisdictions. It also requires disclosures of records in cases of any such interactions. There were instances of retired government officials holding prominent positions in the TI, which can be leveraged to indirectly or directly influence policy.

7. PREVENTIVE MEASURES

FCTC Article 5.3 Guidelines that enumerate various preventative measures to protect policy making and tobacco control legislation from industry interference, is yet to be fully implemented by India. Though there are no policies at a national level that mandates the disclosure of records of interactions with the TI, the Code of Conduct adopted by the Ministry of Health and Family Welfare, Government of India in July 2020 prevents industry interactions and conflict of interest among public officials and all departments within the Ministries jurisdiction. Also, 13 Indian states have adopted policies that limit interaction with the TI and require mandatory disclosure of records of interaction with them.