

# ApiraSol

## E-CIGARETTES IN INDIA 2024/2025 – Q2

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SUPPLY CHAIN INTELLIGENCE  
APRIL 2026



# Overview

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**1**

**INTRODUCTION &  
METHODOLOGY**

# Introduction

**ApiraSol has been investigating the routes, brands, and entities involved in the trade of illicit e-cigarettes across various countries worldwide for several years.**

In this particular research conducted in 2025, ApiraSol focused on the global illicit e-cigarette trade, drawing from trade data as well as open sources such as enforcement news, press releases from customs agencies, academic research papers, and online intelligence reports. The period covered for trade data spans January 2024 to December 2024, while enforcement-related news generally covers the years 2024 to 2025.

## The Illicit E-Cigarette Trade: A Growing Global Challenge

The illicit e-cigarette trade is becoming a significant force reshaping the global nicotine market, fueled by rapid growth and mounting regulatory complexity. According to Euromonitor International, the illicit e-cigarette market was valued at **USD 47 billion in 2024**, representing over **70% of global spending** and roughly **three-quarters of total volume—equivalent to 605 billion cigarettes**. Furthermore, Euromonitor reported that illicit e-cigarette products exceed **80% penetration in North America, Latin America, the Middle East and Africa, and Asia Pacific**,

while Western Europe, though lower, continues to face persistent illicit trade despite increasing legislative pressures.

## Regulatory Frameworks Driving Illicit Trade

Stringent bans and fragmented regulations often unintentionally fuel underground trade. Bans do not necessarily eliminate demand for e-cigarettes; where consumer interest persists despite such measures, gaps in legal supply may arise, creating opportunities for illicit suppliers to fill unmet demand. Even in countries with robust regulatory frameworks, unintended consequences may arise—strict compliance requirements and high taxation can make legal products more expensive and less accessible, while the convenience of illicit channels, including online and delivery-based sources, may further draw consumers toward cheaper, non-compliant alternatives. These conditions typically incentivize smuggling and the use of transshipment hubs in regions with weaker oversight, allowing illicit goods to infiltrate regulated markets.

Complex regulations also often create loopholes that illicit networks exploit, such as mislabeling products or routing shipments through multiple jurisdictions to obscure origins. While strong regulations aim to protect public health, without equally strong

enforcement, these often end up driving demand for illicit products rather than curbing it.

## China's Regulatory Gaps and Insufficient Enforcements

China produces the vast majority of e-cigarettes globally, making its regulatory framework critical to controlling illicit trade. The **Administrative Measures for Electronic Cigarettes** (effective May 1, 2022) require that all e-cigarette products comply with mandatory national standards and that producers, exporters, and retailers obtain licenses from the State Tobacco Monopoly Administration (STMA). Similarly, the **Administrative Rules for E-Cigarettes Import-Export Trade** (issued October 2022) stipulate that only licensed exporters can ship products abroad, and exported goods must either meet the destination country's regulations or adhere to China's national standards.

In practice, however, exports are not sufficiently controlled. Loopholes in licensing, weak oversight of small-scale producers, and limited monitoring of export compliance allow unlicensed operators to bypass official channels.

Compounding these issues is weak enforcement in many destination countries. These challenges are amplified by the growing use of digital platforms such as social media, messaging apps, and

informal online channels, which make detection and enforcement even harder.

Without stronger controls and enforcement mechanisms in China, and investment in monitoring capabilities in destination countries, illicit trade will continue to thrive despite regulatory efforts.

On December 18, 2025, China's General Office of the State Council issued a policy document titled "Opinions on Combating Tobacco-Related Illegal Activities Across the Entire Chain", which sets out a comprehensive enforcement strategy against illicit tobacco and nicotine products. The Opinions explicitly bring electronic cigarettes and other nicotine-containing products under strengthened regulatory scrutiny, calling for full-chain enforcement against the illegal production, wholesale, transportation, sale, and "export re-flow" of e-cigarettes and related products. This includes tightening oversight of e-cigarette manufacturing and supply chains, cracking down on unauthorized operations, and treating unlawful export and smuggling back into China as enforcement priorities alongside traditional tobacco smuggling.

The text of the Opinions does not designate exports to overseas destination markets as independent enforcement targets; rather, references to other countries and cross-border cooperation are tied specifically to preventing illegal e-cigarette exports from re-entering China's domestic market. This confirms that the

primary focus is safeguarding China’s domestic regulatory objectives, public health, and market order, with international cooperation positioned mainly as a means to curb the re-flow of illicit products back into China. The effectiveness of China in stepping up its enforcement efforts to control the illicit trade of tobacco and nicotine products remains to be seen.

**Amid the alarming surge of illicit market activity and mounting regulatory complexity, ApiraSol’s 2025 investigation into the global e-cigarette trade will map illicit trade flows, analyze seizure patterns across countries and regions, and uncover the mechanisms enabling this shadow economy.**

## Methodology

This report has been prepared using various data sources, including (but not limited to):

- Publicly available customs trade data for the period January 2024 - December 2024. For those countries covered in this report that don’t make their customs data publicly available, data has been obtained from the mirrored data of other countries.
- Statistical data for the period January 2024 - June 2025.
- News articles relating to enforcement and seizures.

## Terminology and Definitions

**Statistical Data** - Numerical information representing measurable aspects of economic, demographic, social, or environmental phenomena, as produced by national statistical offices, government agencies, or intergovernmental organizations.

**Trade Data** - Information on the movement of goods and services between countries, typically reported by customs authorities and presented in terms of import and export volumes, values, origin, and destination.

**Enforcement News** - Reports and updates issued by law enforcement, customs, or regulatory agencies on activities such as investigations, product seizures, arrests, policy actions, and other official measures.

In the trade data, Origin and Destination Countries refer to the following:

**Origin Countries** - Shipment Origin Countries declared in publicly available trade data between January 2024 - June 2025.

**Destination Countries** - Shipment Destination Countries declared in publicly available trade data between January 2024 - June 2025.

**2**

**E-CIGARETTE  
TRADE - ASIA**

# E-Cigarette Trade - Asia

This report examines the trade of e-cigarettes in **India**.

The e-cigarette landscape across Asia is marked by a diverse and rapidly evolving regulatory environment. Countries like **India, Singapore, Taiwan, Thailand, Vietnam**, and **Hong Kong** have implemented strict bans on the import, sale, and use of e-cigarettes, citing public health concerns and youth protection. Others, such as **Australia, Malaysia, Indonesia** and the **Philippines**, have opted for regulated frameworks, allowing e-cigarettes under specific conditions—often with licensing, age restrictions, and product standards. Meanwhile, **China** and **South Korea** treat e-cigarettes as tobacco products, subjecting them to taxation, licensing, and safety regulations.

In many countries, there is a significant discrepancy between the value of e-cigarettes declared as exported from China and the value reported as imported by the destination country—**often with China’s export figures being much higher**. This statistical gap may indicate the **presence of illicit trade**, where products enter markets without being officially recorded or taxed.

However, in cases like **Singapore** and **Hong Kong**, the opposite trend is observed: declared imports from China exceed China’s reported exports. This suggests these locations may serve as transshipment hubs, where e-cigarettes—both legal and illicit—

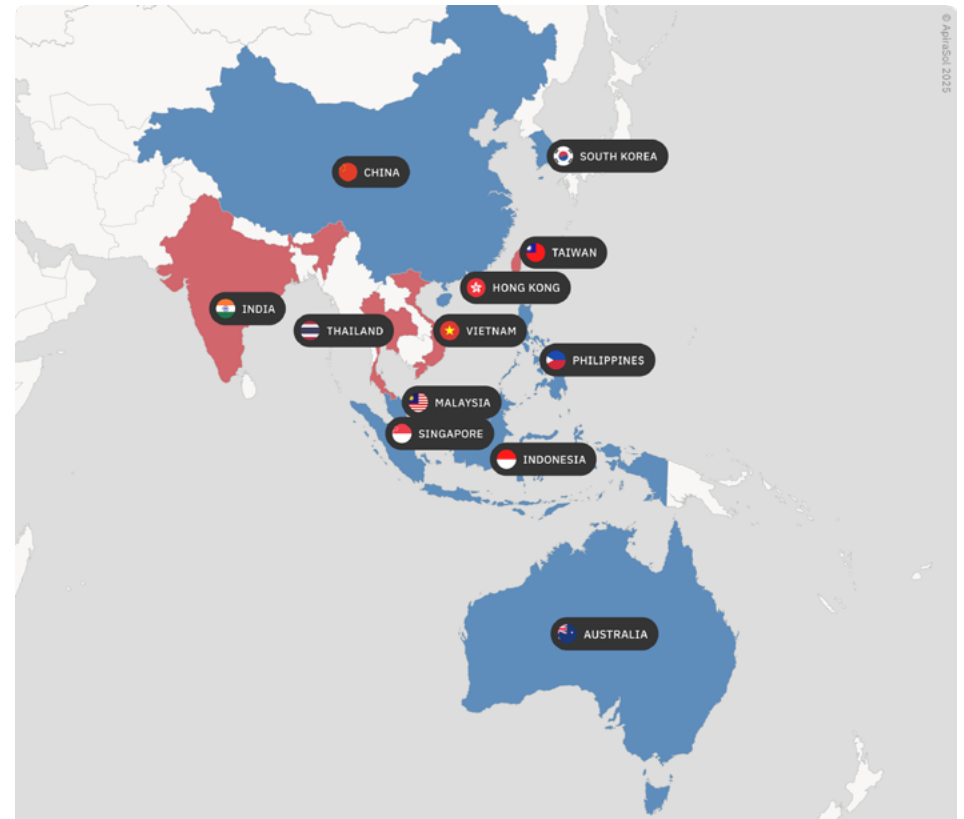
are imported, stored, and re-exported to other countries in the region.

Illicit e-cigarette trade continues to rise across Asia despite regulatory measures. Euromonitor estimates illicit incidence to be at least 60% in Indonesia and Malaysia, and around 80% in South Korea and the Philippines—underscoring the scale and persistence of the problem across the region. Enforcement reports consistently identify China as the main source, with large volumes of unregistered, untaxed, flavored, and high-nicotine devices produced in southern China and smuggled into most neighboring countries.

While most seizures trace directly back to **China**, some cases involve other routes—such as products intercepted in **Indonesia, Singapore, Malaysia**, and **Thailand** coming through Southeast Asian countries, and shipments in **India** linked to Middle Eastern suppliers. These are few compared to the overwhelming volume of China-origin products dominating the market.

Authorities—including customs, health ministries, and anti-smuggling units—have intensified crackdowns, seizing millions of illegal devices and launching awareness campaigns. Yet enforcement gaps and strong consumer demand fuel a thriving underground market, increasingly tied to organized crime. Australia

illustrates how these dynamics can escalate: since 2023, authorities have reported multiple bombing incidents and violent attacks connected to criminal groups involved in illicit tobacco and vaping products. This trend suggests that the illicit e-cigarette trade is not only a regulatory concern but may also pose broader public safety risks as it intersects with organized crime and, in some cases, adulterated or drug laced products.



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E-CIGARETTE TRADE -  
INDIA

# Summary

India's trade and customs records for e-cigarettes in 2024 expose a pronounced statistical gap when compared to export data from major suppliers like China. While partner countries report sending significant volumes of e-cigarette products to India, Indian import records show almost no corresponding entries, making the true scale of inflows difficult to determine. This persistent lack of alignment between reported exports and India's official import statistics can be attributed to several systemic factors driving untracked and illicit market activity:

- **Regulatory Environment:** India's complete ban on e-cigarettes eliminates legal, reportable import channels, so official customs data largely reflects no legitimate flows. India's strict national ban on the import, sale, and distribution of e-cigarettes, which has pushed market activity into informal and illicit channels.
- **Re-routing:** Goods are shipped via neighbors like Nepal or Dubai, obscuring their real origin and avoiding scrutiny.
- **Misdeclaration and evasion:** E-cigarettes are sometimes declared as unrelated goods (e.g., electronics/accessories) to hide their true identity.
- **Incomplete or Delayed Reporting:** Some shipments lack complete data—such as shipment weight or transport mode—hampering transparency and granular reconciliation.

- **Customs Data Limitations:** Differences in classification standards, documentation practices, and valuation methods between India and its trading partners exacerbate discrepancies, making reconciliation of bilateral trade figures challenging.
- **Online and covert door-to-door delivery networks:** E-commerce and parcel services deliver directly to consumers, circumventing conventional import checks.
- **Prevalence of Smuggling and Illicit Trade:** Products enter covertly, bypassing customs and remaining unrecorded. Enforcement operations throughout the year further highlight the prevalence of black market supply—raids and seizures in major cities have revealed large illicit caches reaching consumers through a mix of underground networks and online sales.

In summary, India's deep statistical gap in e-cigarette trade reflects the effectiveness of regulatory controls in suppressing legal imports, while at the same time exposing ongoing challenges in monitoring and combating the persistent illicit trade that continues to meet domestic demand through unreported channels.

## Regulatory Overview

India enforces a complete ban on e-cigarettes under the Prohibition of Electronic Cigarettes (Production, Manufacture, Import, Export, Transport, Sale, Distribution, Storage and Advertisement) Act, 2019. This legislation prohibits all commercial and personal activities related to e-cigarettes, including their production, sale, import, export, transport, distribution, storage, and advertising. The law defines e-cigarettes broadly to include any electronic device that heats a substance—whether or not it contains nicotine or flavorings—to produce an aerosol for inhalation. This includes ENDS (Electronic Nicotine Delivery Systems), heat-not-burn products, and e-hookahs.

Violations of the law carry strict penalties. First-time offenders may face up to one year of imprisonment, a fine of ₹100,000, or both. Repeat violations can result in up to three years of imprisonment and a fine of ₹500,000.

## Statistical Data (China as Origin)

China's declared exports of e-cigarettes to India in 2024 totaled \$949,000, while India's declared imports from China were just \$1,000—resulting in a **gap of approximately \$948,000**. This stark discrepancy likely reflects several factors: India's regulatory restrictions and bans on e-cigarettes may lead to significant underreporting or outright omission of such imports in official trade data. E-cigarette shipments may also be misdeclared under other product categories, routed through third countries, or brought in

via informal or illicit channels. Together, these practices obscure the true scale of trade and highlight persistent challenges in monitoring and controlling e-cigarette inflows to India.

### Total Value 2024:

- Total Exports from China 2024: \$949,000
- Total Imports from China 2024: \$1,000
- **Statistical Gap: \$948,000**

## EXPORTS OF E-CIGARETTES FROM CHINA TO INDIA - STATISTICAL DATA (ITC DATABASE)

HS Code	HS Code Description	ORIGIN COUNTRY	DESTINATION COUNTRY	Value in 2024 (Unit : US Dollar thousand)	Value in 2025-Q1 -Q2 (Unit : US Dollar thousand)
24041200	Other products containing nicotine, intended for inhalation without combustion	CHINA	INDIA	731	59
24041990	Other products containing nicotine substitutes, intended for inhalation without combustion	CHINA	INDIA	1	0
24041910	Other products containing tobacco substitutes, intended for inhalation without combustion	CHINA	INDIA	0	0
85434000	Electronic cigarettes and similar personal electric vaporizing devices	CHINA	INDIA	218	0
<b>Total:</b>				<b>949</b>	<b>59</b>

## IMPORTS OF E-CIGARETTES TO INDIA FROM CHINA - STATISTICAL DATA (ITC DATABASE)

HS Code	HS Code Description	ORIGIN COUNTRY	DESTINATION COUNTRY	Value in 2024 (Unit : US Dollar thousand)	Value in 2025-Q1 -Q2 (Unit : US Dollar thousand)
24041200	Other products intended for inhalation without combustion, containing nicotine	CHINA	INDIA	N/A	N/A
24041900	Other products intended for inhalation without combustion, containing tobacco or nicotine . . .	CHINA	INDIA	N/A	N/A
85434000	Electronic cigarettes and similar personal electric vaporising devices	CHINA	INDIA	1	0
<b>Total:</b>				<b>1</b>	<b>0</b>



Exports from China to India

**949,000**

Total 2024 Value (USD)  
1H 2025 Value (USD): 59,000

Imports to India from China

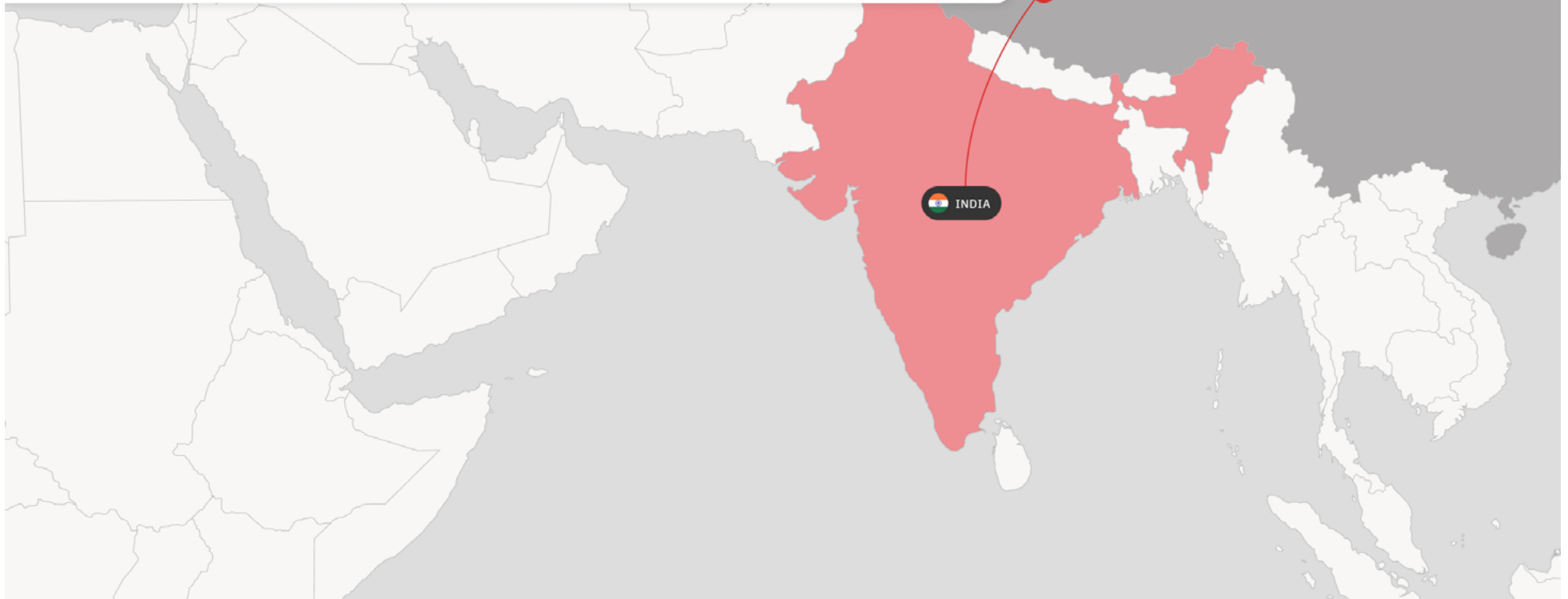
**1,000**

Total 2024 Value (USD)  
1H 2025 Value (USD): 0

Statistical Data Gap \*

**948,000**

\* Difference between the Exports and the Declared Imports (USD)



The online articles report on **seizures of illegal e-cigarette products in India**.

Indian enforcement agencies have intercepted large shipments of illicit e-cigarettes in cities such as Delhi, Noida, Pune, and Jaipur. Many of these products originate from China, Hong Kong, and Dubai, but many are smuggled over land into India through porous border crossings, particularly via Nepal, where China-made e-cigarettes are first trafficked before being moved across the open Indo-Nepal land border. Additional overland routes, including corridors such as the Khutar–Puranpur highway, are also exploited to transport illicit consignments deeper into India.

Despite a national ban on the import, production, and sale of e-cigarettes, persistent market demand and weak points in border control continue to drive a thriving black market. Investigations reveal that smuggling operations leverage international routes, often routing products through third countries or concealing them within legitimate cargo. Syndicates exploit e-commerce platforms, courier networks, and undercover distribution through local shops to reach consumers.

Large-scale and frequent raids reflect the adaptability of traffickers, who make use of sophisticated concealment methods and coordinated inter-state networks. Authorities have also raised concerns about the influx of drug-laced vaping products and new types of “gateway” devices, heightening public health and youth



protection risks. Ongoing enforcement efforts, including arrests, seizures, and destruction of confiscated goods, underscore the ongoing challenge of curbing illegal e-cigarette inflows into India’s urban and regional markets.

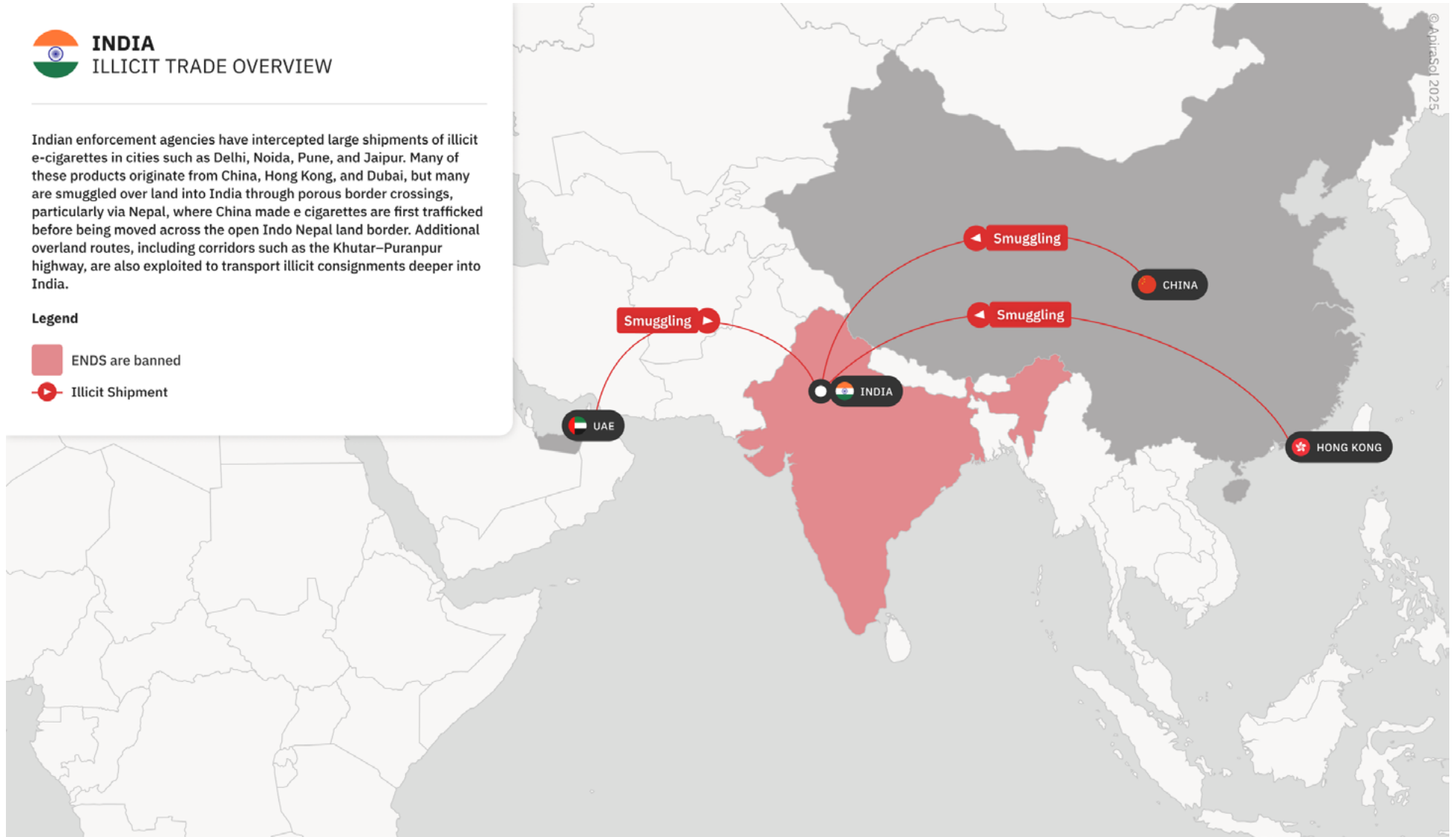
- **Locations of seizures:** Seizures reported in Pune, Delhi, Jaipur, Patna (Raxaul station), Chennai (airport), Mumbai, and more.
- **Brands seized:** [REDACTED].
- **Methods:** Smuggled via land, air, rail, e-commerce, and transshipment through Nepal; products often mixed or misdeclared.
- **Scale:** Seizure values ranged from lakhs to crores; major operations broke up interstate gangs and made arrests.
- **Agencies:** Customs, police, and crime investigators led intelligence-based raids on storage, retail, and transit points.

 **INDIA**  
ILLCIT TRADE OVERVIEW

Indian enforcement agencies have intercepted large shipments of illicit e-cigarettes in cities such as Delhi, Noida, Pune, and Jaipur. Many of these products originate from China, Hong Kong, and Dubai, but many are smuggled over land into India through porous border crossings, particularly via Nepal, where China made e cigarettes are first trafficked before being moved across the open Indo Nepal land border. Additional overland routes, including corridors such as the Khutar–Puranpur highway, are also exploited to transport illicit consignments deeper into India.

**Legend**

-  ENDS are banned
-  Illicit Shipment



Mumbai Crime Investigation Department seized smuggled e-cigarettes worth \$40,000 from China, arrested one suspect, and found the syndicate targeted Indian youth through distribution in shopping centers and educational hubs.

**The Mumbai Criminal Investigation Department in India seized about \$40,000 worth of smuggled e-cigarettes and arrested one suspect**

Sep.29



**Legend**



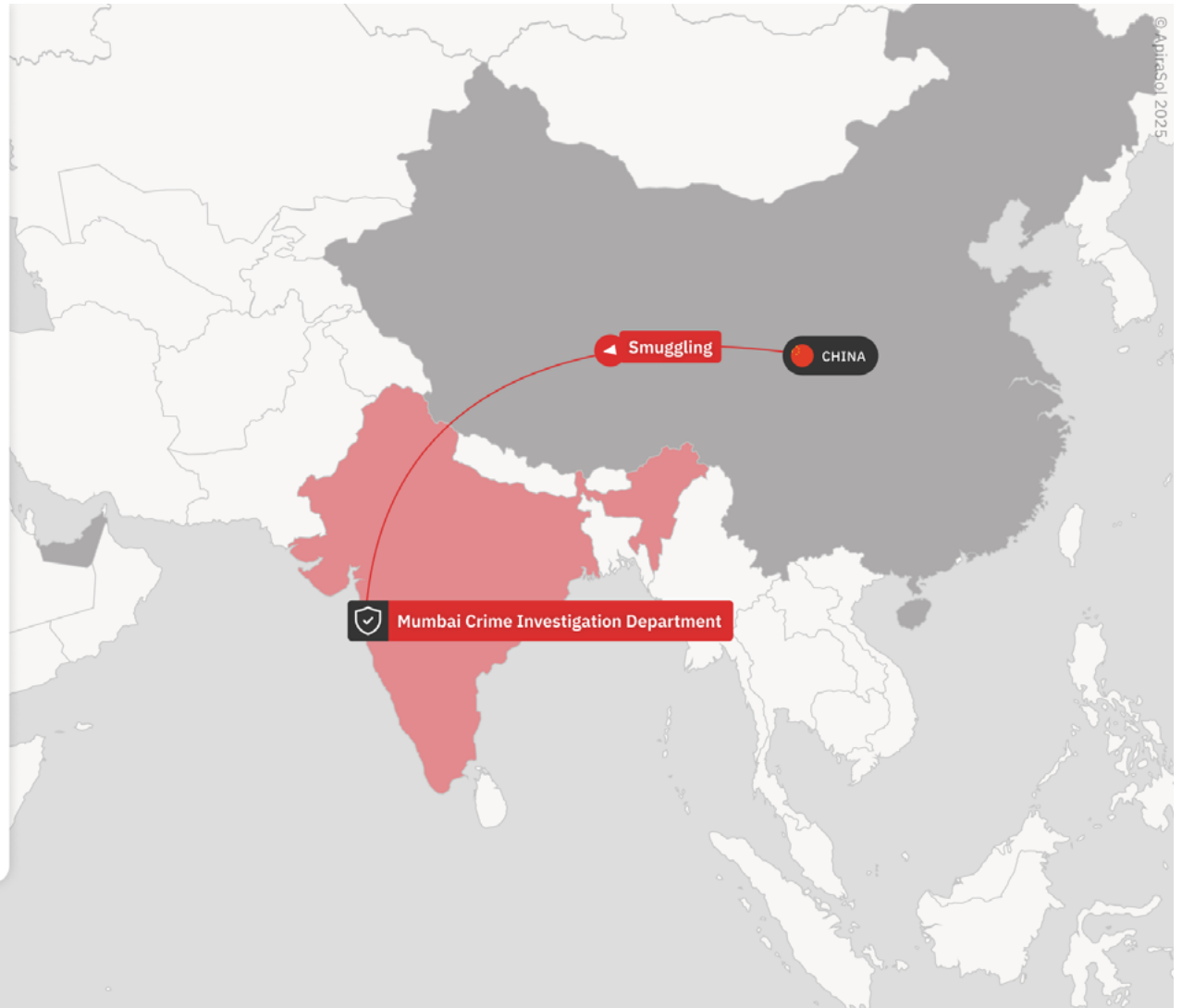
Seizure



ENDS are banned

**Source**

<https://www.2firsts.com/news/mumbai-crime-investigation-department-seizes-40000-worth-of-smuggled-e-cigarettes-from-china-arrests-suspect-ravindra-kishore-dedia>



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- [Analysis of Vape Bans and Regulatory Policies in Various Countries | Vape Observation](#)
- [China Customs Statistics Portal](#)
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