

### **Labor Code and Bidi Industry:**

The labor force in the bidi industry predominantly consists of low-skilled and often marginalized workers, many of whom are women and children. The industry has faced criticism for poor working conditions, low wages, and exploitation of laborers. In an effort to address these issues, India has introduced labor codes such as the Code on Wages, 2019, and the Occupational Safety, Health, and Working Conditions Code, 2020, which aim to improve the welfare of workers in various industries, including bidi production. These codes set minimum wage standards, regulate working conditions, and provide for other labor rights.

### **Policy and Regulation:**

The bidi industry in Uttar Pradesh is subject to various policies and regulations, both at the state and national levels. These regulations govern aspects such as licensing, production standards, packaging, and advertising. The government has also introduced policies to discourage tobacco consumption, including health warnings on bidi packs and advertising bans.

### **Laws and act on tendu patta:**

- 1. The Forest Rights Act, 2006 (FRA):** The FRA recognizes the rights of forest-dwelling communities, including Scheduled Tribes and other traditional forest-dwelling communities, to forest resources such as tendu leaves. It empowers these communities to have certain rights over the collection and sale of non-timber forest products like tendu patta. These rights are subject to specific procedures and conditions, and individuals or communities can apply for these rights under the FRA.
- 2. Forest Conservation Act, 1980:** The Forest Conservation Act regulates the diversion of forest land for non-forest purposes, including the collection of tendu leaves. Prior permission from the Central Government (Ministry of Environment, Forest and Climate Change) is required for such diversion.
- 3. Uttar Pradesh Forest (Amendment) Rules, 2005:** These state-level rules regulate the collection and sale of tendu patta in Uttar Pradesh. They provide guidelines for the selection of tendu patta contractors, issuance of licenses, and other aspects related to tendu patta trade within the state.
- 4. Tendu Patta Trade in Auction Areas:** In some areas, tendu patta collection and sale are conducted through auctions. Auctions are typically organized by the Forest Department, and tendu patta contractors participate in the bidding process to obtain licenses for collection.
- 5. Regulation of Tendu Patta Rates:** The government, both at the state and national levels, may regulate the rates at which tendu patta is bought from collectors to ensure fair pricing and prevent exploitation.
- 6. Tendu Patta Collection Season:** Tendu patta collection typically occurs during specific seasons, and there may be regulations specifying the timing of collection to ensure sustainable harvesting.



The Latest Minimum Wages for Bidi Industry in Uttar Pradesh w.e.f. 01 April 2023 will be as under:

Class of Employment	Basic Per Month	VDA Per Month	Total Per Month	Total Per Day
Unskilled	₹4550.00	₹3548.00	₹8098.00	₹311.00
Semi-Skilled	₹5200.00	₹4055.00	₹9255.00	₹356.00
Skilled	₹6200.00	₹4835.00	₹11035.00	₹424.00

\*source: [Minimum Wages in Uttar Pradesh Revised April 2023 » HR Informative | HR | Compliance | Labour Law | Govt. Scheme](#)

Kannauj district is also famous for the bidi industry. It is the largest bidi supplier in Uttar Pradesh.

\*source: [Official Website of One District One Product Uttar Pradesh / Kannauj \(odopup.in\)](#)

## GST ON BIDI

Bidi is a tobacco product that is subject to GST in India. It is classified as a demerit good and is subject to the highest GST rate of 28%. In addition to the GST, a compensation cess is also levied on tobacco products, including bidi, up to 290% on ad valorem basis along with specific rate, on certain products like cigarettes, up to Rs. 4170 per thousand. The HSN code for bidi is 2403.

## Uttar Pradesh, Karnataka and Maharashtra paid maximum tax for tobacco items

India is among 182 countries which signed the WHO framework convention on tobacco control which recommends at least 75 per cent tax on retail price of all tobacco products. However, in India, tax on cigarettes is 52.7 per cent, 'bidis' 22 per cent and chewing tobacco 63.8 per cent. source:

[https://economictimes.indiatimes.com/news/economy/policy/uttar-pradesh-karnataka-and-maharashtra-paid-maximum-tax-for-tobacco-items/articleshow/102105514.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/policy/uttar-pradesh-karnataka-and-maharashtra-paid-maximum-tax-for-tobacco-items/articleshow/102105514.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)



## **Economic Implications of Tobacco Industry in India: An Overview**

The total economic burden was variable among the different states in the study. Uttar Pradesh contributed to highest (28%) of the estimated burden followed by West Bengal (13%) and Andhra Pradesh (12%). Four states (West Bengal, Maharashtra, Andhra Pradesh, and Uttar Pradesh) together contributed 60% of burden due to CVD. Tamil Nadu, Uttar Pradesh, and West Bengal shared 52% of burden due to cancers. Uttar Pradesh and West Bengal contributed 47% from respiratory disease. Thirteen percent of tuberculosis burden was in Uttar Pradesh alone.

### **Claims by tobacco industry**

Contributions by Tobacco Industry to Indian Economy India has a prominent place in the production of tobacco in the world due to varied agroclimatic conditions and different types of tobacco it produces. The arable land area in India comprises of 54.3% in which presently, tobacco is being cultivated in an area of about 4.93 lakh hectares (0.24%) covering different styles/types of tobacco with a production of 800 million kg in the year 2013–2014, mainly from the states of Andhra Pradesh, Karnataka, and Gujarat.[2] The Tobacco Board, constituted by the Government of India (GOI), under an Act of Parliament known as the “TOBACCO BOARD ACT, 1975,” claims that it has a major contribution to economy with its employment generation in agriculture and manufacturing and revenues in the form of exports and taxes.[2] According to the World Bank Report, the tobacco industry estimates that 33 million people are engaged in tobacco farming, of which 3.5 million are in India.[4] By 2012–2013, the Indian tobacco industry provided employment directly and indirectly to 36 millions of people which include 7 million farmers. The tobacco industry also contributed as much as Rs. 19,891.50 crores as excise duty and Rs. 4979 crores in terms of foreign exchange to the national exchequer, during 2012–2013.

### **Bidi manufacturers in Uttar Pradesh**

#### **M S International**

Kanpur, Uttar Pradesh, India

#### **Karnik Enterprises**

Jhansi, Uttar Pradesh, India

#### **Hashmi international exports**

Amroha, Uttar Pradesh, India

#### **Mauser international**

Amroha, Uttar Pradesh, India

#### **Chhota bhai munnu bhai & co**

Chaman Bidi Factory India, Meerut



न्यूनतम मजदूरी अधिनियम, 1948 के अन्तर्गत राजाज्ञा संख्या-194/36 -3-2014-07 (न्यू0वे0)/4 दिनांक: 28-1-2014 द्वारा 50 तथा अधिभूचना संख्या-850/36-03 -2019 -931(न्यू0वे0)/06 दिनांक: 30 सितम्बर 2019 द्वारा 15 अनुसूचित नियोजनों में नियोजित कर्मचारियों हेतु मजदूरी की मूल दरों एवं परिवर्तनीय महंगाई भत्ते का निर्धारण किया गया है। मजदूरी की जो दरें मासिक आधार पर निर्धारित की गयी हैं उनकी दैनिक दर, मूल मजदूरी और परिवर्तनीय महंगाई भत्ते के 1/26 से कम तथा प्रति घंटे दर दैनिक दर का 1/6 से कम न होगी।

उक्त के अनुक्रम में निम्नांकित 74 नियोजनों में नियोजित कर्मचारियों के लिये अखिल भारतीय उपभोक्ता मूल्य सूचकांक आधार वर्ष(2001=100) माह जुलाई 2012 से दिसम्बर 2012 के औसत 216 अंकों के ऊपर जुलाई 2022 से दिसम्बर 2022 के औसत अंक 379 पर दिनांक: 1-04-2023 से 30-9-2023 तक की अवधि हेतु परिवर्तनीय महंगाई भत्ता निम्नलिखित दृष्टान्त की भाँति गणना करके देय होगा:-

दृष्टान्त-रूपये 5750/-प्रतिमाह मजदूरी पाने वाले अकुशल श्रेणी के कर्मचारियों को औसत उपभोक्ता मूल्य सूचकांक-379पर दिनांक: 1-04-2023 से दिनांक: 30-9-2023 तक की अवधि हेतु परिवर्तनीय महंगाई भत्ता निम्नलिखित होगा।

(379-216)

.....x5750= ₹0-4339/-प्रतिमाह

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विभिन्न श्रेणी के कर्मचारियों को देय प्रतिमाह मूल मजदूरी परिवर्तनीय महंगाई भत्ता, की मासिक एवं दैनिक मजदूरी की दरें।

क्रमिक	श्रेणी	प्रतिमाह मूल मजदूरी रूपये में	दिनांक:1.10.2022 से 31.3.2023 तक (कुल मजदूरी ₹0 में)	परिवर्तनीय महंगाई भत्ता ₹0 में	दिनांक:1.04.2023 से 30.9.2023 तक	
				दिनांक:1.04.2023 से 30.9.2023 तक	कुल मजदूरी (रूपये में) (3+5)	दैनिक मजदूरी (रूपये में) (1/26)
1	2	3	4	5	6	7
1	अकुशल	5750	9743	4339	10089	388
2	अर्धकुशल	6325	10717	4773	11098	427
3	कुशल	7085	12005	5347	12432	478

2 ईट गद्दा उद्योग नियोजन में नियोजित श्रमिकों की मजदूरी निम्नवत् है:-

क्रमिक	श्रेणी	दिनांक:1.04.2023 से 30.9.2023 तक		
		मूल मजदूरी	परिवर्तनीय महंगाई भत्ता ₹0 में	कुल मजदूरी(रूपये में)
1	अकुशल	उपरोक्त तालिका के क्रमांक 1 व 3 के अनुसार न्यूनतम देय होगा		
2	कुशल	उपरोक्त तालिका के क्रमांक 1 व 3 के अनुसार न्यूनतम देय होगा		
2	पथेरा	₹0-365	₹0-275	रूपया-640/- प्रति हजार
	भराईवाला			
	(1) 500 मीटर की दूरी तक	₹0-110	₹0-83	रूपया-193/- प्रति हजार
	(2) 500 मीटर से अधिक	₹0-132	₹0-100	रूपया-232/- प्रति हजार
3	निकासी वाला	₹0-110	₹0-93	रूपया-193/- प्रति हजार

- 1 रबर की विनिर्माणशाला और रबर उत्पाद(टायर और ट्यूब सहित) के उद्योग।
- 2 प्लास्टिक उद्योग और प्लास्टिक उत्पाद के उद्योग
- 3 मिथान उद्योग।
- 4 वास्तविक पेय(एरोटेड ड्रिक्स) के विनिर्माण।
- 5 फलों के रसों की विनिर्माणशाला।
- 6 परतदार लकड़ी(प्लार्डूड) के उद्योग।
- 7 पेट्रोल और डीजल आयल पम्प।
- 8 डेरी और मिल्क डेरी।
- 9 सिंग शिफ्टे कपड़े की विनिर्माणशाला।
- 10 बीघ तटबन्ध के निर्माण और अनुसंधान, सिंचाई परियोजनाओं कुओं और तालाबों की खुदाई।
- 11 उन समस्त रजिस्ट्रीकृत कारखानों में नियोजन, जिनका उल्लेख पहले नहीं किया गया है।
- 12 प्राइवेट अस्पताल(नर्सिंग होम्स) एवं प्राइवेट क्लिनिकों और प्राइवेट डाक्टरों सामान की दुकानों।
- 13 खलाई घर।
- 14 धानु उद्योग।
- 15 टिन प्लेट शीपिंग और टिन प्रिंटिंग।
- 16 ऐसे अभियन्त्रण उद्योग जिसमें 50 से कम व्यक्ति नियोजित हों।
- 17 चर्म शोधनशाला और चर्म विनिर्माणशाला।
- 18 चर्म वस्तु विनिर्माण उद्योग।
- 19 होजरी सिकर्म।
- 20 निजी पुस्तकालय।
- 21 काष्ठ सिकर्म और फर्नीचर उद्योग।
- 22 प्राइवेट कॉन्सिग कक्षाओं प्राइवेट विद्यालयों, जिनमें नर्सरी स्कूल और निजी प्राथमिक संस्थाएं भी सम्मिलित हैं।
- 23 तम्बाकू विनिर्माण।
- 24 धर्मशाला।



- 26 दुकानों में
- 27 यांत्रिक अधिष्ठानों में।
- 28 ग्रावल मिल, आटा मिल या दाल मिल।
- 29 रोल मिल।
- 30 लोक मीटर परिवहन।
- 31 यंत्रिक परिवहन कर्मशाला।
- 32 आटोमोबाइल रिपेयरिंग कर्मशाला।
- 33 सड़कों के निर्माण या उन्हें बनाये रखने का निर्माण सक्रियताओं।
- 34 पत्थर तोड़ने या पत्थर कूटने।
- 35 धिकन के कार्य।
- 36 दियासलाई उद्योग।
- 37 आईसक्रीम/आईसक्रीम विनिर्माणशाला।
- 38 बंकरी और बिस्कुट विनिर्माणशाला।
- 39 बर्तन विनिर्माणशाला।
- 40 एरबेस्टस सीमेन्ट कारखानों और अन्य सीमेन्ट उत्पाद विनिर्माणशाला।
- 41 लाकड़ी और धुलाई अधिष्ठान।
- 42 जिल्डसाजी।
- 43 कोल्ड स्टोरेज।
- 44 पाटरी सिरेमिक्स या रिफ़ैक्ट्रीज।
- 45 निजी मुद्रणालय।
- 46 सिनेमा उद्योग।
- 47 कपड़ा छपाई।
- 48 सिलाई उद्योग।
- 49 ऐलोपैथिक आयुर्वेदिक, गूनागी फार्मसी।
- 50 उलब
- 51 हथकरघा(सिल्क की साड़ी बुनाई) जरी के कार्य।
- 52 कपड़ा धोने या प्रसाधन के साबुन या सिलिकेट या साबुन का घूर्ण या प्रक्षालक विनिर्माण।
- 53 ऊनी काबल बगाने के अधिष्ठान
- 54 टायरसारी।
- 55 हथकरघा उद्योग।
- 56 शक्ति प्राप्त करघा उद्योग।
- 57 छोटा(मिनिएयर) बल्ब एवं कौंध उत्पादों के निर्माण।
- 58 कागज, गत्ता और पेपर बोर्ड उद्योग।
- 59 ईट भटका उद्योग।
- 60 ताला उद्योग के नियोजन में।
- 61 पीतल के बर्तनों एवं पीतल उत्पाद के विनिर्माण के नियोजन।
- 62 किसी निजी सुरक्षा और सेवा प्रदाता अभिकरण में गिरोजित सुरक्षा कर्मी(सुरक्षा कर्मियों) जिन्हें हथियार सहित/हथियार रहित आदि कर्मी सम्मिलित हों।
- 63 बुहारने और साफाई के नियोजन, जिसमें साफाई कर्मचारी नियोजन एवं शुष्क सौचालयों का निर्माण(प्रतिशोध) अधिनियम 1993 के अन्तर्गत के निषिद्ध क्रिया-कलाप सम्मिलित नहीं हैं।
- 64 घरेलू कामगारों का नियोजन।
- 65 कम्यूटर हाइंडेयर उद्योग एवं सेवाओं में नियोजन।
- 66 एल0पी0जी0धितरण एवं संबंधित सेवाओं में नियोजन।
- 67 टैक्सीज, आटोरिक्सा/टैम्पो एवं ट्रेनलिंग अभिकरण में नियोजन।
- 68 केलिबल अपरेटर एवं संबंधित सेवाओं में नियोजन।
- 69 गैर सरकारी संगठन(एन0जी0ओ0) एवं संबंधित सेवाओं में नियोजन।
- 70 विक्रय सहायक,विक्रय सहायक(सजा शर्त) अधिनियम 1978 के अधीन सम्मिलित अथवा सम्मिलित किये जाने वाले किसी उद्योगों में) में नियोजन।
- 71 हेयर कटिंग सैलून एवं व्यूटी पार्लर(पुरुष एवं महिलायों) में नियोजन।
- 72 कारपोरेट कार्यालयों में नियोजन।
- 73 काल सेंटर/आई0टी0 इन्फ़रस्ट्रक्चर/हेल्थकेअरिंग सेवाओं आदि में नियोजन।
- 74 ऐसे प्रतिष्ठान जो किसी अनुसूचित नियोजन के अधीन आधुनिकित न हों, में नियोजन।

03.11.2023

(अजय कुमार मिश्रा)  
उप श्रम आयुक्त, उत्तर प्रदेश।  
कृते श्रम आयुक्त, उत्तर प्रदेश।

कार्यालय, श्रम आयुक्त, उत्तर प्रदेश, जी0 टी0 रोड, कानपुर।  
प्रवर्तन-(एम0डब्ल्यू0)/15

संख्या 2-9

दिनांक: 34/2023

- 1 सनस्त क्षेत्रीय अपर/उप श्रम आयुक्त उ0प्र0 को इस आशय से प्रेषित कि अधीनस्थ अधिकारियों को अवगत कराये तथा श्रमिकों, सेवायोजकों व उनके प्रतिनिधियों द्वारा मांगे जाने पर उपलब्ध कराए।
- 2 अनुसूचित उत्तर प्रदेश शासन, श्रम अनुभाग-3, बापू भवन, लखनऊ।
- 3 सहायक निदेशक, श्रम एवं रोजगार मंत्रालय(विज सल)भारत सरकार नई दिल्ली ई-मेलwagecell@nic.in के माध्यम से
- 4 अधिशारी निदेशक उद्योग बन्धु, लखनऊ।
- 5 उप श्रम आयुक्त(आई0आर0),मुख्यालय, कानपुर।
- 6 उप श्रम आयुक्त(कम्प्यूटर),मुख्यालय को समस्त क्षेत्रीय अपर/उप श्रम आयुक्त को ईमेल के माध्यम से प्रेषित कराने तथा विभागीय वेबसाइट [www.uplabour.gov.in](http://www.uplabour.gov.in) पर अपलोड कराने हेतु।
- 7 श्री हिमाशु कुमार, मुस्तकालयाध्यक्ष, मुख्यालय को अभिलेखार्थ प्रेषित।
- 8 समस्त प्रमुख दैनिक समाचार पत्रों को जन सामान्य की जानकारी हेतु जनहित में नियुक्त प्रकाशनार्थ।

(अजय कुमार मिश्रा)  
उप श्रम आयुक्त, उत्तर प्रदेश।  
कृते श्रम आयुक्त, उत्तर प्रदेश।



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Business News > News > Economy > Policy > Uttar Pradesh, Karnataka and Maharashtra paid maximum tax for tobacco items

## Uttar Pradesh, Karnataka and Maharashtra paid maximum tax for tobacco items

ET Online Last Updated: Jul 25, 2023, 03:23 PM IST

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### Synopsis

India's central government has collected the highest amount of taxes from tobacco and tobacco products from the populous states Uttar Pradesh, Karnataka and Maharashtra. Finance Minister Nirmala Sitharaman said that taxes from cigarettes, pan masala and allied products account for approximately 2.39% of gross tax revenue for 2022-23.



Representative image

India's central government has collected the maximum tax amounts from tobacco and tobacco products from the states of densely populated **Uttar Pradesh**, Karnataka and Maharashtra, the finance minister said today.

The share of taxes (inclusive of GST, Compensation Cess, Basic Excise Duty, and National Calamity Contingent Duty) collected from tobacco and allied products and pan masala in the gross tax revenue (Revised Budget Estimates for FY 2022-23) for the financial year 2022-23 is around 2.39%, **Nirmala Sitharaman** told lawmakers in Rajya Sabha.

The share of taxes from these products in gross tax revenue for FY23 (revised estimates) in comparison to FY22 (actual) has increased by 0.1%, she added.

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Taxes collected from tobacco and allied products, similar to taxes collected from other sources, form part of the overall Gross Tax Revenues (GTR) of the Government of India and are used to fund all schemes and programmes of the Government, Sitharaman said.

While announcing the budget for this fiscal year that started April 1, India had raised National Calamity Contingent Duty (NCCD) on cigarettes by 16%.

According to experts, taxation on tobacco can be a very effective tool to generate revenue because the product being elastic in nature, high tax will have no adverse impact on revenue earnings of the government.

India is among 182 countries which signed the WHO framework convention on tobacco control which recommends at least 75 per cent tax on retail price of all tobacco products. However, in India, tax on cigarettes is 52.7 per cent, 'bidis' 22 per cent and chewing tobacco 63.8 per cent.

According to Global Adult Tobacco Survey-India (GATS -2016-17), nearly 27



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ET Spotlight Last Updated: Sep 12, 2023, 12:17 PM IST

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Synopsis

Sunjeh Raja, Director and CEO of the International Center for Culinary Arts (ICCA), Dubai, spoke with Kabeer Sharma, Editor in Chief, Indiatimes, in a recent episode of the podcast series "Live, Work, and Play in Dubai," which explores how Dubai successfully cultivates an environment that fosters innovation and entrepreneurship.



As the UAE strives to diversify its economy and develop non-oil sectors to reduce its dependency on oil, the food and beverage sector is one that has emerged as a notable success story. Between 2013 to 2018, the sector witnessed a remarkable growth of 22% from \$10.8 billion to \$13.2 billion, with experts anticipating a 7% year on year increase in the sector.

increase in the sector.

Dubai earned the distinction of being home to the first-ever Michelin-star restaurant in the Middle East and currently hosts 36 such esteemed culinary establishments. The 2023 edition of Michelin Guide Dubai featured a remarkable 90 restaurants, underscoring the city's exceptional culinary landscape. Hence, it comes as no surprise that Dubai and the UAE distinctly stand out as market leaders in the food and beverage sector within the region. It is worth highlighting that the constant influx of tourists and expats is the primary factor which has propelled Dubai towards becoming a leader in this space. Other factors contributing to the optimism surrounding this sector, particularly in Dubai, include its multicultural atmosphere, which generates a demand for a wide variety of cuisines. Additionally, Dubai is renowned for hosting global events that showcase the latest technologies and innovations.

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crucial role, as Dubai's policies make it straightforward to establish businesses, and its efficient infrastructure ensures the smooth day-to-day operations of F&B establishments.

Live Work & Play in Dubai



26:47



In a recent episode of the podcast series, 'Live, Work, and Play in Dubai' that delves into how Dubai effectively cultivates an environment that fosters innovation and entrepreneurship, Sunjeh Raja, Director and CEO of the International Center for Culinary Arts (ICCA), Dubai spoke to Kabeer Sharma, Editor in Chief, Indiatimes. Emphasising on Dubai's significant advantage, Raja stated "Dubai has got a 20 years plus of head start. We've gone through the grind and we have perfected it, and even when the (rest of the) region is opening up in a big way, it has got a lot to learn from Dubai, and more specifically in my own space of business." The International Center for Culinary Arts is a leading culinary school in Dubai that has trained tens of thousands of chefs through its programs.

According to Raja, Dubai has historically served as a culinary hub, but recently it has been garnering attention and recognition from the likes of Michelin and World's 50 Best Restaurants, which has helped propel Dubai onto the global stage. The F&B industry in Dubai has been working continuously to make it a global destination, and now as it is shaping up to be one, the demand on the industry is increasing, and Raja feels that same pressure as he is within the industry "we are our own enemies at this point in time, we are trying to become a better version of what we were yesterday."

Speaking about the International Center for Culinary Arts (ICCA), Raja emphasised that it is a very outcome driven school, highlighting that the school guarantees job placements for its graduates. The institution's core goal is to train people and seamlessly integrate them into the food and beverage

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actually focus on the fundamentals, getting into the grammar of doing things. And what you really end up doing is basically being creative, applying is what you do out in the industry." This focus on fundamentals helps students to navigate and adapt to all the trends in the industry, including veganism, gut health, farm to table, enabling them to apply their creativity effectively.

The International Center for Culinary Arts (ICCA) also places a strong emphasis on technical vocational training, employing a short and intensive education format. Sunjeh Raja pointed out that this style of education is widely popular in countries like Australia, New Zealand, and Germany.

Raja's journey started in Dubai about 20 years ago; the vision and strategy that was being discussed is what attracted him to Dubai initially. And even today, he believes that Dubai continues being a premier location for conducting business. "If you are creative, if you have a vision, if you have a strategy, and you're willing to work hard, and let's say take the risks as well, Dubai rewards you." And the ecosystem that has been created there is so contagious that it rubs off on everyone there. Raja emphasizes that other regions and cities are now trying to emulate the Dubai model, but it will still take a lot of time for them to catch up. Even as the region builds up, he believes that Dubai will continue to play the leading role, because it is not slowing down, but only continuing to develop. Raja states that the government has played a big role in creating this sort of an ecosystem in Dubai. "And the most important thing is I don't think there's a government in Dubai, there's actually a CEO who runs Dubai."

Innovation stands as a pivotal factor driving Dubai's food and beverage sector to regional leadership. Raja has also embraced technology and innovation, and is spearheading an exciting venture known as Foodverse, which explores the concept of food within the metaverse. "It's about transitioning into web 3 technology, which is going to be the future. Every few years, the trends change, and one has to be ready to adapt and adopt to remain relevant. Otherwise at the pace at which things out there are changing, if you're not adapting yourself, you will basically be lost or basically become irrelevant," explained Raja.

Foodverse is dedicated to addressing critical aspects of maintaining quality control, standardisation, and consistency, especially as operations scale up. Raja sees blockchain technology as a potential asset in this space, ensuring transparency and trust in food-related processes. Another innovative space that Raja sees being here for the long term is cloud kitchens. From a cost-efficiency perspective and given the shifts in dining patterns brought about by the COVID-19 pandemic, cloud kitchens are poised for continued growth and development. However, according to Raja, the act of making food will still have a human touch to it, even in the long term.

Food sustainability has emerged as a major movement in today's

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sustainable food and clean eating is going to be an even bigger focus for the city. The concept of reducing one's carbon footprint has become increasingly prominent, with individuals becoming more conscious of their environmental impact. Sustainability is also about supporting the local communities and ecosystems, instead of shipping food from halfway around the world. And with climate change, food sustainability is no longer a choice but rather a necessity. " So, we at the institution level, definitely, try to ensure the students imbibe it. The institution does its part to ensure that the idea is very well received, and that there's a thought process or there's a conscientious effort to make a difference."

In light of the favourable business environment in Dubai and its expansive ecosystem, there is a growing interest in launching one's own restaurant or food business. The ecosystem is contagious, however Raja says "we actually, focus on these following five P's, there should be passion, perseverance, performance, perfection and patience. These are traits that a person ought to have to get into the industry. Now, this is a difficult hands-on industry, and what we see is the glory, and all the glitz and glamour is one side of it is what we see on TV, but then reality is the lots of hard work. Now, this is a basically industry where you're literally working 16 hours a day and going at the end of a week without a break, so only with passion and perseverance within you, can you do this."

*Disclaimer - This article is part of a featured content series on Business in Dubai. [Click here for more details](#)*

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- Unrecognised sector.
- In the hands of Mafia.
- Mostly illegal & unregistered.
- Very few interventions recorded.
- Limited studies available.

Who -  
 Loopholes -  
 Bidi -  
 Tendu -  
 Illicit trade -  
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 Polit.

- Cheaper & wide local range available.
- Unorganised sector at level of labours & workers.
- Both - Bidi & Tendu is in hands of Mafia.
- Local monitoring mechanism

Studies - The Bidi Industry of India. - State wise analysis

→ The Economic Society

- Bidi & Tendu Patta study done by - School of Public Adm.

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- Nominal Labour Act 1948

- COTPA 2003

India - Bidis & cigar workers (Condition of Employment) Act 1966

Tendu - UP Tendu Patta vyapar Viniyam Niyamawali.

Taxes - GST, Compensation cess, National calamity contingent Duty (NCCD), Excise duty.



**Hunter Bidi Company Jhansi**

**Modern Bidi Factory, Prayagraj, Uttar Pradesh**

**India Bidi, Meerut**

**Patakha 201 Bidi & Loose B**

**Raj Kamal Bidi & Tobacco Company**

**Bulbul Bidi Company**

**R.K. Bidi company (Cheetah Bidi)**

**M/s Bharat Bidi Factory**

**Krishna Bidi Company**

**Kwality Bidi Centre**

**Rahman Bidi Udyog**

### **The Market for Bidis, Smokeless Tobacco, and Cigarettes in India: Evidence From Semi-Urban and Rural Areas in Five States**

SLT products had the greatest number of unique product offerings available in every state. In Assam, Maharashtra, and Uttar Pradesh, the number of unique cigarette packs were greater than bidi packs, while the opposite was true in Karnataka and Rajasthan. The state samples were similar across tobacco products with a few exceptions. The availability of unique SLT offerings was greater in Uttar Pradesh relative to other states and the availability

Source: <https://doi.org/10.3389/ijph.2021.1604005>

A study published in the **Frontiers in Public Health** journal provides insights into the bidi market in India. The study found that the bidi industry is predominantly an unorganized sector and continues to enjoy tax benefits, arguably to protect bidi workers' interests and employment. The study also highlights that the bidi industry provides a subsidiary source of livelihood to agricultural laborers during the post-harvest period. The bidi industry contributed to only 0.65% of the total gross value added (GVA) by the entire manufacturing industry. Employment in this industry was primarily through contractors. Bidi workers earned only 17% of wages compared to workers in other manufacturing industries. Although females constituted the majority of bidi workers, they earned INR 7,000 to 8,000 (USD 155.7 to 178) less than male bidi workers annually. Despite the increase in bidi industry profits from INR 1.7 billion (USD 37.8 million) in 2005–2006 to INR 12.8 billion (USD 285 million) in 2010–2011, the wages of bidi workers have continued to decline over this period.

Source: [Frontiers | The Indian Bidi Industry: Trends in Employment and Wage Differentials \(frontiersin.org\)](https://www.frontiersin.org)

### **The Bidi Industry and Unorganized Workers**

The bidi industry is one of the largest employers of workers in India after agriculture, handloom and construction, yielding an average of 1.3 million persons working per days of employment per



year. As per the Annual Report of Ministry of Labour, Government of India, 2001, the bidi industry is estimated to provide employment to 441,100 people in the country.

Although the large bidi manufacturers are large enterprises, actual production is carried out by small unorganized units. Most of the production of bidi is undertaken either in homes or small work sheds. Ninety per cent of bidi workers are home-based. Thus, production of bidi is widely dispersed and often shifts from place to place.

Ninety five per cent of bidi workers are women. For these women, bidi work is an important source of income that constitutes an average of 45 to 50 per cent of the total family income. This shows that the unorganized sector of the Indian bidi industry has a tremendous socio-economic significance in employment generation in India.

In the Indian unorganized sector, the bidi industry is among the few trades that are regulated by law. The Bidi and Cigar Workers Welfare Cess Act (1966) and the Bidi and Cigar Workers (Conditions of Employment) Act (1966) are there to protect the interests of bidi workers, and each resulted from worker action. The minimum wage for bidi workers is fixed as a piece rate per thousand bidis. In Gujarat, the piece rate is linked to the dearness allowance (DA), which is further linked to the price level changes in the Indian economy. The DA revisions are announced by the Government of Gujarat every six months

Source: [Collective Bargaining by Workers of the Indian Unorganized Sector: Struggle, Process, Achievements and Learning \(wiego.org\)](http://wiego.org)



## Minimum Wages in Uttar Pradesh April 2023 Overview

This increased VDA will be applicable to all 74 Scheduled Employments under Minimum Wages Act, 1948. The Latest Minimum Wages for Shops and Establishments in Uttar Pradesh w.e.f. 01 April 2023 will be as under:

Category	Minimum Wages Revision
State	Uttar Pradesh
Revision In	Variable Dearness Allowance (VDA)
Industry	<ul style="list-style-type: none"><li>• Shops and Establishments</li><li>• Bidi Industry</li><li>• Kaleen Industry</li><li>• Glass Bangle Industry</li><li>• Hotel and Restaurant Industry</li></ul>
Effective From	01 April 2023
Effective Till	30 September 2023
Revised By	Labour Department Uttar Pradesh
Official Website	<a href="https://uplabour.gov.in/">https://uplabour.gov.in/</a>

Class of Employment	Basic Per Month	VDA Per Month	Total Per Day	Total Per Month
Unskilled	₹5750.00	₹3780.00	₹366.54	₹9530.00
Semi-Skilled	₹6325.00	₹4158.00	₹403.19	₹10483.00
Skilled	₹7085.00	₹4658.00	₹451.65	₹11743.00



**(1993) 01 AHC CK 0073**  
**In the Allahabad High Court**

**Case No :** Civil Misc. Writ Petition No"s. 22661 and 27670 of 1991

Rafique and Son and Others

APPELLANT

Vs

State of U.P. and Others

RESPONDENT

**Date of Decision :** 19-01-1993

**Acts Referred:**

Beedi and Cigar Workers (Conditions of Employment) Act, 1966 — Section 3  
Constitution of India, 1950 — Article 14, 19(1), 19(6), 226  
Uttar Pradesh Bidi and Cigar Workers (Conditions of Employment) Rules, 1969 — Rule  
29  
Uttar Pradesh Industrial Disputes Act, 1947 — Section 10, 19, 3, 3(3), 9

**Citation :** (1993) 2 AWC 699

**Hon'ble Judges :** R.B. Mehrotra, J

**Bench :** Single Bench

**Advocate :** V.R. Agrawal, , Raj K. Jain, M.A. Qadeer,

**Final Decision :** Dismissed

**Judgement**

**R.B. Mehrotra, J.**

A notification dated 21-6-91 was published in the U.P. Gazette of the same date. The notification recites as under:

Whereas the State Government had vide its notification No. 6790 (ST) XXXVI-I-1006 (ST) 89, dated November 21, 1989 revised and fixed the minimum rates of wages for employees employed in the employment in Bidi making in Uttar Pradesh;

AND, WHEREAS, the employees engaged in Bidi making industry had been demanding the revision of minimum wages due to rise in prices and upwards revision in other employment;

AND, WHEREAS, the Uttar Pradesh Bidi Mazdoor Unions operating Bidi industry served notices on the State Government indicating that if the minimum rates of wages of the employees employed in the employment of Bidi industry were not revised they would start agitation;

AND, WHEREAS, In the opinion of the State Government it is necessary and expedient to revise the minimum rates of wages for employees employed in the employment in



Bidi making with a view to securing public convenience and maintenance of public order and for maintaining employment:

NOW, THEREFORE, in exercise of the powers under Clause (b) of Section 3 of the U.P. Industrial Disputes Act, 1947 U.P., Act No. XXVIII of 1947), the Governor is pleased to make the following order and u/s 19 of the said Act to direct that the notice of this order shall be given by publication in the Gazette.

#### ORDER

The Various categories of employees employed in the Bidi making industry shall be paid minimum rates of wages as specified In column 2 of the Schedule given below with effect from the date of publication of this notification In the Gazette.

Class of employees 1	SCHEDULE Revised rates of minimum wages. 2
1. Bidi Rolling	Rs. 200 per thousand Bidis rolled provided that there the employee earns less than Rs. 140-00 per week at this rate, be shall be paid at least Rs. 120-00 per week subject to the conditions specified in the Annexure to this order
2. Pasting of slips	Rs. 2.00 per thousand
3. For wrapping, pasting of tables and making bundles of one lakh of Bidis.	
When one handle contains 25 bidis	Rs. 46.50
when one bundle contains 24 bidis	Rs. 49.10
when ana bundle contains 30 bidis	Rs. 51.40
when ens bundle cantatas 12 bidis	Rs. 63.10
when one bundle contains 10 bidis	Rs. 71.40
when one bundle contains 8 bidis	Rs. 86.25
when one bundle contains 7 bidis	Rs. 92.50
4. For stores and examiners of bidis	Rs. 796.00 per month
5. For loading and unloading on/from trucks and packing bidis in sacks and for chaukidar, sweepers and other unskilled employees.	Rs. 676.00 per month
6. Furnace Man (baking of bidis)	Rs. 796.00 per month
7. Maxing of tobacco	Rs. 707.00 per month.
8. Jal fillers	Rs. 707.00 per month.
9. Clerical	
(a) head munim, head clerk, head cashier, head store keeper, Senior clerk, accountant, stenographer.	Rs. 1083.00 per month
(b) Clerk, typist, assistant accountant, junior accountant, cashier, store keeper, munim	Rs. 23960 per month
10. Drivers.	
(a) Drivers of heavy vehicles	Rs. 903.00 per month
(b) Drivers of light vehicles	Rs. 849.00 per month

2. The above rates of wages shall not in any way, operate to the prejudice of any employes, if the rates prevailing before coming into force of these rates are higher, the same shall be continued to be paid and the employer shall not reduce them.

3. The rates of wages given in this order shall also be admissible to contract labour.

4. The daily rates of wages shall be equal to 1/26 of the monthly rates.

5. The wages per hour shall not be less than 1/6 of the daily wages.

#### ANNEXURE



1. The employee shall be entitled to get at least Rs. 120.00 per week (hereinafter referred to as the guaranteed wages) only, where the employer fails to supply sufficient quantity of good raw material (including tobacco leaves) to roll, 5,600 bidis per week.
2. The guaranteed wages shall be Inclusive of the wages for any day earned by the employee in respect of Bidi actually rolled by him with the quantity of raw material supplied to him by the employer.
3. The employee shall not be entitled to get guaranteed wages if he earns less than the amount of guaranteed wages on any day on account of his unwillingness to work for any reasons, whatsoever be.
4. The employee shall not be entitled to get the guaranteed wages If he fails to make full use of the raw material supplied to him even if the raw material so supplied is not sufficient for rolling 800 bidis per day.
5. The employee who works for more than one employer shall not be entitled to get the guaranteed wages from any one of the employer.
6. The employee shall not be entitled to get the guaranteed wages of the failure if the employer to supply raw material is due to tire, catastrophe, epidemic, civil commotion or other similar causes which are beyond his control.
7. This order shall remain in force for a period of two years from the date of its publication in the Gazette unless rescinded or replaced by another order.

By order,  
MONINDBR SINGH  
Sachiv

2. In both the aforesaid writ petitions, the aforesaid notification issued u/s 3(b) of the U.P. Industrial Disputes Act has been challenged. In both the writ petitions the same point is involved. As such, both the writ petitions have been consolidated and have been heard together.

3. In Writ Petition No. 22661, the Court granted the following interim order:

Issue notice

Operation of the notification dated 21-6-1991 contained in annexure "1" to the writ petition in so far as the Petitioners are concerned, shall remain stayed till further orders of this Court. It shall be open to the contesting Respondents to seek reconsideration of the interim order before the appropriate Bench after the counter-affidavit by all the Respondents have been filed. Learned Counsel for the Petitioners made a statement at the Bar that the Petitioners undertake that if eventually the writ petition falls, the Petitioners shall pay within a month of the dismissal of the writ petition the difference in the existing wage and wages required to be paid under the impugned notification to the workers concerned.

Dt. 28-8-1991.

Sd. R.K.G.

However, in writ petition No. 27670 of 1991, the Court stayed the operation of the notification until further orders of the Court without imposing any condition. In the interim order passed by the Court in M/s. Kaley Khan's writ petition (Supra), the court did not impose any condition nor asked the Petitioner to give any undertaking. A blanket interim order staying the operation of the notification dated 21-6-91 was passed.



4. Since the counter and rejoinder affidavits have been exchanged in writ petition No. 22661 of 1991, the said case is being treated as a leading case in the matter.
5. An application on behalf of U.P. Bidi Mazdoor Federation through the Secretary was moved on behalf of the Union of Bidi workers for being impleaded as Respondent No. 4. The said application was allowed by the Court, vide its order dated 12-8-91. Subsequently another application was moved on behalf of Allahabad Bidi Karmchari Union, Allahabad wherein it was prayed that since the Respondent No. 4, namely, U.P. Bidi Mazdoor Federation has been de-registered and new Union, Allahabad Bidi Karinchari Union has been registered, the name of the Respondent No. 4 U.P. Bidi Mazdoor Federation may be deleted from the array of the parties and in its place Allahabad Bidi Karmchari Union may be impleaded as Respondent No. 4 in the writ petition. On the aforesaid application, time was granted to the Petitioner's counsel for filing counter affidavit but no counter affidavit has been filed. Subsequently, another application was moved on behalf of Allahabad Bidi Karmchari Union for being impleaded as Respondent No. 4 in the writ petition. The aforesaid application has been allowed by the Court vide its order dated 12-8-91 and the Allahabad Karmchari Union has been impleaded as Respondent No. 4 in the writ petition
6. I have heard Sri V.R. Agrawal, learned Counsel for the Petitioners in support of the writ petition. Sri Raj Kumar Jain for newly added Respondent Allahabad Bidi Karmchari Union and the learned Standing Counsel for Respondent Nos. 1 to 3 in opposition of the writ petition defending the notification dated 21-6-1991.
7. The Petitioners who are manufacturers of Bidi have challenged the aforesaid notification on the following grounds:
  - (a) the conditions precedent for issuing the notification u/s 3 of the Act were non-existent;
  - (b) none of the three objectives namely (i) securing public convenience ; (ii) maintenance of public order; and (iii) maintaining employment, sought to be achieved, could be achieved by the Notification.
  - (c) No opportunity of hearing was given to the employers including the Petitioners before the issuance of the impugned Notification and as such the Notification was issued in violation of principles of natural justice.
  - (d) The increase given to the workers in the impugned Notification is about 33% of their existing wages which is highly exorbitant and cannot be absorbed by the industry.
  - (e) The Notification was Issued on 21-6-91 when the State Government was only a care taker Government. Elections had already taken place and results were declared and the new Government took oath on 23-6-91. The Notification is politically motivated.
  - (f) The wages in Bidi industry were required to be fixed or revised on the basis of All India Zones fixed by the Labour Ministers of the Country, Labour Secretaries and even the tripartite Committee of the State consisting of representatives of employer, workmen and the State and lastly,
  - (g) the Impugned Notification is so unreasonable and unfair that It amounts to unreasonable restriction on the Petitioner's right to practice any profession or to carry on any occupation, trade or business under Article 19(1)(g) of the Constitution of India and is not saved by Sub-article 6 of Article 19 of the Constitution of India.
8. Two counter affidavits have been filed on behalf of Respondents 1 to 3. Sri Behari Lal Joint Secretary, Labour Department filed counter affidavit on behalf of State Government and Sri J.S.P. Pandey, Additional Labour Commissioner, U.P. Kanpur



looking after the work of enforcement of Labour Laws including fixation and revision of minimum rates of wages in scheduled employments as also their enforcement in the State of Uttar Pradesh filed counter affidavit on behalf of Respondents No. 2 and 3 In counter affidavit of Sri Bebari Lal it has been stated that the employees engaged in Bidi making industry have been demanding revision of minimum wages due to rise in the prices and upward revision of wages in other employments. There has been rise of 132 index point in AH India Consumer Price Index Number in the last 21 months, when the earlier notification was issued in November 1989 and because no dearness allowance was payable, revision became necessary to neutralise the erosion in real earnings of Bidi employees. The Bidi Mazdoor Union also served notices on the State Government requesting for the revision of the rates of wages. For illustration two such notices have been annexed with the counter affidavit. In one of such notice Allahabad Bidi Karmachari Union has demanded that the rate of wages of Bidi manufacturing should be raised to Rs. 25/- per thousand It was threatened in the aforesaid notice that if the demands are not fulfilled, the workers will be forced strata agitation for fulfilling the aforesaid demands. Another similar notice was served by Bidi workers Union, Rampur. These notices have been filed only as an illustration for showing that the Bidi Workers of the State are demanding higher wages and are threatening agitation in case of failure to accept these demands. In this counter affidavit. It has also been stated that another consideration which weighed in the mind of the State Government was that the wages promulgated in agricultural operation and other rural employment were raised unto Rs. 18/- to Rs. 20/- per day. It was farther stated in the counter affidavit that the state Government was of the opinion that It was necessary and expedient to revise the minimum rates of wages for Bidi workers of the State for securing public (sic), maintenance of public order and maintaining employment.

9. In the second counter affidavit filed by Sri J.S.P. Pandey, Additional Labour Commissioner, U.P. Kanpur on behalf of the Respondent Nos. 2 and 3 i.e. Labour Commissioner and Deputy Labour Commissioner, a detailed back ground has been given regarding the conditions of Bidi workers in the State of U.P. and regarding the back: ground under which the impugned notification was issued in this counter affidavit, it has been stated that Bidi making is one of the scheduled employment covered under the schedule to Minimum Wages Act. 90% of the Bidi Rollers work at dwelling places. There are are nearly 3800 industrial premises licensed u/s 3 of Bidi and Cigar Workers (conditions of Employment) Act, 1966 in which 87,000 employees are working Nearly four lacs Bidi rollers including children and women work at their dwelling places and it is difficult to enforce the provisions of the aforesaid Act. It is also difficult to guarantee them the minimum wages because no record is kept in respect of these Bidi Rollers with the principal employers because of some lacuna in Bidi and Cigar Workers (Conditions of Employment) Act, 1966. There is a lot of exploitation of Bidi workers as apparently low wages to women employee and no wages at all to the children who roll bidis to help their parents at the dwelling places are given. There has been a practice of entering into settlements with the intermediaries by the principal employers by showing that the principal employers are offering a little more to these intermediaries than the prescribed rates of minimum wages to be given to the bidi rollers and by that they try to establish that they have ensured payment of minimum rates of wages to bidi rollers working at their dwelling places. There has also been a practice of rejecting bidis to a large extent even beyond 5% limit fixed under Rule 29 of U.P. Bidi & Cigar Workers (Conditions of Employment) Rules, 1969. For mitigating these exploitation a little higher minimum rates of wages as compared to Madhya Pradesh has been fixed so that the Bidi Rollers working at their dwelling places even after the mal-pactices quoted above are able to get reasonable emoluments for their work and they may be kept above perverty line.

10. The counter affidavit further states that it was resolved in the Labour Ministers' Conference that in such employment where minimum rates of wages could not be



pegged with cost of living index so that erosion in the basic rates minimum wages may be supplemented by payment of D.A., attempt was made to revise minimum rates of wages in employment in Bidi making either within two years or when an increase of at least 50 index points was registered in the price Index. During January to June 1989 the average index of MI India Consumer Price Index Number worked out to be 823 which was taken into consideration for issuance of Notification dated November 21, 1989 and that for the period July to December 1990 was worked out to be 955 with a minimum difference of 132 index points which necessitated revision of minimum wages under the impugned Notification.

11. The allegations of malafides made in the writ petition against the State Government for issuing the notification of 21-6-91 to embarrass the incoming Government have been specifically denied in the counter affidavit and it has been stated that the demand of Bidi workers was pending for the last many months and the State Government issued the Notification considering the urgency of the situation. Likewise the counter affidavit also explains the circumstances under which different rates of wages have been (sic) in the State of Uttar Pradesh than prevailing in the State of Bihar and Madhya Pradesh. In paragraph 10 of this counter affidavit, it has been stated that the minimum rates of wages promulgated by the Impugned Notification do not have element of special allowance which varies with the cost of living which is the (sic) in other States. Any comparison of minimum rates of wages prevailing in the adjoining States is to be made with the (sic) rate promulgated under the impugned notification of Uttar Pradesh and those prevailing in other States alongwith VDA which is the practice in other States except Uttar Pradesh for the reasons indicated in this affidavit The counter affidavit says that the Petitioners have failed to bring on record the exact rates of wages along with VDA prevailing in other States.

12. In State of Uttar Pradesh and Others Vs. Basti Sugar Mills Co., Ltd., a Constitution Bench of the Hon"ble Supreme Court held:

The opening words of Section 3 themselves indicate that the provisions thereof are to be availed of in an emergency. If is true that even a reference to an arbitrator or a conciliator could be made only if there is an emergency But then an emergency may be acute. Such an emergency may necessiate the exercise of powers under Clause (b) and a mere resort to those under Clause (d) may be inadequate to meet this situation. Whether to resort to one provision or other must depend upon the subjective satisfaction of the State Government upon which powers to act u/s 3 have been conferred by the legislature.

Similarly the face that action was taken by the Government in an emergency in the public interest would be a complete answer to the argument that that action is violative of the provisions of Article 19(1)(g). The restriction placed upon the employer by such an order is only a temporary one and having been placed in the public interest would fall under Clause (6) of Article 19 of the Constitution.

13. In Laxmi Trading Co. v. State of Uttar Pradesh 1973 AIJ 486 a Division Bench of this Court held:

In Swadeshi Cotton Mills Co. Ltd. v. State Industrial Tribunal the Supreme Court has ruled that where the notification recites the condition precedent the burden is upon the challenger to prove that the recital is on facts incorrect.

In order to exercise power under Clause (b) of Section 3 it is not necessary that the State Government must have in view a permanent solution of the industrial dispute if any. The power is exercised to tide over an emergent situation. The power can validly be exercised even though the act on under Clause (b) of Section 3 may result in the solution of the industrial dispute for the time being.



14. Sri V.R. Agrawal learned Counsel for the Petitioners has submitted that since the impugned notification violates Petitioners' fundamental right guaranteed under Article 19(1)(g) as such the burden was on the State Government to prove that the restriction placed on the trade was reasonable. The State Government has failed to discharge the said burden and notification is liable to be struck down on the ground that it is violative of Article 19(1)(g) of the Constitution of India. Sri Agrawal relied upon the case of Virajlal Manilal and Co. and Others Vs. State of Madhya Pradesh and Others for the said proposition.
15. The argument cannot be sustained. In State of U.P. v. Basti Sugar Mills (Supra) it has been held, that a notification issued u/s 3(b) of U.P. Industrial Disputes Act does not infringe fundamental right guaranteed under Article 19(1)(g) of the Constitution. As such Petitioners' fundamental right cannot be said to have been violated. Besides that in the present case the Respondents have justified issuance of notification u/s 3(b) of U.P. Industrial Disputes Act and the alleged restrictions on the trade, if any, are reasonable.
16. The second submission of Sri Agrawal is that the principles of natural justice require that the State Government should have given an opportunity to the employers of being heard before issuing notification u/s 3(b) of U.P. Industrial Disputes Act. Sri Agrawal has relied upon a recent decision of the Supreme Court (sic) aforesaid proposition. The Scheduled Caste and Weaker Section Welfare Association (Regd.) and others Vs. State of Karnataka and others, wherein the Hon'ble Supreme Court has held that before declaring an area to be a slum area u/s 3 or an area as a clearance area u/s 9 or before taking action u/s 10, the affected persons must be heard. It was a case where the notification for bringing a particular area under slum clearance Act was to be made. The Court held that the affected persons must be heard. Here in the present case it is settled that the notification u/s 3(b) is an emergent and temporary measure and notification is issued to meet a particular situation by way of an interim arrangement. In such a situation it cannot be said that the principles of natural justice are attracted even for meeting emergent situation for making interim arrangement. The decision relied upon by Sri Agrawal is not applicable to the present case. This submission also fails and is rejected.
17. The third submission of the Petitioners' counsel that the action of the State Government was malafide and the notifications was issued by a caretaker Government to embarrass the incoming Government has been categorically denied in the counter affidavit and the incoming Government is defending the notification issued by the caretaker Government. A clear stand has been taken in the counter affidavit wherein it has been stated that the notification was issued bonafide to meet an emergent situation. In view of this stand in the counter affidavit the allegations of malafide cannot succeed and are accordingly rejected.
18. So far as the Petitioners submission regarding non-existence of the conditions existing for Issuance of notification and non-fulfilment of the objective sought to be achieved in the notification is concerned, the recital in the notification is sufficient to show the existences of the circumstances necessary for issuance of notification and the objectives sought to be achieved. In the present writ petition no material has been placed on the record to show that those grounds did not exist. On the other band in the counter affidavit sufficient material has been placed on the record to establish that the situation demanded action for meeting long standing demand of 4,87,000 Bidi workers of the State of Uttar Pradesh and a strike or an agitation by such a large number of workers would definitely have brought into jeopardy the maintenance of public order besides issue of notification was necessary for securing public convenience and maintaining employment. In view of the decision of the Supreme Court in Swadeshi Cotton Mills' Company case (supra), where the notification recites the conditions precedent, the burden is upon the challenger to prove that recital is on facts incorrect.



The burden was on the Petitioners to prove that the grounds did not exist or will fail to achieve the objectives sought to be achieved. The Petitioners have utterly failed to prove the same. The ground of challenge to the notification on this count also fails and is rejected.

19. The last submission of Sri Agrawal is that wages of Bidi workers of Uttar Pradesh should be kept at par with the wages being given to the bidi workers in Madhya Pradesh and Bihar, otherwise it will result in migration of industry from Uttar Pradesh to Madhya Pradesh and Bihar. Further submission in this connection is that to cover up this type of difficulties several deliberations were done on all India basis in order to formulate a policy by which there may not be deep disparity in the wages of Bidi workers in the neighboring States. In 1983 a tripartite committee was formed by the State Government and decision was taken that as far as Bidi industry was concerned Uttar Pradesh, Madhya Pradesh and Bihar formed one Zone and the wages in this zone should be the same or nearly the same. This matter was again considered in the State Labour Secretaries, meeting as well as in the Labour Ministers Conference held in April and May 1987. In the light of the conclusion arrived at in these meetings guidelines were finalised and the same were circulated by the Joint Secretary, Ministry of Labour, Government of India through its Government Order dated 24-7-87. The impugned notification runs contrary to the decision taken in the tripartite meeting and the guidelines. As such the same is liable to be struck down on the basis of being arbitrary.

20. In *C.B. Boarding & Lodging v. State of Mysore* AIR 1970 SC 2042, the Constitution Bench of the Supreme Court confirming an earlier decision of the Supreme Court held that-

The fixation of minimum wages depends on the prevailing (sic) conditions, the cost of living in a place, the nature of the work to be performed and the conditions in which the work is performed. The contention that it was impermissible for the Government to divide the State into several zones is opposed to Section 3(3) as well as to the Scheme of the Act.

21. In the counter affidavit it has been stated that different conditions of Bidi workers were prevailing in the State of Madhya Pradesh as in Madhya Pradesh the Bidi workers were provided with D.A. which was not provided in the State of Uttar Pradesh besides other factors being there it was not impermissible in law for the State of Uttar Pradesh to have fixed different wages for its Bidi workers than prevailing in the State of Madhya Pradesh.

22. In Ministry of Labour and Rehabilitation and Another Vs. Tiffin's Barytes Asbestos and Paints Ltd. and Another, the Hon'ble Supreme Court held--

A notification fixing minimum wages, in a country where wages are already minimal, should not be interfered with under Article 226 except on the most substantial grounds. The legislation is a social welfare legislation undertaken to further the Directive Principles of State Policy and action taken pursuant to it cannot be struck down on mere technicalities.

23. In *M.K. Madhavan v. The State of Kerala* 1968 L.I.C. 437, the Kerala High Court, took a view that fixing of minimum wages higher than those fixed in the neighbouring State of Madhya Pradesh and Mysore which compete in the markets in Kerala will result to kill Bidi Industry in the State is an important consideration which the appropriate Government must bear in mind in fixing minimum wages but the same is not justifiable and in any case not violative of Article 14 of the Constitution of India.

24. In view of the above decisions it is clear that the fixation of minimum wages of Bidi workers in the State of U.P. in the background of prevailing inflation and high prices



should not be interfered with, particularly when the said decision has been taken only as a temporary measure to meet the emergent situation arising out in the State. No substantial ground has been made out by the Petitioners for interfering with the aforesaid notification.

25. All the submissions made by the Petitioners have failed. No ground is made out for interfering with the impugned notification issued u/s 3(b) of the U.P. Industrial Disputes Act.

26. The writ petitions accordingly fail and is rejected with costs.

27. The Petitioners of the writ petition No. 22661 of 1991 are directed to pay within one month the difference in existing wages and the wages required to be paid under the impugned notification as per their undertaking, incorporated in Court's order dated 28-8-1991.





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# What is National Calamity Contingent duty (NCCD) under Indian Tax

Posted on 10 June 2022 Category : [Indian Tax Terms \(/Indian-Tax-Terms/default.aspx\)](#)

Meaning of National Calamity Contingent duty (NCCD) under Indian Tax

The details about National Calamity Contingent duty (NCCD) are explained here.

### National Calamity Contingent Duty (NCCD)

In the case of goods specified in the Seventh Schedule, being goods manufactured or produced, there shall be levied and collected for the purposes of the Union, by surcharge, a duty of excise, to be called the National Calamity Contingent duty (hereinafter referred to as the National Calamity duty), at the rates specified in the said Schedule.

The National Calamity duty chargeable on the goods specified in the Seventh Schedule shall be in addition to any other duties of excise chargeable on such goods under the Central Excise Act, 1944 (1 of 1944) or any other law for the time being in force.

The provisions of the Central Excise Act, 1944 (1 of 1944) and the rules made thereunder, including those relating to refunds and exemptions from duties and imposition of penalty, shall, as far as may be, apply in relation to the levy and collection of the National Calamity duty leviable under this section in respect of the goods specified in the Seventh Schedule as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

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**MOHAMED RAFFI:** On 24 November 2018

WHERE TO PAY THE NCCD TAX, THERE IS ANY SEPARATE FORM , OR TO PAY WITH GST. WHAT IS THE ACCOUNT CODE FOR NCCD TAX, SEPARATE NCCD REGISTRATION TO BE MADE, WHERE TO REGISTER

**BASAVARAJU:** On 25 January 2019

WHERE TO PAY THE NCCD TAX, THERE IS ANY SEPARATE FORM , OR TO PAY WITH GST. WHAT IS THE ACCOUNT CODE FOR NCCD TAX, SEPARATE NCCD REGISTRATION TO BE MADE, WHERE TO REGISTER

**RAJINDER:** On 09 February 2019

no nccd on snuff 24039950 after gst and cess

**mandla sudhakar:** On 22 May 2019

if NCCD paid at 72% on tobacco products and how could file annual returns under TDS

**Balaji L:** On 22 June 2019

Is NCCD applicable for the imported cigarettes?.

**vikram Shah:** On 17 September 2019

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# STATE ANALYSIS OF UTTAR PRADESH

## **I) Overview:**

Uttar Pradesh is one of the leading producers as well as consumers of beedis. However, the beedi industry here majorly works unregulated and the few units that are regulated openly flout rules and laws. This particular state has a rather grim and saddening picture.

## **II) Usage and Consumption Pattern:**

As per the Global Adult Tobacco Survey, khaini, gutka and beedi are the three most commonly used tobacco products in Uttar Pradesh in 2016-17. Out of the 13.5% adults who consume tobacco, 11.3% smoke beedi. 36.7% of all adults who work indoors were exposed to secondhand smoke at their workspace and 35.5% of all adults were exposed to secondhand smoke at any public place. 57.7% of beedi smokers thought of quitting smoking due to the warning labels. The average monthly expenditure on beedi for an adult who smokes daily was Rs.159.6.

## **III) Policies for the protection/benefit of beedi workers:**

### *a) Health care-*

Beedi workers and their family members are entitled to avail medical benefits in 18 different cities of UP out of 67 cities in the state. In these medical centres, it is mandatory for an MBBS doctor to be available who specialises in allopathy. Moreover, every female beedi worker who has been involved in the beedi making process for 6 months or more is entitled to get an economic benefit of Rs1000 upon the birth of her first 2 children.

The government has also mandated that a worker who has put in at least 6 months of continuous service irrespective of any pay limit shall be entitled to the benefits. The spouse, unmarried children up to the age of 21 and parents fully dependent on the entitled workers shall be entitled to the benefits except for the subsistence allowance.



of an Ambulance or a Mobile Van equipped with medical or laparoscopic equipments etc., up to the limit of Rs.4 lakh.

Further, an amount equivalent to 75% of the actual cost of the medicines supplied to Beedi workers and their dependents subject to a maximum of Rs.10 lakh per annum will also be available towards reimbursement of expenditure on medicines.

#### b) Education-

The government has mandated financial assistance for Education and Assistance under Skill Development to students either of whose parents is a beedi worker having at least 6 months of service. But, the drawback is the total monthly income of the family should not exceed Rs.10,000 (from all sources).

(d)	Group	Class	Girl Rs	Boy Rs
1		5-8	940/	500/
2		9	1,140/	700/
3		10	1,840/	1,400/
4		11-12	2,440/	2,000
5		Non-professional degree courses, non-professional post graduate courses, 2/3years' Diploma courses, BCA, BBA & PGDCA.	3,000/	3,000/
6		MBBS, Engineering degree etc.	8,000/	8,000/

Source:

[https://www.researchgate.net/publication/330761910\\_Understanding\\_Social\\_Welfare\\_Schemes\\_for\\_Beedi\\_Workers\\_of\\_Allahabad\\_District\\_A\\_Conceptual\\_Study](https://www.researchgate.net/publication/330761910_Understanding_Social_Welfare_Schemes_for_Beedi_Workers_of_Allahabad_District_A_Conceptual_Study)

#### c) Housing Schemes-

In 2014-15, the government of UP constructed 16,552 houses for beedi and coal mine workers. The government's Pradhan Mantri Awas Yojana aims to provide "housing to all" by 2022. However, due to the mismatch between people's capabilities and the government's vision aided by the setback faced due to the current economic recession, the scheme seems to be coming along at an extremely slow pace.



## **IV) Problems with the policies:**

### ***a) Evasion of minimum wages-***

In 2013, The Asian reported that Uttar Pradesh was openly flouting The Minimum Wage Act. In the district of Kannauj, beedi workers were being paid a meagre Rs. 25 for 1,000 beedis per day as against the Rs 119.23 per day. This district has the highest number of beedi workers in the state. In fact, as shown by a study, out of every 500 individuals only 6% could roll between 800-1000 beedis and only 2.6% could roll 1000 or more beedis. So, the wages received on the ground are perhaps even lesser. This indicates the need for heavy penalties and better implementation.

### ***b) Lack of systematic credit-***

Most of the beedi workers consume all of what they earn. Savings are close to negligible and there are no proper systems in place to extend credit. This traps them in a vicious circle, breaking out which would mean expanded opportunities for them.

### ***c) Denial of Social security and basic amenities-***

Workers of the Beedi industry are socially exploited and thus, denied security, dignity and respect. They are also denied basic amenities like education, healthcare, etc. They are not considered permanent workers of the company which deprives them of the various facilities they are entitled to like medical benefits etc.

### ***d) Healthcare-***

A study by the International Labour Organisation proved that women beedi workers from hospitals and medical facilities at their own villages instead of travelling to the hospitals specified under the Welfare Fund Act. This is because going to these hospitals is time-consuming which ultimately eats into their wage generation time.



## V) Suggestions to be considered:

### a) *Heavy penalties and stringent punishments-*

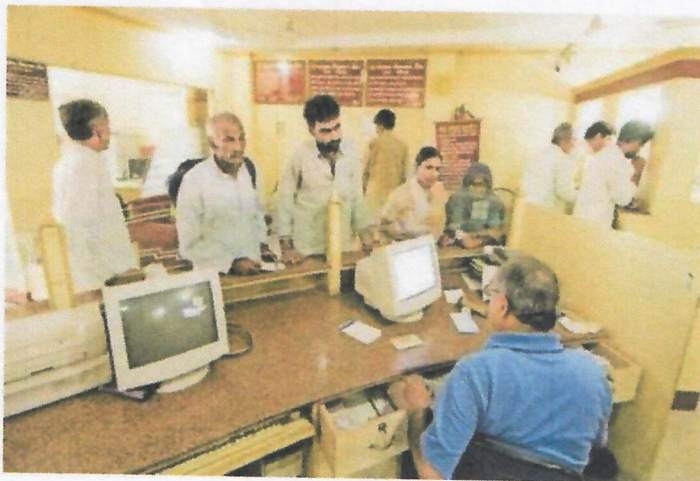
The beedi workers deserve basic amenities and rights such as decent wages and education. The middlemen are exploiting them since there are no strict enough regulations in place. There is a desperate need to offer beedi workers the protection they need.

### b) *Putting in place a systematic credit structure-*

The beedi workers need to break out of the poverty trap. This can be done only by creating other sources of self-employment but for this, they need funds. Proper credit systems can help beedi workers in saving and investing and also grant loans with low rates of interest which will help them to create job opportunities for themselves.

### c) *Generation of awareness-*

Even with schemes and policies in place for the benefit of beedi workers, most of the workers are unable to fully receive these benefits due to unawareness. There is a need to educate these workers about the schemes put in place to benefit them so that they can increase their social and economic standing.






There is a dire need for proper credit systems to break the beedi workers out of the poverty cycle.



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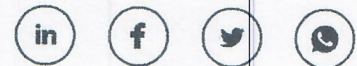
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# Impact of GST Rate on the Tobacco Industry - GST on Cigarettes, Pan Masala and Gutkha

Updated on: Mar 21st, 2023

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The tobacco industry is booming, despite the ill effects that smoking and tobacco have on the human body. Many reports have been released by WHO claiming that India is harbouring the world's highest incidence of mouth cancer. We are the second largest consumer of tobacco, having an astonishing 275 million users! But how does GST affect this multi-million dollar industry? In this article, let us understand all about GST on cigarettes, the GST rate on tobacco products, and other duties and cess imposed on tobacco products.

## Impact of GST on the Tobacco Industry

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from the sale of tobacco for the Indian government. However, the tax burden levied on the Indian tobacco industry is not enough, as per the recommendation of the WHO for a minimum tax burden of 75% on all tobacco-related products.

Hence, there has been an increasing demand for a higher tax burden on tobacco manufacturers. The Indian government has constantly been increasing the rate of taxes imposed on cigarettes and tobacco products. In line with this, in Budget 2023, it was proposed that the NCCD rate be revised upwards by 16%.

Let's take a look at the list of duties and taxes imposed on cigarettes and other tobacco products. Please note that the list of tobacco products in this article is not exhaustive.

### **GST Rate on Cigarettes and Tobacco products**

The Indian government has imposed the highest GST rate on cigarettes and tobacco products at 28%. This includes products such as pan masala, cigars, cigarillos, hookah, and other similar products. In addition to this, there is a compensation cess levied under the GST law as well as duties imposed under the Central Excise law.

### **Duties and Cesses on Cigarettes and Tobacco products**

A compensation cess is levied under the GST law on cigarettes and tobacco products at the same falls under the category of sin goods. Likewise, under Central Excise laws, there is excise duty and National Calamity Contingent Duty (NCCD) levied.

The table below lists the most recent rates of excise duty, NCCD, and compensation cess charged on the manufacture of cigarettes and tobacco products.

(In rupees per one thousand sticks)



Particulars	Cigarettes up to 65mm in length	Cigarettes between 65mm and 70mm	Filter cigarettes up to 65mm in length**	Filter cigarettes between 65mm and 70mm**	Filter cigarettes between 70mm and 75mm**	Other cigaret contain tobacc
Excise duty	5	5	5	5	5	10
NCCD#	230	290	510	510	630	850
Compensation cess	5% + Rs.2076	5% + Rs.3668*	5% + Rs.2076	5% + Rs.2747	5% + Rs.3668	36% + Rs.417C

\*This rate is valid on cigarettes in length exceeding 65 millimetres but up to 75 millimetres.

\*\*Length of the filter is included in the length of the cigarette, being 11mm or the actual length of the filter, whichever is more.

#NCCD rates are in force from 02-02-2023, as announced in Budget 2023.

The excise duty on chewing tobacco, preparations containing chewing tobacco, snuff, hukkah or gudaku tobacco, tobacco extracts and essence, and jarda-scented tobacco is 0.5%. The excise duty on cigarillos of tobacco substitutes is 1%.



cess are computed on the transaction value (after including excise duty and NCCD). No abatement is given for tobacco products under the GST law.

### How to calculate GST on cigarettes?

Let's understand how to calculate GST on cigarettes with the help of an example:

Particulars	Amount (in Rupees)
Cost of manufacturing a pack of 10 cigarettes (non-filter, up to 65mm in length)	100
Excise duty @0.5% on abated value $(100 \times 45\%) \times 0.5\%$	0.23
NCCD @230 per thousand cigarettes, i.e. 2.3% on abated value $(100 \times 45\%) \times 2.3\%$	1.04
<b>Total price for GST calculation</b>	<b>101.27</b>
GST @ 28%	28.35



$(102.53 \times 5\%) + 20.76$	
<b>Total sale price</b>	<b>155.44</b>

Please note that the rates of taxes and duties, as well as the abatement given to manufacturers of tobacco products, can change depending on the government's policies.

**Conclusion:**

GST has made cigarettes and tobacco products only marginally more expensive than in the pre-GST era. Tobacco products still continue to be affordable in India. Despite the latest proposal in Budget 2023 of hiking the NCCD by almost 16%, it still only impacts the selling price of cigarettes by a few rupees.



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- Total 11-3% Bidi smokers in state.
- Mostly unregulated sector.
- One
- Uttar Pradesh occupation Safety Health & work condition code Rules - 2022
- UP Tendu Patta ~~Act~~ (Vyapar Viniyam) Niyamavali 1972
- Tax on Bidi - 22% -
- Mostly illegal. unregistered - no details of production cell - or excise or tax or compliance of COI PA.
- Only profit is taken by handful of people.
- Minimum wage - Labour department.