

## Chapter VII

### HEMP DRUGS

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### HEMP DRUGS

#### SECTION XIX

#### SOURCES AND SYSTEM OF SUPPLY

##### A- General Rules as to the Contact Supply of Bhang<sup>1</sup>

- Cf. B.O. No. 417/V.E.X-200-C, dt. Sec. 15, 1921
- Rule 1- The contract supply system as applied to Bhang - The Contact Supply System for the supply of Bhang is in force through Uttar Pradesh. The exclusive privilege of supplying Bhang at fixed rate to a particular tract is granted for a certain period to a contractor
- Cf. E.C's Notification No. 20048/R-II/dt. Feb. 13, 1962
- Rule 2 - The contractor is selected as follows :  
Selection of supply contractors-Tenders in Form I.D. 2 are

1. Vide B.O. Notification No. 417/V.L.X-209C dated December 15, 1921, published in U.P. Gazette 1925, Part II, p. 1187.

invited vide notice in Form L.D. 1 for supply of bhang at fixed rate, for the term of the contract at all the stated bonded warehouse in the area specified. These tenders are submitted for the orders of Government. The contract will ordinarily be awarded to the person or firm tendering at the lowest rate, but full power is reserved to accept such tender as may be deemed best in the public interest, and to reject any of those received without reasons being assigned. In order to decide which is the lowest, the rate tendered is multiplied by the estimated consumption of bhang within the area tendered for, and the multiple so obtained is taken to present the value of the tender.

No licence fees are imposed on the grant of these supply contracts, the object being to secure to the retail vendors of the contract area supply of bhang at constant rates.

The detailed conditions of the contract are given in the form of licence (I.D. 3).

NOTE - Omitted.

Rule 3- Arrangement of contract bonded warehouses - The contract is required to maintain, for the supply of the requirements of the retail bonded of the contract area.

Rule 4 - Rates of supply to vendors 0 The contractor is bounded to sell to licensed retail vendors at all the bonded warehouses established in his contract area, at his contract rate per kilogram. The price does not include the duty prescribed for Bhang.

Rule 5 - Contractor not permitted any interest in retail vend - The contractor, and if the contractor be a corporation of a company registered or otherwise, every member or shareholder of it for the time being is not permitted to hold any interest in the retail vend of bhang within the area of his contract. Cf. B.O. No. 417/V-Ex. dt. Dec. 15, 1921  
Cf. E.C's Notification No. 20048/R-II, dt. Feb. 13, 1962.

Rule 6 - Omitted.

### **B- Hemp Drug Bonded Warehouses**

Rule 7<sup>3</sup> - Omitted.

Cf.B.O. No. 417-V.E/X-209, dated Dec. 15, 1921.

Rule 8- Storage fees not charged - No rent or storage fees shall be charged from a contractor for the use of the Government bonded warehouses he is required or permitted to utilize for the purpose of his contract. All fittings or articles connected with the supply, storage, weighments, handing and issue of intoxicating hemp drug must,

1 to 3 Omitted in view of the Narcotic Drugs and Psychotropic Substances, Act 1985 which governs Ganja and Charas exclusively.

however, be supplied by him, Registers and forms used by the Excise Inspector incharge shall be supplied by Government.

Cf E.C's Notification No. 1956/XV-367 dated May 21. 1931.

Rule 9 - Watch and Ward of Warehouse - The Contractor is wholly responsible for the safe custody of intoxicating hemp drugs stored in his warehouses. He may, therefore, put his own lock on the door and keep a watchman on the premises.

Cf B.O. No. 417-V.E/X-209-C, dated Dec. 15, 1921.

Rule 10 - Warehouse transactions to be supervised by Excise Inspector - All transaction inside the bonded warehouse in the receipt, transfer, weighmwnt and issue of intoxicating hemp drug will be performed under the supervision and direction of the Excise Inspector who will maintain all registers, issue permit and passes and make periodical returns. All manual labour will be performed by the contractor's servants.

Cf. B.N.No. 417- V.E./X 209-C, dated Dec. 15, 1921. Rule 11- Door to be kept locked - Except transaction are actually in progress, the Excise Inspector incharge shall keep his lock on the door.

Cf. E.C's Notification No. 1956/XV-367 dated May 21, 1931. Rule 12 - Contractor entitled to examine accounts, etc - The Contractor, or his agent shall be entitled to see the registers and receipted applications on a written requisition to the Excise Inspector. Any objection which he may have to the entries should be made in writing to the Assistant Excise Commissioner.

Cf. B.O. No. 417- V.E./X-209-C, dated Dec. 15, 1921. Rule 13 - Warehouse to be opened on fixed days - The Excise Inspector incharge shall attend for the receipt and issues of intoxicating hemp drug on such days and at such hours as may be prescribed by the Excise Commissioner. These will ordinarily be fixed and notified for the whole year but may be temporarily increased by order of the Assistant Excise Commissioner in cases of festivals, marriage, seasons, etc.

Cf. E's. Order No. 1083/IX0298, dated April 25, 1936. NOTE - If any day fixed giving issue falls on a Treasury holiday, issues will be made either on the day preceding the holiday or that following it. Excise Inspectors incharge or warehouse should provide themselves with a list of treasury holidays at the very beginning of each year and promptly secure orders of their Excise Officer whether issues will be made on the day preceding or the day following all fixed issue days which might coincide with Treasury holidays. Consequently changes in issue days, if any should be intimated to licensed vendors before the beginning of each month.

Cf. B.O. No. 417- V.Ex, dt. Dec. 15, 1921. Rule 14 - Minimum stock to be prescribed - A minimum stock of bhang shall be prescribed for each contract bonded warehouses. When the quantity is stock is appearing this limit, the Excise Inspector incharge shall call the attention of the Contractor's agent to this fact. If there appears any likelihood of the running short, the Excise Inspector shall, without delay, inform the Collector who may procure bhang from elsewhere, the cost of which shall be recoverable from the amount, if any, due to the contractor or from the contractor's deposit.

Cf. EC's Notification No. 30043/R-II, dt. Feb. 13, 1962.

Rule 15 - Prompt supply and penalty on default - On proof of payment of the Government duty and contract price thereon, a licensed vendor is entitled to be supplied promptly with a reasonable quantity of bhang for which the contract has been granted. In the event of the contractor failing to supply bhang within a time judged by the Collector to be reasonable, it shall be procured from elsewhere by the Collector and the and any loss accruing to Government shall be recovered from the Contractor in the manner prescribed in the preceding paragraph. In addition, the contractor will be liable ,as the discretion of the Excise Commissioner, to a penalty of double the rate of duty of bhang demanded but not supplied.

Cf. B.O. No. 417/V-Ex, dt. Dec. 15, 1921. Cf. E. C's Notification No. 30043/R-II, dt. Feb. 13, 1962.

Bhang issued from the warehouse shall be pure, fresh and of the best quality. Bhang harvested in any year shall be permitted to be issued after October 1, of that year and up to September 30 of the

Cf. E.C's Notification No. 30043/R-II, dt. Feb. 1962.

following year. It shall be of the spontaneous growth.

Rule 16 - Destruction of drug unfit for consumption - If the Excise Inspector incharge considers any ganja bhang stored in the bonded warehouse to be bad, shall abstain from issuing it. Samples shall be taken in the presence of the supply contractor or his agent and shall be submitted immediately, with a report to the Assistant Excise Commissioner, who, if he agrees with the opinion of the Inspector, shall send the sample of ganja bhang to the Chemical Examiner to the Uttar Pradesh Government, Agra, for examination and report.

Cf. E. C's Notification No. 30043/R-II, dt. Feb. 13, 1962.

If the Chemical Examiner's report shows the sample to be of good quality, the Assistant Excise Commissioner shall forthwith order issue of the suspected stock. If the sample is pronounced by the Chemical Examiner to be unfit for consumption, the Assistant Excise Commissioner shall call upon the supply contractor to show cause why the stock from which the sample was taken should not be destroyed. If he fails to show cause or if the causes advanced not be him are clearly insufficient the stock shall be ordered to be destroyed by the Assistant Excise Commissioner in his own presence. In case of doubt, he shall report the matter to the Excise Commissioner whose orders shall be final.

Rule 17 - All drugs issued to a shop shall be taken from the warehouse to its destination by the shortest route and the consignment shall not be broken nor the seal of package or receptacle tampered with in transit. No drug shall be disposed of in any way whatsoever in the course or its transport from the warehouse to the shop.

Cf. E.C's Notification No. 30042/R-II, dt. Feb. 13, 1962.

NOTES - (1) In the case of transport by a railway the drug issued shall be taken direct to the railway station concerned unless a written permission of the Excise Inspector Incharge warehouse has been duly obtained to keep the drug at any specified place till the main time which shall be specified in the pass-book along with the particulars of the train.

(2) The time at which person made shall also be entered in pass-book in all cases.

Cf. B.O. No. 417/V-Ex., dt. Dec.15, 1921.

Rule 18 - Verification of receipts - (1) Immediately on arrival of a consignment of drug at a warehouse the Excise Inspector shall in the presence of the contractor or his agent, ascertain by personal inspection, that the seals of the bags or packages are intact, and by weighment that the gross weight of each bag or packages corresponds with that noted in the pass.

Cf. E. C's Notification No. 30043/R-II dt. Feb. 13, 1962.

(2) If the covering of any bag or packages appears to have been tapered with, or if may be received without the original seal, or if the gross weight as ascertained by weighment be less than that given in the pass of railway receipt by one seer or more the Excise Inspector shall open such bag or package and examine the contents with special care; and if there is reason to believe that the bag or package has been tapered with, he shall immediately report the case to the

Excise Commissioner through the Assistant Excise Commissioner for recovery of duty on any deficiency in weight in accordance with.

<sup>1</sup>(3) Omitted.

(4) If there be any increase in weight, the full quantity delivered including such increase in weight, the full quantity delivered including such increase shall be entered in the register of full receipt.

(5) At the time of examination and weighment the full particulars of each bag or package shall be clearly and carefully entered in the register, I.D. 18 by the Excise Inspector Incharge, whose initials and those of the contractor or the agents certifying to the correctness of the examination and weighment shall affixed in columns 14 and 15 opposite the entries relating to each bag or package. No alteration shall be made I the entries without the previous sanction of the Assistant Excise Commissioner.

Cf. B.O. No. 417/V-Ex., dt. Dec. 15, 1921. Cf E.C's Notification No. 30043/R-II, dt, Feb. 13, 1962.

Rule 19 - Card to be attached to each bag or package- After examination, weighment and registration in the appropriate columns of the receipt register, each bag or packages shall be given a serial number corresponding to that recorded in column 13 of the register. Numbers assigned for the two varieties of the drug shall be in

1. omitted in view of the Narcotic Drug and Psychotropic Substances Act, 1985, which governs exclusively ganja and charas.

Separate running serial in the order that the bags or packages shall have a card in Form I.D. 20 attached to it before it is stored.

Rule 20 - Storage and issue of drug - The two varieties of drugs shall be separately stored, bags or packages being arranged in the order of the numbers allotted to them. When a bag or package is required for issue under bond to another contract bonded warehouse, or to be opened for making issues, the next in numerical order to that last withdrawn shall, unless there is sufficient reason to the contrary, be taken. The contents of a bag or packages opened for issue must be completely issued before another is opened. The following procedure shall then be taken be carefully followed:

Cf. B.O. No. 417/V-Ex-209 C, dt. Dec. 15, 1921.

Cf. EC's Notification No. 80043/R-II, dt. Feb. 18, 1952.

- (a) In the case of an issue of an unopened bag or package under bond, the Excise Inspector Incharge, after satisfying himself that the withdrawal is authorized under Rule 20 of Import, Export & Transport of Hemp Drugs Rules, shall in the presence of the contractor or his agent, ascertain by actual weighment the gross weight of and the storage, wastage on each bag or package. The store wastage shall be calculated by deducing the gross weight at time of withdrawal from that recorded at time of first arrival at the warehouse. The Excise Inspector shall then recorded

necessary entries in register I.D. 18, and after his initials and those of the contractor or his agent have been added to the account, a pass shall be prepared in Form F.L. I.D. 13 in accordance with the procedure prescribed by.

NOTE- Issues/under bond to another warehouse shall ordinarily be made in complete bags or packages but in case of necessity a smaller quantity may also be similarly issued. under bond to a bonded warehouse established within the same contract area. This issue shall be made from a bag or package opened for making issues to retail vendors and the drugs before issue shall be surely packed, sealed and labelled.

(b) In the case of withdrawal of a bag or package to be opened for issue the weight and storage wastage shall be ascertained in the manner prescribed in clause (a). Before issues are made from the bag or package, it shall be opened in the presence of the Excise Inspector and the contractor or his agent, the contents separated from the packing, the actual net weight of the contents ascertained by actual weighment and the necessary entries made in registers I.D. 18 and I.D. 19.

NOTE - All empty bhang bag and all package of ganja shall be removed from the warehouse immediately after the contents have been issued. Where however, an excess storage wastage has been discovered on withdrawal, empty ganja packages are to be retained in the warehouse till the next visit of the Assistant Excise Commissioner, who will, after examination such orders as he deems fit.

(c) Issues may then be commenced. After all the contents of a bag or package have been issued, a total of the contents of column 8 of register I.D. 19 and wastage in issue ascertained by deducting the total thus found from the weight recorded in column 5. The percentage of wastage will be calculated on the weight recorded in column 5.

Cf. B>o. 41/V-Ex., dt. Dec. 15, 1921. Cf. EC's Notification No. 60043/R-II, dt. Feb. 13, 1962. Rule 21 - Payment of duty and price- Licenced vendors or their agents authorized in writing wanting ganja or bhang from a contract bonded warehouse shall present to the treasurer of the sub-treasury situated at the same place as the bonded warehouse an application in From I.D.-6 in duplicate, dully filled in, together with the price of the Jur and the duty. Ganja in a quantity lesser than four Chattacks/223.276 grams or other than a multiple thereof and bhang in a quantity lesser than one seer or 0.93320 kilograms or other than a multiple thereof shall not be issued. The treasurer shall fill in the endorsement on both copies of the application and shall then present the application to the officer-in-charge of the sub-treasury. This officer shall sign both copies and stamp them with the stamp of the sub-

treasury. One copy shall be retained in the sub-treasury whilst the other copy shall be handed back to the application who shall tear off the second receipt endorsement and retain it as a receipt for the amount paid in the sub-treasury. In case of doubt, licensed vendors should apply to the Excise Inspector of the bonded warehouse, whose duty it will be to help them in preparing the application correctly.

Cf. B.O. No. 417/V-Ex-209 C, dt. Dec. 15, 1921, Cf. E.C's Notification No. 80043/R-II, dt. Feb. 13, 11962.

Rule 22 - Receipted application - The applicant shall then present the receipted application to the Excise Inspector incharge of the warehouse, who after satisfying himself that the price and duty fully cover the quantity of drugs to be removed, shall after making the necessary entries in the vendor's pass-book, cancel the receipted application under his initials.

NOTE - Issues of ganja and bhang to persons holding L-1 and L-2 licences under the Medical and Toilet Preparations (Excise Duties) Rules, 1956, and entitled to obtain these drug fee of duty may be made on production of indent in Form I.D.-I (M. and T.P. Series) on payment of cost price only.

Cf. B.O. No. 417/V-Ex., dt. Dec. 15, 1921. Cf. E.C's Notification No. 80043/R-II, dt. Feb. 13, 1962.

Rule 23 - Pass-book - The pass-book will be in Form I.D.-7 and will remain in the custody of the person removing the drug, who will, on demand by an officer authorised in this behalf, produce it as his authority for transport. A pass-book will be issued to each licensed retail vendor when a licence is first granted to him. The pass-book shall be kept in safe custody by the vendor, and he shall not alter nor erase any entry therein. When the pass-book is filled up, it shall be returned to the bonded warehouse by the vendor for record and he will be supplied with a new pass-book. When Inspector shall issue a duplicate on payment of a fee of Re 1 into local treasury or sub-treasury. Intimation of issues of duplicate pass-book shall be given by the Excise Inspector to the Assistant Excise Commissioner. The Excise Inspector shall maintain an account of all pass-book received and issued by him and the Assistant Excise Commissioner shall verify this account at his inspections.

Rule 24 - Weighment for issue - After the entries in the pass-book have been made and recorded in register I.D. 19, the excise Inspector will proceed to have the drug weighed and issued. After issues are completed he shall make the necessary entries in register B.W.L. 9.

Cf. B.O. No. 417/V-Ex-209 C, dt. Dec. 15, 1921.

Rule 25 - The licensed vendor shall provide the packing material or receptacle in which the drug are to be transported. The drug shall be surely packed in the packing or receptacle which shall thereafter be sealed with the Excise Inspector's seal. The card used for securing and sealing shall be provided by the vendors and the wax by the contractor.

Cf. E.C's Notification No. 10340/II-380-E, dt. Dec. 14, 1936.

Rule 26 - Scales and weights to be provided by contractor - The contractor must provide correct beam-scales and standard weights

Cf. E.C's Notification No. 1956-XV-367,

in maunds, seers and Chhataks, which will remain in the charge of the Excise Inspector incharge of the warehouse for the purpose of making issues and checking consignments on arrival. In the contractor's option a weighing machine may be provided for checking receipts in lieu of a beam-scale and weights; The Inspector shall be held primarily responsible for the correctness of such weighing apparatus as may be supplied which he shall test at least once a quarter as may be supplied which he shall test at least once a quarter in the manner prescribed by Rule 27 and shall report an defect to the Assistant Excise Commissioner. The Assistant Excise Commissioner, at his inspections, must also satisfy himself of their correctness using the weights which are supplied to him for this purpose.

dated May 21, 1931.

Rule 27 - Time to be allowed for transport - The Assistant Excise Commissioner shall determine the periods to be allowed for transport to the different shops, and a list of periods so determined shall be maintained in the bonded warehouse. The period shall be specified in each pass-book.

Cf. B.O. No. 417/V-Ex., 209 C, dt. Dec. 15, 1921.

Rule 28 - Register and monthly statement - Register in form I.D. 19 shall be maintained of all issues. An abstract giving the totals of columns 8,9,10, 11, for the accounts months, supported by the receipted applications, shall be sent not later than the second day of the following month to the Collector. The receipted application should, after examination, be returned to the warehouse to be deposited there.

Cf. B.O. No. 417/V-Ex. 209 C. dt. dec. 15, 1921.

Rule 29 - Refund of price to contractor - After the necessary checking of the abstract referred to in the preceding paragraph with the treasury accounts at headquarters, a cheque shall be made out in the Collector's office in favour of the contractor for the amount of drug supplied to vendors from the bonded warehouse of the district during the accounts month. This should be made over to the contractor not later than the 15th of succeeding month.

Rule 30 - Shop register of issues and its monthly extracts - The Excise Inspector-in-charge of the warehouse shall maintain registers in Form B.W.L. 9, showing the issues of each kind of drug to each shop. Where are more warehouses than one in the district the Inspector-in-charge of such an outlying warehouse shall enter in Form I.D. 21 the comparative figures of issues from his registers in Form B.W.L. 9 for the month and forwarded it to the Inspector-in-charge of the warehouse at the headquarters of the district not later than the first day of the following month.

The Inspector of the warehouse at the headquarters shall prepare an abstract for the whole district in Form I.D. 21 summarizing the figures therefor, from his own register B.W.L. 9, and from the statement received from outlying warehouses. Copies of this statement shall be sent to the Assistant Excise Commissioner and to the Collector by the fifth day of each month at the latest. Extracts



from it will be forwarded to the Excise Inspector in whose circle the shops are situated by the tenth day of the month.

[NOTE - The instructions contained in paragraph of Part IV apply mutatis mutandis to this rule also ]

Cf. B.O. No. 417/V-Ex., 209 C, dt, Dec. 15, 1921.  
Cf. E.C's Notification No. 80041/R-II, dt. Feb. 13, 1962.

Rule 31 - Stock-taking at close of month - On the last working day of every calendar month, after transaction for the day are over the Excise Inspector-in-charge of the warehouse shall, after verifying the stock of drugs in the warehouse, proceed to close the accounts of the month. The actual stock should consist of the unopened bags and packages standing as unopened in register I.D. 18 and the quantity remaining in any bag or package from which issues are being made. The Inspector shall verify the stock by comparison of entries opposite the unopened bags and packages in register I.D. 18 with the entries on the cards attached to the bags or packages.

Rule 32- (a) Transit wastage - If the Excise Commissioner is satisfied that a package has been tampered with he may levy duty from the contractor on the entire deficiency in the gross weight of bhang<sup>1</sup> discovered at the time of verification of consignments as provided in Rule 18 (2) and (3). In such cases no free allowance is permissible. In all other cases the contractor may be held responsible for the payment of duty on any different on excess of [<sup>2</sup> ] 1.5 per cent in that of bhang between the gross weight of any bag or package recorded at date of dispatch to the warehouse and that found at the date of weighment on arrival at the warehouse for the deposit.

Cf. B.O. No. 417/V-Ex., 369 C, dt, Dec. 15, 1921.  
Cf. E.C's Notification No. 80041/R-II, dt. Feb. 13, 1962.

(b) Storage wastage - Duty is also chargeable at the discretion of the Excise Commissioner on any difference in excess of [<sup>3</sup> ] 2 percent in that of bhang between the gross weight recorded at the time of deposit and that found at the time of withdrawal either for removal to another warehouse or for issue to vendors. The calculation shall be made respectively on gross weight at date of deposit (column 8 of register I.D. 18).

(c) Issue wastage - The contractor may also be held responsible for the duty on any difference in excess of 0.5 per cent up to 10 days, 1.0 per cent for a period exceeding 10 days but not exceeding 30 days, and 1.5 percent for period exceeding 30 days; between the net weight of the drugs ascertained by actual weighment, to be contained in the package or bag when opened for issue to vendors and the actual weight of drug recorded as having been issued therefrom when emptied, if such excess is due to his neglect. The calculations shall be made on the net weight of drug before issue (column 5 of register I.D. 19)

Rule 33 - The written explanation of the Excise Inspector and the contractor or his agent, in cases where the wastage in any

bag, package of chest has exceeded the scale prescribed in the preceding rules shall be forwarded to the Assistant Excise Commissioner at the end of the month in which they occur. The Assistant Excise Commissioner in the preceding rules shall be forwarded to the Assistant Excise Commissioner at the end of the month in which they occur. The Assistant Excise Commissioner shall, if he considers it necessary make further enquiries and report the result for the orders of the Excise Commissioner.

Rule 34 - Rules 15, 16 and 20 of the preceding section shall be applicable to warehouses established under the contract supply system.

Cf. E.C's Notification No. 1956/XV-867, dated May 21, 1931.

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1 to 3 Omitted view of Narcotic Drugs Psychotropic substances Act, 1985 which governing ganja and charas exclusively.

Cf. E.C's Notification No. 1956/XV-867, dated May 21, 1931.

Rule 35- Admittance to warehouse - No unauthorized person shall be admitted into the warehouse between sunset and sunrise without the written authority, of the Collector.

Rule 36 - Persons to be admitted in the warehouses - No person except the following, shall be admitted into the warehouse at any time; and these only in the presence of the officer-in-charge of the warehouse:

- (1) Contract suppliers and retail vendors or their authorized agents when storing or removing drugs.
- (2) Members of the sanctioned staff of the warehouse including weighmen and carriers, who may be engaged in the deposit or removal of drugs on behalf of contract suppliers or retail vendors, and in such members only as the officer-in-charge may consider absolutely necessary.
- (3) (a) The appointment of agents and other servants by the supply contractors shall be subject to the approval of the Assistant Excise Commissioner of the charge who will have the power to order removal from service or prohibit the appointment of any person whom he considers undesirable :

Provided that no order for the removal from service of a person covered by the definition of the term 'workman' as given in section 2(s) of the industrial Disputes Act, 1947.

(Act XIV of 1947) shall be passed without prior consultation with the Labour Commissioner, Uttar Pradesh:

Provided further that in the event of a difference of opinion between the Labour Commissioner and the Assistant Excise Commissioner on any particular point relating to the removal of a person from service, the matter shall be referred immediately through the Excise Commissioner to the State Government for orders.

- (b) The order of removal passed by the Assistant Excise Commissioner or his decision to prohibit employment of any person shall be appealable to the Excise Commissioner, Uttar Pradesh.
- (d) Whenever any workman is suspected of pilferage of excisable goods and his immediate removal from the bonded Warehouse is considered necessary to safeguard revenue interests or in the interest of discipline, the supply contractor may be asked to depute the defaulting workman to some other section which does not involve his entry into the Bonded Warehouse, pending the receipt of the Labour Commissioner's concurrence for his removal.

NOTE- The above rules were originally notified by B.O Notification No. 417/V-Ex-209-C dated, 15th December 1921 as amended by the marginally noted notification subsequently Notification No. 417/V-Ex, 209-C, dated December 15, 1921 was published in U.P. Gazette 1921 Part II, p. 1187 .

#### RULE<sup>1</sup>

Supply of hemp drug to Garwal and Almora districts-Scale: Cf. E.C's Notification No. 30044/R-II, dt. Feb 13, 1962.  
packets of <sup>2</sup> [...] Bhang of one seer or 0.93310 kilogram: each sufficient Bhang of one seer or 0.93310 kilograms each sufficient for the requirement of a year shall be supplied by the supply contractor of drug from the bonded warehouse at Najibabab and Haldwani, repetitively at his own cost for the storage at the Lansdowne and Pauri sub-treasuries of the Garhwal District and the Almora and Ranikhet sub-treasuries of the Almora District for issue to licenced vendors on payment of duty and price.

The work of issue and of maintenance of accounts shall be entrusted to an official of the tahsil selected by the district officer of Almora or Garhwal

as the case may be.

Packets shall be issued to licenced vendors without being opened in any case, and no refund shall be claimable on account of shortage of dryage.

Rules governing maintenance of accounts, issue to vendors, payment of price to supply contractor and submission of returns of issues, etc. shall so far as may be apply to issues from the aforesaid sub-treasuries.

NOTE: Supplies of <sup>3</sup>[ ] bhang required for Tehri-Garhwal District shall similarly be made from Roorkee warehouse to Narendra Nagar treasury.

## SECTION XX

### COLLECTION OF BHANG FROM THE SPONTANEOUS GROWTH OF HEMP PLANTS

Rule - The preparation of intoxicating drug from the spontaneous growth of the hemp plant is prohibited throughout the Uttar Pradesh except in so far as it is permitted by the rules immediately hereinafter prescribed. Cf. B.O. No. 423/V. 284B, dt. Dec 26, 1990

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Published in U.P. Gazette,

Part I Section (Ka), dated February 24, 1962.

1 & 2 Omitted in view of Narcotic Drugs & Psychotropic Substances Act, 1985 which governs ganja and charas exclusively.

Cf. E. C's Notification No. 27744/R-II, dt. Jan 22, 1962

Rule 2 - Collection prohibited save in twelve districts - The collection of Bhang or of any portion of the hemp plant from which an intoxicating drug can be prepared is prohibited throughout Uttar Pradesh except that the spontaneous growth of the hemp plant may be collected for the production of Bhang only in the districts of Sharanpur, Muzaffarnagar, Bijnor, Naini Tal, Bareilly, Pilibhit, Kheri, Bahraich, Gonda, Basti, Gorakhpur and Deoria, subject to the following provisions:

Cf. E.C's Notification No. 7744/R-II, dt. Jan 22, 1962

(1) Grant of licence for the collection of bhang- Licences for the collection of the spontaneous growth of the hemp plant for the production of bhang therefrom and or the storage of Bhang only so produced, may be granted by the Collector to supply contractors of bhang authorized in this behalf by the owners and occupiers of land on which such growth occurs in the district mentioned above.

Cf. E. C's Notification No. 27744/R-II, dt. Jan 22, 1962.

(2) Conditions of licence - Bhang so collected shall be stored in bags of uniform size and capacity of 25 seers or one maund each in a secure place and in a locality fixed and approved by the Collector until lawful disposal of.

(3) The place of storage shall, at all time, be open to inspection by an officer of the Excise Department, not below the rank of an Excise Inspector or other officer authorized by the Collector, in this behalf and shall be under Government lock, the key of which shall remain in the custody of the Excise Inspector of the circle. The licensee shall, however, be responsible for the safe custody of the stock of Bhang, and may put his own lock on along with the Government lock or take such other precautions for the safety of his stock as he thinks fit. All Bhang shall be so stored as to be free from damp.

(4) An account of all receipts and issues shall be maintained in the Form I.D. 17 and an abstract of this account shall be submitted to the collector on the first day of each month.

(5) No issues shall be made from any place of storage of Bhang fixed under sub-rule (2) save on pass in Form I.D. 13 granted in accordance with rules relating to the transport of Bhang.

The officer authorized to grant the transport pass shall have the power to order the detention of any bag or package of Bhang which, in his opinion, is either unfit for issue or has been packed at the time of issue in old patched up or unsound bag or package.

(6) Any Bhang rendered unfit for issue in any place of storage, whether by reason of age or of unfitness for consumption or for any other reason, shall be destroyed in the presence of the Assistant Excise Commissioner after obtaining the orders of the Excise Commissioner.

(7) Form of licence and method of making application cf.E.Cs Notification No. 27744/R-II,dt. Jan. 22, 1962. The licence shall be in form I.D. 15. The application shall be exempt from court fees, and the licence shall be granted free of charge by the Collector, unless he considers that there are adequate reasons for refusing an application. Every application shall be presented in writing by the supply contractor or by his duly authorized agent in person. The supply contractor or can remove the Bhang so collected and stored, only in accordance with the aforesaid sub-rules, to warehouse in his contractor area or sell it to any other supply contractor, but not export it.

Note- The above rules were originally notified by

notification B.O. No. 432/v part II. page 1658, as subsequently amended by Excise Commissioner's Part I Ka, dated Feb 3, 1962.

RULES<sup>1</sup>  
relating to  
**SECTION XXI**  
**IMPORT, EXPORT AND TRANSPORT OF HEMP DRUG**

I- IMPORT

Rule 1 - Import of Bhang for personal use - Bhang no Cf. Government, Notification exceeding 5 tolas or 58.319 grams in weight may be No. 133/XIII-47, dt. March imported in person by a bonafide traveller for his own 20, 1931.  
personal use coming into Uttar Pradesh

No ganja for personal use shall be imported into Uttar Pradesh in any quantity whatsoever. Cf. Government Notification No. 6075- E/XIII-275 (15) 59 dated Dec. 28, 1961.

Rule 2 - General prohibition of import - (1) No person shall import any bhang whatsoever except as provided in Rule 1. Cf. Government Notification No. 133.XIII-47, dt. March 20, 1931.

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1. Vide Government Notification No. 133/XIII-47, dated March 20, 1931, published in U.P. Gazette, 1931, Part I p.316

Cf. Government Notification (2) No person other than a contractor holding a contract from the State Government or the Excise No. 6975-E/XIII-275 (15) 59 dated Dec. 28 1961. Commissioner for the supply of ganja shall import any ganja whatsoever.

Cf. Government Notification Rule 3 - Supply contractor may import Ganja - Any No. 6977-E/XIII-275 (15) 59 supply contractor may import ganja into Uttar Pradesh in bond for deposit in any of the bonded warehouse of his contract area, provided that a permit be obtained from the Collector or the District Excise Officer of the district in which the bonded warehouse is situated. dt Dec. 28, 1961.

Rule 4 - Conditions - The conditions on which supply contractors may import ganja are -

(1) Ganja shall be imported from any State or Union territory in India as directed by the Excise Commissioner.

Cf. Government Notification No. 133/XII-47, dt. March 20 1931.

(2) All import shall be under bond for payment of duty in Uttar Pradesh

Cf. Government Notification No. 6975-E/XIII-275 (15)59 dt. Dec. 28, 1961.

(3) All import shall be by railway only.

(4) All import shall be subject to all rules made by the authorities to the State or Union Territories from which export is made and to the rules prescribed in regard to bonded warehouses and to import and such other rules as may hereinafter from time to time be made in this behalf.

Cf. Government Notification No. 133.XIII-17, dt. March 20 1931

Rule 5- Application for permit - the importer shall apply in writing for a permit to the Collector or the District Excise Officer of the district in a bonded warehouse of which the ganja is to be stored. The application, which may be sent by post, shall be in Form I.D.-8.

Cf. Government Notification No. 6975-E/XIII-275 (45) 59 dt. Dec. 28, 1961

Cf. Government Notification No. 133/XIII-47, dt. March 20 1931.

Rule 6 - Permit for import of ganja - The Collector or District Excise Officer shall unless he sees reason to the contrary, grant a permit in quadruplicate. The first part shall be given to the importer or sent to him by registered post if he so desires; the second shall be sent by the post to the appointed officer in the district of export, with one additional exporting State or Union Territory, the other shall be retained as a counterfoil in the office of issue, and to it shall be pasted the first and second when returned under these rules.

Cf. Government Notification No. 6975-E/XIII-275 (15)59 dt. Dec. 28, 1961.

NOTE - The careful preparation of these permits is a matter of great importance and should be entrusted whenever possible, to an Excise Inspector and not to a clerk or subordinate official. In default of the Excise Inspector this duty may be entrusted to the Excise ahlmad of the Collector's office. The Excise Inspector in charge shall be responsible for seeing that these permits are correctly prepared.

Rule 7<sup>1</sup> - Omitted.

Rule 8<sup>1</sup> - Omitted.

Rule 9<sup>1</sup> - Omitted.

### III- EXPORT

Rule 10 - (1)<sup>4</sup> omitted

Cf. Government Notification No 133/XIII-47, dt. March 20, 1981

(2) Bhang may be exported to places in India from a bonded warehouse or from a place of storage in district:

Provided it is purchased from a supply contractor holding licences in Form I.D. 15 and I.D. 16.

Cf. Government Notification no. 6975 E/XIII-275 (15) 59, dt. Dec. 28, 1961.

Cf. Government Notification No 133/XIII-47, dt. March 20, 1931.

NOTE<sup>5</sup>, Omitted

Rule 11 - Export of [ <sup>6</sup> ] bhang shall only be allowed on the production by the exporter of permit granted by the contractor or such other officers as may be authorised by the Government of the importing State or Union Territory to grant such permits, Duty at the prescribed rates shall be deposited into the sub-treasury of the district from where the export is to be made. The application for payment of duty to be presented in duplicate duly filled in, at the sub-treasury, shall be in the form as prescribed. One copy shall be retained in the sub-treasury whilst the other copy shall be handed over to the applicant who shall tear off the second receipt endorsement and retain it as a receipt for the amount paid in the sub-treasury.

Cf. Government Notification No. 6975 E/XIII-275 (15)59, dt. Dec. 28, 1961

Rule 12- (1) The exporter shall make his own arrangement to purchase the drug. He shall then obtain from the Collector of the district authority to export the drugs. The Collector shall, unless he sees any reason to the contrary, (i) authorize the Excise Inspector-in-charge of the bonded warehouse from which the drugs are to be exported to issue the drugs, or (ii) where bhang is to be exported from a place of storage, authorize the Excise Inspector in whose circle the place of storage lies to issue the bhang.

Cf. Government Notification No 133/XIII-47, dt. March 20, 1931

(2) The exporter shall produce before the Excise Inspector so authorized his permit to export, the authority of the Collector of the exporting district the receipted application (I.D.-12) in proof of payment of duty.

\_\_\_\_\_ 1 to 6 Omitted in view of the Narcotic drugs and Psychotropic Substances Act, 1985, which governs ganja and charas exclusively.

(3) The Excise Inspector shall cause the drug to be weighed in his presence and after satisfying himself that the duty has been correctly paid, issue a pass. The pass shall be in triplicate (Form I.D. 13), one part being retained for record, one given to the exporter and one sent to the officer who granted the import permit.

Cf. Government Rule 13 - All drugs such be consigned to the Collector of the Notification No importing district or to such other officer as may be 133/XIII-47, dt. March authorized by him. 20, 1931.



Cf. Government Rule 14- Bhang may also be exported under bond to places in  
Notification No India from the place mentioned in Rule 10(ii) subject to the  
133/XIII-47, dt. March following conditions :  
20, 1931

Cf, Governmen  
Notification No. 6975  
E/XIII-275 (15) 59, dt  
Dec. 28, 1961

- (1) A bond for the payment of duty imposed must be executed in favour of either the Collector of the importing district or the Collector of the exporting district.
- (2) Sanction to export must be obtained from the Collector of the district of export as well as from the Collector of the district of import.
- (3) The Collector of the district of import will grant a permit in such form as may be prescribed by the Government of the importing State or Union Territory and forwarded a copy thereof to the Collector of the district of export. Where the bond has been executed in the district of importing State or Union Territory the permit shall bear a certificate to the effect that the amount mentioned in the bond covers the duty on bhang to be exported.
- (4) The exporter or his agent shall produce his copy of the permit before the Collector of the district of export who may then grant the the necessary permission.
- (5) The exporter shall obtain the bhang from a person holding licence in the prescribed forms.
- (6) The procedure prescribed in Rules 12 and 13 supra shall be followed mutatis mutandis in the case of export of bhang under bond.

NOTE- (i) In the case of export to the States Maharastra and Gujrat the permit shall be granted by the Deputy Commissioner of Excise. The pass granted shall be in the form subjoined to the permit.

(ii) The bond shall not be discharged unless intimation of the arrival of the bhang at the destination has been received.

Rule 15- Deleted

Cf. Governmen  
Notification No  
6975-E/XIII-275  
(15)-59, dt. Dec.28

1961.

### III-TRANSPORT

Rule 16- No hemp drug in excess of the quantity hereinafter specified shall be transported except under a pass as provided under section 15 of the Act, provided that bhang shall not be transported to any area in which a higher duty is levied in any quantity whatsoever:

Cf. Government Notification No 133/XIII-47, dt March 20, 1931.

Bhang or any admixture thereof 10 tolas or 116.731 grams

Cf. Government Notification No 6975-E/XIII-275 (15)-59, dt. Dec. 28 1961

Rule 17- Transport from a bonded warehouse to retail shop. Transport of [1] bhang from a bonded warehouse to retail shops within the contract area is regulated by Rules 13 to 24 relating to hemp drug bonded warehouse.

Cf. Government Notification No 133/XIII-147, dt March 20, 1931.

Rule 18- Transport of bhang under bond to bonded warehouse. Transport of bhang under bond to bonded warehouses is permitted, in consignments of not less than 25 seers at a time from the districts referred to in Rule 2 of rules relating to such transport collection of bhang, shall be made only by supply contractors of hemp drug and under the following conditions:

Cf. Government Notification No 1640- E/XIII, dated March 28, 1956.

- (a) The contractor shall execute a bond for subsequent payment of duty in favour of the collector of the district in which the warehouse the bhang is to be deposited is situated.
- (b) He shall obtain a permit in Form I.D. 11 from the Collector or the District Excise Officer of the district within or to which bhang is to be transported.
- (c) He shall obtain a pass from the Collector, or Officer specially appointed in that behalf, of the district within or for which the bhang is to be transported
- (d) Transport shall be by rail only and on condition that all costs and risks attendant to transport shall be borne by the transporter

cf. Government Notification No 133/XIII-147, dt March 20, 1931.

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1. Omitted in view of the Narcotic drug and psychotropic

Substances Act, 1985, which governs ganja and bhang exclusively.

Cf. Government Rule 19 - Transport of bhang under bond with the district Notification No. 133/XIII Transport of bhang under bond from the places of storage in the 147, dt. March 10, 1931. district mentioned in Rule 2 of the rules relating to collection of bhang to bonded warehouse established in the same district is removed by the conditions of the preceding rule, except that the condition requiring transport by rail may be dispensed with.

Cf. Government Rule 20- Transport of [<sup>1</sup>] bhang from one bonded warehouse to another is governed by the provisions of Rule 18 except that (1) the Notification No. 133/XIII permit referred to in clause (b) of the Rule 18 shall be granted by 147, dt. March 20, 1931. the Excise Inspector incharge of the bonded warehouse to which the [<sup>2</sup>] bhang has to be transported, (2) that the pass mentioned in

Cf. Government clause (c) by the inspector incharge of the warehouse from which Notification No. 6975 the [<sup>3</sup>] bhang is to be removed, and (3) that the quantity in which E/XIII-275 (15), 59 dated such transported is permissible shall be regulated by the Excise Dec. 28, 1961. Commissioner.

Cf. Government Rule 21- Bond to be executed - The bond referred to in Rule 18 (a Notification No. 133/XIII under which transport under bond of [<sup>4</sup>] bhang within or from 147, dt. March 20, 1931. outside into the confines of a contract area of supply shall be effected in Form I.D.4.A general bond shall be executed by the contractor in favour of the Collector of each district of the area and

Cf. Government for such sum as the Collector, in his discretion may deem to be Notification No.6975 sufficient to cover the duty on the quantity of [<sup>5</sup>] bhang likely to E/XIII-275, (15)-59, dated be in course of transport to the contract warehouse of the district Dec. 28, 1961. When the sum represented by the bond is likely to be exceeded the Collector is empowered to insist on the execution of an additional bond in the same form, for such additional sum as may consider necessary.

Cf. Government Rule 22- Permit for Transport under bond - Applications for permits to transport [<sup>6</sup>] bhang under bond shall be made in writing to the officer specified in Rule 18 and 20 in Form I.D. 9 and Notification No. 133/XIII I.D. 5 respectively. The application may be sent by post. The office 147, dt. March 20, 1931. shall, if he sees no reason to the contrary, grant permit in triplicate in Form I.D. 11. The first part shall be given to the applicant or sent

Cf. Government to him by registered post; the second shall be sent by post to the Notification No. 6975 Collector of the district, or as, the case may be, to the Excise E/XIII-275 (15)-59, dt Inspector of the warehouse from which the [<sup>7</sup>] bhang is to be Dec. 28, 1961 transported; the third shall be retained as a counterfoil and to it shall be pasted the first and second when returned under these [rules].

NOTE - The careful preparation of these permits is a matter of great importance and the instructions contained in note to Rule 6 apply

herealso.

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1 to 7 Omitted in view of the Narcotic Drugs and Psychotropic Substances Act, 1985, which governs ganja and bhang exclusively.

Rule 23- Production of permit- The person named in the permit shall present his copy to the collector or other officer of the district appointed in this behalf from which the bhang is to be transported or, as the case may be, to the Excise Inspector incharge of the warehouse from which the [<sup>1</sup>] bhang is to be transported who shall after completing the endorsement on the back thereof, return it by post to the officer who issued it. The copy received by the post shall be similarly dealt with.

Cf. Government Notification No. 133/XIII 147, dt. March 20, 1931.

Cf. Government Notification No. 6975 E/XIII-275 (15)-59, dt Dec. 28, 196.

Rule 24- Despatch of consignment- The person name in the permit shall:

Cf. Government Notification No.133/XIII 147, dt. March 20, 1931

(a) In the case of bhang to be transported from places of storage referred to in the rules relating to collection make his own arrangements to obtain the bhang, He shall then produce the bhang securely packed in bags or packages which have been approved by the officer authorized to grant the pass, of 2 seers or 1 maund in gross weight inscribed in bold letters in English for purposes of identification with his name and serially numbered and addressed to the Excise Inspector incharge of the warehouse to which the bhang is to be consigned before the officer authorized to grant the pass. The officer shall then have each bag of the consignment weighed and scaled in this presence and shall prepare a pass in Form I.D. 18. The pass shall be given in the triplicate, the first part shall be given to the transporter who shall present it to the Excise Inspector incharge of the warehouse to which the bhang is to be consigned; the second part shall be posted to the said Excise Inspector; and the third part shall be retained as a counterfoil to which shall be pasted the first and the second parts when returned under these rules.

Cf. Government Notification No.6975 E/XIII-275 (15)-59, dt Dec. 28, 1961.

Cf. Government Notification No. 488/XIII 47, dt. Oct. 22, 1935.

(b) In the case of [ <sup>2</sup> ] bhang to be transported from one contract bonded warehouse to another present the permit to the Excise Inspector incharge of the warehouse from which the [ <sup>3</sup> \*\*\* ] bhang is to be removed who shall issue a pass in Form I.D. 13. The procedure regarding the pass shall be similar to that laid down in the preceding clause (a).

Rule 25- Arrival of drug at warehouse - On arrival of the [ <sup>4</sup> ] bhang at the warehouse, the Excise Inspector incharge shall -

Cf. Government Notification No. 133/XIII 147, dt. March 20, 1931.

(a) In the case of transport of bhang under clause (a) of the

preceding rules proceed without delay to verify the

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1 to 4 Omitted in view of the Narcotic Drug and Psychotropic Substances Act, 1985, which govern ganja and charas exclusively.

Cf. Government Notification No. 6975-E-XIII-275 (15) dated Dec. 28, 1961

consignment in the presence of the contractor or his agent in the manner prescribed in this behalf, the Excise Inspector shall after filling in the endorsement on the back of the transporter's copy of the pass return it without delay, through the Collector, to the officer who issued it; the collector, before returning the copy shall cause the date of receipt of the at bhang the warehouse to be noted on the permit to which the pass has reference; the copy received by the Excise Inspector direct by post shall be retained by him and returned in the same way after examination by the Assistant Excise Commissioner.

(b) In the case of transport [ <sup>1</sup> ] bhang under clause (b) of rule 24 the Excise Inspector shall follow the procedure prescribed in preceding clause, except that he shall return the transporter's copy of the pass by post without delay direct to the Excise Inspector Incharge of the warehouse from which the [ <sup>2</sup> ] bhang was transported the second copy being retained and similarly dealt with after examination by the Assistant Excise Commissioner.

Rule 25- Bad drug not to be transported- On no account should a pass be granted for the transport of [ <sup>3</sup> ] bhang which has been condemned as unless fitness of which for consumption is under enquiry.

Cf. Government Notification No.133/XIII-147 dt. March 20, 1931.

#### IV- THROUGH TRANSPORT

Rule 26 - Transport of hemp drug through the State- The transport of hemp drugs despatched under a pass issued by an officer duly authorized in this behalf from any place beyond the limits of Uttar Pradesh to any other place beyond the said limits is permitted under the following conditions.

Cf. Government Notification No.6975-E/XIII-275 (15)-59 dated Dec. 28, 1961

Cf. Government Notification No. 133/XIII-147, dt. March 20, 1931

- (1) That the transport shall be as possible by railway only and by the most direct route which shall be specified in the pass.
- (2) That each package shall be securely packed and sealed and that bulk shall not be broken during transit.
- (3) That the pass shall be valid only for a period specified therein; that the consignment shall be conveyed only by the route specified in the pass; and that the package or the packages containing the drugs shall in no case be retained in

the possession of the consignor or any other person during transit by rail, but shall be delacred as such drugs, and regularly booked under the by-laws of the railway: accepting them relating to goods or parcel traffic.

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1 to 3 Omitted in view of the Narcotic Drugs and Psychotropic Substances Act, 1985, which governs ganja and chara: exclusively.

(4) That except as provided in clause (5) following the consignment shall not be delivered up by the railway authorities to any person whatsoever during its transit through Uttar Pradesh.

(1) That the Collector of any district through which a consignment passes may by order addressed to the Traffic Manager, direct the detention either of specified consignment of intoxicating drugs to enable him to examine the same with respect of due to observance of these rules, and that on receipt of such an order the railway administration shall afford all reasonable facilities to the Collector or to any officer deputed by him by order in writing for the making of such examination and shall detain such consignment or consignments until the Collector orders their release.

(2) That is a consignment while not on the railway is conveyed through any district of Uttar Pradesh, a copy of the pass shall be forwarded by the issuing officer to the Collector of such district.

Rule 27 - Persons requiring bhang in excess of the prescribed Cf. Government limit must submit to the Collector or to such other officer to Notification No. 6975 whom the Collector or to such other officer to whom the E/XIII-275 (15), dated Collector may have delegated his power in this behalf, at Dec. 28, 1961. application bearing court-fee stamp of the value of twenty five naya paise stating –

- (i) the occasion which renders the purchase necessary, the quantity required and the date on which is to be purchased,
- (ii) the quantity required and the data on which it is to be purchased,
- (iii) the bhang vendor from whom the purchaser is to be made, and
- (iv) the locality where the bhang is to be consumed.

Such officer may grant a permit in duplicate, one of which shall be presented at the shop and after the sale returned by the vendor to the officer who granted it. The duplicate shall

remain with the consignment in its transit from the shop to the place of consumption, and then be returned by the holder to the officer who granted it.

NOTE – These rules were originally notified by Government Notification No. 133/XIII-47, dated March 20, 1931 published in U.P. Gazette 1931, Part I, p. 316 and subsequently amended by the marginally noted notifications.

## **SECTION XXII**

### **VEND OF BHANG I- WHOLESALE VEND**

Cf. B.O. No. 423-V/284 B How far wholesale may be allowed- The wholesale vend of B dated Sep. 26 1910. <sup>1</sup>[omitted] bhang supply contractors to retail vendors is covered by licence in Form I.D. 3 granted to supply contractors by the Excise Commissioner.

Cf. E.C's Notification No. 30197/R-II, dt. Feb 14, 1962. The Wholesale vend of bhang by supply contractors holding licence for collection of bhang from the spontaneous growth of the hemp plant is governed by the rules published with the Excise Commissioner's Notification No. 27744/R-II, dated January 22, 1962, and further, by the following rule

Cf. B.O. no. 423-V/284 B Wholesale licence for export – With the previous approval of B dated Sep. 20 1910 Cf the Excise Commissioner, the Collector may grant to : E.C's notification No 30197/R-II dt. Feb. 14 1962. No person holding a licence in Form I.D. 15 another licence in Form I.D. 16 which shall cover the right of sale for export where such export, where such export is allowed under the rules. The fee for the licence shall be Rs. 50 per annum payable strictly in advance. In special cases the Collector may propose a reduced fee subject to a minimum of Rs. 25.

NOTE – The procedure relating to export of Bhang is governed by rules on the subject.  
No other form of wholesale vend of [<sup>2</sup> ] bhang shall be allowed.

### **II RETAIL VEND**

Cf. E.C's Notification No. 30198/R-II, 24, Feb 1962 Rule 1 – Retail vend Bhang allowed under the surcharge and auction system, respectively – (a) (i) <sup>3</sup>[Omitted]  
(ii) Licences Form I.D. 14-A for the retail vend of bhang are granted under the auction system.  
(iii) <sup>4</sup>[Omitted]

(b) Retail licensee, shall be bound to observe the prescribed general conditions binding on all licences for the retail vend o intoxicants and the special conditions mentioned in licences <sup>5</sup>[Omitted ] I.D. 14-A <sup>6</sup>[omitted]

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1 to 6 Omitted in view of Narcotic Drugs and Psychotropic Substances Act, which governs ganja and charas exclusively.

## SECTION XXIII

### POSSESSION

(1) The possession, in any quantity whatsoever, of [<sup>1</sup> ] bhang which has not been lawfully manufactured or obtained lawfully is prohibited throughout Uttar Pradesh. Cf. Government Notification No. 615/XII-146, dt. Sep 11, 1931

NOTE – <sup>2</sup>[ Omitted ]

(2) Limit of possession and retail sale of bhang- The Cf. Government possession of bhang of the quantity prescribed in Rule 40 a Notification No. 663 the limit of sale by retail is prohibited by section 20 of the E/XIII, dt. July 31 Excise Act, saver under a permit. 1940.

NOTE - <sup>3</sup>[ Omitted ]

Cf. Government Notification No. 1649 E/XIII, dt. March 23 1956.

## SECTION XXIV

### THE UTTAR PRADESH SETTLEMENT OF SHOPS FOR RETAIL SALE OF BHANG RULES 1988<sup>4</sup>

In exercise of the powers under 41 of the U.P. Excise Act, 1910 (U.P.Act, No. IV of 1910), read with section 21 of the U.P. General Clauses Act. 1904 (U.P. Act No. 1 of 1904), and in



omission of clauses (d) of Rule 1 of the Excise Rule as substituted by Rule 2 of the U.P. Excise (First Amendment) Rules, 1984, published with Notification No. 5354/Licence/Anubhag-3, dated march 3, 1984 the Excise Commissioner, Uttar Pradesh, with the previous sanction of the State Government, makes the following rules with a view to regulating the grant of licence for retail sale of bhang :

Rule 1 – (1) These rules may be called the Uttar Pradesh Settlement of shops for Retail Sale of Bhang Rules, 1988.

(2) They shall come into force with effect from the date of their publication in the Gazette.

**Rule 2-** The licence for retail vend of Bhang be granted by the Collector in Form I.D. 14/appended to these rules.

1 to 3 omitted view of the Narcotic Drugs and psychotropic Substances Act, 1985, which governs ganja and charas exclusively.

4. Vide Excise Commissioner's Notification No. 984/Upa, dated March 23, 1988 published in U.P. Gazette, Part-Ka, dated 2<sup>nd</sup> April, 1988.

**Rule 3-** The licence under Rule 2 shall be granted to such persons only as have deposited the fee mentioned in Column 2 and the security mentioned in Column 3 of the table given below.

**TABLE**

Area in which shop is located	Sacle of fixed fee for a year or part thereof	Security deposit in shape of fixed deposit receipt of a scheduled bank
1	2	3
	Rs.	Rs.
Urban area (except Tarai area)	50,000	10,000
Rural area	25,000	7,500
Tarai area	10,000	5,000

**Rule 4- A licence under Rule 2 shall not be granted to a person –**

(a) Who has been convicted by a criminal court of a non-bailable offences or

- (b) who has been a former licensee and is in arrears of Government dues or his conduct has been found unsatisfactory or has been found guilty of any serious breach of any of the conditions given in the licences; or
- (c) who is below the age of 18 years; or
- (d) who is suffering from any infectious or contagious disease.

**Rule 5** – The retail vendors shall be allowed to sell ghota bhang.

**Rule 6** – A licence for retail sale of Bhang shall abide by the prescribed general conditions binding on all licences for retail vend of intoxicants (paragraphs 347, 348, 349 and 351 in Chapter VI of Excise Manual, Volume I) and the special conditions mentioned in the licence.

**Rule 8** – The licensee shall possess and sell only that Bhang which has been lawfully obtained from a bonded warehouses. Admixture of Bhang or doing anything with regard to it which might change its appearance, potency, quantity or weight is strictly prohibited.

**Rule 9-** Any portion of the stock of Bhang which may be declared by any officer, duly authorised in this behalf, to be unfit for consumption shall be surrendered for destruction.

**Rule 10** – The licence-holder, unless exempted by an order of the Collector, shall correctly maintain a daily account in a printed register to be obtained from the Collector's Office on payment.

The account shall be written up as soon as the transaction of each day has been closed.

**Rule 11-** The licensee shall on the expiry of his licence report to the Collector, the amount of stock, if any, remaining in his possession. Such stock shall be disposed off the Collector in accordance with the provisions contained in para 343 of the U.P. Excise Manual, Volume I.

**Rule 12** – The licensee is strictly forbidden from having recourse to any form of blandishment or inducement to the customers with a view to increase his sales.

**Rule 13** – The licensee shall not keep in his licensed shop any other intoxicating drug, liquor or narcotic substances except lawfully Bhang and recovery of any such drug or liquor from the licensed premises shall render the licensee liable to cancellation of his licence and forfeiture of his security deposits.

**Rule 14** – The licensee shall be bound to observe the prescribed general conditions binding on all licensees for retail vend of intoxicants (Paragraphs 347, 348, 349 and 351 in Chapter VI of Excise manual, Volume I)

District .....

Collector

Dated .....