
RULES FOR REGULATING CULTIVATION OF HEMP AND MANUFACTURE OF GANJA AND FOR DEPOSIT OF HEMP DRUGS IN THE BONDED WAREHOUSES

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**RULES FOR REGULATING CULTIVATION OF HEMP AND
MANUFACTURE OF GANJA AND FOR DEPOSIT OF HEMP
DRUGS IN THE BONDED WAREHOUSES**

In exercise of the powers conferred by clauses (a) (ii) and (b) of section 35-A of the Bombay Abkari Act, 1878 (Bom. V of 1878), and in supersession of this office Notification No. 1/2, dated the 7th September 1921, the Commissioner of Excise, Bombay, is pleased to make the following rules for regulating the cultivation of hemp and the manufacture of ganja therefrom in the Province of Bombay and for the deposit of hemp drugs in the bonded warehouses (established in the said Province and for the removal thereof from such warehouses):-

1. Interpretation :-

In these rules, unless there be something repugnant in the subject or context.-

- (1) "Commissioner" means the Commissioner of Excise, Bombay.
- (2) "Collector" includes any officer appointed under the Bombay Abkari Act, 1878 (Bom. V of 1878), to perform the duties of a Collector under the Act.
- (3) "Superintendent" means the Superintendent of Excise for the area in which the warehouse is situated.
- (4) "Officer in Charge of the Warehouse." "Warehouse Officer" or "Officer in charge" means the excise officers appointed under rule 11 to be in charge of a bonded warehouse.
- (5) "Hemp Drug" means any intoxicating drug as defined in the Bombay Abkari Act, V of 1878, that is prepared or in any way obtained from hemp.
- (6) "Depositor" means the owner of any hemp-drugs stored in a bonded warehouse in accordance with these rules.
- (7) "Tare weight" means the weight of the container of any drug such as basket, box, gunny-bag, etc., including also the weight of all materials such as nails, string, sealing wax, etc., used in packing, but excluding the weight of the drug contained in the package.
- (8) "Net Weight" means the weight of the drug itself without any packing etc.
- (9) "Gross Weight" means the weight of a package of drug including the weight of drug itself and of the packing materials such as basket, box, gunny-bag, string, nails sealing wax, etc.

2. Licences required for Cultivation of Hemp and use of warehouse :-

(1) The cultivation of hemp shall be permitted only under a licence in Form H.D. 1 granted by the Commissioner in such areas of the Nagar Taluka of the Ahmednagar district as that Officer may from time to time prescribe.

(2) Licences may, at the discretion of the Commissioner, be granted in Form H.D. 6 to the following persons for the purposes stated, respectively:-

(a) to the holder of a licence in Form H.D. 1 or to the purchaser of such licensee's hemp crop, or to any person to whom the ganja manufactured from such crop is transferred or sold by the licensee, authorising such licensee, purchaser or transferred to deposit in and sell by wholesale at, the bonded Warehouse at Ahmednagar, ganja manufactured from hemp produced in accordance with the terms of the licence;

(b) to any person desiring to import or transport and keep on hand stocks of hemp drugs for export to countries outside India, authorising him to deposit such stocks in bond in the bonded warehouse at Bombay and to sell the same thereat wholesale to any person for exportation to such countries;

(c) to the holder of a licence in the prescribed form for the whole sale, sale of hemp drugs at a shop, authorising him to deposit such drugs in, and to sell the same by wholesale to licensed dealers at, a bonded warehouse in the Province of Bombay.

(3) Any person licensed to sell hemp drugs by wholesale or by retail may, pending removal to his vend premises, deposit in a bonded warehouse any such drug imported or transported by him and intended for sale at his shop under cover of his wholesale or retail vend licence.

3. Particulars in Application for Licence :-

Every application for a licence in Form H.D. 1 or Form H.D. 6 shall contain the marginally noted particulars. An application for a licence in Form H.D. 1 shall be made by the occupant or, with the special permission of the occupant, by the tenant of the land on which it is intended to cultivate hemp, It shall be presented to the Excise Inspector, Ahmednagar Range; that Officer, after making the necessary enquiries, shall report thereon to the Superintendent of

Excise, Nasik Division, and shall forward to him the forms of the licences applied for duly filled in. The Superintendent shall submit the application with the accompaniments to the Commissioner.

(a) Name, caste and residence of applicant.

(b) Applicant's father's name.

(c) Survey No. Plot No., Village (petha, if any) in which land is situated.

(d) Estimated area.

4. Particulars in Application for Licence in Form H.D. 6 when made by purchaser of standing crop :-

An application for a licence in Form H.D. 6, when made by the purchaser of a standing crop, shall state, in addition to the particulars contained in rule 3, the number and date of the licence in Form H.D. 1 held by the vendor of the standing crop.

5. Applications for licences when to be submitted: Renewal: Consequence of non-renewal :-

(1) Applications for licences in Form H.D. 1 or H.D. 6 shall be submitted on or before the 15th May or 31st October, respectively in each year, after which dates no application will be considered with reference to the ensuing crops, respectively: provided that when a licence asked for is only for storage and wholesale vend at a ware house and not in connection with the any licence granted in Form H.D. 1 an application therefor may be submitted at any time.

(2) Where a licence is granted for the storage and wholesale vend at a warehouse in Form H.D. 6, which is not in connection with any licence granted in Form H.D. 1, the holder thereof shall apply for renewal of the same atleast fifteen days prior to the date on which the licence expires, failing which he shall be debarred from conducting business at the warehouse from the date on which his licence expires until such time as he obtains a fresh licence.

6. Fees for licences :-

No fee shall be charged on the application or for a licence in Form H.D. 1 or the counterpart of a licence in Form H.D. 6 but, for a licence in Form H.D. 6, there shall be charged, in the City of Bombay, a fee of Rs. 50 and, in the mofussil, Rs. 15 provided that in the case of depositors who are cultivators the fee shall be Rs. 5 where the total area cultivated does not exceed 3 acres, or Rs. 10

where it exceeds 3 acres but does not exceed 10 acres; or such other amounts as may be fixed from time to time. A depositor shall not be called upon to pay a separate charge for the use of the warehouse for storage purposes, the fee paid by him for his licence in Form H.D. 6 being inclusive of such charge. A court-fee stamp of the value of two annas shall be affixed to the application for a licence in Form H.D. 6.

7. Permission to harvest crop and manufacture ganja:
Procedure for harvesting and manufacture: Fixation of prices :-

(1) Before cutting a crop raised under a licence in Form H.D. 1, the licensee or, if the licensee has sold the standing crop, the purchaser shall, not less than one week before he commences to harvest the crop, submit an application in Form H.D. 2 to the Excise Inspector, Ahmednagar Range, for permission to harvest his crop and to manufacture ganja therefrom. The application shall be accompanied by the licence in Form H.D. 6, on which latter the aforesaid officer shall, endorse in Form H.D. 3 the requisite permission to harvest the crop and to manufacture ganja therefrom at a place which shall be specified by him in the said endorsement.

(2) As soon as the whole or a part of the crop has been gathered in, the licensee or purchaser shall orally apply to the Excise Inspector or Assistant or Sub-Inspector in charge of the hemp drugs operations for a pass authorising the transport of the hemp from the field to the manufacturing yard specified. All hemp harvested on any one day shall be transported to the said yard on the same day, and a separate pass shall be taken out for each day on which any portion of the hemp crop is to be so transported from the field. The pass shall be in Form H.D. 4 and shall be in duplicate. The counterfoil of the pass shall be retained by the issuing officer and the duplicate handed to the licensee or, purchaser. As soon as the hemp covered by a pass so granted is taken to the manufacturing yard, the person so transporting it shall deliver up the pass to the officer supervising the manufacture.

(3) When the manufacture has been completed, the licensee or the purchaser of the crop, as the case may be, shall give intimation in writing of the fact to the said officer.

(4) \The price which shall be paid by depositors at the Ahmednagar warehouse to cultivators for cleaned or uncleaned ganja and by the

licensed shopkeepers to depositors for cleaned ganja shall be fixed by the Commissioner every year.

8. Licensee or purchaser to work under the superintendence of the Excise Inspector, Ahmednagar Range, during harvest and manufacture of ganja :-

During the harvesting of a crop raised under a licence in Form H.D. 1 and the manufacture of ganja therefrom, the licensee or the purchaser of the crop, as the case may be, shall work under the general superintendence of the Excise Inspector, Ahmednagar Range, and his subordinates, and shall comply with all orders given by him for safeguarding the revenue. All plants uprooted in the process of cultivation shall be destroyed under the supervision of the said officer or of such of his subordinates as he may direct. All plants shall be uprooted as soon as possible after the completion of harvesting operations and destroyed.

9. Licensee to deliver balance of crop in his possession to Superintendent on the day of expiry of licence :-

Every person to whom a licence in Form H.D. 1 is granted for the cultivation of hemp, unless he be the holder also of a licence in Form H.D. 6, shall, on the evening of the day of expiry of the former licence, deliver to the Superintendent or any officer deputed by him to the whole of the produce of such cultivation that may remain in his possession on that day. The aforesaid officer shall thereupon put up to auction and sell to the highest bidder the whole of the produce less such quantity, if any, as he may adjudge unfit for use. The money realised from such sale shall, after deducting therefrom such expenses as may have been incurred by such officer in respect of the keep or sale of the produce, be paid to the licensee.

10. Warehouses :-

Warehouses for the deposit in bond of ganja produced or manufactured under the foregoing rules, or of hemp-drugs imported from places outside the Province of Bombay, shall be provided at such places in the Ahmednagar district or at such other places in the Province of Bombay as the Commissioner may from time to time order under section 15 of the Act.

11. Warehouse to be in charge of duly authorised officer :-

Every warehouse so established shall be in charge of an Excise Inspector or Assistant or Sub-Inspector or other officer duly appointed by the Commissioner, and every depositor or his duly

authorised agent and every Other person employed by or on behalf of either of them to conduct any operations in the warehouse shall obey all lawful orders issued by such officer. The key of the warehouse shall be in such officer's custody and the ware house shall be opened and closed by him or in his presence.

12. Days and hours during which warehouse shall be open :-

Every such warehouse shall be open on all days other than Sundays and public holidays from 11 a.m. to 6 p. m., except in the case of a warehouse where the Commissioner has fixed, by executive orders, certain days in a week for purposes of issue of drugs. Permits shall be received on all working days from the hours of 11 a. m. to 3 p.m. If found necessary by the officer in charge, the warehouse may be opened on Sundays and public holidays for the purpose of rearranging bales, ascertaining weights, removing or destroying refuse ganja receiving consignments of fresh ganja or cleaning the premises, etc., or for the purpose of performing any urgent Government work. All operations in the warehouse shall be carried out under the personal supervision of the officer in charge of the warehouse or his assistant.

13. Unauthorised persons not to have access to warehouse, or stock of depositor :-

No unauthorised person shall have access to the warehouse or to the stock of any depositor; nor shall any person interfere in any way with the stock of any depositor, unless he has been appointed by such depositor as his agent under a power-of-attorney duly countersigned by the Superintendent provided that no agent appointed by a depositor shall be permitted to conduct any business whatsoever on behalf of the principal unless and until his name has been endorsed on the reverse of his principal's licence. Intending purchasers, however, shall be allowed all reasonable facilities for inspecting drugs and transacting their business. Persons prohibited from working as agent shall not be allowed to work in any capacity at the warehouse on behalf of any licensee. Nokarnamas are not required for persons doing menial work only at the ware house, but if they do work such as presenting applications, or function in any other matters of responsibility, nokarnamas shall be insisted upon.

14. Admission to warehouse can be had only with the permission of the warehouse officer :-

No person shall be admitted into the warehouse between the sunset and sunrise without the written authority of the officer in charge. While the warehouse is open, admission thereto shall except in the case of depositors, their authorised agents and intending purchasers be at the discretion of the officer in charge; weighmen, carrier and other labourers shall be admitted only in such numbers as the aforesaid officer may consider absolutely necessary. All persons entering or quitting a warehouse shall be liable to be searched by, or under the orders of the officer in charge.

15. Hemp drugs to be received into, stored in and removed from, warehouse at depositors risk and expenses :-

Hemp drugs shall be received into, stored in and removed from bonded warehouses at the risk and the expense of the depositor; and the labour required for the weighment, marking and arrangement of the packages in the warehouse shall be supplied at his own expense by the depositor.

16. Depositors not to open packages of cleaned stock :-

Save as hereinafter provided, no depositor shall open any package of his stock for the purpose of exhibiting the contents to likely customers or for any purpose. This restriction does not apply to the stock of uncleaned ganja deposited in the Ahmednagar Warehouse.

17. Cleaning of ganja at the Ahmednagar warehouse :-

The cleaning of ganja is allowed only at the Ahmednagar warehouse and in respect of the ganja manufactured in the Ahmednagar district. A depositor shall keep the cleaned ganja and the refuse separate in respect of each bale of his stock of ganja removed for cleaning purposes until the officer in charge has record the result of the cleaning operations in the Register of Uncleaned Ganja hereinafter prescribed. The refuse accumulated by each depositor shall be kept separate so that the actual and book stocks may be readily compared.

18. Depositors not to keep more than 10 maunds of refuse drugs in store at one time, except at the Bombay warehouse :-

No depositor shall have more than 10 maunds of refuse drugs in store at one time. At the Bombay warehouse only, refuse in excess of 10 maunds may be stored for export to countries outside India if permission in writing to do so has been obtained from the Superintendent of Excise, Bombay.

19. Transfer of Stock :-

Any depositor other than one belonging to the classes specified in rule 2(2) (b) or 2(3) may, with the previous written permissions of the officer, transfer all or any portion of his stock of drugs to the name of any other depositor owing stocks in the same warehouse.

20. Facilities to be given to depositor for inspection of stock and transaction of business :-

A depositor shall be allowed all reasonable facilities for inspecting the stock of drugs owned by him and for transacting his business. He shall take such measures as may be necessary to keep his stock in good condition but no manipulation or mixing of the contents of packages shall be allowed except the separation of refuse from good ganja in the case of uncleaned stocks in the Ahmednagar Warehouse.

21. Stock-taking :-

All stocks of hemp drugs at warehouse shall be tested by weighment once in six months by the Inspector of Warehouses and also by the Superintendent. The inspecting officers shall, on their visit to the warehouse and before taking stock, test the accuracy of the weighing scales and record the result in the visit book.

22. Verification of hemp drugs before deposit in warehouse :-

All hemp drugs which it is intended to deposit in a warehouse established for the purpose shall, before being stored in such warehouse or brought to account in the prescribed registers, be weighted and the weight ascertained; and the marks and seals on the packages containing such drugs shall be verified by means of the corresponding entries made in the passes which as hereinafter prescribed, shall cover each consignment. The weighment shall be made, and any discrepancies thus ascertained shall be reported, as hereinafter prescribed.

23. Each package to be separately weighed and verified :-

Each package of drugs arriving at a warehouse and intended for deposit there in shall, before being taken into store, be weighed separately in its original packing and the gross weight so ascertained shall be compared with the gross weight shown in the pass covering the consignment. If there be no discrepancy the net weight of each package as shown in the pass or letter of advice shall be taken as the true net weight received without ascertaining, by actual weighment, the contents of each package.

24. Procedure in case of discrepancy between the gross weight of a package ascertained by weighment, and that shown in the pass :-

If there be any slight discrepancy between the gross weight of any package so ascertained and that shown in the pass, the aggregate gross weight of all packages in the consignment shall be ascertained and compared with the ' corresponding weight entered in the pass. Should this be found correct, the net weight of the package under examination as shown in the covering pass and letter of advice shall be taken as the true weight of the contents of the package. Should there be a material ' discrepancy in the gross weight of any package though the aggregate gross weight tallies, the package shall be opened in the presence of the officer-in-charge and the owner of the drug contained therein or the latter's agent, and the net weight ascertained by actual weighment shall be accepted as the true weight.

Note.-The dividing line between a slight and material discrepancy in gross weights shall be taken at 5/8 per cent of the net contents of each package as shown in the permit or letter of advice. This would mean that 20 tolas in a maund shall be taken as the outside limit of natural loss or gain.

25. Procedure when the aggregate gross weight of consignment and the ascertained gross weight of a package differ respectively from those entered in the documents or report :-

Should, on the other hand, the aggregate gross weight as ascertained by actual weighment not agree with that entered in the aforesaid documents, while the ascertained gross weight of any single package also differs from that reported by the officer at the place of despatch the circumstances of the case shall be forthwith reported to the Superintendent and his orders obtained. Pending that officer's decision the package in question shall be stored apart from the remaining stock of its owner. On the identification card which shall be attached to the package the gross weight shall be entered as actually ascertained after weighment and the net weight as reported by the officer at the place of despatch, a note being made at the same time on the card that the Superintendent's decision is being awaited in the case.

26. Power of warehouse officer to require attendance of depositor for verification of consignment :-

The officer-in-charge shall be competent to require the depositor concerned to attend personally or by an authorised agent at the warehouse on the arrival of a consignment; and he shall, in the presence of such depositor or agent, forthwith proceed to examine the seals on the packages, the condition in which the latter are received at the warehouse and any other particulars and shall verify the total number of packages and their gross and net weight as above laid down. Should the depositor or his agent fail to attend, as required, the officer-in-charge may proceed with the examination and weighment in the absence of such person. In case of such absence the aforesaid officer shall be further competent to engage the requisite labour and to recover the cost thereof from the depositor concerned.

27. Protest against improper examination or in correct weighment of a consignment by the warehouse officer :-

Any protest as, to improper examination or incorrect weighment of a consignment by the officer-in-charge shall be made by the depositor or his agent personally to the said officer at the time of the alleged improper examination; the latter shall, on such protest, re-examine and re-weigh the package or packages in respect of which the protest is entered. The second examination and weighment thus made shall be final and the weight thus ascertained shall be entered in the prescribed registers of the warehouse. No protest shall however be entertained if the depositor or his agent has not been present after being required to attend by the officer in charge or if the protest is not entered at the time of the examination and weighment.

28. Accounts : Daily Register, Personal Register and Register of uncleaned Ganja :-

The officer in charge of each bonded warehouse shall maintain true accounts of all deposits, withdrawals, issues and balances of hemp drugs in the bonded warehouse in Form H.D. 14 and Form H.D. 15 to be called, respectively, the Daily Register and the Personal Register of Hemp drugs. At the Ahmednagar Warehouse he shall further maintain a supplementary Register in Form H.D. 16 to be designated the Register of Uncleaned Ganja. He shall also maintain such other accounts and in such form as the Commissioner may from time to time prescribe; and every depositor and his agent, if any, shall render such officer all reasonable assistance in the collection of such information as he may require for the purpose of such registers or other accounts, so far as such information relates

to such depositor's dealings and operation in the warehouse.

29. Ganja produced or manufactured in the Province of Bombay to be transported to, and deposited in, warehouse after examination by Excise Inspector, Ahmednagar Range :-

Ganja produced or manufactured in the Province of Bombay, shall as soon as it is examined and weighed by the Excise Inspector, Ahmednagar Range, or assistant or Sub-Inspector be transported from the place of manufacture to, and deposited in. the warehouse provided for it under cover of a pass in Form H.D. 5 to be issued by the examining officer on a verbal application being made, therefore, by the manufacturer. A fresh pass shall be obtained for each consignment of manufactured ganja to be taken from the yard to the ware house and each such pass shall, as soon as the ganja covered thereby reaches the warehouse, be given up to the officer in charge of the ware house. The whole outturn of the manufacturing season shall be stored in the warehouse not later than the 31st January in each year.

30. Hemp drugs imported into, or transported from, one warehouse to another in the Province to be forthwith deposited in warehouse :-

Hemp drugs imported into, or transported from another warehouse situated within the Province of Bombay shall on arrival be lodged forthwith in the bonded warehouse specified in the pass under which they are imported or transported.

31. Packages to be securely packed and sealed : particulars (on identification card) to be shown on each package :-

Every package containing drugs imported or transported from other warehouses or brought in from the manufacturing yards and intended for deposit in a warehouse shall be securely bound in gunny of good quality, and shall be properly sewn, and shall be sealed with the official seal of the officer-in - charge as well as with that of the depositor. A card shall be securely fastened to each package specifying the following particulars:-

- (a) Number of depositor's licence.
- (b) Name of depositor.
- (c) Distinguishing mark and registered serial number of package.
- (d) Description of drugs in the package.

(e) Gross weight of package and net weight of drug contained therein.

(f) Date of receipt at the warehouse.

32. Issue of package tickets and posting of particulars therein :-

When a depositor wishes to open a sealed package for disposal of drug contained therein, the warehouse officer shall, on verbal application from the depositor, fill in the particulars on the package ticket in Form H.D. 13 as also on the counterfoil and issue the package ticket which shall be kept pinned on a deal-wood or cardboard hanging on the package opened out for issues. As issues are made the particulars shall be shown in the columns provided for the purpose on the package ticket as transactions take place from time to time. When the whole quantity contained in the package has been issued the warehouse officer shall draw the totals and work out the gain or deficiency found in the package and post it up forthwith on the counterfoil of the package ticket and also in the personal register in Form H.D. 15 of the depositor concerned in accordance with rule 46. The package ticket shall then be pasted against its counterfoil. The warehouse officer shall maintain an account of the package ticket books received by him from the Superintendent and the Superintendent shall see that the package ticket books issued by him are duly accounted for and check the particulars of each package ticket with the entries in accounts in personal registers. One package ticket book shall be allotted for each depositor for facility of account. A similar ticket after substituting the word "issues" by the word "receipts" and the words "gross weight" by the words "Tare -weight" shall be issued separately in respect of each package set apart for receiving (i) deteriorated drug or (ii) refuse or dust of drug, wherein the particulars of receipts shall be posted up from time to time as the drugs are transferred to such package or packages.

33. Stocks of cleaned ganja to be kept in packages of one maund weight each :-

So far as practicable stocks of cleaned ganja shall be kept in packages of one maund weight each.

34. Depositors to furnish boxes for keeping samples of drugs to be shown to purchasers :-

Every depositor shall furnish at his own expense small wooden boxes for keeping samples of the drug held by him in stock. The

boxes shall be provided by the depositor with locks and keys and shall be hung on the walls of the storage rooms immediately over or by the side of the stock which their contents represent. He shall in the first instance, exhibit to likely purchasers only the samples kept in these boxes, and when, on approval of a sample, a purchaser desire to inspect contents of the bale which the sample represents, the depositor shall, with the permission and in the presence of the officer-in-charge open the bale and re-seal it after the inspection in the manner prescribed above.

35. Drugs how to be stored :-

Hemp drugs shall be stored in bond under lock and key in such manner that no person can have access thereto without the permission of the officer-in-charge. Drugs of different kinds shall be separately stored, the property of each depositor being arranged in its separate from that of every other. Within each lot the packages shall be arranged in the order of their numbers. Each depositor shall provide a signboard of a pattern approved by Superintendent to be hung on the wall immediately above his stock of drugs.

36. Procedure in case of cancellation or non-renewal of depositors licence :-

Should the licence of any depositor be cancelled, or should it not be renewed to him on its expiry, such depositor shall clear his stock from the warehouse within seven days from the date of receipt of the order of cancellation or from the date of expiry of his licence as the case may be. Any depositor failing to dispose of his stock in accordance with this rule shall surrender the same to the Commissioner, who shall sell the same at the owners' risk, to a person or persons licensed to sell such drugs, if it is fit for consumption, or, if not, shall order it to be destroyed.

37. When hemp drugs may be removed from a warehouse :-

Hemp drugs imported into, and ganja manufactured within, the Province of Bombay and deposited in a bonded warehouse may be removed therefrom for any of the purposes below mentioned, viz.,

(I) for transport or export to another bonded warehouse situated respectively within or outside the said Province,

(II) for export by sea to by land to Indian State or possession of Foreign Powers in India, or by sea to countries outside India,

(III) for transport to wholesale or retail shops for consumption within the Province of Bombay: Provided that removal of drugs for

export to countries outside India shall be allowed only in case of drugs deposited in the warehouse in the city of Bombay.

38. Removal of hemp drugs from warehouse :-

Subject to the rules in that behalf the removal of hemp drugs from a warehouse for the purposes mentioned in clause (I) of rule 37 may be allowed under bond; but in the case of removals for export or transport under clause (II) or clause (III) of the same rule removals shall be permitted only after full payment of duty at the rates in force for the time being, in accordance with the rules framed by, the Commissioner in this behalf under section 19A and 35A (e) of the Bombay Abkari Act, and on production of Treasury receipt in evidence of such payment.

39. Issue of charas :-

Charas may be issued only from the ware houses at Bombay and Ahmedabad (1) to vendors whom the Collector of Ahmedabad or of Bombay has licensed to sell the drug or (2) for export to any place outside the Province of Bombay, subject to the rules in that behalf.

40. Quantity of hemp drugs that may be removed at one time :-

No smaller quantity than 2 seers of any one kind of hemp drug shall be removed from a warehouse at any one time save as samples to be sent to bonafide vendors as hereinafter provided, that holders of retail licences may remove ganja or bhang in smaller quantities but not less than 1 seer in each case.

41. Procedure when depositor desires to send samples of drugs to bonafide vendor for trade purposes :-

Any depositor, licensed to sell at the warehouse and desiring to send samples of his drugs to a bonafide vendor for trade purposes, shall produce before the warehouse officer a treasury receipt evidencing payment of the duty on such samples at the rates fixed for the time being by Government. The sample shall either be sent by registered post or handed over personally to be vendor and shall be in quantities of not more than 1 tola at a time of ganja, blang or charas, provided that no sample of charas shall be issued from the warehouse unless the name of the vendor to whom it is to be sent shall have been reported to the warehouse officer by the Collector of the district concerned as having been licensed to sell charas. In case of despatch of charas by post the depositor sending the sample shall, after despatching the same, present the postal receipt therefor for the inspection of the officer-in-charge and shall satisfy

him that the charas has not been sent to any person other than a duly licensed vendor of the same. When the vendor personally takes charge of a sample of charas this shall be done in the presence of the warehouse officer who shall satisfy himself that he is licensed to sell charas.

42. Drugs purchased from warehouse how to be removed :-

All hemp drugs purchased for removal from a warehouse shall be weighed first by themselves and then in their packing. Each package shall be carefully sealed by the warehouse officer in such manner as to prevent its being opened during transit without the seals being damaged, and it shall bear the serial number assigned thereto in the consignment preceded by a distinguishing mark which shall consist of a letter intended to serve as an index to the kind of the drug contained therein. The number shall be in a separate series for each kind of drug, the marks being G for Ganja, B for bhang and C for charas. The mark and the serial number shall be written close together and one after the other, like the digits in ordinary numeration.

Note.-Where, for want of proper scales or for other reasons, it is not possible to take, in one weighment the net weight of the whole quantity of a drug required to be put in a package the whole quantity shall be put in a container and then weighed. In such cases the weight of the container shall be ascertained before putting the drug in and then the weight of the container together with the drug therein. The difference between these two weights shall be taken as the net weight of the drug. After the container with the drug therein is properly packed and sealed, the weight of the whole package duly sealed shall then be ascertained and this shall be adopted as the gross weight of the package. The tare weight of a package in such cases shall be the difference between this gross weight and the net weight of the drug.

43. Each depositor to keep his packages separate and with distinct identification marks :-

It shall be the duty of each depositor to take care that none of his packages is mixed up with packages belonging to another depositor. Each depositor may mark the packages with such special identification mark approved by the warehouse officer, as he may consider necessary, provided that he does not thereby obliterate or write over or into any marks made on such packages by the officer at the place of despatch thereof or by the officer in charge of the

receiving warehouse. No depositor shall tamper with any identification marks made by another depositor or with those made by the officer above mentioned.

44. Depositar not to hold more than 500 maunds of ganja in stock at one time and to sell ganja at fixed prices :-

No depositor shall have more than 500 maunds of ganja in stock at any one time, a depositor shall be bound to sell ganja at all times to licensed vendors at the prices fixed by the Commissioner under rule 7(4) (supra).

45. Opening of packages for issue of drugs : Account of quantity found in each package and deficiencies :-

A depositor shall not have, at any one time, more than two packages of each kind of drug open for the issue of drugs. As soon as the whole quantity contained in each package has been issued, the warehouse officer shall ascertain the loss or gain, if any, in respect of that package by deducting from the net weight of the package the total quantity taken out therefrom for issue or transfer refuse packages, etc. and post up the loss or gain in the accounts at once, instead of allowing the deficiency to accumulate till the whole stock deposited by a depositor has been consumed. If the drayage or wastage or warehouse gain in any package ascertained as directed herein exceeds 5/8 per cent of the net weight originally contained in the package the excess dryage and wastage shall not be written off except with the permission of the Commissioner. Each case of such loss or gain in excess of the maximum fixed shall be reported by the warehouse officer to the Commissioner, through the Superintendent, with reason, therefor, in a statement to be submitted month by month in Form H.D. 17.

46. How to post up warehouse loss or gain in Form H.D. 15 :-

The loss or gain ascertained in respect of each package, in accordance with the foregoing rule, shall be posted up by minus or plus entries in columns 22, 24, 26, or 28, as the case may be, in Personal Registers in Form H.D. 15 below the closing balance of the day and a fresh closing balance shall then be drawn after accounting for such loss or gain. The loss and gain shall be shown in distinguishing colours of ink, the registered number of the package in respect of which the loss or gain was found being noted in the remarks column of the register.

47. Monthly abstract and drawing of closing balance in

Forms H.D. 14 and H.D. 15 :-

At the end of each month an abstract shall be drawn up of the monthly totals of the Personal Registers in (Form H.D. 15) of all the depositors showing the following particulars in respect of the month to which they relate- This shall be compared with the monthly totals in the General Register (Form H.D. 14) to see that the particulars of the opening balance, deposits, withdrawals and (after taking into accounts the total of the warehouse loss or gain of the month as shown in Form H.D. 15) the closing balance arrived at in both the registers tally. The abstract referred to herein shall be in Form H.D. 18, which shall be prepared by warehouse officers in manuscript.

48. Sale of drugs by depositors to licensed vendors :-

Depositors shall make their own arrangements to sell their drugs to licensed vendors, who will be at liberty to make up the quantity covered by the Treasury receipt by purchases from more than one depositor, if necessary.

49. Purchasers of drugs must be bona fide licensed dealers or authorised exporters :-

Depositors shall be bound to satisfy themselves that the purchasers of their stocks or of any portion thereof are excepting in the case of sale for export to countries outside India bona fide licensed dealers in such drugs. In the case of export to countries outside India, the depositor who sells any drugs shall satisfy himself that the purchaser holds an export authorization granted in accordance with the rules framed under section 7 of the Dangerous Drugs Act for the whole quantity which he seeks to purchase.

50. Destruction of deteriorated drugs, refuse or dust :-

When a depositor applies for the destruction of any drug belonging to him by reason of its deterioration, the Superintendent, on being satisfied on the point, may pass orders for its destruction. Such deteriorated drug, as also all refuse or dust of drugs accumulated at the warehouse and which is due for destruction, shall be destroyed in the presence of the Superintendent on his periodical inspection of the warehouse and in the presence of the depositor or his agent, after the officer in whose presence the drugs are to be destroyed has satisfied himself, by actual weighment, that the quantity of such drug, refuse or dust corresponds with that shown in the registers. The packages of (i) deteriorated drugs and (ii) refuse or dust shall be kept sealed with the seal of the warehouse

officer pending destruction.

51. Disposal of drug lying unused or unclaimed :-

In the case of any hemp drug which has been in store in a bonded warehouse for one year, and in respect of which no transaction has taken place or no application has been submitted for their renewal of the licence as required by rule 5 of these rules, or the owner of which is not traceable, the Commissioner may issue a proclamation specifying the kind and quantity of hemp drug and requiring any person who has any claim thereto to appear and establish his right to the same within six months from the date of such proclamation. If no claimant appears within the prescribed period of six months or if the claimant having appeared does not desire to clear the drug on payment of duty, the Superintendent may have the same destroyed, or if the drugs is fit for human consumption, he may, in lieu of destruction, order the same to be sold, to a person holding a licence to sell such drug, at a price not less than the duty leviable on such drug.

52. In case of destruction of drugs, owners shall be absolve from liability for duty :-

When any drug is destroyed under rule 50 or 51, the Superintendent's order directing such destruction shall be deemed to absolve the owner thereof from liability for duty in respect of such drugs.