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Sender,

C S Napalchyal

Secretary

Uttarakhand Govt

To,

Excise Commissioner

Uttarakahand, Dehradun

Excise Department Dehradun: dated 05 Dec 2016

Subject: **Regarding eradication of Intoxicating Cannabis and Commercial & Industrial agriculture of hemp under Section 14 of The Narcotic Drugs and Psychotropic Substances Act 1985**

Sir,

Please refer your letter no. 1387/ C P- 159/ Regulations of Cannabis Agriculture/ 2016-17 dated 29.04.2016. I am being directed to inform you that, after deliberating on mooted proposal, the Honourable Governor of Uttarakhand has exercised his powers under Section 14 of Narcotics Drugs and Psychotropic Substances Act 1985. He has gladly permitted eradication of intoxicating cannabis and agriculture of commercial & industrial purpose hemp under following conditions:-

1. Collector would issue licence in prescribed format for eradication of intoxicating cannabis and agriculture of commercial & industrial purpose hemp. No individual or institution etc can cultivate hemp without proper licence. Crop of industrial hemp will be used only to extract seeds and fibre. Licence will be issued personally to any individual or institution and it would be non-transferable.
2. Licence for industrial hemp will be issued to such an individual, research institution or commercial & industrial institute who is owner or has lease of agricultural land. In addition any person who has land on his name can apply in partnership with a commercial & industrial institute. Licensee will not cultivate hemp in any other field other than the one which is licenced. Applicant will apply to the respective Distt Collector in prescribed format detailing his land/ area along with his name/ address/ storage facility for permissible product/ licence fee etc. Applicant has to mandatorily submit his character certificate issued by competent officer along with the application. Collector after the desired scrutiny will reserve the right to whether issue or decline the licence. In case of non-issue collector will inform the applicant the due reason and applicant can appeal within 30 days to Excise Commissioner.
3. Any individual or Institute can apply for cultivation of hemp for the purpose of commercial and industrial use and for storage of hemp for commercial and technological use in the prescribed format. The application will be put up to the Distt Collector along with licencing fee of Rs 1000/- (one thousand only) per hectare per year or a part there of. On receipt of such application the collector after due considerations will issue the licence to the farmer for cultivation and storage under necessary restrictions. Commercial and Industrial units which are not doing hemp cultivation may be allowed to use permitted amount of hemp. Such units have to apply to Distt Collector in prescribed format for purchase of hemp seed and fibre from licenced farmer, its storage and further usage. Licencing Officer after necessary scrutiny may issue licence to these units in approved format with Rs 500 as storage fees.
4. If some individual, research institute or commercial unit has licence for industrial hemp under some different regulation, no licence will be applicable to them under these rules. Towards this the applicant has to submit an affidavit that he has no such licence other than the one applied for.
5. Licence holder use only THC 0.3% or less seeds for cultivation. He has to submit a certificate to the licencing authority that seeds with approved THC 0.3% or less will be used, then only after the permission of licencing officer the seeds will be sowed. Permission for import of seeds will be issued by Distt Collector.
6. Licenced farmer will inform the Distt Collector three weeks prior to harvesting or obtaining any part of the crop for inspection of THC. Only after the inspection and obtaining permission from competent authority any part of crop will be used.

Once the licensee has informed Collector under this Rule-1, he will immediately inform the unit scheduled by Govt to check the quantity of THC. Expenditure on this account will be borne by the licensee.

* 1. Scheduled unit, within one week of sampling will produce the report to licencing officer. Harvesting will be permitted only if the maximum value of THC is found to be 0.3% or less in this report. In case of THC value is found to be more than set limit the crop will be destroyed and no compensation will be admissible to the licensee.

1. Licenced farmer will be allowed commercial & industrial usage of any part of his crop from his licensed farm land. He will also be permitted to sell the crop under prescribed format to licenced commercial and industrial units. The restriction is that he will not extract any intoxicant and will not indulge in sale-purchase, store or use any such intoxicant material. The hemp will not be transported for commercial and industrial purposed without permission (pass). For the purpose transportation pass will be issued in prescribed format.
2. Under these rules licence can be provided any time during the calendar year which will be valid for five years or a part there of. The licence can be renewed on request of licensee with submission of fees and necessary formalities for five year by the collector.
3. The licences provided under these rules can be inspected by officials of the rank sub inspector or lower for excise department and naib tahsiladar or lower for revenue department and others as nominated by state govt. The licensee has to maintain necessary registers pertaining to cultivation and storage of hemp. These registers will include details of farming, sale-purchase, storage and use of hemp for commercial and industrial purpose. The statement of account and his license will be produced by the licensee on demand by any competent authority.
4. The licensee is bound to follow provisions of The Narcotic Drugs and Psychotropic Substances Act 1985. In case of any violation he will be liable for prosecution under various sections of NDPS Act 1985.
5. Other than the permissible usage of hemp for commercial and industrial usage no part of the crop will be used by the licensee for his own use/ consumption or for sale-purchase nor will he allow any other person to do so. Licensee will use any part of his crop for commercial and industrial purposes following the customs and regulations meant for the purpose.
6. Collectors are authorised to cancel any license with reasons in writing. In case of any violation of any condition under NDPS Act 1985, than collector can cancel the licence. Post cancellation or surrender of licence the settlement of leftover stock or crop will be as per the instructions of licencing officer.
7. The format for applications and licences for commercial and industrial cultivation of hemp and permissible storage will be decided by the Excise Commissioner.

Yours faithfully

Sd/-

(CS Napalchyal)

Secretary