



LAWS AND REGULATIONS

PROMULGATED TO GIVE EFFECT TO THE PROVISIONS OF THE CONVENTION OF 13 JULY 1931 FOR LIMITING THE MANUFACTURE AND REGULATING THE DISTRIBUTION OF NARCOTIC DRUGS, AS AMENDED BY THE PROTOCOL OF 11 DECEMBER 1946

FRENCH INDIA

COMMUNICATED BY THE GOVERNMENT OF

FRANCE

NOTE BY THE SECRETARY-GENERAL

The Secretary-General has the honour to communicate the following legislative text.

Original: French

Extract from the Journal Officiel of French India, dated 19 December 1951, page 694, first column.

NARCOTICS

Specifications, clauses and conditions relating to the allocation of the right to import, manufacture and sell opium, poppy heads, banguy, gouly, choroche, chandu and all other derivatives of opium or any other narcotic drugs in Pondicherry, Karikal, Mahé and Yanaon.

1. AUCTION

Article 1. According to the terms of the General Council's decisions of 15 November 1910, 30 November 1925 and 30 November 1935, approved by the decrees of 28 September 1912, 14 April 1926 and 18 November 1936, the right to import, manufacture and sell opium, poppy heads, banguy, gouly, choroche, chandu and other derivatives of opium or any other narcotic drugs shall be leased by public auction at Pondicherry, Karikal, Mahé and Yanaon for a period of one year.

Article 2. The lots put up for auction shall be divided as follows:

At Pondicherry - 2 lots each comprising 28 seers of opium.

At Karikal - 2 lots each comprising 38 seers 40 tolas of opium.

At Mahé - 1 lot of 4 seers 16 tolas of opium.

At Yanaon - 1 lot of 45 seers 40 tolas of opium.

The date, time and place of the auction shall be published in the Journal official of the colony and on bills posted on the doors of town halls and all other places where public notices are regularly posted. The notice shall appear in several issues of the Journal official, and bills shall be posted at least 10 days prior to the auction.

Article 3. The auction shall be carried out by means of written bids, stamped and enclosed in a sealed envelope. These envelopes shall be deposited on the table of the committee specified in article 4 within fifteen minutes of the opening of the meeting.

Each bid must be submitted on a special form stating clearly:

- (1) The name, filiation and address of the bidder;
- (2) The name, filiation and address of the person named as guarantor; The bid shall be signed by the bidder and his guarantor.
 Unsigned bids shall be invalid.

The following supporting documents shall be attached to each bid:

- (a) Extract from the police records or, failing that, a certificate showing enrolment on the electoral rolls;
- (b) Receipt for the payment of an interim security fixed at 100 rupees for Pondicherry and Karikal;
 - 10 rupees for Mahé;
 - 50 rupees for Yanaon.

The interim security money shall be paid to the cashier's office of the Tax Department at Pondicherry, Karikal and Yanaon, and to the chief Treasury official at Mahé,

(c) A Treasury certificate certifying that the bidder has paid to the proper authority all the sums due.

The following shall not be declared licensed agents:

- (1) Former licensed agents who on the date of the auction are still in arrears as regards the payment of direct and indirect taxes;
- (2) Persons who have not submitted the above-mentioned documents.

Bidders may obtain bid-forms free of charge at town halls and at the offices of the Tax Department and Tax Collectors. The reserve price of each lot is fixed by the head of the Tax Department and is indicated in the auction notice.

Article 4. The auction committee shall be composed as follows:
At Pondicherry:

Chairman: the head of the Tax Department or, should he be prevented from attending, a tax inspector,

A member of the Tax Department appointed by the head of that service,

A representative of the Treasurer and Paymaster.

At Karikal:

Chairman: a representative of the head of the Tax Department,
A representative of the Administrator,
The official in charge of the Treasury, or his representative.

At Mahé and Yanaon:

Chairman: the Administrator,
A representative of the head of the Tax Department,

The official in charge of the Treasury or his representative.

Article 5. The Committee may reject any bidders and guarantors who do not meet the required conditions or who do not submit adequate proof of solvency; it need not adduce any reason for so doing.

At the end of the meeting the person who has submitted the most advantageous bid shall be declared "provisional licensed agent", the decision in his favour becoming final only when the Governor has given his approval.

The record of the auction shall be entered in writing in a special register, which shall be signed by the members of the committee immediately after the auction and submitted for approval to the Commissioner of the Republic. An extract shall be transmitted to the Treasurer and Paymaster for purposes of collection.

- Article 6. Should the bids for one and the same lot be submitted:
 - (1) by several bidders all offering the same sum, a new auction shall take place immediately, if the persons concerned are present or are legally represented, or within a certain period to be prescribed by the Committee. In the latter case, the Chairman shall inform the persons concerned by registered letter of the date and time fixed for the second meeting and shall invite them to submit new bids. Should no new bids of varying sums be received, the licensed agent shall be drawn by lot;
 - (2) for sums which do not reach the fixed reserve price but are not more than 25 per cent less than that price, the Committee shall decide whether these offers shall be considered.

In the event of a negative decision, the lot shall be reauctioned, if necessary on the basis of a new reserve price fixed by the head of the Tax Department;

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(3) for sums that are more than 25 per cent lower than the reserve price, they shall be considered invalid.

Lastly, should there be no bids, or should the auction be declared null and void by the Commissioner of the Republic, the head of the Tax Department shall have the right to hold another auction or to award by mutual agreement the lots not auctioned. The agent thus allowed to negotiate by mutual agreement shall be subject to the same conditions and clauses as in the case of auction. The contract shall not be final until it has been approved by the Commissioner of the Republic.

Article 7. In the event of the withdrawal of the bidder declared to be the licensed agent, the sum deposited as interim security shall be declared forfeit by the Chief of the Tax Department and shall be credited to the local budget.

The sum deposited as interim security may also be declared forfeit if the provisional licensed agent fails to deposit the final security within the time-limit prescribed in the following article. The licensed agent shall then be deprived of his rights and privileges and his licence shall be put up for reallocation.

The forfeiture of rights and privileges by the licensed agent in question shall automatically entail the confiscation of the sum deposited as security. Such forfeiture shall be declared by the Tax Department upon the proposal of the Treasurer and Paymaster.

The defaulting licensed agent shall not take part in any auction of licences in any community for two years from the date of the document pronouncing the forfeiture.

2. FINAL SECURITY OR REGISTRATION OF MORTGAGE

Article 8. Within five days of the notification of the approval of the records of the auction, the bidder declared to be the licensed agent shall deposit with the Treasury and the Deposit and Consignment Office a sum amounting to sixtwelfths of the auction price, as security. This security may be deposited in two parts at the following times:

- (1) Three-twelfths of the auction price within eight days of the notification of the approval of the records of the auction or of the negotiation by mutual agreement and before any use is made of the licence.
- (2) Three-twelfths of the auction price within the first ten days of the fourth month of the utilization of the licence.

This security in cash may be replaced by security in real estate of a value of at least four-twelfths of the auction price.

Article 9. The real estate offered must be free of all claims, charges and mortgages, and this fact shall be confirmed by a certificate from the Registrar of Mortgages.

The Administration shall appraise the real estate, the expenses of the appraisal and of registration in the mortgage office being borne by the licensed agent.

Article 10. The personal guarantor required under article 3 may be replaced after the auction by the deposit of a further sum equal to the amount of the security fixed by article 8, or by property of equivalent value assessed and valued in accordance with the provisions of articles 8 and 9.

Article 11. Sums deposited as security or mortgage deeds shall serve both as surety for the payment of the right to the licence, of direct taxes and municipal

taxes, and as a guarantee that the conditions mentioned in the specifications and the obligations imposed under the regulations will be fulfilled.

The sums deposited as security may not be refunded nor may the entry of satisfaction of mortgage be effected until after the expiry of the contract. The security money shall be refunded upon the production of a certificate of release from the head of the Tax Department.

The final payments shall be automatically deducted by the accountant from the amount of the security deposited and the remainder, if any, shall be reimbursed to the licensed agent in the usual way.

This provision shall not apply to licensed agents who have been deprived of their rights and privileges, the sum deposited as security having been confiscated as a result of such action.

Article 12. No one may hold several licences.

Article 13. Each licence shall be valid for a period of one year. This period shall run from 1 January 1952. In the event of an unsuccessful auction or the disqualification of a licensed agent while the licence is still valid, the concession shall be reauctioned or reallocated by mutual agreement for the same period.

3. RIGHTS AND OBLIGATIONS OF THE LICENSED AGENTS AND THEIR GUARANTORS

Article 14. The auction price shall be paid in monthly instalments, each instalment to be payable within the first ten days of the following month.

In the event of failure to pay two monthly instalments, the defaulting agent shall be deprived of his rights and privileges and the sum deposited as security shall be confiscated and credited to the Treasury.

For this purpose, the Treasury Office shall on the 15th day of each month submit to the Central Tax Office a monthly return of licences on which two monthly payments are outstanding.

The confiscation of the sum deposited as security shall take place independently of any legal procedure which may be taken by the Treasury against the licensed agent for the recovery of the sums outstanding.

Article 15. Opium, poppy heads, banguy, gouly, choroche and chandu may not be imported, manufactured or sold by shopkeepers or merchants without the written consent of the licensed agent or of his duly authorized representatives.

No restrictions are placed on the sale price in Pondicherry and Karikal.

At Mahé the price shall be fixed in advance by the Administration, on the basis of information received from the police.

At Yanaon the price shall be fixed in advance by the Administrator on the basis of information received from the Tax Department at the time the allocation is made. The price shall be subject to change during the period of the concession.

Opium, poppy heads, gouly, choroche and chandu offered for sale must be pure, of good quality and not mixed with any harmful or other substances liable to cause adulteration.

The mere possession, as also the sale, of drugs of unmarketable quality, whatever the reason for their adulteration, shall be punishable in accordance with the provisions of article 13 of the Decree of 14 November 1832.

The import of drugs for trans-shipment shall require a permit from the Administration specifying the conditions for import and transport. Failing this, the import shall be held to be fraudulent and to have been made for the purpose of local consumption.

Article 16. The products listed in article 1 may be sold only in canteens, shops or retail establishments duly authorized by licensed agents, with the consent of the police authorities and the Tax Department.

Article 17. Licensed agents must obtain the opium they need from the United Kingdom Government.

At Pondicherry this supply shall not exceed 28 seers of opium per year for each of the two licensed agents.

The annual allocation of opium to each of the two licensed agents at Karikal shall be 38 seers 40 tolas.

At Mahé it shall be 4 seers 16 tolas of opium; at Yanaon 45 seers 40 tolas.

The head of the Tax Department at Pondicherry and his representatives in the dependencies shall decide the quantity to be delivered monthly.

Article 18. The licensed agent and the retailers shall each keep a book, which they shall provide, numbered and initialled by the head of the Tax Department or his representative, in which they shall record every sale of narcotic products to individuals. These entries shall be given a serial number and shall show the date of sale, the name, filiation and domicile of the buyer and the nature and quantity of the product sold. No blanks shall be left in the book, nor shall there be any erasures or writing between the lines, and the book shall be ruled off at the end of each day. The licensed agent shall also enter the quantity sold to retailers and shall give their names. This book shall be submitted to the representative of the Administration for inspection.

4. CESSION OF THE LICENCE

Article 19. The licensed agent and the transferee may take other persons into partnership at their own risk only; they themselves will continue to be solely responsible to the administration for all obligations imposed by the present specifications and by the regulations in force.

Article 20. The licensed agent has the right, provided his guarantors agree, to cede the licence to a third party provided the latter meets the conditions prescribed in the present specifications and those imposed by the regulations in force.

The cession shall be the subject of a deed drawn up by the Tax Department and approved by the Commissioner of the Republic.

The transferor and his guarantors shall be continually responsible for the transferee's administration.

In the event of the decease of a licensed agent, the right to use the licence shall, with the consent of his guarantors, be left to the authorized trustee of his heirs, if he so requests and if he fulfils the conditions prescribed in article 3 above.

Article 21. All other rights and obligations of the licensed agent shall be fixed by the regulations in force in the colony, namely, by the decrees, orders and regulations on indirect taxation and by the General Council's decisions of 15 November 1910 and 30 November 1925, approved by the decrees of 28 September 1912 and 14 April 1926.

Article 22. All obligations, as also all forfeitures, penalties and consequences arising from the non-fulfilment of such obligations, shall apply equally to the

licensed agent, the transferee and their guarantors, who, by the very fact of signing the bid or the deeds of transfer undertake jointly, with the licensed agent or the transferee, one acting for all and renouncing any right to discussion or division, to carry out all the duties, clauses and conditions of the auction or transfer, especially as regards the payment of duties within the prescribed time-limit.

Voluntary and mutually agreed deeds of transfer shall be drawn up on stamped paper, approved by the administration and registered at the expense of the transferee.

5. SPECIAL PROVISIONS

Article 23. Retailers and licensed agents authorized to sell direct to consumers are strictly forbidden to sell more than one tola of opium at a time to the same purchaser.

6. PUNISHMENTS AND PENALTIES

Article 24. The licensed agent shall be liable to the following penalties for any infringement of the provisions laid down or referred to in the present specifications:

- (1) the confiscation, on the ruling of the Commissioner of the Republic, of all or part of the final security prescribed in article 8.

 In the case of security in the form of real estate, the latter may be sold and the sums realized thereby confiscated, up to a total of six-twelfths of the auction price.
- (2) The withdrawal from the licensed agent of all rights and privileges, without any formal procedure, formal notice, deed, judgment or any other process.

Article 25. In all cases where the licensed agent forfeits his rights, his licence shall be either transferred by mutual consent or reauctioned for the remaining period of its validity and for the merchandise still to be delivered. He and his guarantors must pay the difference between the price received for the transfer of the licence or the new auction and the sum which he originally agreed to pay.

Lastly, the administration reserves the right to act as licensed agent should the agent concerned not exercise that privilege for any reason. In that case the licensed agent and his guarantors may be liable for the difference between the price of the auction and the sums received by the administration.

Article 27. If the licensed agent cannot use his licence during the term of the contract because of difficulties in obtaining supplies of opium, he may claim release from the payment of the remaining instalments only as from the day he ceases to use the licence.

In no case shall the Administration be liable for the payment of compensation to the licensed agent.

Article 26. Each contracting party shall have the right to cancel the contract if, for any reason, any amendment is made during its validity in the method of establishment or collection of duties.

Article~28. Any questions arising in connexion with the present specifications shabe decided by the Administration.

Pondicherry, 12 November 1951

Head of the Tax Department

Seen:

Tax Adviser

Approved. 14 November 1951 for the Commissioner of the Republic and p.o Secretary-General