

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:610
ANSWERED ON:07.05.2010
OPIUM LICENSES
Lal Shri Kirodi ;Singh Shri Ratan

Will the Minister of FINANCE be pleased to state:

- (a) the policy and the criteria for the issue license for the cultivation of opium and the mode of procurement of produce from the farmers;
- (b) the number of licenses issued and the quantity of opium produced/procured during each of the last three years, State-wise;
- (c) whether any damages were caused to the opium crop as a result of natural calamities during the last three years and the current year;
- (d) if so, the details thereof along with the action taken/proposed to be taken by the Union Government in this regard;
- (e) whether the Government has recently received any proposals regarding re-plantation of poppy; and
- (f) if so, the details thereof and the action taken by the Government thereon?

Answer

FINANCE MINISTER(SHRI PRANAB MUKHERJEE)

(a) to (f) A statement is laid on the Table of the House.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 610 FOR ANSWER ON FRIDAY, THE 7TH MAY, 2010.

1. As per Rule 5 of the Narcotic Drugs and Psychotropic Substances Rules, 1985 (NDPS Rules), cultivation of opium poppy is prohibited save in the tracts notified by the Central Government. In these tracts, the District Opium officers can issue licences to cultivate opium poppy subject to the General Licensing Conditions relating to the grant of licences notified by the Central Government(Rule 8 of the NDPS Rules). These General Conditions are notified by the Government of India every year and have been commonly referred to as the opium policies.

2. The main criteria laid down for issue of licences are the Minimum Qualifying Yield (MQY) tendered by the farmer during the previous crop year, the consistency of opium, whether it is adulterated or inferior and whether he/she has violated NDPS Act and Rules, etc.

3. The opium cultivator is required by law to tender the entire quantity of opium produced by him to the Central Government. In the month of April, the Central Bureau of Narcotics sets up procurement centres for collection of opium commonly known as Opium Weighment Centres. At these weighment centres cultivators tender the opium which they produced during the season to the District Opium Officers. The opium so collected is transferred to the Government Opium and Alkaloid Factories, Ghazipur and Neemuch for further processing.

4. State wise number of licences to cultivators of opium poppy issued during the last three years are as under:

Sl.No. Name of State State wise number of licences issued
to the opium poppy cultivators during
the crop year

2006-07 2007-08 2008-09 2009-10

1. Madhya Pradesh 34151 28286 27462 32240

2. Rajasthan 28233 18439 17337 27322

3. Uttar Pradesh 274 50 22 1226

Total 62658 46775 448241 60788

State wise quantity of opium produced during the last three years is as under:

Sl.No. Name of State State wise quantity of opium produced
at 70 degree consistence during the
crop year (in MT)

	2006-07	2007-08	2008-09	2009-10
				(Provisional)

1. Madhya Pradesh 207 103 298 401

2. Rajasthan 150 73 211 337

3. Uttar Pradesh 0.046 0.199 0.078 1

Total 357 176 509 739

5. When poppy crop of the cultivators is affected/damaged due to natural calamities such as cold waves, high winds, heavy rains, hailstorm or crop diseases etc., before commencement of lancing, the cultivators have the option to get their damaged crop uprooted fully or partially under departmental supervision. In case of full uprooting the cultivators are eligible for license during the next crop season irrespective of the fulfillment of Minimum Qualifying Yield (MQY) criteria. Similarly in case of partial uprooting the cultivators are required to tender the average yield only to the extent of the standing crop area after uprooting of the damaged crop. However, the above option of uprooting of damaged poppy crop is not available once lancing/extraction of opium latex, has commenced in the cultivator's field. If the damage to the crop occurs due to natural calamities after the commencement of lancing, a relaxation is given in the MQY while framing the General Licensing Conditions.

6. During the crop year 2006-07, there was only a slight impact of the adverse climatic conditions on poppy in parts of Rajasthan. The Government fixed a lower MQY for the next crop year (2007-08) of 56 kg/ha in MP and Rajasthan and 49 kg/ha in UP than what was originally indicated as forewarning (58 kg/ha in MP and Rajasthan and 52 kg/ha in UP).

7. During the crop year 2007-08 impact of the cold waves on the opium poppy crop was noticed and as a result, a number of cultivators had uprooted their damaged opium poppy crop before lancing, to be eligible for licence during the next crop year. The Government fixed a lower MQY for the next crop year (2008-09) of 56 kg/ha in MP and Rajasthan and 49 kg/ha in UP than what was originally indicated as forewarning (58 kg/ha in MP and Rajasthan and 52 kg/ha in UP).

8. During the crop year 2008-09, the opium poppy crop was also partially affected by diseases in the States of Madhya Pradesh and Rajasthan. As a result, a number of cultivators had uprooted their poppy crop before lancing during the crop year 2008-09, to be eligible for licence during the crop year 2009-10. The Government fixed a lower MQY for the next crop year (2009-10) of 53 kg/ha in MP and Rajasthan and 46 kg/ha in UP than what was originally indicated as forewarning (58 kg/ha in MP and Rajasthan and 52 kg/ha in UP).

9. Information on the damage to the opium poppy crop, if any, during the crop year 2009-10 will be available by July 2010 which will be considered while framing the General Licensing Conditions for the crop year 2010-11.

10. No proposal for replantation of poppy has been received by the Government of India.