

PRECURSOR CONTROL

PRESENTATION BY:
VIJAY S. SHAHASANE,
REGIONAL DIRECTOR (EX.)
NARCOTICS CONTROL BUREAU

Most of the drugs that are commonly abused in the world are either synthetic or semi synthetic and cannot be manufactured without certain chemicals commonly referred to as PRECURSOR CHEMICALS or SIMPLY PRECURSORS

NO CHEMICALS = NO DRUGS

PRECURSOR CHEMICALS

Refers to substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances

1 kg Ephedrine = 0.7 kg Methamphetamine

0.7 kg Methamphetamine = 70,000 street doses

1kg Lysergic Acid = 0.7 kg Lysergic Acid
Diethylamide (LSD)

0.7 kg LSD = 10 million dosage units

TYPES OF DRUGS

Natural Drugs

Processing with Chemicals

Semi – synthetic Drugs

Synthetic Drugs
(Chemical Based)

MANUFACTURE OF HEROIN

Opium



Morphine

Acetic Anhydride



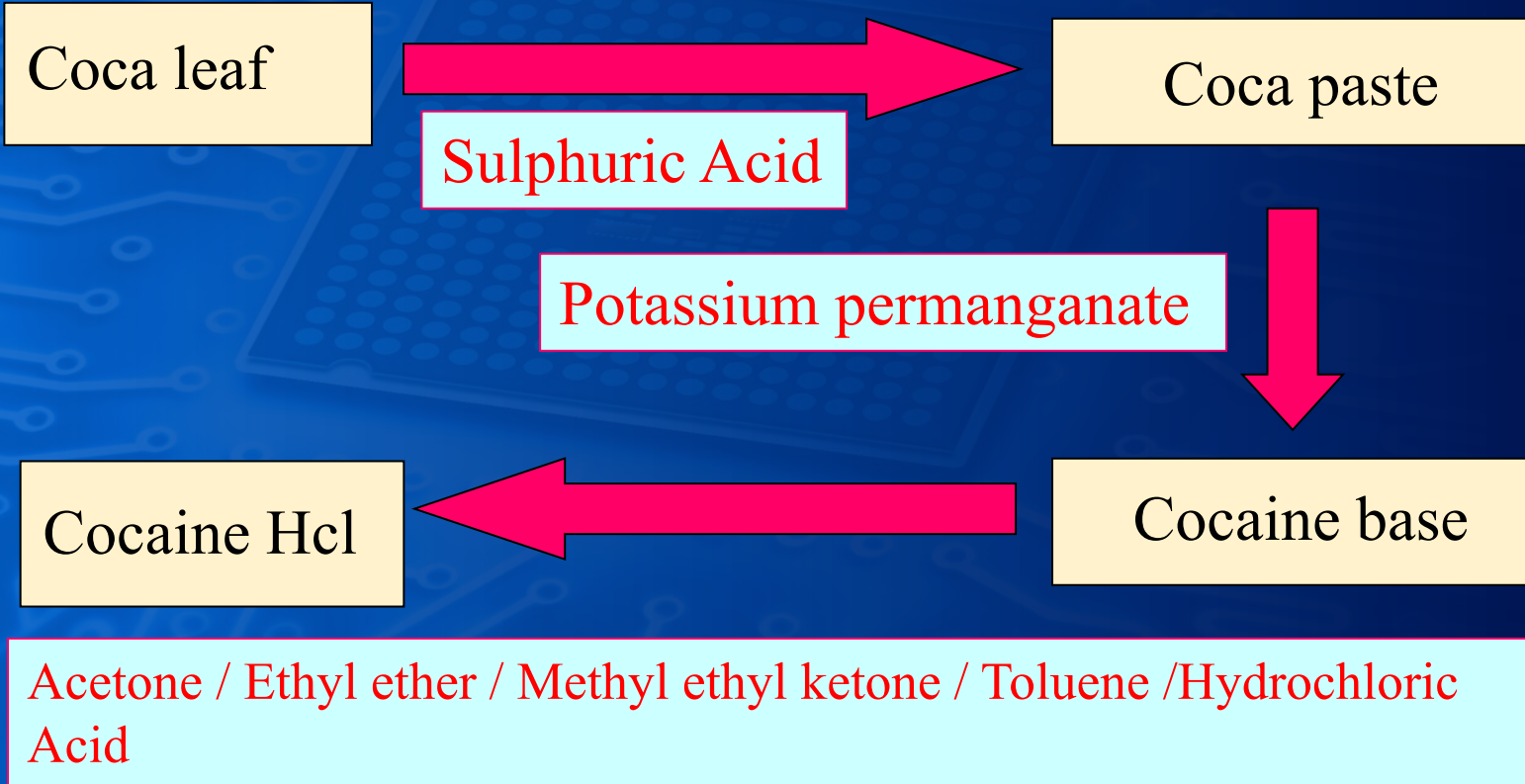
Heroin



Heroin Base

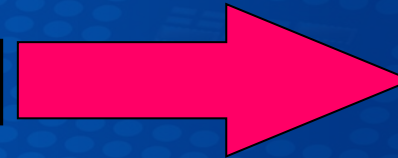
Acetone / Ethyl ether / Hydrochloric Acid

MANUFACTURE OF COCAINE



MANUFACTURE OF AMPHETAMINE

Phenylacetic acid



1-phenyl-2-propanone



Amphetamines

MANUFACTURE OF METHAMPHETAMINE

Phenylacetic acid



1-phenyl-2-propanone



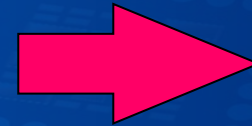
Ephedrine
Pseudo ephedrine



Methamphetamines

MANUFACTURE OF METHAQUALONE

Anthranilic Acid



N- acetylanthranilic acid



Methaqualone

**INTERNATIONAL CONTROLS
ON PRECURSOR**

UN SINGLE CONVENTION OF 1961

Article 2, Paragraph 8

“Parties shall use best endeavours to apply to substances which do not fall under this Convention but which may be used in the illicit manufacture of drugs, such measures of supervision as may be practicable’

UN CONVENTION OF 1988

Prescribed a control regime-

Establishment of certain acts relating to precursor chemicals as criminal offences (article 3)

International cooperation and training (article 9)

UN SINGLE CONVENTION OF 1988

Controlled Delivery (article 11)

Adoption of legislative, regulatory and administrative measures to monitor their manufacture, use and domestic as well as international trade (article 12)

Adoption of stricter measures by any party than those prescribed by the Convention (article 24)

CONTROLLED SUBSTANCES

TABLE - I

Acetic Anhydride, Potassium permanganate, N-acetylanthranilic acid, Ephedrine, Ergometrine, Ergotamine, Isosafrole, Lysergic acid, 3, 4-methylenedioxyphenyl-2-propanone, 1-phenyl-2-propanone, Piperonal, Pseudoephedrine, Safrole, Norephedrine. Phenylacetic acid (15)

TABLE - II

Acetone, Anthranilic acid, Ethyl ether, Hydrochloric acid, Methyl ethyl ketone, Piperidine, Sulphuric acid, Toluene.(8)

**CONTROLS ON PRECURSOR
CHEMICALS IN INDIA**

SIGNATORY TO UN CONVENTIONS

NDPS ACT 1985 HAS BEEN SUITABLY
AMENDED FROM TIME TO TIME.

REGULATION OF CONTROLLED
SUBSTANCES ORDER, 2013 FRO
PRECURSORS.

PRECURSOR CONTROL

1. NDPS (REGULATION OF CONTROLLED SUBSTANCES) ORDER, 2013. (26-03-2013)
2. THE CUSTOMS ACT, 1962
3. THE FOREIGN TRADE (DEVELOPMENT AND REGULATION ACT , 1992 AND THE FOREIGN TRADE POLICY
4. VOLUNTARY CODE OF CONDUCT.

After signing the UN Convention 1988, the NDPS Act 1985 was amended in 1989 to provide the legal frame work for Precursor Control.

An Order called NDPS (Regulation of Controlled Substances) Order 1993 was also issued with basic mechanism for Precursor Control.

Broad Provisions of NDPS Act

**w.r.t. Precursor
Chemicals**

Sec. 9 A

Power to Control and Regulate Controlled Substance

Sec. 25 A

Punishment for contravention of Orders made u/s 9A (upto 10 Yrs and Fine upto Rs. 1 Lac.

CONTROL UNDER NDPS (RCS) ORDER 2013

- Govt of India has notified seventeen precursor chemicals as controlled substances.
- Schedule-A: (5 substances whose manufacture, distribution, sale, purchase, import, export & consumption is subject to controls exercised by NCB).
- Schedule-B: (17 substances including substances of schedule A whose export from India is subject to controls by CBN).
- Schedule-C: (17 substances including substances of schedule A whose import into India is subject to controls by CBN).

PRECURSOR CONTROL

PRECURSOR CHEMICALS

LIVE

S.No.	Name of Controlled Substance	Covered Under Schedule	Date of Notification
1	Acetic anhydride	A+B+C	24-03-93
2	N-Acetylanthranilic acid	A+B+C	24-10-94
3	Ephedrine and its salts Preparations of Ephedrine in Schedule in B&C only.	A+B+C	28-12-99
			26-03-13
4	Pseudoephedrine and its salts Preparations of Pseudoephedrine in Schedule in B&C only.	A+B+C	28-12-99
			26-03-13
5	Anthranilic acid	A+B+C	26-02-03
6	Ergometrine and its salts .	B+C	26-03-13
7	Ergotamine and its salts .	B+C	26-03-13
8	Isosafrole	B+C	26-03-13
9	Lysergic acid and its salts	B+C	26-03-13
10	3,4-methylenedioxyphenyl-2-propanone	B+C	26-03-13
11	Methyl ethyl ketone	B+C	26-03-13
12	Norephedrine, its salts & preparations thereof	B+C	26-03-13
13	1-pheny -2-propanone	B+C	26-03-13
14	Phenylacetic acid and its salts	B+C	26-03-13
15	Piperonal	B+C	26-03-13
16	Potassium permanganate	B+C	26-03-13
17	Safrole and any essential oil containing 4% or more Saffrole	B+C	26-03-13

RCS ORDER 2013

3. Power to include Controlled Substance in Schedules.- The Central Government may, by notification in the Official Gazette, include any controlled substance in one or more Schedules.

4. Prohibition of manufacture, trade and commerce, possession and consumption of controlled

substance in 'Schedule-A'.- (1) No person shall manufacture, distribute, sell, purchase, possess, store, or consume any controlled substance included in Schedule-A without a unique registration number in Form-A issued by the Zonal Director of Narcotics Control Bureau:

Provided that the requirement of registration under this clause shall be complied within a period of 180 days of the coming into force of this Order:

Provided further that the Government or autonomous institutions, Schools or Colleges or Universities

recognised by the Government, registered Scientific Societies and Hospitals using any controlled substance in Schedule-A for educational, scientific and analytical purposes are exempted from the registration.

RCS ORDER 2013

- 3** (2) Every application for registration under sub-clause (1) shall be made in Form-B to the Zonal Director of Narcotics Control Bureau having jurisdiction over the area.
- (3) The Zonal Director of Narcotics Control Bureau shall issue a unique registration number in Form-A or deny the registration within thirty working days from the date of receipt of an application in Form-B.
- (5) Every person who has been registered under sub-clause (1) shall maintain daily accounts in Form-C or Form-D, as the case may be and the records of the daily accounts shall be preserved for a minimum period of five years from the date of last entry.
- (6) Every person who has been registered under sub-clause (1) shall file quarterly return in Form-E or Form-F, as the case may be, to the concerned Zonal Director of the Narcotics Control Bureau having jurisdiction over the area.
- (8) Every person who has been registered under sub-clause (1) shall immediately report regarding any loss or disappearance of the controlled substance in Schedule-A to the concerned Zonal Director of Narcotics Control Bureau within whose area of jurisdiction such loss or disappearance occurred and a copy of the report shall also be endorsed to the Director General, Narcotics Control Bureau, New Delhi.

RCS ORDER 2013

- 5. Surrender of registration.-** A holder of a registration number issued under sub-clause (1) of clause 4 may, if he so desires, surrender his registration by giving notice in writing to the issuing authority and obtaining acknowledgement therefor.
- 6. Disposal of stocks on surrender of registration.-** The stocks of controlled substance in Schedule-A as may be in the possession of a holder of a registration number issued under sub-clause (1) of clause 4, on the surrender of his registration, shall be disposed of in such manner as may be specified by the issuing authority in this behalf.
- 7. Transport of controlled substance in Schedule-A.-** (1) No consignment of controlled substance in Schedule-A shall be moved from one place to another place, within India, except when it is accompanied by a consignment Note in Form-G.

RCS ORDER 2013

LIVE

- 8. Selling of controlled substance in Schedule-A.**— No person shall sell a controlled substance in Schedule-A to a buyer who does not possess a valid registration number issued under sub-clause (1) of clause 4:
- 9. Destruction of controlled substance in Schedule-A.**- (1) Any person intending to destroy a controlled substance in Schedule-A shall apply in Form-I to the concerned Zonal Director of the Narcotics Control Bureau having jurisdiction over the area.
- 10. Export of controlled substance in Schedule-B.**- (1) No person shall export any controlled substance in Schedule-B except in accordance with the conditions of the No Objection Certificate issued by the Narcotics Commissioner.
- 11. Import of controlled substance in Schedule-C.**- (1) No person shall import any controlled substance in Schedule-C except in accordance with the conditions of the No Objection Certificate issued by the Narcotics Commissioner.

RCS ORDER 2013

12. Labeling of consignment for export or import.- (1) Every container or vessel containing a controlled substance in a consignment for export or in a consignment which is imported shall be labeled prominently giving details of the name and quantity of the controlled substance, name and address of the exporter and importer and the consignee if any.

13. Repeal and savings.- (1) The Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 1993 is hereby repealed.

Precursor Control Under The Customs Act 1962 (Notification No.60 / 91)

- (i) In the area of 50 Km along Indo-Pakistan border & 100 Km along Indo-Myanmar border, a person should not acquire / shift storage of AA exceeding Rs.15,000/- without intimating proper Officer of Customs.**
- (ii) AA as referred to in (i) shall not be kept in a place other than the intimated place.**
- (iii) Without Transport Voucher AA should not be transported. However, no voucher necessary within the village/town/city if AA not exceeded Rs.1000/-.**

- (iii)** Without Transport Voucher AA should not be transported. However, no voucher necessary within the village/town/city if AA not exceeded Rs.1000/-.
- (iv)** If AA exceeds Rs.15,000/-, accounts for manufacture / use of AA should be maintained.
- (v)** If at the time of checking, shortage of AA is found without contrary, it is presumed that AA is illegally exported and consequences shall follow accordingly.

**Seller will be responsible about buyer's
identity.**

Foreign Trade (Development & Regulation) Act And The Foreign Trade Policy

Through Foreign Trade Policy, Central Govt notifies prohibitions and restrictions on import and export of goods. Also regulates international trade in precursor chemicals.

Export of 7 Precursor Chemicals viz., Acetic Anhydride, Ephedrine, Pseudo-Ephedrine, 1-phenyl-2-propanone, 3,4-methylenedioxyphenyl-2-propanone, Methyl ethyl ketone, Potassium Permanganate, out of India requires NOC from CBN.

CONTROL OVER EXPORTS

One needs Licence from DGFT for import of Acetic Anhydride, Ephedrine & Pseudo-Ephedrine.

DGFT stipulates NOC from CBN as a pre-condition to issuing Licence.

CBN conducts necessary verification before issuing NOC.

Procedure followed for export of select chemical

In respect of 8 precursor chemicals viz. Anthranilic Acid, Acetic Anhydride, Ephedrine, Pseudoephedrine, 1-Phenyl-2-Propanone, 3,4-Methylenedioxyphenyl-2-Propanone, Methyl Ethyl Ketone and Potassium Permanganate, the control is exercised through NOC prior to their export.

Before permitting export it is checked as to whether the exporter has supplied the original import certificate issued by the CA of importing country

The PEN is not issued in the following cases:

- In case the importing country does not issue import certificate for the import of precursor chemicals
- When the import certificate issued by the CNA of the importing country does not match with that of import certificate in our record
- When the importer is new or not known to this office

Pre-Export Notification

Pre-Export Notification contains the following information:

- 1) Name of the Importer and Exporter**
- 2) Quantity to be exported**
- 3) Point of exit from India and Point of entry into Importing country**
- 4) Means of transport**
- 5) Route to be taken by the consignment**
- 6) Import Certificate number if any**

EXPORT NOTIFICATION

When the exporter has exported the consignment after getting NOC from the CBN, the following details are notified to importing country:

1. Name of Exporter and Importer
2. Date of dispatch and expected date of arrival at the importing country
3. Point of entry in the Importing Country
4. Shipping details such as name of vessel, carrier etc.
5. Name of transshipment country.



LIVE

VOLUNTARY CODE OF CONDUCT

VOLUNTARY CODE OF CONDUCT (VCC)

- **VOLUNTARY INITIATIVE OF THE MANUFACTURERS**
- **VCC ESTABLISHES A COMMON SYSTEM TO BE FOLLOWED BY MANUFACTURERS, DEALERS AND DISTRIBUTORS TO PREVENT DIVERSION**
- **SALE ONLY AFTER PROPER VERIFICATION OF BUYERS**



VOLUNTARY CODE OF CONDUCT (VCC)

- **DESPATCHES ONLY AFTER CONFIRMATION OF PURCHASE ORDER**
- **SPECIAL PACKING**
- **TRANSPORTATION THROUGH RELIABLE AGENTS**

Methods of Diversion

From International Trade

- ❏ Forged NOCs
- ❏ NOCs issued by other than CAs
- ❏ Manipulation of Qty, validity, etc in NOC
- ❏ Declaration of different value than actual
- ❏ Involvement of many intermediaries
- ❏ Misdeclaration / mislabeling of consignments
- ❏ Order against non-existing firms
- ❏ Removal of goods enroute during / after loading
- ❏ Concealment / change in the mode of transportation & route

BORDER CONTROLS UNDER CUSTOMS ACT

Acetic Anhydride	Pakistan & Myanmar	Acetic Anhydride notified as a specified substance within the area of 100 km along the Indo –Myanmar border and 50 km along the Indo-Pak border, all persons who own, possess or transport acetic anhydride should maintain records & report to Custom Department.
Ephedrine & Pseudo-ephedrine	Myanmar	Ephedrine and Pseudo-ephedrine notified as specified substance, for the purpose of checking their illegal export and facilitating the detection within the 50 Kms along the Myanmar falling in the territories of Nagaland, Manipur, Mizoram and Arunachal Pradesh.
Codeine	Bangladesh	The drug formulation containing Codeine or its salts notified as specified goods for the purpose of checking their illegal export and facilitating the detection with in 50 Kms in India's land border with Bangladesh falling within the territories of West Bengal, Tripura, Assam, Meghalaya and Mizoram.

CHALLENGES

- DELICATE BALANCE BETWEEN LEGITIMATE TRADE AND CONTROL MEASURES AGAINST DIVERSION
- LEGAL ISSUES- PUNISHMENT UPTO 10 YEARS- PITNDPS & ASSET SEIZURE DO NOT APPLY.
- SELF REGULATION THROUGH VCC Vs BUSINESS GOALS & PROFIT

Thank You