

THE PETROLEUM ACT, 1934

[Act 30 of 1934, dt. 6-9-1934]

An Act to consolidate and amend the law relating to the import, transport, storage, production, refining and blending of petroleum ¹[xxx].

WHEREAS it is expedient to consolidate and amend the law relating to import, transport, storage, production, refining and blending of petroleum ¹[xxx]. It is hereby enacted as follows:

PRELIMINARY

1. Short title, extent and commencement

(1) This Act may be called the Petroleum Act, 1934.

²[(2) It extends to the whole of India ³[xxx].]

(3) It shall come into force on such date⁴ as the Central Government may, by notification in the official Gazette, appoint.

2. Definitions

In this Act unless there is anything repugnant in the subject or context—

(a) “Petroleum” means any liquid hydro-carbon or mixture of hydro-carbon and any inflammable mixture (liquid, viscous or solid) containing any liquid hydro-carbon;

⁵[(b) “petroleum Class A” means petroleum having a flash-point below twenty-three degrees centigrade;

(bb) “petroleum Class B” means petroleum having flash-point of twenty-three degrees centigrade and above but below sixty-five degrees centigrade;

(bbb) “petroleum Class C” means petroleum having a flash-point of sixty-five degrees centigrade and above but below ninety-three degrees centigrade;]

(c) ⁶[“flash-point”] of any petroleum means the lowest temperature at which it yields a vapour which will give a momentary flash when ignited, determined in accordance with the provisions of Chapter II and the rules made thereunder;

⁷[(d) “to transport petroleum” means to move petroleum from one place to another in India and includes moving from one place to another in India across a territory which is not part of India;]

(e) “to import petroleum” means to bring it into ⁸[India] by land, sea or air otherwise than during the course of transport;

(f) “to store petroleum” means to keep it in any one place, but does not include any detention happening during the ordinary course of transport;

¹ Words “and other inflammable substances” omitted by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted by AO 1950.

³ Words “except the State of Jammu and Kashmir” omitted by Act 62 of 1956, w.e.f. 1-11-1956.

⁴ Enforced w.e.f. 30-3-1937.

⁵ Substituted by Act 24 of 1970, w.e.f. 1-8-1976.

⁶ Substituted for “flashing-point”, *ibid.*

⁷ Substituted, *ibid.*

⁸ Substituted for “the territories to which this Act extends” by Act 62 of 1956, w.e.f. 1-11-1956.

- (g) “motor conveyance” means any vehicle; vessel or aircraft for the conveyance of human beings, animals or goods, by land, water or air, in which petroleum is used to generate the motive power;
- (h) “prescribed” means prescribed by rules made under this Act.
¹[xxx].

COMMENTS

Petroleum

Unlike the Indian Petroleum Act, 1899, under the present Act of 1934, petroleum has been categorised as “Petroleum Class A”, “Petroleum Class B” and “Petroleum Class C”, depending upon the flash point, but the definition of “petroleum” remains the same as it was under old Act.

As per section 1 of Act 1862, ‘petroleum’ included any product thereof that give off an inflammable vapour at a temperature of less than 100 degrees fahrenheit. In Act 1868 it included all such rock oil, Rangoon oil, Burma oil, any product of them and any oil, made from petroleum, coal, schist, shale, peat, or other bituminous substance, as gives off inflammable vapour at a temperature of less than 100 degree fahrenheit. A composition used for coating ship’s bottoms which contained 33 per cent of petroleum oil and an equal quantity of linseed oil mixed with pigments, gum, etc., so as to form a paint or paste as it gave an inflammable vapour at a temperature of less than 73 degree fahrenheit, notwithstanding that it was mixed with other ingredients, it was held to be petroleum under Act 1871 and 1879.

The definition of ‘petroleum’ in the Indian Petroleum Act, Act VIII of 1899, was of the categorical kind. Section 2, defined the term “petroleum” as follows:—

“petroleum” includes also—

- (i) the liquids commonly known by the names of rock oil, Rangoon oil, Burma oil, paraffin oil, mineral oil, kerosene, petroline, gasoline, benzine and benzol;
- (ii) any inflammable liquid which is made from petroleum, coal, schist, peat or any other bituminous substance, or from any product of petroleum; and
- (iii) any liquid, or viscous mixture having in its composition any of the liquids aforesaid;
- (iv) but it does not include any oil ordinarily used for lubricating purposes and having its flashing point at or above two hundred degrees of fahrenheit’s thermometer.”

The term “petroleum” as used in the Petroleum (Consolidation) Act, 1928 included crude petroleum oil from petroleum, or from coal, shale, peat or other bituminous substances, and other products of petroleum. It includes kerosene although it has not been implicitly stated thus under the Petroleum Act as to whether kerosene could be said to be a dangerous petroleum but surely commonsense would suggest that it be included in non-dangerous petroleum.—*K.C. Sachdeva v. State, (1976) 2 Cr LJ 1208 p. 1209*

Cinematograph films having nitrocellulose base will fall within definition of ‘petroleum’.—*1984 AIR 34. Petroleum includes Kerosene oil also.—Sachdeva, K.C. v. State (1976) 2 Cri LJ 1208*

Flash point

‘Flash point’ of any petroleum means the lowest temperature at which the petroleum yields a vapour which will furnish a momentary flash or flame when ignited according to the provisions of Chapter II of the Act, Sections 14 to 22 and the rules made thereunder in Chapter X of the rules which is embodied in rules 187 to 189.

To Transport Petroleum

The expression “to transport petroleum” means to move petroleum from one place to another in India and also across a territory which is not a part of India.—*Superintendent and Remembrancer of Legal Affairs—Indur Chandra Das, AIR 1932 Cal 456*

¹ Clause (i) omitted by Act 3 of 1951, w.e.f. 1-4-1951.

To Import

Expression “to import” means, to bring petroleum into the territory of India by any means, whether by land, sea or air, but it does not comprehend petroleum in the course of transport.—*Govind Ram v. King Emperor, AIR 1924 All 558*

If once the petroleum comes across the border of the country for and on account of the accused with his consent the offence of importing into India is complete, if it has been brought without a licence in an unauthorised way. It did not cease to be imported by the accused simply because it had been interrupted in transit by the customs authorities.—*Ram Tikaya v. The Crown AIR 1927 Lah 191*

Prescribed

In exercise of the powers conferred by sections 4, 5, 14, 21, 22 and 29(1) of the Petroleum Act, 1934, the Central Government made the Petroleum Rules, 1976 which came into force on 1-8-1976.

CHAPTER I
CONTROL OVER PETROLEUM

3. Import, transport and storage of petroleum

(1) No one shall import, transport or store any petroleum save in accordance with the rules made under section 4.

(2) Save in accordance with the conditions of any licence for the purpose which he may be required to obtain by rule made under sec. 4, no one shall import ¹[Petroleum Class A], and no one shall transport or store any petroleum.

COMMENTS

No licence is needed for import, transport or storage of small quantities of petroleum Class A and transport or storage of limited quantities of petroleum Class B or petroleum Class C.

Kerosene is not “dangerous petroleum” and no licence is necessary to store less than 500 gallons in drums of less than 50 gallons capacity and thus, the charge for possessing Kerosene of less than 500 gallons without licence is unsustainable.—*K.C. Sachdeva v. State (1976) 2 Cri LJ 1208*

4. Rules for the import, transport of petroleum

The ²[Central Government] may make rules—

- (a) prescribing places where petroleum may be imported and prohibiting its import elsewhere;
- (b) regulating the import of petroleum;
- (c) prescribing the periods within which licences for the import of ¹[Petroleum Class A] shall be applied for, and providing for the disposal, by confiscation or otherwise, of any ¹[Petroleum Class A] in respect of which licence has not been applied for within the prescribed period or has been refused and which has not been exported;
- (d) regulating the transport of petroleum;
- (e) specifying the nature and condition of all receptacles and pipelines in which petroleum may be transported;
- (f) regulating the places at which and prescribing the conditions subject to which petroleum may be stored;

¹ Substituted for “any dangerous petroleum” by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted for “Governor-General-in-Council” by AO 1937.

- (g) specifying the nature, situation and condition of all receptacles in which petroleum may be stored;
- (h) prescribing the form and conditions of licence for the import of ¹[Petroleum Class A] and for the transport or storage of any petroleum, the manner in which applications for such licences shall be made, the authorities which may grant such licences and the fees which may be charged for such licences;
- (i) determining in any class of cases whether a licence for the transport of petroleum shall be obtained by the consignor, consignee or carrier;
- (j) providing for the granting of combined licences for the import, transport and storage of petroleum, or for any two of such purposes;
- (k) prescribing the proportion in which any specified poisonous substance may be added to petroleum and prohibiting the import, transport or storage of petroleum, in which the proportion of any specified poisonous substance exceeds the prescribed proportion; and
- (l) generally, providing for any matter which in ²[its] opinion is expedient for proper control over the import, transport and storage of petroleum ³[including the charging of fees for any service rendered in connection with the import, transport and storage of petroleum].

5. Production, refining and blending of petroleum

(1) No one shall produce, refine or blend petroleum save in accordance with the rules made under sub-section (2).

(2) The ⁴[Central Government] may make rules—

- (a) prescribing the conditions subject to which petroleum may be produced, refined or blended; and
- (b) regulating the removal of petroleum from places where it is produced, refined or blended and preventing the storage therein and removal therefrom, except as ¹[Petroleum Class A] of any petroleum which has not satisfied the prescribed tests.

⁵[xxx]

COMMENTS

Section 5 imposes restrictions as to the production, refining and blending of petroleum which could be done only in accordance with the rules framed by the Central Government prescribing the conditions subject to which petroleum may be produced, refined or blended and the regulations imposed for regulating the removal of petroleum from places where it is produced, refined or blended and preventing the storage therein and removal therefrom of any petroleum without prescribed and certified testing. Petroleum Class A is not covered by these regulations.

The relevant rules governing production, refining and blending of petroleum are given 'in the Petroleum Rules, 2002, Chapters VII, VIII and IX, relating to "licences", "Refining and Blending of petroleum", "Tetra Ethyl Lead Mixtures", and "Testing of petroleum", respectively.

¹ Substituted for "dangerous petroleum" by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted for "his" by AO 1937.

³ Inserted by Act 24 of 1970, w.e.f. 1-8-1976.

⁴ Substituted for "Governor-General-in-Council" by AO 1937.

⁵ Sub-section (3) omitted by AO 1937.

6. Receptacles of dangerous petroleum to show a warning

All receptacles containing ¹[Petroleum Class A] shall have a stamped, embossed, painted or printed warning either on the receptacle itself, or, where that is impracticable, displayed near the receptacle, exhibiting in conspicuous characters the words "Petrol" or "Motor Spirit", or an equivalent warning of the dangerous nature of the petroleum:

PROVIDED that this section shall not apply to—

- (a) any securely stoppered glass, stoneware or metal receptacle of less than ²[ten litres] capacity containing ¹[Petroleum Class A] which is not for sale; or
- (b) a tank incorporated in a motor conveyance, or attached to an internal combustion engine, and containing petroleum intended to be used to generate motive power for the motor conveyance or engine; or
- (c) a pipe-line for the transport of petroleum; or
- (d) any tank which is wholly underground; or
- (e) any class of receptacles which the Central Government may, by notification in the Official Gazette, exempt from the operation of this section.

³[7. No licence needed for transport or storage of limited quantities of petroleum Class B or petroleum Class C

Notwithstanding anything contained in this Chapter, a person need not obtain a licence for the transport or storage of—

- (i) petroleum Class B if the total quantity in his possession at any one place does not exceed two thousand and five hundred litres and none of it is contained in a receptacle exceeding one thousand litres in capacity; or
- (ii) petroleum Class C if the total quantity in his possession at anyone place does not exceed forty-five thousand litres and such petroleum is transported or stored in accordance with the rules made under sec. 4.]

COMMENTS

A person who has no intention of storing or keeping petroleum but merely orders it with the intention of having it stored on licensed premises belonging to another person, is not required to have a licence under the Act or the rules framed thereunder.—*Kalabhai Mahomedalli v. Emperor*, AIR 1937 Bom 11

Kerosene is not 'dangerous petroleum' and no licence is needed to store less than 500 gallons' capacity. In the instant case it is not disputed that ten drums of kerosene oil were found in the premises of the applicant, the capacity of one drum being less than 50 gallons hence, the said ten drums could not have been more than 500 gallons; and in view of Section 7 of the Petroleum Act no licence is required if the quantity of kerosene oil stored does not exceed 500 gallons.—*K.C. Sachdeva v. State (1976) 2 Cr LJ 1208*

³[8. No licence needed for import, transport or storage of small quantities of petroleum Class A

(1) Notwithstanding anything contained in this Chapter, a person need not obtain a licence for the import, transport or storage of petroleum Class A not intended for sale if the total quantity in his possession does not exceed thirty litres.

¹ Substituted for "dangerous petroleum" by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted for "two gallons", *ibid.*

³ Substituted, *ibid.*

(2) Petroleum class A possessed without a licence under this section shall be kept in securely stoppered receptacles of glass, stoneware or metal which shall not, in the case of receptacles of glass or stone ware, exceed one litre in capacity or, in the case of receptacles of metal, exceed twenty-five litres in capacity.]

9. Exemptions for motor conveyance and stationary engines

(1) The owner of a motor conveyance, who complies with the requirements of the law for the time being in force relating to the registration and licensing of such conveyance and its driver or pilot and the owner of any stationary internal combustion engine, shall not be required to obtain a licence—

(a) for the import, transport or storage of any petroleum contained in any fuel tank incorporated in the conveyance or attached to the internal combustion engine; or

(b) for the transport or storage of ¹[Petroleum Class A], not exceeding ²[one hundred litres] in quantity in addition to any quantity possessed under Cl.

(a):

PROVIDED that the petroleum is intended to be used to generate motive power for the motor conveyance or engine:

³[PROVIDED FURTHER that the total quantity of ¹[Petroleum Class A] which may be stored without a licence under cl. (b) shall not exceed ²[one hundred litres] notwithstanding that such owner may possess other motor conveyance or engines.

(2) ¹[Petroleum Class A] transported or stored without a licence ³[under clause (b) of sub-section (1)] shall be kept as provided in sub-section (2) of Sec. 8, and, if it exceeds ⁴[thirty litres] in quantity, shall be stored in an isolated place which does not communicate with any room where any person resides or works or in any room where persons assemble.

10. No licence needed by railway administration acting as carrier

Notwithstanding anything contained in this Chapter, a railway administration, as defined in sec. 3 of the Indian Railways Act, 1890 (9 of 1890)⁵, need not obtain any licence for the import or transport of any petroleum in its possession in its capacity as carrier.

COMMENTS

Railway administration have elaborate rules for the carriage of petroleum by rail as provided in the Indian Railways Act and the Rules made thereunder. Consequently s. 10 of the Petroleum Act exempts them from the need of taking out any licence in respect of petroleum in their possession as carrier.

⁶[11. Exemption of heavy oils

Nothing in this Chapter shall apply to any petroleum which has its flash-point not below ninety-three degrees centigrade.]

12. General power of exemption

The ⁷[Central Government] may, by notification in the Official Gazette, exempt any petroleum specified in the notification from all or any of the provisions of this Chapter.

1 Substituted for "dangerous petroleum" by Act 24 of 1970, w.e.f. 1-8-1976.

2 Substituted for "twenty gallons", *ibid.*

3 Inserted by Act 25 of 1940.

4 Substituted for "six gallons", *ibid.*

5 Now refer the Railways Act 1989 (24 of 1989).

6 Substituted by Act 24 of 1970, w.e.f. 1-8-1976.

7 Substituted for "Governor-General-in-Council" by AO 1937.

COMMENTS

The power to grant exemption under this section is a general power of the Central Government provided by the Legislature.

13. Inspection of places

(1) The ¹[Central Government] may authorize any officer by name or by virtue of office to enter any place where petroleum is being imported, stored, produced, refined, or blended, or is under transport, and inspect all receptacles, plant and appliances used in connection with petroleum in order to ascertain if they are in accordance with the provisions of this Chapter and the rules made thereunder.

(2) The ¹[Central Government] may make rules regulating the procedure of officers authorized under this section.

COMMENTS

The Act provides for three types of inspections and so it has been mentioned in sections 13, 14 and 26 of this Act. Section 13 relates chiefly to administrative inspections by qualified technical inspectors. Section 14 gives a purely routine power to take samples for testing of any petroleum found therein. Section 26 is intended to bring to light evasions of the Act, particularly the concealment of unlicensed stocks, and contains a power of entry and search. The powers under these three sections are kept separate as they may be exercised by different officers.

CHAPTER II**THE TESTING OF PETROLEUM****14. Inspection and sampling of petroleum**

(1) The ¹[Central Government] may, by notification in the Official Gazette, authorize any officer by name or by virtue of office to enter any place where petroleum is being imported, transported, stored, produced, refined or blended and to inspect and take samples for testing of any petroleum found therein.

(2) The ¹[Central Government] may make rules—

- (a) regulating the taking of samples of petroleum for testing;
- (b) determining the cases in which payment shall be made for the value of samples taken and the mode of payment; and
- (c) generally, regulating the procedure of officers exercising powers under this section.

COMMENTS

All tests of petroleum under the Act will have to be carried out by specially appointed testing officers issuing certified instruments. Any private enterprise may submit a test apparatus of its own for certification.

Whoever for the time being in control or in charge of any place where petroleum is being imported, transported, stored, produced, refined or blended, refuses, or neglects to show to any officer authorised under this section any petroleum in such place, or to give him such assistance as he may require for the inspection of such petroleum or refuses to allow him to take samples of the petroleum, shall be punishable with simple imprisonment which may extend to one month with or without fine which may extend to one thousand rupees.

¹ Substituted for "Governor-General-in-Council" by AO 1937.

15. Standard Test Apparatus

(1) A standard apparatus for determining the ¹[flash-point] of petroleum shall be deposited with an officer to be appointed in this behalf by the ²[Central Government] by notification in the Official Gazette.

(2) Such apparatus shall be engraved with the words "Standard Test Apparatus", and shall be verified and corrected from time to time and replaced, when necessary, in accordance with rules made under section 21.

(3) The Standard Test Apparatus shall, on payment of the prescribed fee, be open to inspection at all reasonable times by any person wishing to inspect it.

COMMENTS

Chapter X of the Petroleum Rules, 2002 deals with standard test apparatus, method of test, procedure when tests show want of uniformity, certificates of test, Register of certificates, fee for inspection and comparison and fee of testing.

16. Certification of other test apparatus

(1) The officer appointed under section 15 shall, on payment of the prescribed fee, if any, compare with the Standard Test Apparatus and apparatus for determining the ¹[flash-point] of petroleum which may be submitted to him for this purpose.

(2) If any apparatus is found by him to agree with the Standard Test Apparatus within prescribed limits, the officer shall engrave such apparatus with a special number and with the date of the comparison, shall give a certificate in respect of it in the prescribed form, certifying that on the said date the apparatus was compared with the Standard Test Apparatus and was found to agree with it within the prescribed limits, and specifying any corrections to be made in the results of test carried out with the apparatus.

(3) A certificate granted under this section shall be valid for such period as may be prescribed.

(4) A certificate granted under this section shall, during the period for which it is valid, be proof, until the contrary is proved, of any matter stated therein.

(5) The officer shall keep a register in the prescribed form of all certificates granted by him under this section.

COMMENTS

After comparison if the apparatus is found to agree with the Standard Test Apparatus within the prescribed limits, the officer shall engrave such apparatus with a special number with the date of such comparison and grant a certificate along with the same, specifying any corrections to be made in the results of tests carried out with the apparatus.

17. Testing officers

The ²[Central Government] may authorize any officer by name or by virtue of office to test petroleum of which samples have been taken under this Act, or which may have been submitted to him for test by any person, and to grant certificates of the results of such tests.

18. Manner of test

All tests of petroleum made under this Act shall be made with a test apparatus in respect of which there is valid certificate under Sec. 16, shall have due regard to any

¹ Substituted for "flashing-point" by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted for "Governor-General-in-Council" by AO 1937.

correction specified in that certificate, and shall be carried out in accordance with rules made under Sec. 21.

19. Certificate of testing

¹[(1) The testing officer after testing samples of petroleum shall make out a certificate in the prescribed form, stating whether the petroleum is petroleum Class A or petroleum Class B or petroleum Class C, and if the petroleum is petroleum Class B or petroleum Class C, the flash-point of the petroleum.]

(2) The testing officer shall furnish the person concerned, at his request, with a certified copy of the certificate, on payment of the prescribed fee, and such certified copy may be produced in any court in proof of the contents of the original certificate.

¹[(3) A certificate given under this section shall be admitted as evidence in any proceedings which may be taken under this Act in respect of the petroleum from which the samples were taken, and shall, until the contrary is proved to be conclusive proof, that the petroleum is petroleum Class A or petroleum class B or petroleum Class C, and, if the petroleum Class B or petroleum Class C, of its flash-point.]

COMMENTS

This section obligates the testing officer to prepare the certificate in the prescribed form, classify the petroleum, and mention in case of Class B or C petroleum, the flash-point of the petroleum, to issue a certified copy of the certificate which is to be admitted in evidence in any proceedings under this Act as conclusive proof, regarding its classification to Class A, B or C petroleum and its flash-point unless the contrary is proved.

20. Right to require re-test

(1) The owner of any petroleum, or his agent, who is dissatisfied with the result of the test of the petroleum may, within seven days from the date on which he received intimation of the result of the test, apply to the officer empowered under sec. 14 to have fresh samples of the petroleum taken and tested.

(2) On such application and on payment of the prescribed fee, fresh samples of the petroleum shall be taken in the presence of such owner or agent or person deputed by him, and shall be tested in the presence of such owner or agent or person deputed by him.

(3) If, on such re-test, it appears that the original test was erroneous, the testing officer shall cancel the original certificate granted under sec. 19, shall make out a fresh certificate, and shall furnish the owner of the petroleum, or his agent, with a certified copy thereof, free of charge.

21. Power to make rules regarding tests

The ²[Central Government] may make rules—

- (a) for the specification, verification, correction and replacement of the Standard Test Apparatus;
- (b) prescribing fees for the inspection of the Standard Test Apparatus;
- (c) regulating the procedure in comprising a test apparatus with the Standard Test Apparatus;
- (d) prescribing the form of certificate to be given in respect of a test apparatus so compared, and the period for which such certificates shall be valid;
- (e) prescribing the form of the register of such certificate;

¹ Substituted by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted for "Governor-General-in-Council" by AO 1937.

- (f) prescribing fee for comprising a test apparatus with the Standard Test Apparatus;
- (g) regulating the procedure of testing officer in carrying out tests of petroleum, providing for the averaging of results where several samples of the same petroleum are tested, and prescribing the variations from standard temperature which may be allowed;
- (h) prescribing the form of certificates of tests of petroleum and the fees which may be charged therefor;
- (i) providing, where the results of the testing of samples raise a doubt as to the uniformity of the quality of the petroleum in any lot under test, for the division of the lot into sub-lots, and for the selection and testing of samples of each sub-lot and for the averaging of results in accordance with the results of those samples;
- (j) prescribing fees for re-tests under section 20 and providing for their refund where the original test was erroneous; and
- (k) generally, regulating the procedure of all officers performing duties connected with the testing of petroleum, and providing for any matter incidental to such testing.

22. Special rules for testing viscous or solid forms of petroleum

The ¹[Central Government] may also make rules providing specially for the testing of any form of petroleum which is viscous or solid or contains sediment or thickening ingredients, and such rules may modify or supplement any of the provisions of this Chapter or of the rules made under section 21 in order to adapt them to the special needs of such tests.

CHAPTER III
PENALTIES AND PROCEDURE

23. General penalty for offences under this Act

(1) Whoever—

- (a) in contravention of any of the provisions of Chapter 1 or of any of the rules made thereunder, imports, transports, stores, produces, refines or blends any petroleum; or
- (b) contravenes any rule made under sec. 4 or sec. 5; or
- ²(c) being the holder of a licence issued under sec. 4 or a person for the time being placed by the holder of such licence in control or in charge of any place where petroleum is being imported or stored, or is under transport, contravenes any condition of such licence or suffers any condition of such licence to be contravened; or]
- (d) being for the time being in control or in charge of any place where petroleum is being imported, stored, produced, refined or blended or is under transport, refuses or neglects to show to any officer authorized under section 13 any receptacle, plant or appliance used in such place in connection with petroleum, or in any way obstructs or fails to render reasonable assistance to such officer during an inspection; or

¹ Substituted for "Governor-General-in-Council" by AO 1937.

² Substituted by Act 3 of 1941.

- (e) being for the time being in control or in charge of any place where petroleum is being imported, transported, stored, produced, refined or blended, refuses or neglects to show to any officer authorized under section 14 any petroleum in such place, or to give him such assistance as he may require for the inspection of such petroleum, or refuses to allow him to take samples of the petroleum; or
- (f) being required, under section 27, to give information of an accident, fails to give such information as so required by that section,

shall be punishable ¹[with simple imprisonment which may extend to one month or with fine which may extend to one thousand rupees, or with both].

(2) If any person, having been convicted of an offence punishable under sub-section (1) is again guilty of any offence punishable under that sub-section he shall be punishable for every such subsequent offence ²[with simple imprisonment which may extend to three months, or with fine which may extend to five thousand rupees, or with both].

COMMENTS

A person, who has no intention of storing or keeping petroleum but merely orders it with the intention of having it stored on licensed premises belonging to another person is not required to have a licence under the Act or the rules framed thereunder, and, therefore, he cannot be punished under section 23 for failing to possess one.—*Kalabhai Mahomedalli v. Emperor, AIR 1937 Bom 11*

The keeping of petroleum received under a transport licence for a short period which is incidental to, and necessary for the distribution of, it does not amount to “keeping” or “possession” within the meaning of the Act, and the question whether the period of time is short enough to be considered reasonable or too long to be considered unreasonable will depend upon the facts and circumstances of each case.—*In re. S. Swaminatha Iyer 18 Cri LJ 227*

A person who takes delivery of a quantity of petroleum in excess of the quantity allowed by law, and is unable to prove that he did not continue for a reasonable time to be in possession of the entire quantity of which he took delivery, is guilty of the offence of being in possession of petroleum in excess of the quantity allowed by law.—*Hosnak Ram Ganga Ram v. Emperor, 18 Cri LJ 627*

24. Confiscation of petroleum and receptacles

(1) In any case in which an offence under cl. (a) or cl. (b) or cl. (c) of sub-section (1) of section 23 has been committed, the convicting Magistrate may direct that—

- (a) the petroleum in respect of which the offence has been committed; or
- (b) where the offender is convicted of importing, transporting or storing petroleum exceeding the quantity he is permitted to import, transport or store, as the case may be, the whole of the petroleum in respect of which the offence was committed,

shall, together with the receptacles in which it is contained, be confiscated.

(2) This power may also be exercised by the High Court in the exercise of its appellate or revisional powers.

¹ Substituted for “with fine which may extend to five hundred rupees” by Act 24 of 1970, w.e.f. 1-8-1976.

² Substituted for “with fine which may extend to two thousand rupees”, *ibid.*

25. Jurisdiction

Offences punishable under this Act shall be triable, in the Presidency-towns, by a Presidency Magistrate, and elsewhere by a Magistrate of the first class, or by a Magistrate of the second class who has been specially empowered by the ¹[Central Government] in this behalf.

26. Power of entry and search

(1) The ²[Central Government] may, by notification in the Official Gazette, authorise any officer by name or by virtue of office to enter and search any place where he has reason to believe that any petroleum is being imported, transported, stored, produced, refined or blended otherwise than in accordance with the provisions of this Act and the rules made thereunder, and to seize, detain or remove any or all of the petroleum in respect of which in his opinion an offence under this Act has been committed.

(2) The provisions of the ³[Code of Criminal Procedure, 1973 (2 of 1974)] relating to searches shall, so far as they are applicable, apply to searches by officers authorized under this section.

(3) The ²[Central Government] may make rules regulating the procedure of authorised officers in the exercise of their powers under this section subject, however, to the provisions of sub-section (2).

COMMENTS

An officer conducting a search under section 26, while following the rules prescribed by the Central Government must observe the conditions laid down in s. 165, Cr.P.C. non-observance of which will render the search vitiated and illegal.—*State of Rajasthan v. Rehman AIR 1960 SC 210.*

Seizure of goods cannot be affected by reason of the fact that it was seized in an illegal search. Merely because a search was illegal as it was carried out in contravention of section 165, Cr. P.C., or this section and rules under it, the same cannot, in any way, affect the seizure of the commodity under the search. The search may be illegal. If the search is carried out by an officer, who is not competent to do so, it would be open to the other side to oppose the search if the search is carried out in contravention of the provisions of section 165, Cr. P.C., or this Act and rules. But the fact that a certain quantity of contraband petroleum was seized from the premises, when the same was searched, cannot be ignored merely because the search is illegal or irregular.—*United Oil Mills v. Collector of Customs & Central Excise AIR 1963 (Ker) 241; A.G. Vohra v. Chunnihal Mohanlal Modi (1973) 14 LR 932; Radha Krishna v. State of U.P. AIR 1963 SC 822*

⁴[27. Notice of accidents with petroleum

Whenever there occurs in or about, or in connection with, any place in which petroleum is refined, blended or kept, or any carriage or vessel either conveying petroleum or on or from which petroleum is being loaded or unloaded, any accident by explosion or by fire as a result of the ignition of petroleum or petroleum vapour attended with loss of human life or serious injury to person or property, or of a description usually attended with such loss or injury, the occupier of the place or the person for the time being in charge of the petroleum or the person in charge of the carriage or the master of the vessel, as the case may be, shall, within such time and in such manner as may be prescribed, give notice thereof and of the attendant loss of human life, or injury to person

1 Substituted for "local Government" by AO 1937.

2 Substituted for "Governor-General-in-Council", *ibid.*

3 Substituted for "Code of Criminal Procedure, 1898 (5 of 1898)" by Act 31 of 1977, w.e.f. 12-8-1977.

4 Substituted by Act 24 of 1970, w.e.f. 1-8-1976.

or property, if any, to the nearest Magistrate or to the officer-in-charge of the nearest police station and to the ¹[Chief Controller of Explosives].]

28. Inquiries into serious accidents with petroleum

(1) The Inquiries mentioned in Sec. 176 of the ²[Code of Criminal Procedure, 1973 (2 of 1974)] shall, ³[unless Sec. 8 of the Coroners Act, 1871 (4 of 1871), is applicable to the circumstances,] be held in all cases where any person has been killed by an accident which the Magistrate has reason to believe was the result of the ignition of petroleum or petroleum vapour.

(2) Any Magistrate empowered to hold an inquest may also hold an inquiry under the said section into the cause of any accident which he has reason to believe was the result of the ignition of petroleum or petroleum vapour, if such accident was attended by serious injury to person or property, notwithstanding that no person was killed thereby.

(3) For the purposes of ⁴[sub-section (2)], a Commissioner of Police ⁵[xxx] ⁶[xxx] shall be deemed to be a Magistrate empowered to hold an inquest.

(4) The result of all inquiries held in pursuance of this section ³[and of any inquiry held by a coroner in a case to which sub-section (1) refers] shall be submitted as soon as may be to the ⁷[Central Government], ³[the ¹[Chief Controller of Explosives] in India and the State Government].

**CHAPTER IV
SUPPLEMENTAL**

29. Provisions relating to rules

(1) In making any rules under this Act, the ⁷[Central Government] may—

- (a) provide for any matter ancillary to such rules for which in ⁸[its] opinion provision is necessary to protect the public from danger arising from the import, transport, storage, production, refining or blending of petroleum; and
- (b) make special provision for the special circumstances of any State or place.

(2) Every power to make rules conferred by this Act is subject to the condition of previous publication.

(3) All rules made under this Act shall be published in the Official Gazette ⁹[xxx].

¹⁰(4) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such

1 Substituted for "Chief Inspector of Explosives in India" by Act 31 of 1977, w.e.f. 12-8-1977.

2 Substituted for "Code of Criminal Procedure, 1898 (5 of 1898), *ibid.*

3 Inserted by Act 25 of 1940.

4 Substituted for "this section", *ibid.*

5 Words "in a Presidency-town" omitted by Act 24 of 1970, w.e.f. 1-8-1976.

6 Words "or in Rangoon" omitted by AO 1937.

7 Substituted for "Governor-General-in-Council" by AO 1937.

8 Substituted for "his", *ibid.*

9 Words "and in the local Official Gazette" omitted, *ibid.*

10 Substituted by Act 31 of 1977, w.e.f. 12-8-1977.

modification or annulment shall be without prejudice to the validity of anything previously done under that rule.]

30. *[Repealed by the Inflammable Substances Act, 1952 (20 of 1952), w.e.f. 6-3-1952]*

31. Power to limit powers of local authorities over petroleum

Where any enactment confers powers upon any local authority in respect of the transport or storage of petroleum, the ¹[Central Government] may, by notification in the Official Gazette,—

(a) limit the operation of such enactment; or

(b) restrict the exercise of such powers, in any manner ²[it] deems fit.

32. *[Repealed by the Repealing Act, 1938 (1 of 1938)]*

THE SCHEDULE

Enactments repealed

[Repealed by the Repealing Act, 1938 (1 of 1938)]

¹ Substituted for "Governor-General-in-Council" by AO 1937.

² Substituted for "his", *ibid.*

THE PETROLEUM RULES, 2002

(GSR 204(E), dt. 13-3-2002)

[As amended vide GSR 154(E), dt. 4-3-2024, w.e.f. 4-3-2024]

In exercise of the powers conferred by sections 4, 5, 14, 21 and 22 and sub-section (1) of section 29 of the Petroleum Act, 1934 (30 of 1934), the Central Government hereby makes the following rules, namely:—

CHAPTER I PRELIMINARY

PART I

1. Short title and commencement

- (1) These rules may be called the Petroleum Rules, 2002.
- (2) They shall come into force on the date¹ of their publication in the Official Gazette.

2. Definitions

- (1) In these rules, unless the context otherwise requires,—
 - (i) “Act” means the Petroleum Act, 1934 (30 of 1934);
 - (ii) “Adequate”
 - (a) in relation to ventilation, means where the concentration of the inflammable gas in a gas-air mixture does not reach the lower inflammable limit, or
 - (b) where applied to provision of facilities for fire-fighting means the facilities so provided are in accordance with the prevalent recognized standards or codes safety;
 - (iii) “Approved”
 - (a) where applied to a specification, means that the specification authorised by the Chief Controller including the following Oil Industry Safety Directorates Standards: OISD-105, OISD-116, OISD-117, OISD-118, OISD-141 and OISD-156;
 - (b) where applied to an appliance or fitting, means that the appliance or fitting bears a label of a designated test organization certifying conformity with a specification approved by the Chief Controller or with a laboratory test report accepted by the Chief Controller; or
 - (c) where applied to any facility for petroleum, means that it conforms to these rules;
 - (iv) “Chief Controller” means the Chief Controller of Explosives;
 - (v) “Controller” means Controller of Explosives and includes Joint Chief Controller of Explosives, Deputy Chief Controller of Explosives and Deputy Controller of Explosives;

¹ Enforced w.e.f. 13-3-2002.

- (vi) “Competent person” means a person recognized by the Chief Controller to be a competent person, or a person who holds a certificate of competency for the job in respect of which competency is required from an institution recognized by the Chief Controller in this behalf;
- (vii) “Conservator” includes any person acting under the authority of the officer or body of persons appointed to be Conservator of a port under section 7 of the Indian Ports Act, 1908 (15 of 1908);
- (viii) “Container” means a receptacle for petroleum not exceeding 1,000 litres in capacity;
- ¹[(ix) “Defence Forces of the Union” includes General Reserve Engineering Forces under the Director-general Border Roads, Ordnance Factories under the Ministry of Defence, Assam Rifles, Central Reserve Police Force, Border Security Force, Indo Tibetan Border Police, Coast Guard and National Security Guard under the Ministry of Home Affairs and Special Security Bureau under the Cabinet Secretariat;]
- (x) “District Authority” means—
 - (a) in towns having a Commissioner of Police, the Commissioner or a Deputy Commissioner of Police;
 - (b) in any other place, the District Magistrate;
- (xi) “District Magistrate” means and includes an Additional District Magistrate and in the States of Punjab and Haryana and in the Karaikal, Mahe and Yenam areas of the Union Territory of Pondicherry, also includes a Sub-Divisional Magistrate;
- (xii) “Electric Apparatus” includes motors, starters, lamps, switches, junction boxes, fuses, cut-outs or any other appliance, equipment or fitting which operates on electricity;
- (xiii) “Form” means a form in the First Schedule;
- (xiv) “Hot work” means any work which involves welding, burning, soldering, brazing sand blasting, chipping by spark-producing tools, use of certain power driven tools, non-flame proof electrical equipment or equipment with internal combustion engines and including any other work which is likely to produce sufficient heat, capable of igniting inflammable gases;
- ²[(xiva) “Heavy machinery” means heavy-duty machine, specially designed for executing construction or agricultural tasks or purely off-highway construction or lifting equipment vehicle designed and adopted for use within the premises, factory, port or mine other than road network, not equipped to travel on public roads on their power;
- (xivb) “Heavy vehicles” means vehicles designed with suitable implements for various field operations including agriculture, mining, industrial undertaking, irrigation and construction, modified and manufactured with “on or off” or “on and off” highway capabilities and is a non-transport, non-goods or non-passenger vehicle;
Explanation: For the purpose of this clause, “Heavy vehicles” does not include tractors as defined in the Motor Vehicles Act, 1988.]

¹ Substituted vide GSR 857(E), dt. 1-12-2011, w.e.f. 2-12-2011.

² Inserted vide GSR 154(E), dt. 4-3-2024, w.e.f. 4-3-2024.

- (xv) “Inspector” means an officer authorized by the Central Government under sub-section (1) of section 13 of the Act;
- (xvi) “Installation” means any premises wherein any place has been specially prepared for the storage of petroleum in bulk, but does not include a well-head tank or a service station;
- ¹[(xvii) “ISO tank container” means a petroleum freight container, mounted with an ISO tank container framework, secured by twister locks, suitable for carriage of liquid petroleum which may be loaded or unloaded by gravity or pressure discharge, for conveyance by road, rail or sea, including interchange between these forms of transport and conforms to design, specifications and testing, marking as per national or international standards accepted by the Chief Controller or Controller;
- (xviii) “ISO tank container framework” means tank mountings, end structure and all load bearing elements not present to contain cargo, which transmits static and dynamic forces arising out of lifting, handling, securement and transporting of the tank container as a whole and conforms to design, specifications and testing as per national or international standards accepted by the Chief Controller or Controller;]
- (xix) “OISD” means “Oil Industry Safety Directorate” a technical body assisting the Safety Council constituted under the Ministry of Petroleum and Natural Gas;
- (xx) “OISD Standard” means technical standards formulated by OISD and approved by Safety Council constituted under the Ministry of Petroleum and Natural Gas to ensure safety in Oil and Gas Industry, as amended from time to time;
- (xxi) “Petroleum in bulk” means petroleum contained in a tank irrespective of the quantity of petroleum contained therein;
- ²[(xxii) “portable service station” means a standalone premises which is licensed by the Controller, installed on a firm foundation in accordance with the sound engineering practice specially prepared for fuelling of motor vehicles and comprises of an above ground double walled petroleum storage tank integrated with dispensing system and connected facilities housed together in a closed container which is a type approved by the Chief Controller;]
- (xxiii) “Protected Area” means the area necessary for the maintenance of the distance required under the conditions of the licence to be kept clear between any installation, service station or storage shed and any protected works;
- (xxiv) “Protected works” include—
 - (a) buildings in which persons dwell or assemble, docks, wharves, timber and coal yards, furnace, kiln or chimney and buildings or places used for storing petroleum or for any other purpose but does not include buildings or places forming part of an installation;
 - (b) any public road or a railway line which is used exclusively as an oil siding; and
 - (c) overhead high-tension power lines;

¹ Inserted vide GSR 154(E), dt. 4-3-2024, w.e.f. 4-3-2024.

² Inserted vide GSR 762(E), dt. 10-8-2018, w.e.f. 10-8-2018.

- ¹[(xxia) “recognised testing laboratory” means a laboratory approved by the Chief Controller of Explosives is equipped with all required testing facilities to assess conformity with the standard for electrical equipment intended to be used in hazardous areas, duly accredited by the National Accreditation Board for Testing and Calibration Laboratories;]
- (xxii) “Sampling Officer” means an officer authorized by the Central Government under sub-section (1) of section 14 of the Act;
- (xxiii) “Schedule” means a Schedule annexed to these rules;
- (xxiv) “Service Station” means any premises specially prepared for the fuelling of motor vehicles and includes such places within the premises which have been specially approved by the licensing authority for the servicing of motor vehicles and for other purposes ²[including non-fuelling facilities installed outside the extent of hazardous areas of service station as defined in the FOURTH SCHEDULE];
- (xxv) “Storage Shed” means a building used for the storage of petroleum otherwise than in bulk whether forming part of an installation or not, but does not include a building used for the storage of petroleum exempt from licence under section 7, 8 or 9 of the Act;
- (xxvi) “Tank” means a receptacle for petroleum ²[including ISO tank container] exceeding 1,000 litres in capacity;
- (xxvii) “Tank cart” means a hand-drawn or animal-drawn vehicle equipped with a tank;
- (xxviii) “Tank semi-trailer” means a tank trailer constructed in such a manner that when it is drawn by a tractor by means of fifth wheel connection, some part of the load rests on the towing vehicle;
- (xxix) “Tank trailer” means a vehicle with a tank mounted thereon or built as integral part thereof and constructed in such a manner that it has at least two axles and all its load rests on its own wheels;
- (xxx) “Tank truck” means a single self-propelled vehicle with a tank mounted thereon;
- (xxxi) “Tank Vehicle” means any vehicle, including a tank wagon with a tank of a capacity exceeding 1,000 litres mounted thereon and also includes refueller used for refuelling of air crafts or onsite fuelling of heavy vehicles/machineries/stationery equipments;
- (xxxii) “Tank wagon” means a railway carriage with a tank mounted thereon;
- (xxxiii) “Testing Officer” means an officer authorized by the Central Government to test petroleum under section 17 of the Act;
- ²[(xxxiiia) “Third Party Inspection Agency (TPIA)” means a professional organisation recognised by the Chief Controller or Controller to carry out testing and certification under these rules including safety audit of major accident hazards premises as defined under the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 and having persons with qualifications and experience as applicable to the competent persons;]
- (xxxiv) “Vehicle” means all carriages, including animal-drawn carriages for the transportation of petroleum either in bulk or otherwise than in bulk;

¹ Inserted vide GSR 762(E), dt. 10-8-2018, w.e.f. 10-8-2018.

² Inserted vide GSR 154(E), dt. 4-3-2024, w.e.f. 4-3-2024.

(xxxv) "Well-head tank" means a tank into which crude petroleum flowing or being pumped from an oil well is first discharged.

(2) The words and expressions used in these rules but not defined in sub-rule (1), shall have the respective meanings assigned to them in the Act.

PART II GENERAL PROVISIONS

3. Restriction on delivery and dispatch of petroleum

(1) No person, shall deliver or dispatch any petroleum to anyone in India other than the holder of a storage licence issued under these rules or his authorized agent or a port authority or railway administration or a person who is authorized under the Act to store petroleum without a licence.

(2) The petroleum delivered or dispatched under sub-rule (1) shall be of the class, and shall not exceed the quantity, which the person to whom it is delivered or dispatched is authorized to store with or without a licence under the Act.

(3) Notwithstanding anything contained in sub-rule (2), petroleum Class B not exceeding 15,000 litres in quantity packed in sealed airtight approved containers may be dispatched to a person not holding a storage licence provided that the person dispatching the petroleum has satisfied himself that prior arrangements have been made by the person to whom the petroleum is dispatched for the immediate disposal in the original sealed packages or such quantity as in excess of 2,500 litres:

PROVIDED that a dry chemical powder fire extinguisher as a means of fighting fire in emergency shall be carried in the case of the containers with more than 2,500 litres.

(4) Nothing in sub-rules (1) and (2) shall apply to the delivery or dispatch of petroleum of the Defence Forces of the Union and to the delivery or dispatch of kerosene (Petroleum Class B) to the person holding licence in form XVIII for decantation into containers from tank vehicle:

PROVIDED that the person dispatching the kerosene has satisfied himself that prior arrangements have been made by the person to whom the kerosene is dispatched for the immediate disposal into containers in lots of 2,500 litres or less.

4. Approval of containers

(1) Containers exceeding one litre in capacity for petroleum Class A and five litres in capacity for petroleum Class B or petroleum Class C, shall be of a type approved by the Chief Controller.

(2) Where the approval of the Chief Controller is sought to a type of container not previously approved, an application together with copies of drawings thereof to scale showing the design, materials to be used, the method of construction and capacity of the container together with two sample containers and a fee ¹[as specified in Part C of the First Schedule] for scrutiny shall be submitted to the Chief Controller.

(3) Nothing in sub-rules (1) and (2) shall apply to containers in the possession of the Defence Forces of the Union.

²(4) Nothing in these rules shall apply for import of containers containing petroleum for research and development purpose provided that the packing conforms to the International Air Transport Association Dangerous Goods Regulations as amended from time to time.]

¹ Substituted for "of rupees one thousand" vide GSR 762(E), dt. 10-8-2018, w.e.f. 10-8-2018.

² Inserted vide GSR 154(E), dt. 4-3-2024, w.e.f. 4-3-2024.

5. Containers for petroleum Class A

(1) Containers for petroleum Class A shall be constructed of tinned, galvanized or externally rust proofed sheet of ¹[steel or other suitable material] ²[and testing conforming to IS:2552, IS:513, IS:1783] and be of a type approved by the Chief Controller:

PROVIDED that glass bottles of a capacity not exceeding 2.5 litres and of a type approved by Chief Controller can be used as a container for laboratory chemicals classified as petroleum Class "A".

(2) The containers shall be so constructed and secured as not to be liable except under circumstances of gross negligence or extraordinary accident to become defective, leaky or insecure in transit and they shall be kept in proper repair.

(3) The containers shall have well-made filling aperture which shall be fitted with well-fitting and secure airtight screw plugs or screw caps or other caps.

(4) Containers made of sheet of iron or steel shall have the following thickness of metal, namely:—

<i>Capacity of Container exclusive of the free space prescribed in sub-rule (6)</i>	<i>Minimum thickness in mm. of sheet iron or steel</i>
Not exceeding 10 litres	0.443(27BG)
Exceeding 10 but not exceeding 25 litres	0.63(24BG)
Exceeding 25 but not exceeding 50 litres	0.80(22BG)
Exceeding 50 but not exceeding 200 litres	1.25(18BG)
Exceeding 200 but not exceeding 300 litres	1.59(16BG)

(5) The capacity of any container, other than those approved by the Chief Controller for specified purposes, shall not exceed 300 litres.

(6) An air space of not less than 5 per cent of its capacity shall be kept in each container.

(7) The container shall bear a stamped, embossed or painted warning exhibiting in conspicuous characters the words "Petrol" or "Motor Spirit" or an equivalent warning of the highly inflammable nature of the petroleum.

(8) Nothing in sub-rules (1), (3), (4), (5), (6) and (7), shall apply to containers in the possession of the Defence Forces of the Union.

6. Containers for petroleum Class B and Class C

(1) Containers for petroleum Class B or petroleum Class C shall be constructed of steel or ³[other suitable material] and be of a type approved by the Chief Controller.

(2) An air space of not less than 5 per cent of its capacity shall be kept in each container for petroleum Class B and not less than 3 per cent of its capacity in each container for petroleum Class C.

(3) Nothing in this rule shall apply to containers in the possession of the Defence Forces of the Union.

1 Substituted for "iron or steel" vide GSR 857(E), dt. 1-12-2011, w.e.f. 2-12-2011.

2 Inserted vide GSR 762(E), dt. 10-8-2018, w.e.f. 10-8-2018.

3 Substituted for "iron" vide GSR 857(E), dt. 1-12-2011, w.e.f. 2-12-2011.

7. Empty receptacles

All empty tanks which had petroleum Class A or petroleum Class B and empty containers which had petroleum Class A shall, except when they are opened for the purpose of filling or cleaning and rendering them free from petroleum vapour, be kept securely closed until they have been thoroughly cleaned and freed from petroleum vapour.

8. Repairs to receptacles

(1) No person shall cause to be repaired or repair by the use of hot work any tank or container which had petroleum unless it has been thoroughly cleaned and freed from petroleum and petroleum vapour or otherwise prepared for safely carrying out such hot repair and certified, in writing, by a competent person ¹[or TPIA]

(2) The certificate required under sub-rule (1) shall be preserved by the repairer for a period of at least three months and produced to an inspector on demand.

²(3) The fee for testing and certification shall be as specified in PART B of the FIRST SCHEDULE.]

9. Prevention of escape of petroleum

All due precautions shall be taken at all times to prevent escape of petroleum into any drain, sewer and harbour, river or watercourse or over any ³[land], road or railway line.

10. Prohibition of employment of children and intoxicated persons

No child under the age of eighteen years and no person who is in a state of intoxication shall be employed on the loading, unloading or transport of petroleum or in any premises licensed under these rules.

11. Prohibition of smoking, fires, lights, etc.

Unless expressly provided in these rules, no person shall smoke and no matches, fires, lights or articles or substances capable of causing ignition of petroleum shall be allowed, at any time in proximity to a place where petroleum is refined, stored or handled or in a vehicle's carriage or vessel in which petroleum is transported.

12. Special precautions against accident

(1) No person shall commit or attempt to commit any act, which may tend to cause a fire or explosion in or about any place where petroleum is refined, stored or handled, or any vehicle's, carriage or vessel in which petroleum is transported.

(2) Every person storing petroleum and every person in charge of or engaged in the storage, handling or transport of petroleum shall at all times,—

- (a) comply with the provisions of these rules and conditions of any licence relating thereto;
- (b) observe all precautions for prevention of accident by fire or explosion; and
- (c) prevent any person from committing any act referred to in sub-rule (1).

1 Substituted for "to have been so repaired" vide GSR 154(E), dt. 4-3-2024, w.e.f. 4-3-2024.

2 Inserted, *ibid*.

3 Substituted for "public" vide GSR 762(E), dt. 10-8-2018, w.e.f. 10-8-2018.