

REQUIREMENT OF LICENSE UNDER PETROLEUM RULES, 2002 FOR STORAGE OF PETROLEUM

The petroleum covered under the definition of “petroleum” as per section 2(a) of Petroleum Act, 1934 requires license to store petroleum. The said definition of petroleum is reproduced below;

“petroleum” means any liquid hydrocarbon or mixture of hydrocarbons, and any inflammable mixture (liquid, viscous or solid) containing any liquid hydrocarbon.

1. The petroleum which are covered under the above definition of “petroleum” are further classified as petroleum Class A, Class B and Class C for the purpose of required safety norms to be followed. This classification is based on the **Flash Point** of the petroleum. As per flash point the petroleum are classified as follows;
 - (i) Petroleum Class A: “Petroleum Class A” means petroleum having a flash point below 23⁰C.
 - (ii) Petroleum Class B: “Petroleum Class B” means petroleum having a flash point 23⁰C and above but below 65⁰C.
 - (iii) Petroleum Class C: “Petroleum Class C” means petroleum having a flash point 65⁰C and above but below 93⁰C.
2. As an example following petroleum products require license under Petroleum Rules, 2002;
 - (i) Crude Oil
 - (ii) Motor Sprit (MS)
 - (iii) Diesel (HSD)
 - (iv) Aviation Turbine Fuel (ATF)
 - (v) Kerosene (SKO)
 - (vi) Light Diesel Oil (LDO)
 - (vii) Furnace Oil (FO)
 - (viii) Naphtha
 - (ix) Benzene
 - (x) Toluene
 - (xi) Hexane
 - (xii) Styrene
 - (xiii) Xylene
 - (xiv) MTO
 - (xv) Flammable mixtures having liquid hydrocarbon **etc.**

3. In addition to above, the products covered under the Inflammable Substance Act, 1952 also require license under Petroleum Rules, 2002. Following substances are covered under the Inflammable Substance Act, 1952

- (i) Acetone
- (ii) Calcium Phosphide
- (iii) Carbide of Calcium
- (iv) Cinematographic Films having Nitro-Cellulose base
- (v) Ethyl alcohol
- (vi) Methyl alcohol
- (vii) Wood Naphtha

Note:

The above information is only for reference and providing basic understanding. In case of any doubt or lack of clarity the provisions of the Petroleum Act, 1934 and Petroleum Rules, 2002 and conditions of the license FORM published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i) vide notification G.S.R. 204(E), dated the 13th March, 2002 and subsequently amended vide G.S.R 857(E) dated 1st December 2011 and 762(E), dated the 10th August, 2018 shall prevail at all the times.
