

NAPHTHA (ACQUISITION, SALE, STORAGE AND PREVENTION OF USE IN AUTOMOBILES) ORDER, 2000

(Pub. in Gazette of India Extra. Pt. II Sec. 3(i) dt. 5.6.2000)

AMENDMENTS MADE TO THE ORDER :-

- | | |
|-------------------|------------------------------|
| 1. G.S.R. 577 (E) | Dt. 30-06-2000 (Corrigendum) |
| 2. G.S.R. 594 (E) | Dt. 25-09-2006 |
| 3. G.S.R. 381 (E) | Dt. 29-05-2009 |
| 4. G.S.R. 281 (E) | Dt. 26-03-2010. |

MINISTRY OF PETROLEUM AND NATURAL GAS

ORDER

New Delhi, the 5th June, 2000

G.S.R. 518 (E)- In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (Central Act 10 of 1955), the Central Government hereby makes the following order, namely:-

1. **Short title, extent and commencement:** (1) This order may be called *¹[the] Naphtha (Acquisition, Sale, Storage and Prevention of *¹[Use] in *¹[Automobiles]) Order, 2000.

a) It extends to the whole of India.

b) It shall come into force on the date of its publication in the Official Gazette.

2. **Definitions:** In this order, unless the context otherwise requires:-

(a) "**Automobile**" means any vehicle registered with Road Transport Authority by any person where fuel certified for use in such automobile is Motor Spirit, High Speed Diesel, Liquefied Petroleum Gas or Compressed Natural Gas.

(b) "**Government oil company**" means an oil refining company or oil marketing company which is also a government company as defined in Section 617 of Companies Act, 1956;

(c) "**High Speed Diesel**" means any hydrocarbon oil (excluding mineral colza oil and turpentine substitute) which meets the requirements of Bureau of

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Indian Standards specification No. IS- 1460 and is suitable for use as fuel in
compression Ignition Engines;

(d) "**Motor Spirit**" means any hydrocarbon oil (excluding crude mineral oil) which meets the requirements of Bureau of Indian Standards specification No. IS-2796 and is suitable for use as fuel in Spark Ignition Engines;

(e) "**Naphtha**" is a light hydrocarbon liquid with 90% volume distillation, by ASTM D-86 distillation method, of 190 degrees Centigrade or less.

(f) "**Oil Company**" means any person, firm or company authorised by the Central Government who is engaged in the sale of Motor Spirit or High Speed Diesel to consumers or dealers.

3. Restriction on sale and use of Naphtha :

(i) No person shall either acquire, store and/or sell Naphtha, without a licence, issued by the State Government or District Magistrate or any other Officer authorised by the Central or State Governments.

COMMENTS

Vide Notification dated 24-10-2000, the State Government has authorised the D.S.Os. to issue licences under the Order. The licence fee is Rs. 500 and renewal fee is Rs. 250 as per Central Govt. letter dt. 11.08.2000.

²[(ii) No person shall use or help in use of Naphtha as fuel in any automobile.]

(iii) No person shall either adulterate or help in any manner adulterating of Motor Spirit and High Speed Diesel with Naphtha.

(iv) Every person whosoever is engaged in sale or trading of Naphtha either imported or indigenous, for any purpose, whatsoever, shall file end-use certificates from consumers to whom he sells and also furnish customer-wise sales to the District Magistrate or the State Civil Supplies Authorities by whatever name called, on a quarterly basis.

(v) Every person whosoever is engaged in actual use of Naphtha either imported or indigenous for manufacture of any petrochemicals or any other purpose shall file end-use certificates to the District Magistrate or the State Civil Supplies Authorities by whatever name called, on a quarterly basis.

³[Provided that the provisions of sub-clauses (1), (3) and (4) shall not be applicable to the following companies, namely;-

- (i) India Oil corporation Limited (IOCL)
- (ii) Bharat Petroleum Corporation Limited (BPCL)

- (iii) Hindustan Petroleum Corporation Limited (HPCL)
- (iv) IBP Co. Limited
- (v) Oil and Natural Gas Corporation Limited (ONGC)
- (vi) Gas Authority of India Limited (GAIL)
- (vii) Oil India Limited (OIL)
- (viii) Kochin Refineries Limited (KRL)
- (ix) Chennai Petroleum Corporation Limited (CPCL)
- (x) Bongaigaon Refinery and Petro – chemicals Limited (BRPL)
- (xi) Numaligarh Refinery Limited (NRL)
- (xii) Lubrizol India Limited (LIL)
- (xiii) Biecco Lawrie and Co. Limited
- (xiv) India Additives Limited (Subsidiary of CPCL)
- (xv) India Oil Blending Limited (Subsidiary of IOC)
- (xvi) ONGC Videsh Limited (A wholly owned subsidiary of ONGC)
- (xvii) Balmer Lawrie and Co. Limited
- (xviii) Mangalore Refinery and Petrochemicals Limited (Subsidiary of ONGC)
- (xix) Essar Oil Limited (EOL)]
- ⁴[(xx) Reliance Industries Limited]

¹ [(vi) The Central Government may, by order, notify the form required for making application and the format in which licence shall be issued under sub-clause (i); and issue guidelines as may be necessary for giving effect to this provisions of the Order.]

COMMENTS

(1) Vide notification No. G.S.R. 579 (E) dt. 30-6-2000 the Central Government has notified the form of application and the format of licence.

(2) 17 Companies (IOCL, BPCL, HPCL, IBP Company Ltd., ONGC, GAIL, OIL etc.) have been exempted from provisions of clause 3 as per Central Govt. letter dt. 11.08.2000.

4. Power of Search and Seizure:-

(1) Any Gazetted Officer of the Central or State government or any Police Officer not below the rank of Deputy Superintendent of Police duly authorised, by general or special order by the Government or any officers of a Government Oil Company or any other Oil Company authorised by Central Government, not below the rank of Sales Officer may, with a view to securing compliance with the provisions of this Order, or for the purpose of satisfying himself that this order or any order made thereunder has been complied with,-

(a) Enter and search any place or premises being made use of or suspected to be made use of in the business of the dealer, transporter, consumer or any other person who is an employee or agent of such dealer/transporter/consumer with respect to which there is reason to believe that the provisions of this order have been/are being or are about to be contravened.

(b) Stop and search any person or vehicle or receptacle used or intended to be used for the movement of the product or using or receiving the product in contravention of this order.

(c) Inspect any book of accounts or other document or any stock of the product used or suspected to be used in the business of the dealer, transporter, consumer or any other person suspected to be an employee or agent of the dealer, transporter or consumer.

(d) Take samples of the product and/or seize any of the stocks of the product which the officer has reason to believe has been or is being or is about to be used in contravention of this order and hereafter take or authorise the taking of all measures necessary for securing the production of stocks/items so seized before the Collector having jurisdiction under the provisions of the Essential Commodities Act, 1955 (10 of 1955) and for their safe custody pending such production.

COMMENTS

(1) Vide notification dt. 24.10.2000, the State Government has authorised Dy. Commissioners, D.S.Os., Addl. D.S.Os., Tehsildars and Dy. S.P. and other senior officers of the Food, Revenue & Police Departments to exercise powers under this clause within their respective jurisdiction.

(2) The Central Government has also authorised its officers to exercise powers under this clause vide Notifications dt. 17.1.02 & 27.6.02.

(2) While exercising the power of seizure provided under *1[sub-clause (d) of clause (1)] the authorised officer shall record in writing the reasons for doing so, a copy of which shall be given to the dealer, transporter, consumer or any other concerned person.

(3) The provisions of Section 100 of the Code of Criminal Procedure, 1973 (2 of 1974), relating to search and seizure shall, as far as may be, apply to searches and seizures under this Order.

5. Sampling of Product: -

(1) The Officer authorised in Clause 4 shall draw the sample from the tank, nozzle, vehicle or receptacle as the case may be to check whether the provisions of this Order are being or likely to be contravened.

(2) The Officer authorised in Clause 4 shall take, sign and seal three samples of 750 ml. to 1 litre each of the product, one to be given to the concerned person under acknowledgement with instructions to preserve the sample in his safe custody till the testing/investigations are completed, the second sample to be kept by the concerned oil company or department and the third to be used for laboratory analysis.

(3) Samples shall be taken in clean glass or aluminium containers. Plastic containers shall not be used for drawing samples.

(4) The sample label should be jointly signed by the officer who has drawn the sample, and the concerned person or his representative and the label shall contain information as regards the product, place of seizure, quantity of sample, date, name and signature of the concerned person or his representative.

(5) The authorised officer shall send the third sample of the product taken under sub-clause (2), immediately or in any case within a period of 10 days, to any of the laboratories specified in Schedule III of the Motor Spirit and High Speed Diesel (Regulation of Supply and Distribution and Prevention of Malpractices) Order, 1998 for the purpose of analysis of samples to check the product.

6. Power of Central government to issue directions: -

The Central Government or a State Government with the approval of the Central Government may, from time to time, by a general or special order issue to any person such directions as it considers necessary regarding storage, sale, transportation and disposal and use of product and upon the issue of such directions, such person shall be bound to comply therewith.

7. Provision of the order to prevail over previous orders of State Government, etc.

The provisions of this Order shall have effect notwithstanding anything to the contrary contained in any ^{*1}[order made by] a State Government or by an officer of such State Government before the commencement of this order except as respects anything done, or omitted to be done thereunder before such commencement.

[F. No. P. 11013/1/2000-Dist.]

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NOTIFICATIONS ISSUED BY THE CENTRAL GOVERNMENT:-

(1) **New Delhi, the 30th June, 2000**

G.S.R. 579 (E). - In pursuance of sub-clauses (i) and (vi) of clause 3 of the Naphtha (Acquisition, Sale, Storage and Prevention of Use in Automobiles) Order, 2000, the Central Government hereby notifies the form in which application for issue of Naphtha licence shall be made under the said Order, and the Format in which the licence shall be issued by the State Government or the District Magistrate or the officer authorised by the Central or the State Government, namely: -

APPLICATION FORM

[For issue of licence for Naphtha under sub-clause (i) of clause 3 of the Naphtha (Acquisition, Sale, Storage and Prevention of Use in Automobiles) Order, 2000]

To,

The State Government or the District Magistrate or the officer authorised by Central or the State Government.

1. Name of the applicant

2. Type of firm (strike out whichever is not applicable)

2a. Public Limited Company/Private Limited Company/Partnership firm/Proprietorship firm/ Others

2b. Trader/Processor/Manufacturer/ Consumer/ Others

3. Addresses

3.a Registered office

3.b Storage point (s)

4. Names, addresses, telephone numbers of Directors/Partners/Proprietor (s)

S. No.	Name	Office		Residence	
		Address	Telephone	Address	Telephone

5. Industry Registration/Licence Details

Registration/ Licence Number	Date of Issue	Valid upto	Issuing Authority

6. Sales Tax Registration Details

6a. State Sales Tax

Registration Number	Date of Issue	Valid upto	Issuing Authority

6b. Central Sales Tax

Registration Number	Date of Issue	Valid upto	Issuing Authority

7. Explosives Licence Details

Licence Number	Date of Issue	Valid upto	Storage capacity Licenced (in kilolitres)

8. Details of Storage

Location	Tank Number	Capacity (in Kilolitres)

9. Use of Naphtha for which the licence is required

- 1 _____
- 2 _____
- 3 _____

10a. Quantity of Naphtha for which Licence is applied for

10b. Material balance for which Naphtha is required

I. Process (attach details)

II. Material balance of each unit of Naphtha consumed

End Products	Production
Product A	-----%
Product B	-----%
-----	-----%
-----	-----%
Wastage	-----%
Total	100%

DECLARATION

Certified that the above information is true to the best of my knowledge and belief and the information as annexures and statements accompanying this application are correct, complete and truly stated and if any statement made herein is found to be incorrect, I shall be liable for action under the provisions of law.

Date _____
Place _____

Signature: _____
Name : _____

**FORMAT IN WHICH THE LICENCE SHALL BE ISSUED BY THE
STATE GOVERNMENTS/ THE DISTRICT MAGISTRATES/ UNION
TERRITORY ADMINISTRATIONS/ GOVERNMENT OF INDIA**

(see clause 3 (i))

1. Name of Trader/Processor/Manufacturer/Consumer/Others
(strike out whichever is not applicable)

2. Type of firm (strike out whichever is not applicable)

Public Limited Company / Private Limited Company/ Partnership firm/
Proprietorship firm/ Others

3. Addresses

3.a Registered office

3.b Storage point (s)

4. Names, addresses, telephone numbers of Directors/Partners/Proprietor (s)

Serial Number	Name	Office		Residence	
		Address	Telephone	Address	Telephone

5. Industry Registration/Licence Details

Registration/ Licence Number	Date of Issue	Valid upto	Issuing Authority

6. Sales Tax Registration Details

6a. State Sales Tax

Registration Number	Date of Issue	Valid upto	Issuing Authority

6b. Central Sales Tax

Registration Number	Date of Issue	Valid upto	Issuing Authority

7. Explosives Licence Details

Licence Number	Date of Issue	Valid upto	Storage capacity Licenced (in kilolitres)

8. Details of Storage

Location	Tank Number	Capacity (in Kilolitres)

9. End use of Naphtha for which the licence is granted.

1 _____
2 _____

10. Other conditions of the Licence

11. Details of Naphtha Licence

Licence Number	Date of issue	Valid up to *	Licenced Quantity per year (in kilolitres)

(*) Licence shall be issued for a period of one year and thereafter shall be renewed for two years on each occasion

Date _____

Place _____

Signature: _____

Name: _____

Designation: _____

Seal : _____

[F. No. P. 11013/1/2000-Dist.]

(Published in Gazette of India Extra. Pt. II Sec. 3(i) dated 30.6.2000)

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(2) New Delhi, the 17th January, 2002

G.S.R. 44(E).- In pursuance of clause 4 of the Naphtha (Acquisition, Sale, Storage and Prevention of Use in Automobiles) Order, 2000, the Central Government hereby authorises the Joint Directors of the Anti Adulteration Cell established by the Ministry of Petroleum and Natural Gas, as the authority to exercise the powers of search and seizure under the said Order.

[F. No. P-11013/3/2001/Dist.]

(Pub. in Gaz. of India Extra. Pt. II Sec.3 (i) Dt. 18-1-02)

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(3) New Delhi, Dated April 12, 2002

In partial modification of the letter No. P-11013/1/2000-Dist(Pt.), it has now been decided to exempt the Oil PSUs only from the provisions of sub-clauses (I), (4) and (5) of clause 3 of the Naphtha (Acquisition, Sale, Storage and Prevention of Use in Automobile) order, 2000 instead of the entire provisions of clause 3.

Further, it has been decided to exempt similarly in the case of Solvent, Raffinate and Slop (Acquisition, Sale, Storage and Prevention of Use in Automobiles) Order, 2000, the Oil PSUs referred to in that Order under sub-clauses (1), (3) and (4) of Clause 3 of the said order.

[F. No. P-11013/1/2000/Dist (Pt.) D].

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(4) New Delhi, the 27th June, 2002

G.S.R. 457(E). - Consequent upon winding up of the Oil Co-ordination Committee, and in pursuance of clause 4 of the Naphtha (Acquisition. Sale. Storage and Prevention of use in Automobiles) Order, 2000, the Central Government hereby authorises the following Officers of the Anti-Adulteration Cell, Ministry of Petroleum and Natural Gas, as the authority to exercise the powers of search and seizure under the said Order w.e.f. 1-4-2002:-

- (1) Director General
- (2) Regional directors
- (3) Deputy Directors
- (4) Assistant Directors

This supersedes orders no. G.S.R. 338 (E) dated 11th May, 2001 and G.S.R. 618(E) dated 24th August, 2001.

[F.No. P-11013/3/2001/Dist.]

(Pub. in Gaz. of India Extra. Pt. II Sec.3 (i) Dt. 28-6-02)

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NOTIFICATIONS ISSUED BY THE STATE GOVERNMENT:-**(1) Jaipur, October 24, 2000**

S.O. 250. - In exercise of the powers conferred by sub-clause (1) of clause 4 of the Naphtha (Acquisition, Sale, Storage and Prevention of use in Automobiles) Order, 2000 the State Government hereby authorises officers specified in column No.1 of the schedule appended herein below to exercise the

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power of search and seizure under clause 4 of the aforesaid order, for the area specified against each in column No.2 :-

SCHEDULE

1	2
1 Commissioner, Addl. Commissioner and Dy. Commissioner posted in the Food & Civil Supplies Deptt., Government of Rajasthan, Jaipur.	For the Whole of Rajasthan State.
2 All District Supply Officers and Addl. District Supply Officers.	For their respective jurisdiction.
3 All Revenue Officers not below the rank of Tehsildar.	For their respective jurisdiction.
4 All Police Officers not below the rank of Dy. Superintendent of Police.	For their respective jurisdiction.

[No. F. 17 (1) FS/Legal/2000]

(Pub. in Raj. Gaz. Extra. Pt. IV (C) (II) Dt. 30-10-2000)

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(2) **Jaipur, October 24, 2000**

S.O. 251. -In exercise of the powers conferred by sub-clause (i) of clause 3 of the Naphtha (Acquisition, Sale, Storage and Prevention of use in Automobiles) Order, 2000, the State Government hereby authorises all the District Supply Officers to issue licences under the said order, within their respective jurisdiction.

[No. F. 17 (1) FS/ Legal/2000]

(Pub. in Raj. Gaz. Extra. Pt. IV (C) (II) Dt. 30-10-2000)

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