

Press Information Bureau  
Government of India

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## **Industrial Safety in Petroleum and Explosives Sector gets a Big Boost**

**Movement and Storage of Explosives like Ammonium Nitrate and Calcium Carbide to get safer in India**

**DPIIT ushers in reforms to boost Industrial Safety in Petroleum and Explosives Sector**

**Big Boost to Ease of Doing Business, Amendments Notified**

**Transportation of life-saving Liquid Oxygen besides other compressed gases such as Argon, Nitrogen, LNG etc allowed through ISO Containers**

**Rules also eased for Storage and Transportation of Calcium Carbide & Ammonium Nitrate; validity of license increased for storage of Calcium Carbide from 3 years to 10 years; issue of NOC for Ammonium Nitrate reduced from 6 months to 3 months**

**New Delhi, 21<sup>st</sup> September, 2021**

In the aftermath of COVID 19 pandemic, Government of India has taken number of steps to ensure 'Aatmanirbhar Bharat'. Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry recently implemented reforms to ensure Industrial Safety in critical premises (such as petroleum installations, explosive manufacturing facilities, cylinder filling and storage premises, etc) thus **enhancing public safety** as well as **reducing cost of doing business** and creating an **enabling ecosystem** for domestic as well as international investors. In this context, the department has worked with the Petroleum and Explosives Safety Organization (PESO), an autonomous body under DPIIT that is charged with designing and implementing policies and standard operating procedures for the manufacturing, storage, transport and use of explosives, petroleum as well as hazardous chemicals, said Ms. Sumita Dawra, Additional Secretary, DPIIT while addressing a press briefing here today.



In this context, the Rules pertaining to **five major areas** namely, Static & Mobile Pressure Vessels (Unfired) [SMPV(U)], Calcium Carbide, Ammonium Nitrate, Gas Cylinders, Petroleum and Explosives were examined, and discussed in detail with relevant stakeholders and representatives including private sector, industry bodies and other ministries. After intensive stakeholder consultations and feedback over the course of several months, starting January 2021, amendments in prominent regulations were proposed. These amendments were then finalised and final amendments in three cases (i) SMPV, (ii) Calcium Carbide & (iii) Ammonium Nitrate have been notified on 31<sup>st</sup> August 2021. Further, draft amendments in Gas Cylinder Rules were notified on 25<sup>th</sup> June 2021.

Further, the Department is now working on amendments in Explosives Rules in consultation with stakeholders.

The highlights of the specific reforms done under each of the three main amendments have been listed below.

#### A. Static and Mobile Pressure Vessels (unfired) (Amendment) Rules, 2021

(i) **The amendment has been done to introduce the concept of Third-Party Inspecting Agency (TPIA)** to carry out the work related to certification, testing, inspection and safety audit of the licensed premises.

(ii) To increase the number of competent persons to conduct testing and certification, the **guidelines on minimum experience required has been reduced from 10 years to 5 years.**

(iii) To address the urgent need of Oxygen in sufficient quantity at short notice from surplus areas to deficit areas in the wake of COVID 19 pandemic, **permission was accorded to ISO containers to move liquid oxygen for domestic transport** on 23<sup>rd</sup> September 2020.

(iv) **Provisions have now been incorporated in the Rules to allow transportation of cryogenic compressed gases** such as Oxygen, Argon, Nitrogen, LNG etc through ISO Containers in domestic areas. This will help to transport Liquid Oxygen from surplus areas to deficit areas and promote **multimodal transportation** (by road, rail and waterways) of these gases **and reduce the transportation cost as well as time.**

(v) To ensure expeditious disposal of applications, the **timelines to obtain No Objection Certificate** from District Authority has now been **specified to two months.** In case of failure to dispose the application for NOC in the given time, **NOC will be considered deemed to be issued.**

(vi) The need for **submitting application and fees to obtain duplicate license has been eliminated.** System generated online copy will be sufficient.

#### B. Calcium Carbide (Amendment) Rules, 2021

(i) To reduce compliance burden, PESO has **increased the validity of license** for storage of Calcium Carbide **from 3 years to 10 years.**

(ii) The need for **submitting application and fees to obtain duplicate license has been eliminated.** System generated online copy will be sufficient.

(iii) **Provision for online fees payment facility has been provided in the Rules.**

(iv) **To monitor premises for storage of Calcium Carbide, provision of geo-mapping** of the premises has been incorporated in the Rules and will be made available to the concerned state and central authorities.

(v) **To increase transparency and access to information,** amendments have been made to ensure proper records and compliance of storage related information.

#### C. Ammonium Nitrate (Amendment) Rules, 2021

(i) The amendments include **provision for adequate firefighting** facilities in storage and handling areas, **improvement of flooring in storage and handling area, provision for auction**

of serviceable seized Ammonium Nitrate and disposal if not fit for use **and specification of safety distance from port area** has also been prescribed.

(ii) In order to **promote 'Ease of doing Business'**, the transfer of Ammonium Nitrate from one location to another of the same licensee has been permitted now. The Rules have been amended to **exclude regulation of stevedores** (agency handling loading / unloading of AN on ship).

(iii) Provision has been made **for adequate fire-fighting facility and shelters** for security guards. Ammonium Nitrate received at the ports is now required to be removed / transferred to the **nearby storage houses situated 500 m beyond the port area**.

(iv) The time for disposal (including enquiry, decision to grant or refuse) of the application for seeking 'No Objection Certificate' from District Authority or Director General of Mine Safety **has been reduced from 6 months to 3 months**.

(v) The capacity for storage of Ammonium Nitrate in small **storehouse has been enhanced by rationalizing the space and quantity requirement**. Towards safe and speedy disposal, rule has been amended to **allow auction of the seized lots** of Ammonium Nitrate.

(vi) **To curb pilferage of Ammonium Nitrate, provisions have been made to import Ammonium Nitrate in bagged form** only. This will reduce the handling of loose Ammonium Nitrate at port and therefore will enhance safety.

(vii) The need for **submitting application and fees to obtain duplicate license has been eliminated. System generated online copy will be sufficient**.



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