

**ALL PAKISTAN LPG
DISTRIBUTORS ASSOCIATION
KARACHI**

PLAN OF ACTIVITIES

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**ALL PAKISTAN
LPG
DISTRIBUTORS
ASSOCIATION**

ABOUT ASSOCIATION

The All Pakistan LPG Distributors Association (APLPGDA) is a premier body of LPG sector, which has been headed by such august personalities.

The APLPGDA was established in 2008, primarily due to the efforts of the Mr. Abdul Hadi Khan. It functioned for a number of years and received much support and recognition from the LPG Distributors as well as LPG Marketing Companies.

It was also decided to establish the offices of this association at Karachi & Lahore, as at that time the majority of the major LPG Distributors & LPG Marketing Companies originated from these regions. It took some time to be organized on a professional basis. A rented premises for the office was obtained, from where it continues to function. The Association expanded rapidly with the inclusion of new members from all over the country and was soon able to call itself the ***ALL PAKISTAN LPG DISTRIBUTORS ASSOCIATION (APLPGDA)***

The formation of this association was critically required to facilitate the exchange of their views on matters of common interest among LPG business owners. The APLPGDA successfully afforded to LPG Businessmen the means to watch over, protect, preserve and promote the rights and interests of the LPG industry on matters directly or indirectly affecting their rights and interests. The APLPGDA remained very active in handling the problems faced by its members vis-à-vis.

The APLPGDA not only handles the complaints of its members but it also puts its best efforts to settle the different matters between LPG distributors and LPG Marketing Companies.

The significance of this Organization is duly reflected in the fact that it provides a bridge between the distributors and producers. It was an accepted reality that the distributors and producers are the two wheels of the same carriage and not antagonistic rivals. They complement each other and the existence of one is inextricably linked with that of the other. However, in order to make the liaison between distributors and producers closer and firmer the APLPGDA had taken positive steps to consolidate the mutual relationship.

The APLPGDA has extended its protective umbrella of LPG businessmen, over the years the APLPGDA has grown into a true representative body of distributors and marketing companies all over the country.

The APLPGDA, throughout its history has originated and promoted improvements in the law and supported or opposed alterations therein.

PLAN OF ACTIVITIES

(As per Rules 2(1) AND 23(1) of Trade Organizations Rules, 2013)

SHORT TERM PLANS OF ACTIVITIES

- To representation and communicate the Federal, Provincial Governments, Local or other authorities with Government and private on any matter effecting the business of its members.
- To demonstrate the benefits of LPG and inform, educate and influence all stakeholders.
- To secure adequate representation of the association on Government, Public or statutory bodies and on trade and business/austral delegation.
- To promote compliance with health, safety and environment standards and good business practices in the LPG industry.
- To identifying market opportunities for LPG in both rural and urban settings, and supports the growth and development of existing markets
- To encourage friendly feeling and unanimity amongst LPG businessmen on all subjects connected with their common good.
- To take all steps which may be necessary for promoting, supporting or opposing legislative and other measures affecting the association of its members.
- To endeavor in assisting, cooperation and motivating its members to strive and do its utmost for providing good quality LPG.
- To facilitate members in participating in national exhibitions, fairs and exchange of trade delegation for promoting LPG sector.
- To forward proposals for the Annual Federal Budget, Trade Policy and other business legislations.
- To undertake special inquiries and initiate or support any action for securing the redress of legitimate grievances connected with the association of its members.
- And generally to do all that may be necessary in the interest of the realization of the above objects of the Association directly or indirectly.

MAJORS STEPS TO BE TAKEN FOR THE BETTERMENT OF LPG INDUSTRY

JOIN EFFORT OF INDUSTRY AND GOVERNMENT

- Create a committee including LPG companies and relevant government stakeholders to meet, debate, coordinate and define key actions for the sector, including the Law on LPG Markets

IMPROVED SERVICE DELIVERY

- Develop a safe cylinder handling and LPG installation program and train gas retailers.
- Require a basic test for gas retailers and certify those who pass as LPG Installers. Establish a registry of certified installers and inspectors.
- Consider decentralizing gas retailer training and licensing and education on safe LPG uses.

GOVERNMENT OVERSIGHT AND REGULATION

- Identify where in the chain LPG losses are taking place, at the supplier and/or gas retailer levels.
- Continue conducting random inspections, issuing fines when appropriate, and strengthening enforcement and safety.
- Encourage retailers to weigh cylinders and use cylinder weight as a marketing tool.

POOR CYLINDER QUALITY

- Review existing regulations in order to simplify importation and sale of new cylinders.
- Better control the illegal importation of cylinders.
- Reduce the cost of replacing cylinders, lower import taxes on materials and products associated with cylinder manufacturing.
- Assess different mechanisms for sharing cylinder maintenance and replacement costs between Industry and Government. For example: create a special fund supported by a dedicated LPG sales tax, and/or international funds. Define Industry responsibility for cylinder repair and replacement to avoid undue hardship.

CONSUMERS' CAPACITY-TO-PAY

- Develop special payment plans for LPG consumers. Payment plans could address up-front and ongoing fuel costs, defined in an agreement with suppliers/retailers and consumers, and adapted to their energy needs and capacity to pay.
- Explore ways to enable consumers to experience the benefits of LPG during a longer time period
- Study the technical feasibility, security requirements, benefits and constraints of partial refilling systems being operated in other countries.

COST PERCEPTIONS

- Develop credible information showing that cooking with LPG is less costly than with firewood. Use this information to develop systematic messaging to users. To be credible, activities should be supported or conducted by a neutral third-party.
- Assess the feasibility and cost of using gauges or transparent cylinders to measure gas consumption.

CONSUMER EDUCATION

- Select the most appropriate media to reach priority audiences. For example, use mass media (radio, billboards, internet), interpersonal communication (community events, demonstrations), and written communication (leaflets).
- **Focus on Cooking:** Offer cooking classes and community demonstrations to increase women's confidence and knowledge about cooking with LPG. Teach women to use pressure cookers for these same reasons. Educate women how to cook in ways that economizes fuel.
- **Focus on Safety:** Teach consumers proper cylinder installation and good home safety practices. Inform consumers about common LPG risks and how to eliminate them.

PLANS OF ACTIVITIES

(As per Rules 2(1) (1) and 23(1) of Trade Organizations Rules, 2013, as audited by a firm of Chartered Accountant)

For The Year 2019

S. N	Activities	Time Frame		Financial Impact	Intended Goals
		Date of Commencement	Date of Accomplishment		
1	<p><u>PROMOTING LPG IN RURAL AREAS</u></p> <p>By delivering cleaner, modern fuel in the form of LPG, and creating sustainable markets for its consumption and use, the LPG Rural Energy Challenge provides rural communities with the means to generate a wide range of consumptive and productive services in order to deliver vastly improved living conditions.</p> <p>Because it is portable, clean, safe and extremely efficient in generating heat, LPG is major step up on the energy ladder and presents an excellent option for delivering energy services in rural areas where few viable alternatives exist. These characteristics demonstrate immediate value to households by providing more efficient and cleaner means by which to cook food, heat water, or light homes services which contribute to a better quality of household life.</p>	01-12-19	20-12-19	<p>Rs.70,000/- to 100,000/-</p> <p>(for supply of stoves and cylinders on low rates in rural areas)</p>	<p>An important premise of the LPG Rural Energy Challenge is that LPG is a resource which generates multiple productive services extending well beyond the household, providing the means by which to improve community life, health and sanitation and also to develop micro-economies and generate income at the community level.</p> <p>Access to LPG in these rural communities also extends to the creation and / or modernization of small commercial and manufacturing enterprises such as food preparation and processing, agriculture, cleaning and sanitation, and metal works. To achieve this LPG must be affordable, accessible, safe and reliable in the local marketplace.</p>

2	<p><u>REGISTRATION OF LPG DISTRIBUTORS WITH OGRA</u></p> <p>As a LPG marketing companies who are the licensee of the OGRA appoint distributors after a detail scrutiny process and verification of distributors and their technical and financial evaluation and also dealer premises is been verified by the LPG marketing companies. A specific registered distributor can run business with three agencies on a single dealer premises. All LPG marketing companies should be jointly responsible for maintaining safety standards at dealer premises.</p>	01-01-19	31-12-19	Rs.5,000/- per Distributor fee for registration with OGRA	Our association is firmly believe that thousands of distributors are actively involved in handling of LPG across the country under umbrella of these LPG importers and until these ghost distributors are not registered the whole exercise of for registration of LPG distributors with OGRA will be of no use.
3	<p><u>TO TAKE STRICT ACTION AGAINST DECANTING (Filling of LPG from Cylinder to Cylinder)</u></p> <p>Our association fully support the OGRA to take strict action by cancelling or suspension of marketing licenses of those companies who are involve in this illegal practice. The OGRA should also insure minimum number of cylinders to be inducted by marketing companies according to their sales volumes.</p>			Authority appointed 3 rd party should inspect these safety parameters by charging nominal fees from the relevant distributors.	We propose that the current hundred and thousands of decanting outlets which are operating in highly unsafe environment should be immediately bring into safety net. The mandatory safety criteria should be in place at these outlets.
4	<p><u>LEGAL, INSTITUTIONAL AND EXPERT ADVISORY SERVICES</u></p> <p>The Association will in due course of time, develop a panel of experts in Accounts & Finance, Taxation, Law Corporate Affairs and especially LPG Price, to provide expert advice to the Members from time to time in these fields. Industrial advisory services will also be rendered to the individual members on request.</p> <p>This expert advisory should serve to facilitate achievement of safe LPG facilities, distribution processes and safety at consumer locations</p>	01-09-19	30-11-19	Rs.18,000/- (for Legal & Professional Fee per annum)	This advisory services is more helpful for those members who are registered with Government Department such as FBR, SECP, EOBI & Civil Defense etc.

5	<p><u>COOPERATION WITH CIVIL DEPARTMENT FOR TRAINING AND RAISING AWARENESS ON SAFETY ISSUES OF LPG USE.</u></p> <p>In mid of year 2019 the Civil Defence on the directives of provisional governments is making efforts to stop illegal business of decanting of LPG all over Pakistan because of lack of safety measures. Our Association executive members met with civil defense officials and ensure them that at all LPG business premises following safety measure will be implemented</p> <ul style="list-style-type: none"> • Inspection of fire safety measures. • To render advice on Civil Defence and safety measures to public and private sectors, on demand. • To train the municipal fire safety in the district. • To impart basic Civil Defence first aid and fire prevention training to general public, industrial / commercial concerns, Government and Semi-Government departments schools and colleges. • To inspect & issue NOC's for the working / installation of LPG retail outlets. • To proceed against illegal storage & sale of POL products and decanting of LPG. 	01-10-19	31-12-19	<p>Inspection Fees Rs.5000/-</p> <p>(for issuance of Inspection Certificate & NOC after conducting a comprehensive survey for safety compliance at LPG retail outlets)</p>	<p>Our Association propose that the current hundred and thousands of decanting outlets which are operating in highly unsafe environment should be immediately bring into safety net. The mandatory safety criteria should be in place at these LPG retail outlets and an OGRA/Civil Defense appointed 3rd party should wet these safety parameters by charging a nominal fees from the relevant distributors supplying to these outlets.</p>
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SOURCE OF INCOME OF THE ASSOCIATION AND ITS UTILIZATION

The source of income of the Association shall largely depend on Membership, Annual Subscription Fee and Donations from Association Members.

GENERAL

The Association shall keep an eye on the day to day developments relating to LPG industry. It will serve as bridge between the Distributors and Marketing Companies. The Association will also closely monitor the economic indicators and advise the members on the emerging risks and opportunities on periodical basis.

Secretary General
(All Pakistan LPG Distributors Association)

PLANS OF ACTIVITIES

(As per Rules 2(1) (1) and 23(1) of Trade Organizations Rules, 2013, as audited by a firm of Chartered Accountant)

For The Year 2020

S. N	Activities	Time Frame		Financial Impact	Intended Goals
		Date of Commencement	Date of Accomplishment		
1	<p><u>PUBLIC AWARENESS PROGRAMS OF BENEFITS OF USING LPG AND FEARS CONCERNING SAFETY IN THE HOME</u></p> <p>Entrenched use of firewood and limited knowledge about benefits of LPG use limits LPG market penetration. Many respondents cited lack of awareness as a barrier to switching from firewood to LPG. Our understanding is that this relates to all aspects of LPG use; simply the practicality of LPG as an alternative to firewood, environmental and health benefits, safety issues in the domestic environment. These matters can be addressed through a public awareness/ education campaign jointly undertaken by government and business.</p>	05-01-20	10-01-20	Rs.120,000/- to 150,000/- for health and safety program (public awareness) at tasil level in rural areas	The objective of the public awareness campaign will be to emphasize LPG as a cost-effective and safe fuel that is clean and convenient. The environmental message should seek to educate the public on the need to preserve forests by turning towards the use of LPG. Public awareness campaigns are a shared responsibility between LPG marketers, Government and NGOs etc. This is because there is the business interest and the national environmental significance.
2	<p><u>INTRODUCTION OF PORTABLE LPG SUPPLY SKIDS IN RURAL AREAS.</u></p> <p>As we are well aware that 90% of urban city sale of LPG is through decanting outlets, these outlets are in hundred and thousand in numbers and their growth rate is increasing day by day. Despite of the fact that this activity is illegal and prohibited in LPG Rules but due to the demand and shrinking of LPG consumers purchasing power its seem that the retail outlets and network has no legal coverage under the present LPG Rules.</p>	01-02-20	31-03-20	Portable Skid mounted LPG decanting units should be establish by LPG Marketing companies	Our Association pleased to offer its assistance to OGRA to curb this manse of decanting by bringing them in safety net. This process should be initiated at two stages one is short term and other is long term. We strongly endorsed that the recommendations which we have submitted may take a longer span of time to be transformed into LPG Rules.

3	<p><u>SEMINAR ON LPG MARKET PROMOTION AND DEVELOPMENT</u></p> <p>The demand for LPG in Pakistan is substantial. Barriers to expanding the use of LPG have been affordability, unreliable/ limited availability and lack of public awareness with regard to LPG as a domestic fuel.</p> <p>The Government wishes to promote the use of LPG to reduce deforestation and to ensure sustainability of forest cover. Government policies and the national development plan point to a commitment to promote LPG as an alternative fuel to firewood based fuels.</p> <p>Specific roles to be played by the Government include support for installation of bulk import facilities; participation in public awareness campaigns on LPG use; fiscal measures to reduce taxes on LPG product and appliances; and drafting appropriate regulations and standards to mainly ensure LPG safety and fair/free trade.</p>	26-05-20	28-05-20	Rs.100,000/- to 150,000/- for organizing seminar	<p><u>OUTCOME FROM SEMINAR</u></p> <ul style="list-style-type: none"> • Limited availability of reliable macro-economic and socio-economic data and information in Pakistan hinders reliable modeling of LPG demand projections. • Critical initial investment in terminal unlocks LPG demand. • Interventions lower LPG consumer entry and refill costs and promote more demand. • Ensure safety and provide consumer confidence. • Encourage private enterprise by ensuring free market and absence of harmful trade malpractices.
4	<p><u>IMPLEMENTATION OF LPG POLICY-2017 IN RELATION TO IMPORTED LPG</u></p> <p>The influx of imported LPG through sea and land route is off specs and of a very poor quality. Our Association requested the OGRA to instruct the terminal operator at sea port to carry inspection by HDIP for every consignment to be imported in Pakistan through sea route.</p>			Establishment of HDIP Laboratory by OGRA on boarder and charge Rs.1000 to 1500 fee from LPG Marketing companies	The sub-standard, off spec LPG coming into the country should be check and law should be enforce to check the quality as well as the under invoicing of LPG through Taftan border land and sea route. The OGRA should take steps to establish a HDIP laboratory at Taftan boarder to ensure for the PSI Standards of imported LPG.

5	<p><u>PROMOTING LPG AS AN AUTOGAS FUEL</u></p> <p>Promoting gas consumption for industrial use and other sectors such as transportation was less priority for the government. Government policies concerning LPG were centered on domestic consumption of LPG to the neglect of this sector. Therefore, Authorities responsible for formulating, coordinating, implementation and monitoring energy policies have focused solely on residential use of LPG. LPG as automotive fuel is not regulated by any policy in Pakistan.</p> <p>Promoting AutoGas is a core mission of our Association in this regard our Association keen to host a seminar on <u>LPG AS AN AUTOGAS</u> in mid of September-2020.</p> <p>Our aim to make people confident by switching them from petrol to LPG because it is saving on fuel and less harmful for environment.</p>	18-09-20	20-09-20	Rs.100,000/- to 150,000/- for organizing seminar	<p><u>OUTCOME FROM SEMINAR</u></p> <ul style="list-style-type: none"> • Autogas is Cleaner and Greener, today's vehicles are much cleaner than they used to be but they still contribute to air pollution, • Vehicles converted to run on Autogas produce far fewer of the harmful emissions associated with traditional fuels and so offer the best environmental alternative. • Autogas is free of any impurities, Auto LPG burns clean and emits very low carbon, improved engine life and performance. • Autogas will quickly evaporate in the event of a fuel spill, unlike petrol and diesel so there is no risk of ground or water contamination. • Autogas produces fewer harmful emissions that impact on air quality.
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Secretary General
(All Pakistan LPG Distributors Association)

PLANS OF ACTIVITIES

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For The Year 2021

S. N	Activities	Time Frame		Financial Impact	Intended Goals
		Date of Commencement	Date of Accomplishment		
1	<p><u>TAKE STRICT ACTION AGAINST SUBSTANDARD LPG AND CYLINDERS</u></p> <p>Hundreds of people lost their lives while thousands more suffered severe burns across the country every year from LPG cylinder blasts. Though some small manufacturing units are in Lahore, most of the low-quality cylinders are manufactured in Gujranwala and later sold all over the country.</p> <p>The authorities that issued licenses to the companies are responsible to take punitive actions against the companies, manufacturing poor quality cylinders,</p> <p>In the past we have conducted several meeting with Authorities to take strict action against illegal business of these manufacturers and suppliers.</p> <p>In mid od April-2021 we plan to meet Authorities (OGRA & MPNR) Officials at Islamabad to involve all stakeholders in the development of LPG standards. A sense of ownership of standards will encourage their application and compliance. There is also an important obligation of governments to inspect and audit operations, provide advice on any non-compliance and to identify and close down those illegal activities that jeopardise legitimate businesses and the safety of the general public.</p>	26-04-2021	27-04-2021	<p>Rs.50,000/- to 60,000/-</p> <p>for travelling and hoteling to conduct meeting with Authorities</p>	<p>Authorities are the governmental bodies that pass laws and adopt and enforce codes of practice and standards of operation. They represent the public who has entrusted them to produce a sensible, workable framework, with the expectation of industry compliance.</p> <p>By using quality LPG we get the following advantages:</p> <ul style="list-style-type: none"> • LPG doesn't contain sulphur, so it burns a lot cleaner than energy resources like oil. • Liquid Petroleum Gas burns consistently, making it more reliable than other forms of energy. • LPG is also perfect for those who don't have access to natural gas lines. Since it is easily transported and even able to be stored underground with little danger. • Finally, LPG mixed with air produces a very hot flame when ignited and has good temperature control.

2	<p><u>INDUSTRIAL & COMMERCIAL LPG APPLICATION</u></p> <p>LPG is the preferred fuel for hotels, restaurants, catering companies, schools, and bakeries. LPG offers continuous supply of heat that quickly reaches and is maintained at the desired temperature. Moreover, LPG powered forklifts are cost effective and environment friendly with no reduction in engine power.</p> <p>LPG is also widely used in civil engineering, metal industry, ceramic industry, textile industry, and glass industry. Depending on the scale of operation, LPG can be provided in the form of a manifold of cylinders or a bulk tank.</p> <p>LPG has wide range of Commercial, Industrial such as:</p> <p><u>LPG in Hotels</u> Cooking boilers, washing laundry dryers, terrace heaters, utility carts, emergency generators, air conditioning, incinerators, mosquito repellent, terrace heaters, mobile catering units, geysers, baking.</p> <p><u>LPG in Textile Industry</u> Boiler, thermic Fluid Heater, Stentor, Singeing washing and drying</p> <p><u>LPG in Glass Industry</u> Melting, holding, polishing & shining framing</p> <p><u>LPG in Ceramics Industry</u> Glazing, décor painting</p> <p><u>LPG in Chemicals Industry</u> Reactor, boiler, thermic fluid heater, hot air generator, oven dryer, evaporator, calcinatory</p>	16-08-2021	19-08-2021	<p>Rs.80,000/- to 100,000/-</p> <p>Various awareness programs regarding Use of LPG in industrial & commercial sectors</p>	<p>LPG is a low carbon fuel with thousands of industrial and commercial applications. Regarded as an exceptional energy source, it is cleaner than any other fossil fuel, highly energy efficient and safe to use.</p> <p>Benefits of using LPG in Industrial & Commercial:</p> <ul style="list-style-type: none"> • Increased fuel savings • High rate of heating – as high as 400 °C per hour. • Uniformity in temperature and precise temperature control. • Better heat transfer with LPG firing • No wastage of fuel due to spillage and adulteration • Uniformity and increased end product quality • Lower maintenance cost of burners, ovens and furnaces • Lower shut down time of machinery • Cleaner burning and sulphur-free emissions
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3	<p><u>SEMINAR ON RELATION BETWEEN LPG & WOMAN</u></p> <p>Through its groundbreaking initiative Cooking For Life, our Association has created a platform for the LPG industry to focus on the benefits of switching to LPG from cooking with what are referred to as ‘traditional fuels’, fire-wood, charcoal and other forms of biomass.</p> <p>Educating the public, especially women, about the costs and benefits of fuel choice could promote a switch to cleaner fuels. Such awareness-raising and public education, however, is lacking in our country. Both governments and LPG marketing companies can do much more on this score using the internet, newspapers, TV, and other media, as well as face-to-face demonstrations by retailers.</p> <p>Promoting use and awareness of LPG in women is our Association’s mission in this regard our Association keen to host a seminar on <u>WOMAN AND LPG</u> in mid of Octobr-2021.</p>	21-10-2021	23-10-2021	Rs.100,000/- to 150,000/- for organizing seminar	<p>Fuel switching from traditional biomass fuels to modern fuels for cooking such as LPG can reduce women’s work and time burden, improve health and decrease deaths. Secondary benefits can come from how time saved is used by women to improve their and their families’ lives, whether through income generation, education or leisure. There are likely to be considerable safety benefits due to switching from kerosene to LPG. Modern energy in the form of LPG can also improve the delivery of health services.</p>
4	<p><u>REDUCTION OF GOVERNMENT TAXES ON IMPORTED LPG</u></p> <p>The government’s decision on reducing taxes on the imported LPG has liberalised imports and made the locally produced gas very expensive. The reduction in taxes has made imported gas cheaper compared to the one locally produced.</p> <p>Both the gases, however, are sold at uniform prices. The gas is largely used by domestic consumers, particularly in upcountry during the winter season as pipeline gas remained unavailable to these areas.</p> <p>The government’s decision of cutting taxes came at a time when it is making</p>	08-02-2021 17-05-2021 08-11-2021	08-02-2021 17-05-2021 08-11-2021	<p>Various meeting with Government Officials to impose petroleum development levy tax on imported LPG.</p>	<p>Our Association opinion is that there is a dire need to rationalise taxes on domestically-produced LPG and imported LPG, as the cumulative taxes and duties of imported LPG are much lower. This means that the government is safeguarding importers interests only.</p> <ul style="list-style-type: none"> • The Government protecting importers and penalising domestic players in this business.

	<p>overall imports expensive through structural changes in monetary and fiscal policies to reduce the demand for dollars in the economy.</p> <p>The government cut General Sales Tax (GST) on the import of LPG to 10% from 17% earlier. Besides, it withdrew the regulatory duty of Rs.4,669 /ton.</p> <p>The decisions were taken to make gas available at affordable prices during the winter season. They, however, have resulted in discrimination with the local producers.</p> <p>“The discrimination is likely to hurt production at local refineries and may hurt their petrol and diesel production as well.</p> <p>Contrary to the cut in taxes on imported gas, the distributors have continued to pay higher GST at 17% and Petroleum Development Levy (PDL) at Rs.4,669 per ton.</p> <p>Our Association planned various meeting with Governments Officials and Authorities impose petroleum development levy tax on imported LPG because after the imposition of petroleum development levy tax, the prices of local and imported LPG will be equal and favorable for businessmen and government as well.</p>				<ul style="list-style-type: none"> • Prudence demands that the cost for both should be equal to conduct business competitively. • Importers can indulge in over import, and sell all their gas at lower rates leaving the domestic players high and dry. • For importers, the duties are clearly defined, and in some cases, they are exempt from some levies. But for domestic distributors, the price mechanism is complicated. • Local producers have to bear huge expenses for obtaining LPG quota from the LPG producers, and all of the producers are in the government sector. • Another point worth noting is that OGRA fixes the price of domestic LPG, while there is no regulation of price on imported LPG.
5	<p><u>WEAKNESS OF LPG DISTRIBUTION NETWORKS IN REMOTE RURAL AREAS</u></p> <p>One of the advantages of LPG is its portability and having the ability to be able to reach populations in the most remote rural areas. Once cylinders leave the filling plant the control over safety and business practices diminishes. Urban and rural development of LPG markets requires strong controls through the distribution channel.</p>	25-12-2021	31-12-2021	Rs.100,000/- For Arranging meetings with our distributors and boost them to uplift maximum LPG for rural areas	<ul style="list-style-type: none"> • The rural population of Pakistan use very polluting sources of cooking fuel such as firewood, cow dung cakes, and inferior quality coal. These fuel sources produce toxic fumes and people living in abject poverty suffer from smoke inhalation from using such inferior quality fuels.

<p>This is not only a deterrent to investment in the distribution channel because of the lack of critical mass, it is also likely to encourage bad business practices. Unauthorised and poorly trained dealers see opportunities to service a low volume market through short cuts, impacting on good LPG cylinder management practices frequent refilling, and the associated increased number of cycles through the filling plant, causes greater wear and tear on the cylinder and increases operational costs.</p> <p>The withdrawal of some of the larger multinational companies from the global LPG business over recent years has perhaps made the need for safety and regulations enforcement even more acute. So too the need for heavy penalties for non-compliance, the need for training, coupled with a strong consolidated government lobbying body, has become a bigger issue since the days of The Rural Energy Challenge. This is particularly the case in developing countries where the LPG industry is still growing and where a countries under review, the relative cost of LPG versus traditional fuels appears to be higher creating a barrier to entry.</p>			<ul style="list-style-type: none"> • If LPG is made available in rural areas at a price that is affordable for rural population, it will substitute the polluting and toxic cooking fuels. This is not only good for their health as LPG burns clean with practically negligible toxic gases, but it would also free up the time they spend accumulating the firewood etc, and time spend in cooking, as LPG has significantly higher calorific value compared to other available fuels. • LPG can be stored in cylinders and can be transported in regular trucks to remotest rural locations. A typical 14 kg LPG cylinder generally lasts about 40–50 days for an average household cooking needs. So the infrastructure usually associated with building natural gas pipelines is not needed for LPG. The only rural infrastructure we need is a storage facility where a significant amount of LPG cylinders can be stored, a fleet of deliver trucks for some areas and a staffed office to make payment transactions of LPG cylinders with rural customers.
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Secretary General

(All Pakistan LPG Distributors Association)