



Issues

In continuation of the first ILPGAC meet held on Jan 12, 2004 at IOCL headquarters in Mumbai, wherein various issues were discussed and identified, this meet aimed to take the same to the logical next step.

October 5, Mumbai

As a precursor to the meet, the working committee members comprising of K. Balakrishnan, Ira Dorfman, Robin Parsons and Suyash Gupta first met with Ms Anumita Roy Chowdhary, Joint Director, Centre for Science and Environment on Oct 5 in New Delhi

CSE is extremely concerned with the growing number of illegal kits in India and has been proactively advocating strong measures after a series of related accidents in Delhi. The issue of illegal kits in school buses was also discussed wherein the need of awareness among the parents of these children was highlighted. CSE has also requested SIAM to convince the vehicle manufacturers for being proactive and coming out with more number of dedicated LPG vehicles. To address the vehicle manufacturers' issues regarding proper fitment and the warranty issues, they have also requested the vehicle manufacturers to promote OE certified retro fitment centres.

This was followed by a meeting with Delhi Transport Secretary, Mr Rajeev Talwar and finally with SIAM, Mr KK Gandhi and Ms Deepti Singh who also reaffirmed their full support to the coalition.

October 6, Mumbai

The group comprising of K. Balakrishnan, Ira Dorfman, Robin Parsons, H. S. Gupta, Shishir Agarwal and Suyash Gupta met with Mr. A. C. Kelkar (Executive Director-LPG), Indian Oil Corporation Ltd. and Mr. Sunil Mathur (Sr. LPG Manager-Engineering). IOC shared its deep concern over the issue of illegal fitments and diversion of domestic LPG to automobiles.

IOC has been taking up the matter very strongly with various state governments in this regard and together as the Oil industry, they have also launched a joint media campaign to increase the public awareness about the safety issues and to educate them about the difference in auto-LPG and domestic LPG.

Indian Oil had hosted the first meeting of the coalition on Jan 12 earlier this year and reiterated their commitment and support to the coalition.

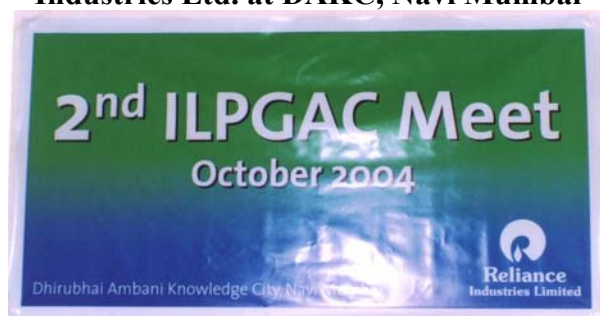


October 6, 3 pm: Mumbai

The group comprising of K. Balakrishnan, Ira Dorfman, Robin Parsons and Suyash Gupta met with Reliance Industries Ltd at their DAKC office. The meeting was chaired by Mr. P. Raghavendran, President (Petroleum Business) alongwith Mr J. John (VP), Mr Ashok Dhar (VP), Mr. Vinay Kapadnis, Mr Bidyut Dutta and Ms Indrani Goswami.

Consonant issues were discussed and Reliance shared with the group its willingness to play a very active role in the coalition and assured the members of full support.

2nd Indian LPG Autogas Coalition Meet on Oct 7, 2004 hosted by : Reliance Industries Ltd. at DAKC, Navi Mumbai



Participants:

Sr. No.	Name	Designation	Company's Name
1	Mr. S.K.Hazra	Managing Director	AEGIS Logistics
2	Mr. M.K.Chaudhari	Sr. Dy. Director	ARAI
3	Mr. Arun B. Desai	Sr. Manager	Ashok Leyland
4	Mr. Anjum Afroz	Sr. Manager	Bhagyanagar Gas Ltd.
5	Mr. N Dasgupta	Chief Manager (Auto LPG)	BPCL
6	Mr. S. K. Kudaisya	Dy. General Manager (LPG Operation)	BPCL
7	Mr. A K Goel	Sr. Manager - Engg Design	BPCL
8	Mr. M. Anbunathan	Chief Controller	CCOE
9	Mr. Robin Parsons	President	Clean Fueling Technologies - USA
10	Mr. S.Jaishanker	Vice President	Elf Gas India Ltd.
11	Mr. M Philippe	Managing Director	Elf Gas India Ltd.
12	Mr. V Venkatapathy	Vice President	Essar Oil Ltd.
13	Mr. H.S. Gupta	Managing Director	HT Process Ltd.
14	Mr. Niraj Awasthi	Regional Parts & Service Manager	HYUNDAI
15	Mr. Suyash Gupta	Coordinator	ILPGAC
16	Mr. N.R. Raje	Director - R&D	IOC
17	Mr. G.K.Acharya	Dy. Chief Mgr - R&D	IOC
18	Mr. Sunil Mathur	Sr. Manager (Auto LPG)	IOC
19	Mr. Yashpriya Arya	Dy. Manager	JBM Industries Limited
20	Mr. M.K.Shreekumar	Manager - Sales & Marketing	Liquid Controls
21	Mr. R.G.Pethe	Water Pollution Abatement Engineer	Maharashtra Pollution Control Board
22	Mr. L.P.Khade	Dy. Transport Commissioner	Maharashtra
23	Mr. Satish Sahastrabudhe	Dy. Transport Commissioner	Maharashtra
24	Mr. Shishir Agarwal	Director	Minda Impco
25	Mr Anil Garg	Manager	Minda Impco
26	Mr. Amit Shah	Managing Director	OMVL
27	Mr. S.M.Kelkar	Director – Sales	OPW
28	Mr. Ashok Dhar	Vice President	Reliance Industries Limited
29	Mr. John Joseph	Vice President	Reliance Industries Limited

30	Mr. Sanjay Shyamanur P.	Director	Sagas Auto Tec
31	Mr. K.K.Gandhi	Director – Technical	SIAM
32	Ms. Deepti Singh	Executive officer	SIAM
33	Mr. K Balakrishnan	Regional Director	US - AEP
34	Mr. Ira Dorfman	Consultant	US - DOE
35	Mr. Sandip Agarwal	Manager	VIALLE alternative fuel systems

Agenda

1030-1000 hrs	Registration and Coffee	
1000-1005 hrs	Welcome Remarks	Mr. John Joseph, Vice President Marketing, Reliance Industries Limited
1005-1015 hrs	Introductory Remarks and ILPGAC Auto Run Presentation	K Balakrishnan, Regional Director, US-AEP/India
1015-1025 hrs	The Clean Cities International Program	Ira Dorfman, Clean Cities Program, US Dept. of Energy
1025-1045 hrs	US-Mexico Experience/Lessons for India	Robin Parsons, President Clean Fueling Technologies, USA
1045-1100 hrs	Issues and Perspectives	Reliance Industries Limited
1100-1115 hrs	Infrastructure Regulator's Perspective	M Anbunathan, Chief Controller of Explosives, Ministry of Commerce & Industry, Govt. of India
1115-1125 hrs	Automotive Certification Agency's Perspective	MK Chaudhari, Director, ARAI, Pune
1125-1135 hrs	Transport Regulator's Perspective	Mr. Satish Sahastrabudhe Dy. Transport Commissioner Maharashtra
1135-1145 hrs	Auto Industry Perspective	K K Gandhi, Director-Technical, SIAM
11.45-11.55	Kit manufacturer's perspective	Shishir Agarwal, Director Minda-Impco Ltd
1155-1210 hrs	Tea/Coffee	
1210-1300 hrs	Critical Issues and Recommendations for Auto LPG in India	Panel Discussion led by NR Raje, Ashok Dhar, A S Lakra, MK Chaudhari, Robin Parsons.
1300-1345 hrs	Ratification of ILPGAC Charter and Nominations for Formation Committee	K Balakrishnan
1345 hrs	Vote of Thanks	Suyash Gupta, Coordinator, ILPGAC

Summary:



Mr J. John ,Vice President, RIL, welcomed the stakeholders to the meet and set the tone for the meet by mentioning statistics about conversion to LPG in various states, particularly Gujarat where about 6000 vehicles are converted per month already.

Critical issues related to price and quality of the kits and a need for rational CCOE regulations w.r.t. Auto LPG Dispensing Stations (ALDS) were highlighted.

From the infrastructural point of view the CCOE was requested to take a rational view on the industry issues which request permission for the following:

- 1) Allowing Convenience Stores and ATMs at autoLPG outlets.
- 2) Allow LPG and Gasoline/ Diesel on the same island.
- 3) Allow certified Retro fitment centres at retail outlets.
- 4) Approval for Bobtails.
- 5) Skid Mounted Stations modified as per Indian conditions, on a demonstration basis, at a few outlets.

Oil companies volunteered to be part these demo stations and CFT volunteered to work towards the same with Indian Petro companies and provide these stations to them on a cost sharing basis with them.





CCOE Mr Anbunathan was very open to suggestions and assured the Industry that his department would certainly look into and consider all suggestions that do not compromise on safety and sufficiently convinces the department on technical and safety grounds on the merit of each recommendation.

Other suggestions that came up during the meet:

- Need of presence of reputed NGOs in the coalition. High cost of equipment consequent to very high customs duties with no exemptions (for infrastructural equipment like auto LPG pumps, dispensers) for green fuel cause for concern : **Mr. N Dasgupta, BPCL**
- Put various transport federations/unions and the press as associates of ILPGAC so that the coalition could have a better public reach. : **Mr SK Hazra, Aegis**
- Immediate need to look at macro level policy drivers and changes. **Mr Ashok Dhar, VP, RIL**



ILPGAC should come out with a clear national roadmap with clear timelines: **Mr KK Gandhi, SIAM**

- ILPGAC together with all stakeholders should push forward for fiscal incentives from both central and state governments towards the use of auto-LPG; Stricter enforcement from transport authorities required: **Mr MK Chaudhari, ARAI**
- Chart out a national roadmap and adopt city specific views by working in close cooperation with CNG providers also and get more NGOs in the groove. **Mr A S Lakra, CIRT**

- Kit manufacturers should ensure that Kits are not sold in cities where there are no Auto-LPG stations. Industry should come together to ensure that domestic cylinders are not diverted to auto LPG uses. **Mr NR Raje, IOCL**



India being LPG deficit is actually not an issue since many nations in the world which have a very high population of LPG vehicles, are in fact heavy importers of LPG. Most of the eastern European nations like Poland depend on LPG imports for as high as 80 % of their consumption. In fact critical issues are reduction of station costs, training of technicians and education of consumers through mass consumer education campaigns.: **Mr Robin Parsons, CFT**

- Prospects of auto LPG are huge in India and its growth would be directly proportional to the reduction and eventual removal of subsidies on the domestic LPG Cylinders. It is notable that the price of commercial auto LPG available at the retail outlets (which is NOT subsidized) is still only a fraction of the cost of Petrol which will always make commercial auto LPG a lucrative an attractive fuel in comparison to Petrol. : **Mr Alok Mathur (VP-Marketing), Reliance.**

- However government support is still required in the form of sales tax exemptions on the fuel to make it cheaper than even diesel and through duty cuts on the import of auto LPG refueling Equipment. LPG Kits already enjoy preferential duty rates.

A 12 member formation committee was also nominated to assist in the formation of a structuralized coalition and to recommend a funding dues structure to enable the coalition to meet its expenditure and take up the required activities.



The formation committee comprises of:

- 1) Mr Amit Shah : Managing Director, OMVL
- 2) Mr A. S. Lakra : Director, CIRT
- 3) Mr Balraj Bhanot/ Mr Chaudhari: Director, ARAI
- 4) Mr John Joseph : Vice President, Reliance Industries Ltd
- 5) Mr. K. Balakrishnan : Regional Director USAEP, India
- 6) Mr KK Gandhi : Director Technical, SIAM
- 7) Mr Satish Sahastrabuddhe: Dy Transport Commissioner
- 8) Mr Shishir Agarwal: Director, Minda-Impco
- 9) Mr S. Jaishanker : Vice President : Elf Gas India Ltd
- 10) Mr S. K. Hazra: Managing Director, Aegis Logistics.
- 11) Mr Sunil Mathur: Sr LPG Manager Engineering (Auto LPG),IOC
- 12) Mr.Suyash Gupta : Coordinator, ILPGAC

The formation committee intends to meet in early November to chart out a roadmap both term and longtime objectives.

In the meanwhile the members are requested to visit the coalition website www.ilpgac.org to share their views and forward any suggestions.