

NEWSLETTER

WELCOME TO OUR BUSINESS NEWSLETTER

ISSUE 003 | April 2022



BECAUSE WE DO IT RIGHT



FROM THE DIRECTOR'S DESK

This quarter, I wanted to bring you further into the culture of continuous development within Gas Africa – starting with the promotion of youth employment through our internship program. We are approaching local education facilities and striking partnerships that shall see them avail young talent mid-course to apply for the opportunity of working in industry and gaining invaluable experience across operations, finance, customer service, marketing and product development. They shall also present their own ideas for potential growth areas and how better to serve our clients, sustainably, with our core values in mind

We are pleased to feedback from the annual questionnaire, that the general scorecard and comments received from our clients are that the product offering and services provided are meeting expectations. Of course, there shall always remain room for improvement. We are looking at expanding our engineering division – including further committed medical piping projects during 2022 as well as potential piping of LPG in domestic residences

Internally, ideas are being shared on how best to streamline and optimize our operations that shall see further improvements to turnaround times (TAT). Priority on the TAT agenda is the speed of conversion of order to delivery and responses to online queries received through social media and the website. On the latter, we have already upgraded our site to include a hyperlink on each product page whereby you may click, complete, and submit a short query form that shall be received by the most relevant person in that department. Do take the time to visit at www.gasafrika.com and keep yourself posted

Despite the uncertainty in the upcoming two quarters in the Kenyan market, there is a great deal of optimism in the healthcare and industrial. Whilst liquidity is tight and inflationary pressures remain, businesses are still buoyant and spirits are not being dampened. Creative solutions for funding are being sought in pursuit of the delivery of visions

Dependent upon the company and industry, we continue to see local support from the World Bank for specific qualifying projects as well as investment in local banks from foreign parties with the mandate to boost SMEs. Growth in the healthcare sector continues to dominate and indeed pave the way for improved employment, GDP and the development of a skilled workforce that shall contribute positively to the economy for years to come

The relatively weak dollar, increasing shipping costs on the back of new tariffs at the turn of the year and oil hitting a 7-year high as it crossed \$110/barrel, are all macro pressures that remain on industries that are net importers of goods and services

Whilst we foresee continued trends of the same in the short to medium term. Gas Africa is well positioned to continue its operations uninterrupted without material impacts on our clients

I hope you enjoy reading the rest of the newsletter as we look forward to positively impacting business and improving the lives of Kenyans

Rajesh Ram
Managing Director



SOCIAL RESPONSIBILITY

Gas Africa is dedicated to giving back - both in our local community and through charitable organizations that are in line with our mission and values. Children who are underprivileged find it difficult accessing daily meals. In partnership with ISKCON's Food for Life program in Nairobi, we were delighted to visit and donate food to approximately 800 children in Korogocho



Food for Life Kenya (FFL) is a vegetarian food distribution program, serving approximately 2,000 meals every day of the week, across the country. The program focuses mostly on children but also responds to natural disasters, bringing hope into the lives of people affected by such events Speaking to the vice-chairman of ISKCON, Rukma Dasa, FFL engages in hunger relief, including outreach to the homeless, provision for disadvantaged children in schools as well as the low-income areas across the country. The organization welcomes donations from individuals as well as companies through Hare Krishna temple, Nairobi, in an effort to reach more Kenyans
"Let us get together and feed more children"

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Having been with the company since inception and being from a CPA qualified background, I have come to understand that accounting is the language of business. We have evolved our models to be more in tune with local demands - being the regular financial accounting but now inclusive of more project and cost based methods given clients' growth. The internal audit function oversees and reports back any potential deficiencies - all with the aim of the best delivery to our clients

Caroline Kamau
Head of Finance





PSA Plant Vs Cylinder Bank?

For those of you who are not aware, a Pressure Adsorption Swing (PSA) plant, in simple language, uses a technique by which Nitrogen in ambient air is 'adsorbed' on to a synthetic Zeolite Molecular Sieve allowing for the, now separated, Oxygen to be released under pressure

Kenya has seen a hike in the installation of these plants in recent times as a direct substitute for the use of the traditional high purity Oxygen cylinders supplied by specialist medical gas manufacturers and packers. So, what are the pros and cons?

Naturally, in the more remote areas, where accessibility to Oxygen is a concern, a PSA plant is a good alternative. Although, typically the purity of such plants do not sustainably exceed 95%, as compared to the 99.5% achieved and contained within medical gas cylinders, the advantage of knowing you have a secure source on tap cannot be denied

An in-house plant is generally considered as a 'one-off' cost. Of course, the very fact that there is a physical plant operating in the hospital leads to a continued expense – be it through accounting depreciation, the routine or even unplanned maintenance upon breakdown, the payroll relating to the bio-medical engineer and beyond that, the commercial opportunity cost of making space for a plant which could be used to house more patients in need

In our experience, we have noted several cases where medical facilities are relying solely on PSA plants without any thought of the support function in the event of a breakdown – potentially putting lives at risk. Emergency call outs for Oxygen cylinders is a common occurrence resulting from this, and although the company does its level best, there should never be a case that there is no gas

The output pressure of PSA plants when running shall be at a constant level. Too few patients and the electricity consumption becomes excessive and too many reliant patients could potentially lead to insufficient pressure in the pipelines to serve per requirements. The latter often occurs as hospitals expand their bed capacities and the assumption that by connecting them to the MGPS, that Oxygen shall 'just flow', is a common and very dangerous misconception

Across the board, opinions vary as to the benefits vs costs of PSA plants and it is generally accepted that the sustainable approach to take should be one that serves the patient and does not bring about unnecessary risk to life

Working in partnership shall achieve such and Gas Africa is more than happy to support and advise on the best route to take for your facility in consideration of all the relevant factors



DID YOU KNOW ?

The height of cabins, and the lengths and shapes of the bodies given the goods being carried, drivers of HGV's tend to have more blind spots (areas around a vehicle – in front, behind, and on the sides – where the driver's vision is limited)

Even where vision is reduced, large vehicles need a longer safety margin than standard vehicles. You should never pull in close when taking over a HGV or one that may be carrying pressurized gases or liquids – including bulk LPG – especially when approaching traffic lights or other road signals impacting the traffic flow

No doubt you shall be aware of the February incident of the LPG road tanker exploding at Mutarakwa on the Nairobi-Limuru highway and the fuel tanker that had exploded in March in a road accident along the Eldoret-Malaba highway. Regretful damage to surroundings, cars, homes, and fatalities resulted

Safety is a feature that must be observed in any business - especially one where logistics is a key component and even more so, one that is transporting dangerous, flammable and or pressurized gases and liquids



EMPLOYEE SPOTLIGHT

Q. So what's your background?

A. I am a graduate from IIM Indore, India with experience spanning education, banking, e-commerce and manufacturing

Q. What drew you to Gas Africa?

A. I would have to say the Vision. The expansion regionally across the gas field that the company has achieved in its relatively short history was really impressive and a journey that I wanted to be part of

Q. How have you found adjusting to the local Kenyan culture?

A. As much as it is upon me to immerse myself, I must say the local people have really welcomed me – support from clients, residents and colleagues have all made the transition so much easier. I have taken to the local cuisine as well. Ugali is often on my menu!

Q. What is a typical day for you?

A. Is there such a thing as a typical day?



Being part of such an entrepreneurial company means exciting new opportunities present themselves all the time. Finding solutions to problems, becoming more innovative to future proof our clients – it's all in a day's work

Q. How do you see the direction of the gases industry?

A. Where accessibility and networks are good, we see continued growth in the gases and liquid division and in the more

remote areas, on-site plants are perhaps the solution

Q. What is your motto or personal mantra?

A. Not so much a mantra, but I would have to say, 'integrity', is a value I always hold in the highest regard

Aryan Raj

Business Growth
Gas Africa

TALK TO US

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