

ISBN: 9798691959554

CHAPTER THIRTY FIVE

A Study on Shree Paschimasombhu Fuels and Lubes Pvt. Ltd.

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Mr. Shushil Kumar Sharma is a dynamic, hardworking and successful business man. Born on 4th May 1963 in a small village called Kantia in Jatni area under Khurda district. He has moved himself to be a flourishing businessman by virtue of his dedication, devotion, intuition, introspection and amicable dealings. Mr. Sharma, son of Late Dwarika Prasad Sharma, a Graduate in commerce and Law, had more than 10 years of experience in transport, grain and pulses trading business.

Shree Paschimasombhu Fuels and Lubes, established by Mr. Sharma is an outlet of Bharat Petroleum Corporation Limited (BPCL). It is located at Kantia, 10 kms away from the district headquarters of Khurda and 12 kms from the city of Bhubaneswar. Now a major junction connecting Pipili, Puri, Konark, Delang, Bhubaneswar, Khurda and Nayagarh. This location has strategic advantages and can be huge business potential for a petrol refilling centre

Why Petroleum and its Associated Business?

Petroleum and its associated business is very attractive considering the capital requirement and risk-return analysis. This business is flourishing in India and the country is obtaining rich sources of revenue out of this. One of the major reasons behind growth of this business is the rapid upsurge of the vehicle density in India. Among the leading corporations associated in this business, Bharat petroleum Corporation Limited (BPCL) is more popular because of its customer service and product diversities. Mr. Sharma after analyzing the business opportunities ventured into this.

Bharat Petroleum Corporation (BPCL) traces its history to 1928 when the Burmah Shell Oil Storage & Distribution Company of India was incorporated in England to enter the petroleum products business in India. The business of the Company grew substantially given the international backing of Shell and it achieved the leadership position in India. In 1952, Shell and Burmah Oil Company set up Burmah Shell Refineries to set up a refinery in Mumbai. The entire operations of Burmah Shell in India were nationalized in 1976 and the refinery and Marketing Companies were merged to form BPCL. The actual name of BPCL came in 1st August 1979.

Bharat Petroleum Corporation (BPCL) is the second largest oil refining and marketing company in the country. It has bagged the fuel supply contract for Kerala State Electricity Board's Kozhikode diesel power project at Nallalam. Recently it has signed an MOU with LG Chem South Korea for a Joint Venture to set up a petrochemical plant adjacent to its Kochi refinery Complex.

Bharat Petroleum Corporation Limited is good in marketing his products. It has given much importance to its customers. It has introduced the 'smart-card' technology at retail outlets in Chennai. The company has launched 'Smart fleet', a programme for fleet owners and operators. The company has introduced 'Petro card', a customer loyalty programme, and enrolled over 2.25 lakh customers by the end of March 2001.

Challenges faced

Even after a long association in business, Mr. Sharma faced few major challenges. As the place was not a high population density area, constancy in business was not ensured with respect to customers. Now emerging as a major junction better business is expected. Frequent disruption in power supply adds to the misery of the refilling centre. As Jatni market is expanding, more competition is expected to rise. Lack of manpower sometimes worries Mr. Sharma to carry out effective day today operation.

Learnings

After more than one decade of struggles and skirmishes in number of businesses, Mr. Sharma feels happy and confident with this business. Mr. Sharma realized that adoption of modern