A STUDY ON LOGISTICS MANAGEMENT OF BIOFUEL

Project Reference No.: 42S_B_MBA_003

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Introduction
Biodiesel marketing and the distribution of biofuel products takes place on a vast, global scale. Every day, hundreds of thousands of companies and individuals buy these products at wholesale or directly from retail outlets that now number in the thousands. As one of the most geographically widespread suppliers of biodiesel in the developed countries, Targray is ideally positioned to help bio-based fuel manufacturers create a stable source of income from the sale of biofuels. But, there are various sources of non-harmful fuel such as biofuels, which can be obtained from diverse vegetable oils and animal fats. Its primary advantage is that, it is being one of the most renewable forms of fuels currently available and it is also non-toxic and biodegradable in nature. It can also be used directly in most diesel engines without requiring extensive engine modifications. However, the cost of biodiesel is the major hurdle to its commercialization in comparison to petroleum-based diesel fuel. The cost effective production of biodiesel provides an alternative fuel to its users, the cost incurred on biodiesel manufacturing can be controlled by the usage of cost effective raw materials and by controlling the cost of transportation of the feedstock from its hub to the biodiesel manufacturing unit. Used cooking oil from restaurants and hotels in organized and unorganized sectors can be obtained at a minimal cost and it is a wise feedstock for converting into biodiesel. This study focuses on identifying the prospective procurement, transport, storing, processing and effectively managing the end product.

Statement of the problem
As the costs of procuring, managing and producing are high which result in higher prices of the product, the management of cost is very important in order to compete with a very streamlined process which in recent years crude oil management is able to achieve by managing costs in various different aspects in its logistics and production. As raw material is majorly agricultural waste, agriculture in India is very unorganized it requires a very organized approach towards the supply chain management.

Objectives
- To identify and address the problems in the Logistics management of Biofuel.
- To develop a model for the upstream and the midstream logistics.
- To suggest the customized models for rural and urban logistics management.

Methodology
The study involves comparative study between the different methodologies used by successful co-operative societies and making a model which complements the situation and the need, requirements of the setup. Making a new model which includes rural specific requirements and urban specific requirements. Finding cost effective ways to collect, transport, manage the supply of the raw material in streamlined and potent ways.

Scope: The study is restricted to Bangalore urban and rural areas.

Expected Outcomes
- Develop a model which streamlines the process of collection of the raw material
- Include a decentralized system which can help in reducing cost
- Solutions and suggestions towards the development of sustainable systems
- It provides inputs to Government in policy making related to commercialization of biofuels in the segmented markets.

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