

WAREHOUSING FACILITIES AND MARKETING OF FOODGRAINS PRODUCTS IN KARNATAKA

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Abstract:

The warehousing facilities in Karnataka form an essential backbone of the state's agricultural sector. They provide valuable support to farmers by offering proper storage solutions and timely market access. Moreover, these facilities contribute to food security by ensuring the availability of foodgrains and other agricultural produce throughout the year. With the government's continued focus on modernizing and expanding the warehousing infrastructure, Karnataka is poised to further strengthen its position as a major agricultural hub in India.

Key words: *warehousing, foodgrains, storage, Karnataka*

Introduction:

Karnataka, known for its rich agricultural heritage, is a state in southern India that plays a significant role in the production of various food grains. The agriculture sector in the state is not only crucial for sustaining the livelihoods of millions but also for contributing to the nation's food security. In this article, we will explore the warehousing facilities and marketing of foodgrain products in Karnataka, highlighting their importance in ensuring the efficient storage, distribution, and supply of essential food commodities.

Historical Background:

The agricultural produce (Development and Warehousing Corporations Act of 1956) authorised the establishment of the Karnataka State Warehousing Corporation (KSWC) in 1957. Later, the Warehousing Corporations Act 1962 repealed this Act. In 1957, the Corporation began operations with just three warehouses in Mysore, Hubli, and Raichur. With a network of 139 warehouses and a total owned storage capacity of around 11.21 lakh MTs, the Corporation currently has.

In the State, there is a great need for storage space. Godown development is required to satisfy demand. The Corporation has therefore started to build Nine (9) warehouse godowns with a total capacity of 53500MTs using RKVY funds. These nine scientific godowns were built in the

Davanagere, Gulbarga, Hubli, Bidar, and Bagalkote districts. Due to the high demand for scientific storage space for agricultural output storage, these districts were preferred. Building these scientific godowns has significantly reduced post-harvest losses for the farming community.

The main objectives of KSWC are:

- ❖ To build scientific warehouses in the state of Karnataka so that farmers and other depositors might benefit from them.
- ❖ To store and preserve in the warehouse's agricultural products, seeds, manures, fertilisers, agricultural instruments, and other goods that have been informed.
- ❖ For the convenience of farmers and bulk depositors, to make transportation of agricultural products, seeds, manures, fertilisers, etc. easier.
- ❖ To supply farmers, government offices, public libraries, hotels, theatres, public buildings, private establishments, residences, etc. with pest control and exterior disinfestations services. Rodent control, insect control, cockroach control, and other specialised services are available.
- ❖ The primary goal of this initiative is to supply farmers with high-quality, scientific storage options so they can prevent DISTRESS SALE.

The necessity of Warehousing is explained as follows:

- Food products are particularly susceptible to weather changes and damage from postponed marketing and consumption. Such waste ends up being quite expensive for farmers as well as society at large. So, it becomes crucial to keep it till it is sold and store it scientifically. This guarantees both good pricing for the farmers and good quality food grains for the general population.
- Stocks are completely secure, thanks to measures for scientific preservation and insurance protection.
- warehousing receipts are used as collateral for bank advances.

- If a loan is obtained against the security of the goods, part delivery of the items is permitted, allowing the depositor to withdraw the commodities as needed and to repay the bank loan in installments.
- Makes sure that items enter the market easily, smoothly, and on time, ensuring price stability.
- All items deposited in the godowns receive a warehouse receipt, which also serves as a certificate of the goods' quality, condition, grade, quantity (Weight), and value. When pledged to the banks, the warehouse receipt will serve as security for bank advances.

Being a significant agricultural state in India, Karnataka has a well-established network of warehouses that are essential to the storage and delivery of a variety of agricultural products. In addition to serving the needs of farmers and traders, these facilities provide a substantial contribution to the country's overall food security. The following are some significant features of the storage facilities in Karnataka:

Karnataka State Warehousing Corporation (KSWC):

The Karnataka State Warehousing Corporation (KSWC) is a government body that operates and manages a significant number of warehouses across the state. Established in 1957, KSWC has been instrumental in providing scientific storage facilities for agricultural produce and other commodities. These warehouses are strategically located in different regions of Karnataka, ensuring accessibility and convenience for farmers and traders.

Infrastructure and Capacity:

Karnataka's warehousing facilities comprise modern infrastructure equipped with state-of-the-art technologies for proper storage and preservation of agricultural commodities. The warehouses are built to handle various food grains, pulses, oilseeds, and other perishable goods. They are designed to maintain appropriate temperature, humidity, and ventilation, ensuring the quality and nutritional value of stored products. The collective storage capacity of these warehouses is substantial, contributing significantly to foodgrain security.

Buffer Stock and Emergency Storage:

Apart from supporting farmers in storing their produce, these warehouses also serve as buffer stock centers and emergency storage locations. Buffer stocks are maintained by government agencies to stabilize prices and intervene in the market during times of excess supply or scarcity. Emergency storage facilities help in managing food crises caused by natural disasters or unforeseen circumstances.

Private Warehousing Facilities:

In addition to the warehouses managed by KSWC, there are several private warehousing facilities in Karnataka. These facilities are owned and operated by private entities and provide storage services to farmers, traders, and food processing industries. Private warehouses often specialize in handling specific commodities, offering tailored storage solutions to meet the unique requirements of different agricultural products.

Integration with Agricultural Markets:

Warehousing facilities in Karnataka are closely integrated with the Agricultural Produce Market Committees (APMCs) spread across the state. The APMCs act as important marketing centers where farmers bring their produce for sale. The warehouses play a crucial role in storing the agricultural commodities before they are auctioned or sold, facilitating seamless trade and ensuring a steady supply of goods throughout the year.

Technology and Digitalization:

The warehousing sector in Karnataka has witnessed advancements in technology and digitalization. Many warehouses have implemented digital systems for inventory management, quality control, and tracking. These technologies enable real-time monitoring of stored commodities, reducing wastage, and optimizing operations.

Agricultural Production in Karnataka:

Karnataka boasts a diverse agro-climatic condition, enabling the cultivation of various crops such as rice, wheat, pulses, maize, millets, and oilseeds. The state's rich alluvial soil and suitable weather conditions create favorable conditions for agricultural productivity. The

significant food grains produced in Karnataka include rice and pulses, making it crucial to establish robust warehousing and marketing infrastructure.

Importance of Warehousing Facilities:

a. Storage Capacity: Warehousing facilities play a vital role in ensuring the preservation of foodgrains after harvest. Adequate storage capacity helps in preventing post-harvest losses due to pests, rodents, and climatic conditions. It also ensures a continuous supply of food grains to the market, even during lean periods.

b. Buffer Stock Management: Warehouses act as strategic reserve centers for creating buffer stocks to stabilize prices and meet emergency requirements in times of scarcity or natural disasters. Efficient buffer stock management aids in maintaining a balance between demand and supply, stabilizing food prices, and mitigating the impact of price fluctuations.

c. Quality Control: Warehousing facilities provide an ideal environment to control the quality and condition of stored food grains. Regular monitoring and pest control measures help maintain the nutritional value and marketability of the products.

d. Seasonal Availability: Agricultural production in Karnataka, like in many other regions, is seasonal. Warehousing facilities bridge the gap between harvest seasons, allowing a steady supply of food grains throughout the year.

The Role of Karnataka State Warehousing Corporation (KSWC):

The Karnataka State Warehousing Corporation plays a pivotal role in the storage and marketing of foodgrains in the state. It operates numerous warehouses strategically located across Karnataka, catering to the needs of farmers and traders alike. KSWC ensures the efficient functioning of these warehouses and maintains strict quality control measures to preserve the food grains' integrity.

Marketing of Foodgrains:

a. Agricultural Produce Market Committees (APMCs): Karnataka has a well-established network of APMCs, which serve as pivotal marketing hubs for agricultural commodities. Farmers bring their produce to these APMCs, where traders, wholesalers, and retailers purchase the food

grains through auctions or negotiations. The APMCs ensure fair prices and transparency in transactions, benefiting both farmers and consumers.

b. Supply Chain Management: The marketing of food grains involves an intricate supply chain that encompasses transportation, storage, processing, and distribution. Efficient supply chain management is essential to ensure that food grains reach various markets and consumers in a timely manner.

c. Government Initiatives: The Karnataka government implements various policies and schemes to support farmers and enhance the marketing of agricultural produce. These initiatives include minimum support price (MSP), subsidies, and crop insurance, which aim to provide a safety net for farmers and boost agricultural activities.

Conclusion:

In conclusion, warehousing facilities and marketing mechanisms play a vital role in ensuring the smooth storage and distribution of foodgrains in Karnataka. Efficient warehousing facilities protect the produce from spoilage, while robust marketing channels aid in making foodgrains available to consumers at fair prices. As Karnataka continues to be a significant contributor to India's agricultural sector, continuous improvements and investments in warehousing and marketing infrastructure will be critical in sustaining food security and economic growth in the state.

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