

CONSTRUCT SCIENTIFIC WAREHOUSES IN THE STATE OF KARNATAKA FOR THE BENEFIT OF THE FARMERS AND OTHER DEPOSITORS.

HISTORICAL BACKGROUND:

The Karnataka State Warehousing Corporation (KSWC) was established in the year 1957 under the agricultural produce (Development and Warehousing) Corporations Act 1956. This Act was later repealed by the Warehousing Corporations Act 1962. The Corporation which started functioning in 1957 with just three Warehouses at Mysore, Hubli and Raichur. Now the Corporation has a network of 139 Warehouses with a total owned storage capacity of about 11.21 lakh MTs.

There is a huge demand for storage space in the State. To meet the demand, construction of godowns is necessary. As a result the Corporation has taken up the construction of Nine (9) warehouse godowns having a total capacity of 53500MTs with RKVY grants. These nine scientific godowns are constructed in the districts of Davanagere, Gulbarga, Hubli, Bidar and Bagalkote. These districts were preferred because there was a huge demand for scientific storage space for storage of Agricultural produces. By constructing these scientific godowns it has helped the farming community to avoid the post harvest losses to great extent.

The main objectives of KSWC are:

- ❖ To construct Scientific Warehouses in the State of Karnataka for the benefit of the farmers and other depositors.
- ❖ To Store agricultural produce, seeds, manures, fertilizers, agricultural implements and other notified commodities in the Warehouses and preserve them in a scientific and hygienic.
- ❖ To facilitate the transport of agricultural produce, seeds, manures, fertilizers, etc, for the convenience of farmers and bulk depositors.

- ❖ To provide pest control and external disinfestations service to farmers, Govt. Offices, Public Libraries, Hotels, Theatres, public buildings, private establishments, residences, etc. Specialized services include rodent control, insect control, cockroach control, etc.
- ❖ The most important and underlining objective of this project is to provide good scientific storage facilities to farmers so that farmers can avoid DISTRESS SALE.

The necessity of Warehousing is explained as follows:

- Edible commodities are highly vulnerable to climatic conditions and damage due to delays in marketing and consumption. Such wastage proves very costly both for the agriculturists and the society at large. It therefore becomes essential to store it scientifically and preserve till it is sold. This ensures good quality of food grains for the masses and good prices for the farmers.
- Complete security of stocks, which is ensured by scientific preservation and techniques with insurance cover.
- Bank advances against pledging of warehousing receipts.
- Part delivery of goods is allowed, which enables the depositor to withdraw the goods as per his needs and re-payment can be done in parts of the bank loan, if a loan is taken against the security of the goods.
- Ensures timely, smooth and easy flow of goods into the market ensuring price stability.
- A rebate of 15% is allowed on the storage charges for stocks belonging to the bonafide agriculturists, 20% is allowed for women agriculturist and 25% to SC, ST farmers.
- The Warehouse receipt is issued for all the goods that is deposited in the godown, is also a certificate of the quality, condition, grade and quantity (Weight) and value of goods. The warehouse receipt when pledge in the banks will act as security for the banks, for making Bank advances.

PROGRAMME ACTIVITIES

The estimates and drawing for the Construction of godowns were prepared and tenders were invited to fix up the agency for the construction as per KTPP Act and entrust to third party supervision of the works. It was ensured that the project is completed with in stipulated time frame, and the benefits to the farmers. The other benefits accrued to the farmers are;

Results /Out Come

After the RKVY Project intervention

1. The farmers in and around the locations of warehouses will get security from distress sale by providing scientific storage to their Agri-products.
2. The farmers will get pledge loan up to 70% of the value indicated in the warehouse receipts.
3. During MSP Operations, warehouses will help to store Agri-commodities in that locality and can avoid transit losses.
4. Providing value added services to depositors and facilitating transparent on-line warehouse based sales of Agriculture commodities to help the farmers, get remunerative price in the warehouse centers.
5. Post harvest losses can be reduced to a major extent.

ANNEXURE – “A”

PROJECT COMPLETION REPORT

(Rs.in Crores)

Sl. No.	Center	District	Capacity (In MTs.)	Project Cost (Excluding Infrastructure works)	Actual Expenditure	Date of completion	Remarks
1	Gulbarga	Gulbarga	4000	1.55	1.87	30.6.2011	Completed & utilised
2	Bagalkot	Bagalkot	5000	1.90	2.18	25.7.2011	Completed & utilised
3	Gadag	Gadag	4500	1.75	1.96	30.6.2011	Completed & utilised
4	Byadagi	Haveri	1000	0.40	0.55	28.6.2011	Completed & utilised
5	Mysore U-III	Mysore	5000	2.00	2.44	30.6.2011	Completed & utilised
6	Bailahongal	Belgaum	1000	0.40	0.57	30.6.2011	Completed & utilised
7	Davanagere	Davanagere	16000	5.00	7.86	23.3.2011	Completed & utilised
8	Hubli (Rayapura)	Hubli	9000	5.00	6.02	01.07.2014	Completed & utilised
9	Bidar	Bidar	8000	5.00	5.65	27.01.2015	Completed & utilised
	TOTAL		53500	23.00	29.10		

NOTE: Rs.23.00 Crores approved by GOI under RKVY scheme. Excess Amount Rs.6.10 crores to borne by Corporation. The 53,500 MTS storage capacity Created through construction of warehouses at the above 9 Centers is being utilized for storage of agricultural produces from farmers.

RANIBENNUR- 15000MTs



RANIBENNUR- 15000MTs



DAVANAGERE- 16000MTs



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DAVANAGERE- 16000MTs

