**Supply Chain scenario in oilseeds**

The work was undertaken for safflower crop in Karnataka and Maharashtra regions of the country. Compound growth rates of safflower area and productivity at national level was -4.52 and -2.3 percent for the period 2000 to 2011. The Compound growth rates for production was 2.32.Similar trend prevailed in major safflower states. Inroads of bengalgram and its relative Benefit Cost ratio affected safflower economy at the macro level. Instability in area and production of safflower was 35 and 41 percent.

The productivity of safflower in Maharashtra was 7.98 qtl while that of soybean (kharif) and bengalgram was 14.12 and 9.70 qtl respectively. The per ha net returns accrued in safflower, soybean and bengalgram was Rs. 15685, 16793 and 22755 respectively. Highest B:C ratio of 1.53 was obtained in safflower as against soybean (1.36) and bengalgram (1.06). Lower cost of cultivation in safflower vis-à-vis the other crops was responsible for the higher B:C ratio. In Kopalla and Bellary districts of Karnataka, the productivity of safflower was 5.98 qtl/ha while that of bengalgram was 10.02 qtl/ha. The net returns realized was Rs. 12349 and 6659 in bengalgram and safflower with B:C ratio of 0.76 and 0.65 respectively for the aforesaid crops. The per ha production function analysis revealed that seed and fertilizers were the major factors affecting the production. The major constraints confronted in the production were non availability of quality seed, high cost of machinery for harvesting, untimely availability of machinery, aphid attack.

The major marketing channels prevailing in Maharashtra were

* Producer-village level merchant-Processor (Local) 40% of production
* Producer-village level merchant-Processor 35% of production
* Producer-Local Ghanis 25 % of production

The processing aspects of Local ghanis / Expellers revealed that the Oil recovery was 22-25 kg / qtl. (60 minutes to crush one qtl of safflower seed). The cost towards crushing was Rs.200-240 / qtl with overall maintenance charges of Rs. 200 / qtl). The cake was sold to the traders from Sangli district and from other states (Karnataka and Tamil Nadu) primarily for feed purpose.

In Karnataka, the major marketing channels prevailing were

* Producer-village level merchant-Processor (Local) 10% of production
* Producer-village level merchant-Processor 80% of production
* Producer-Local Ghanis 10% of production

The productivity of safflower was 7.98 and 5.38 qtl in Maharashtra and Karnataka respectively. Seed and fertilizers were factors affecting production through factor productivity analysis in Marathwada of Maharashtra. The major marketing channels in the two states were identified . Established linkages for effective supply chain with industry through BUY BACK arrangement in Anantapur, Mahaboobnagar and RR districts of A.P; Bellary district of Karnataka; Latur and Osmanabad districts of Maharashtra. Capacity building on Best Management Practices of safflower and price aspects viz., modal, minimum and maximum was organized to approximately 500 farmers in A.P, Gujarat, Karnataka and Maharashtra. The safflower crop was introduced in newer agro-ecological regions by linkage with the industry for output marketing, in 100 acres in Anantapur district, 300 acres in Mahaboobnagar distict, 30 acres each in Kurnool and Prakasam districts, 50 acres each in Gujarat and Maharashtra and 60 acres in Karnataka.