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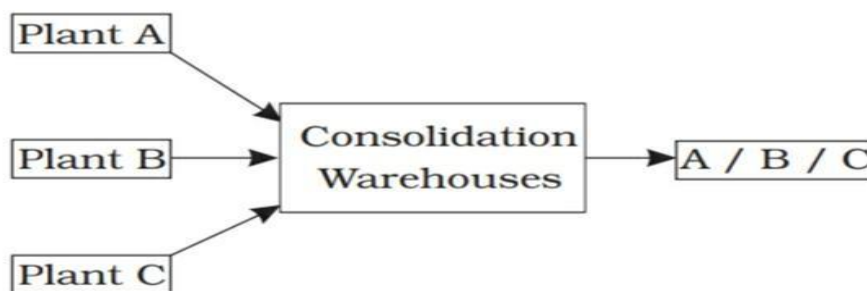
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BUSINESS SERVICES

Functions of Warehousing

The functions of warehousing are discussed as follows:

- (a) Consolidation: In this function the warehouse receives and consolidates, materials/goods from different production plants and dispatches the same to a particular customer on a single transportation shipment.



- (b) Break the bulk: The warehouse performs the function of dividing the bulk quantity of goods received from the production plants into smaller quantities. These smaller quantities are then transported according to the requirements of clients to their places of business.

(c) Stock piling: The next function of warehousing is the seasonal storage of goods to select businesses. Goods or raw materials, which are not required immediately for sale or manufacturing, are stored in warehouses. They are made available to business depending on customers' demand. Agricultural products which are harvested at specific times with subsequent consumption

(e) Price stabilisation: By adjusting the supply of goods with the demand situation, warehousing performs the function of stabilizing prices. Thus, prices are controlled when supply is increasing and demand is slack and vice versa.

(f) Financing: Warehouse owners advance money to the owners on security of goods and further supply throughout the year also need to be stored and released in lots.

(d) Value added services: Certain value added services are also provided by the warehouses, such as in transit mixing, packaging and labelling. Goods sometimes need to be opened and repackaged and labelled again at the time of inspection by prospective buyers. Grading according to quantity and dividing goods in smaller lots is another function.

(e) Price stabilisation: By adjusting the supply of goods with the demand situation, warehousing performs the function of stabilizing prices. Thus, prices are controlled when supply is increasing and demand is slack and vice versa.

(f) Financing: Warehouse owners advance money to the owners on security of goods and further supply goods on credit terms to customers