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TECHNOLOGY

Advancing farmers' needs



Sandeep Sabharwal

A lot is being done to improve the condition of farmers and to enhance the scope of agri-finance.

BE's Ankita Chakraborty spoke to Sandeep Sabharwal, CEO, SLCM Group, about the agri-logistics and agri-financing to aid the agricultural sector and other agricultural solutions.

Q. Where is India situated in terms of agri-warehousing and agri-financing? How is SLCM coping with the issues?

A. Despite a strong dependence on the agricultural sector, India has insufficient and inefficient warehousing structures and practices leading to heavy losses in commodities. India annually loses 10% of grain being produced (in dry goods alone) which in value terms, amounts to around ₹1 00,000 crore. The losses in commodities can mainly be attributed to infrastructure. However, lack of knowledge of managing and maintaining premises with inefficient scientific processes are the key culprits behind the losses. The emphasis is falsely placed on creation of infrastructure rather than adopting innovative methods of scientific storage for managing warehouses.

To cope with these issues, we focus on scientific management of warehouses as opposed to creation of new warehouse infrastructure. We are constantly evolving by quality monitoring and prescribing curative steps. Weekly checks are carried out by our auditors. We have integrated the system in android-tablet to make agricultural data easily communicable for our clients.

Q. Do you work closely with the farmers? How?

A. Yes, we work closely with the farmers. The company frequently organises 'Rozgar Camps' in rural areas across India wherein farmers and their younger generations are imparted training on ways to increase the yield per hectare and given other related information without any charge. We offer on-site jobs pan India. We help them by giving opportunity to enter into the corporate world by placing them in SLCM as warehouse managers or supervisors. Free storage schemes were also launched when we saw that farmers have grains but have no storage area or do not have money to support their storage needs. Till date,

our group has successfully impacted about 328700 farmers, the livelihood of more than 2913563 people and the lives of more than 14567815 people.

Q. How do you assist in scientific and financial support to the agriculture based economies of the ASEAN countries?

A. SLCM has proven scalability with its foray into Myanmar market by addressing the issues of enormous post-harvest losses ranging between 25% and 30% by introducing our scientific warehousing technology. We have introduced collateral management services in Myanmar which allows financial institutions to aid the SMEs in the agri sector. Earlier, collateral based lending was limited to land holdings but the recent shift of banks has included stock and goods as collateral which is a landmark achievement. Till date, we have disbursed loans of around \$25.75 through Agri Reach and by collateral financing in Myanmar. Our processes are not only time tested but have also scaled to diverse geographies like India and Myanmar and have been successfully implemented on different climates and zones and other ASEAN regions as well.

Q. What are your expectations from the Indian government? Would you suggest any policies?

A. There are many. These include increasing availability of new hybrid varieties of seeds, adequate and timely loans on easy terms to buy farm machinery and other agricultural items, availability of new warehouse techniques and promoting latest farm technology.

I would suggest changing the tendering process which right now favours the lowest bidder. It will be better to change to it to performance based bidding. Additionally, proper comparison should be made to the service level agreements for betterment of crop protection.

Q. What are agri services solutions provided by SLCM Group?

A. SohanLal Commodity Management Pvt. Ltd. (SLCM) is a global post-harvest agri-logistics group. The company provides solution to the end user with services like warehouse management, agriculture financing, collateral management and procurement.

Our services are commodity warehousing and weather pattern forecasting. This has been our key differentiator and helped us to minimise post-harvest losses pegged at 10%. We have also come up with Kissandhan (NBFC) which gives farmers a supplementary source of income and provides them with the solution of crop storage till they are ready to sell off the production. This reduces the risk of making losses on untimely crop sale and allows them to protect their harvest from natural calamities. We also have our wholly owned subsidiary named North End Foods Marketing Private Limited (NEFM), which enables us in direct procurement from farmers, processors, government bodies and traders. NEFM assists its clients in procurement from mandis and also directly from the farmers. ■

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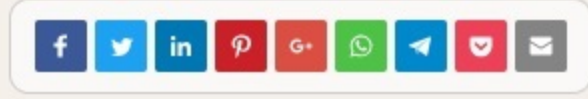


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B.E. Bureau

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