

Sohan Lal Commodity to Spend \$8 Million on Myanmar Expansion

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Kolkata: Agri logistics major Sohan Lal Commodity Management Pvt Ltd will invest \$8 million to expand its operation in Myanmar. The company is also looking to launch operations in other Southeast Asian countries such as Cambodia, Laos and Vietnam as well as in Africa and China, Sandeep Sabharwal, group CEO, told ET.

The company provides warehouse and collateral management to small and medium-sized commodity traders, processors, farmers, importers and exporters.

"We have firmed up to invest \$8 million in Myanmar," Sabharwal said. "We are now present in 23 locations and we handle 67% of the commodities in Myanmar."

He said Southeast Asia is a big market for his company. "We are studying the markets and we hope to enter these markets shortly," he said.

Sohan Lal Commodity Management has tied-up with five leading nationalised banks of Myanmar including Yoma Bank, C B Bank, United

Amara Bank, Myanma Apex Bank and Global Treasure Bank.

Through the initial tie-ups with banks, the company has enabled disbursement of loans amounting to about \$6.26 million, has managed 160,600 sq ft of area and handled 67 commodities with a network of nine warehouses in the industrial zones since commencement. The company has assets under management of about \$20.95 million through several marquee clients.

Sabharwal said about 60% of Myanmar's GDP comes from the agriculture sector with employed labour workforce of about 65%. Myanmar exports 70-80% of its pulses to India.

In India, Sohan Lal Commodity Management works with 200 brokers and more than 3,000 clients. It has a network of warehouses and cold storage spread over 9.49 million sq ft. It manages 157 commodities and has entered the cold chain vertical as well by handling perishables like potato and cardamom.

Sabharwal said his company has no immediate plans to raise funds through the private equity route.