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Sohan Lal Commodity to foray into Cambodia

The warehouse major is expanding in south-east Asia, riding on goodwill

FC BUREAU
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INDIA'S warehousing services company Sohan Lal Commodity Management (SLCM) may soon start operation in Cambodia after its success in Myanmar that motivated the promoters to expand in other south-east Asian economies.

Currently, SLCM manages 50 warehouses in different locations in Myanmar where the total capacities is 12.31 million square feet handling 171 agricultural and non-agri commodities, said the company's CEO, Sandeep Sabharwal.

"Actually our clients in Myanmar asked us to provide similar services in Vietnam, Cambodia and Laos. We have applied for permission in both Vietnam and Cambodia and will start the service wherever we get the permission," Sabharwal says.

"These countries do not have the concept of third-party warehouses as they still follow archaic methods without accountability in storing products," he says.

Speaking on the vision of the company, he adds, "We follow the three important principles- Engage, Empower & Educate. We engage with the government policy decision makers, industry bodies and local authorities and we educate them as to what we can do for them. Likewise, we empower their resources to realise potentials for the growth of our brand. In this way we directly get involved with the people to believe in our brand and grow with it."

The gross revenue from Myanmar operation of the company more than doubled to Rs 1.46 crore for 2016-17FY from Rs 0.57 crore in the previous year.

Commenting on the Myanmar foray, Sabharwal says he was excited to work there after getting to know that India buys maximum quantity of pulses from its neighbour and there has been a perennial shortage in the domestic market. The existing players having warehouses got excited when they heard about "zero wastage through scien-

tific management".

While the food wastage is estimated at about 10 per cent in India, it was as high as 33 per cent in Myanmar, he said. Though there are local companies which do undertake part work of the overall management like assaying or fumigation while SLCM does everything for a warehouse, he explains.

"While increasing the yield is a long-term plan to augment supplies, there could also be to lower post-harvest losses to raise the availability. Since pulses was a concern, I thought of managing it at the production centre itself from where India has been importing," he adds.

He says all warehouses in Myanmar are taken on lease for management supervision and the company does not own any. Founded as agri commodities, the company has been managing products like paper, cement, bitumen among others.