



SLCM GROUP IN NEWS:

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SLCM to license its agri infra warehouse tech to other countries

Company plans to focus more within the country, says CEO Sandeep Sabharwal

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SLCM (Sohan Lal Commodity Management), one of India's largest integrated agri infrastructure platforms, is willing to license its warehouse technology, standard operating procedure (SOP), management capability and skill development to other countries, the group's CEO Sandeep Sabharwal has said.

Countries such as the Philippines, Vietnam, Cambodia, Laos and Malawi have approached SLCM, which has a subsidiary in Myanmar for over 10 years now, to manage their warehouses, he told *businessline* in an online interaction.

However, since there is over 80 per cent of space in the infrastructure in India, the company would prefer to only license out its technology rather than set up a subsidiary.



SLCM Group's CEO Sandeep Sabharwal

Myanmar experience

"We went to Myanmar to prove that we can be a light asset company despite being in infrastructure. Now, our hands are full in India and we are not ready to set up a wholly-owned subsidiary abroad," Sabharwal said.

SLCM, which manages 1,113 commodities including in varieties, manages 17,609 warehouses but does not own a single of them.

It has the capacity to manage 5.3 billion tonnes.

SLCM has over 20 per cent share of agricultural storage in the country and witnessed over 80 per cent growth between September 2023 and 2024. The company has tied up with 16 banks for funds, including for its non-banking financial company Kissandhan.

The warehouses are managed through its "Agri Suraksha" model, which ensures monitoring using closed-circuit television and solar power to run them 24x7. "They are monitored 365 days in a 'risk appetite' war room. Though these cannot be pilferage-free, they are certainly pilferage deterrent," the group CEO said.

Light asset firm

The use of solar power has helped the company save about 100 tonnes of carbon emissions. The company now has electronic locks for all its warehouses monitored from a central location. “This means the warehouse manager cannot open the warehouse without our authorisation,” he said.

SLCM had reached out to the government to manage unused warehouses of the Food Corporation of India but nothing happened. “As a company also, we shied away from government management because as a private company, we had enough scope to grow,” said Sabharwal.

SLCM is more than happy to manage warehouses and would not want to enter into government schemes as it is “clear” it will be a “light asset” firm.

The company manages silos owned by corporates, which have outsourced their management. Similarly, it has taken cold storage on leases. It is administering silos or oil tanks for banks such as HDFC, ICICI, Axis and State Bank of India.

'Agri Reach' app

"We assist over 7 crore people through our Agri Reach app. This has transcended the boundaries of warehouses, boundaries of where crops have been kept and all laboratories," he said.

SLCM, which got a patent for the Agri Reach from the Indian Patent Office last year, has examined 11.2 million tonnes through the app. The company is making use of artificial intelligence and machine learning for this app.

The company, which manages assets worth ₹12,000 crore against ₹1,039 crore four years ago, has built a database of over one million crop attributes, most of them physical, and matches it to near perfection. It has accreditation from the National Accreditation Board for Testing and Calibration Laboratories.

On its NBFC Kissandhan, he said four years ago the group decided to launch a product useful for farmer-producer organisations (FPOs). It also decided to provide loans consumption-based loans of ₹30,000 for two years at 16 per cent interest to women entrepreneurs.

"We have engaged with 13 FPOs and roped in over 37,000 individual farmers. We have directly partnered with 7 lakh farmers," Sabharwal said.

On the company's plans for this year, the group CEO said it is targeting to grow by 3X. "We will continue developing newer products and research into newer crops," he said.