

South Indian Bank, SLCM collaborate for ‘Unified Collateral Management Solutions’

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South Indian Bank and Sohan Lal Commodity Management (SLCM) have announced a collaboration to deliver “Unified Collateral Management Solutions,” aimed at supporting farmers and other stakeholders within the agricultural ecosystem.

A media statement said this collaboration will facilitate access to post-harvest credit at competitive interest rates, while also providing scientific storage services and ensuring fair commodity pricing at marketplaces (mandis).

The partnership is aimed to tackle key challenges in the agricultural sector, particularly in post-harvest storage and financing.

By merging South Indian Bank’s financial expertise with SLCM’s collateral management and warehousing solutions, the collaboration is set to offer a seamless experience to both farmers and agri-businesses, the statement added.

Building an agri-portfolio

The statement quoted Senthil Kumar, SGM and Head (Credit) of South Indian Bank, saying, “We are glad to partner with SLCM to add to our ability to serve our customers better. We are looking to build out our agriculture portfolio so as to improve yields, incomes etc., in rural India by creating a robust framework that enables farmers and agri-businesses to access post-harvest credit at competitive rates, while ensuring the safe and scientific storage of their commodities, thus, enhancing value creation across the agricultural ecosystem.”

Sandeep Sabharwal, CEO of SLCM Group, stated that the alliance with South Indian Bank highlights the strength of SLCM’s collateral management and warehousing business model, which is built on a robust ‘phygital’ infrastructure and unmatched warehouse management expertise.

“South Indian Bank can now leverage our extensive network of warehouses and expertise to provide loans to entities across the agricultural ecosystem, with the minimal risk of default. At SLCM, we offer a reliable scientific management system for crop protection along with comprehensive warehouse support. Our AI-powered and NABL accredited application ‘Agri Reach,’ which has earned two prestigious patents from the Government of India, has proven its ability to reduce post-harvest losses from the current 10 per cent to just 0.5 per cent, regardless of infrastructure, crop, or geographical location,” he added.

The statement added that this collaboration is expected to have a lasting impact on the agricultural sector by providing enhanced support to farmers and agri-businesses, ultimately contributing to broader economic growth.