



ssnup

Smallholder Safety Net
Upscaling Programme

AI APPLICATION TO IMPROVE THE QUALITY EVALUATION OF THE GRAINS/CROPS SOLD BY THE FARMERS IN INDIA



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

CONTEXT

India occupies a preponderant place in the agricultural sector by being the second largest producer of food (including rice, wheat, sugarcane, groundnut, vegetables, fruit and cotton) and one of the leading producers of spices, fish, poultry, livestock and plantation crops. Agriculture is a key sector in India and constitutes the principal source of livelihood, since 70% of the rural households depend on it, 82% of which are smallholder farmers. In this context, the agri-warehousing sector has been growing since the past few years with an average annual rate of 17%. The agri-warehousing market is projected to grow from USD 2 billion in 2019 to USD 5 billion in 2024.

CURRENT STATUS OF THE INVESTEE

Sohan Lal Commodity Management Pvt Ltd (SLCM) is an Indian agri-services company which offers warehousing, collateral management, financial services and procurement services to traders, processors and FMCG (Fast Moving Consumer Goods) companies through its fully owned subsidiary North End Foods Marketing Private Limited (NEFM). Created in 2004, SLCM is recognized as a pioneer warehousing services company in South and East Asia, given the comprehensive solutions for post-harvest agricultural services it proposes. In total, SLCM has a combined network of nearly 7,000 warehouses in more than 20 Indian states. The services are provided to farmers, processors, traders, commodity exchanges and the government.

OBJECTIVE OF THE PROJECT

The objective of this project is to increase the smallholder farmers' income through the implementation of a quality application aimed at rationalizing the sales process and optimizing the crop price determination through Sohan Lal Commodity Management.

The TA project will cover all phases linked to the set-up of the artificial intelligence quality application – from the design to the roll-out phase, including business requirements gathering, solution designing, development and testing.

The quick and smart quality application will provide many benefits to the farmers including:

- Reducing lead time to enlisting crops for trade.
- Removing ambiguities and strengthening confidence in making high value transactions.
- Enabling quicker sales thanks to the connections with the traders, processors, consumers.
- Ensuring greater transparency and better price fixing through an unbiased and fair process.

IMPACT INVESTOR



AGGREGATOR / INVESTEE

Sohan Lal Commodity Management Pvt Ltd (SLCM) - India

TARGETED N° OF FARMERS

5 million farmers use the application.

AGRICULTURAL VALUE CHAIN

Multiple value chains – 160 crops including rice, cotton, maize, different varieties of pulses & wheat, etc.

STARTING DATE

July 2021 (tbc)

DURATION

16 months

TOTAL TA BUDGET

€ 153,287
Including € 106,118 (69%)
contribution from SSNUP



SSNUP c/o ADA asbl | 39, rue Glesener | L-1631 Luxembourg
T. +352 45 68 68 | www.ssnup.org | ssnup@ada-microfinance.lu