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The Era of Agri Startups is here

The Union Budget 2022 has given agriculture its due. Our farmers and the many dependent on agriculture sector have seen the worst in the past couple of years. Despite the adversities, agriculture was one sector that delivered its level best during the covid times. This budget is what the sector has long waited for.

Natural farming, Kisan drones, revising syllabi of agriculture curriculum, “rationalised and comprehensive scheme” to increase domestic oilseed production, public-private partnership (PPP) model for the delivery of digital and high-tech services to farmers – all are in good faith. But what seemed to be the highlight is the unbridled support of the government to the agri startup segment. To finance startups and rural enterprises working in agri-space, the Finance Minister has assured that the government will facilitate a fund with blended capital raised under the co-investment model through NABARD which will finance startups for agriculture and rural enterprise relevant for farm produce value chain. The activities of these startups will include inter-area support for farmer-producer organisations (FPOs), machinery for farmers on a rental basis at the farm level and technology.

India has seen a cloudburst of agri startups in recent years. Most of them have survived their initial years of struggle and now are well established. There are more than 450 Indian start-ups in the agritech space with Indian start-ups featuring among one in every nine companies globally. Agrostar, Cropin, Jumbotail, Ninjacart and Stellops are well known names in the agri space. The agritech sector has effectively filled in the gaps in the agriculture sector. They have especially thrived in the area of developing and refining market linkages. Marketing farmer products directly to consumers, digitising agriculture, access to real-time information for farmers, value addition have all seen success through agri start ups. Custom hiring, rental services and micro financing are also other areas where we are seeing continued participation by the startups. All these

solutions indicate that improving supply chain is a key focus area for agritech start-ups. Farmers too are finding partners in these startups as their share in profits from crop sales have improved.

I feel this as the most opportune time to bring out a special edition on agri start ups of India. The February edition of Agriculture Today has lined up some very enterprising founders of start ups and will most certainly take away several myths associated with agri startups.

