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A review: The emerging challenges and opportunities for Agri-startup in India

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Abstract

The startups are proving to be the exchange engines of the sector. these small setup companies are revolutionizing their industries with new thoughts and improvement of disruptive technologies. some of the maximum impressive new groups made waves recently, and with their innovation, it's clean to see why those are the startups converting the world. AgriTech is the idea of making use of modern technology to the agricultural area which will beautify produce, efficiency and revenue. The concept extends to any packages, practices, products and services that beautify any thing of the rural technique, be it an enter characteristic or the output obtained. diverse enterprise models have emerged in India in the agricultural space, together with downstream 'farm-to fork supply chain model, huge facts-led innovation model and the upstream marketplace model. these Agristartup are leveraging era, for instance, statistics digitization, SaaS (software program as a carrier), gadget studying, facts analytics, synthetic intelligence (AI), net-of-things, satellite records, drone, and block chain, to make agriculture and agri-industry greater green. setting the gas inside the Startup Engine means raise investment is typically exceptional for each startup, regardless of the character and size of its operation, calls for funding to transform its innovative thoughts into reality. demanding situations confronted through the Agri-startups business version, lack of seed fund, loss of mentorship, Incubators' competence, confined expertise of available generation.

Keywords: Agristartup, challenges, opportunities and agricultural technology

Introduction

Startups are normally small and first of all financed and operated by means of a handful of founders or one character. these businesses provide a product or service that is not currently being provided somewhere else within the marketplace, or that the founders believe is being presented in an inferior manner"-Investopedia Agri-entrepreneurship in common language can be defined as sustainable, network-orientated, at once-marketed agriculture. Sustainable agriculture refers a system orientated method to farming that placed emphasis on the interrelationships of social, financial, and environmental processes. it's miles the useful aggregate of agriculture and entrepreneurship and convert your farm into an agribusiness.

This affiliation of agriculture and enterprise promotes Agri-marketers who innovate, identify markets, and satisfy desires by using developing unique methods. "a startup is a younger employer this is simply starting to expand. The startups are proving to be the exchange engines of the sector. these small setup corporations are revolutionizing their industries with new thoughts and development of disruptive technologies. a number of the most stunning new groups made waves recently, and with their innovation, it's smooth to look why these are the startups changing the arena. "a team of entrepreneurial talent developing new improvements, in identifiable and investable shape, in development to validate and capture the cost of the created innovation - with ambition to grow fast with scalable business version for maximum effect" AgriTech is the idea

of making use of cutting-edge technology to the rural area a good way to beautify produce, performance and sales. The idea extends to any programs, practices, services and products that beautify any element of the rural method, be it an input function or the output acquired. the agricultural zone, which includes crops, livestock, and fisheries, has witnessed numerous startups, normally named "agri-startups". among all of the recognized agri-startups, presently, there are 1485 agritech startups— 474 for organic agriculture, 1774 for food processing, forty eight for horticulture, 130 for animal husbandry and dairying, 22 for fisheries, and seventy four have a combination of such sports (Startup India, 2021). The benefit is not that the startup has better humans or always even a greater innovative spirit. but it's what they lack. particularly, that it comes down to a few things: Precedent, Momentum and processes.

Majority of the startups fail after someday because of lack of ideas to higher their product, technique or services. So it's quite simple math that if a startup wants to stay in competition, it wishes to adopt a way of life of innovation in its DNA.

Development of a Startup: The Build up Startups are never successful overnight and it's important to understand that running one is a process that requires patience, perseverance, and a realistic evaluation of its evolutionary stage. The website "startupcommons.org" describes the development of a startup in the perspective of "idea to

product, to growing business” and from “talent to team, to real organization” in balanced manner. Key features of development (growth) stages of startup are:

Stages (I) Ideation

- Entrepreneurial ambition of the founder(s)
- Potential development of the product or service idea for a big enough target market
- Some initial business models and ideas on how the idea would create value or make money
- Presence of single person or a vague team
- No confirmed roles or commitment in the team structure yet.

Stages 9 (II) Concept

- development Defining of mission and vision of the startup with initial strategy
- Setting up of key milestones and goals for next few years
- Formation of core team consisting of co-founders with complementary skills and ownership plan and rights
- Inclusion of some additional members for the requirement specific skill sets along with ownership.

Stages (III) Commitment

- Committed skills balanced founding team sharing same vision, values and attitudes
- Building the Minimum Viable Product for the users to test their business idea
- Signing of Shareholder Agreement among the co-founders It includes milestones that need to be achieved
- Commitment of time and money shared by each shareholder
- SHA signed for next three years with vesting terms

Stages (IV) Validation

- Most important stage from the point of view of the founder(s), employees, initial customers and angel investors through initial user growth
- Initial Key Performance Indicators (KPIs) identified
- Founders are struggling to find the right product strategy & brand positioning that would allow them to

attract potential Series A/B venture investment

- Most of the startups lose their plot during this stage of business.

Stages (V) Scaling up

- Focus on KPI based on growth in terms of users, customers and revenues or market share in the target market
- Potential to grow fast
- Received series A funding for the startup
- Maximum time involved in hiring resources, improvement and distribution of product to target population and implementing new or established process.

Stages (VI) Establishment of startup

- Have achieved great growth that can be expected to continue
- Easy to attract funding and customers now
- Depending on vision, mission and goals will continue to function “like a startup”
- Founder(s) or Investors may decide to exit or continue with the company

Funding for Startup

It's far enormously very easy to have a startup concept, but, it is pretty complicated to deliver the startup via the stages of funding to endure culmination. most of the startups usually fail because of their incapacity to raise sufficient funds. in any case, you want a few money or capital to keep your business going at each degree. Following are exceptional assets for startup funding:

- non-public investment & FFF (family, friends & Fools)
- Angel investors
- Accelerators
- Crowdfunding
- Micro assignment capital companies
- venture Capital firms
- non-public fairness firms

Criteria for Startup: A “STARTUP” criteria when it fulfills the following criteria as mentioned below:

	Upto a period of ten years from the date of incorporation/registration or upto ten years in case of Biotechnology sector
	Incorporated as either a Private Limited Comany or a Registered Partnership Firm or a Limited Liability Partnership
	With an annual turnover not exceeding Rs. 100 crore for any of the financial years since incorporation /registration
	Entity should not have been formed by splitting up or reconstruction of a business already in existence
	Working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential or employment generation or wealth creation

Innovations and technologies for Startups

those startups use exceptional sorts of innovations and technology. They increase merchandise and/or services to enhance performance at numerous stages of the fee chain in terms of infrastructure (garage & warehousing), farm automation (digital farming, advisory services), precision agriculture, input delivery and advisory, market linkages, agri-finance and insurance, agri-biotech (new inputs, postharvest strategies), and so forth. They offer answers to farmers through extraordinary business models: a. supply chain- E-distributor, market, Logistics, and Warehousing, b. growing device and additives- Aquaponics, Hydroponics, Vertical farming, Drip irrigation, c. economic solution- bills, revenue sharing, Lending, coverage d. Farm information and analytics- included Platform, faraway sensing software platforms, Farm mapping, e. Farm control solution, Advisory, f. field operations- Farm mechanization, Bulk handling.

Startup atmosphere

people from those roles are regarded as related collectively thru shared activities, sports, places and interactions. As startup ecosystems are normally described through the network of interactions among human beings, companies and their surroundings, they could come in many kinds but are generally higher called startup ecosystems of unique towns or on line communities. further, sources like abilities, time and money are also important components of a startup ecosystem.

Some recommendations for promoting and creating Agri-startups in India

- 1. Creating ecosystem for startups sustainability:** a. Startup India Initiative, b. Provision of market access to Agri-startups, c. Provision of growth capital for Agri-startups, d. Creating the digital infrastructure for rural information, e. Pool of mentors and investors, f. Website on Agri-startups
- 2. Research for innovation and entrepreneurship:** a. Incentives to researchers and faculty to become entrepreneurs, b. Favorable terms of trade for sourcing agricultural technologies
- 3. Strengthening of Incubation Centre:** a. Motivated and professional staff, b. Adequate funding support, c. Transparent governance system
- 4. Transforming Agricultural Education System for Innovation Ecosystem:** a. In agricultural universities: Innovation hubs need to be set up to provide a platform, b. Introduction of elective courses related to innovations and entrepreneurship, c. Entrepreneurial break/exit option and fellowship.

Conclusion

In India emerging Agri-Startups have faced so many challenges like commercial enterprise version: maximum of the agri-startups are especially no innovative manner, lack of seed fund, lack of mentorship: The budding entrepreneurs in agriculture region additionally face issues of right mentors, who can aid them in networking, finding assets and growing right marketing strategy, Incubators' competence, constrained understanding of available generation and so forth. Startups are by no means successful in a single day

and it's crucial to remember the fact that going for walks one is a method that requires patience, perseverance, and a sensible assessment of its evolutionary degree. improvement of a startup within the perspective of "concept to product, to growing enterprise" and from "talent to team, to real employer" in balanced way.

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