MORE THAN 450 START-UPS IN THE INDIAN AGRITECH SECTOR— NASSCOM REPORT

- 48% Agritech CEOs, believe to have the next Agritech unicorn in the next 3 years
- B2B emerging key revenue generating segments in the overall Agritech sector; received over 200mn funding in the past 18 months

New Delhi, 12 August, 2019: As digitization expands its horizons and permeates into sectors beyond IT services, the National Association of Software and Service Companies (NASSCOM) today unveiled its findings for India’s Agritech sector in its report titled, “Agritech in India – Emerging Trends in 2019”. The emergence of B2B start-ups as key revenue generating segment; maturing Agritech stakeholder ecosystem; evolving public private partnerships; sustained growth for Agritech start-ups in India and emerging business opportunities are some of the noteworthy findings being showcased in the report.

Growing at the rate of 25% year on year, India currently hosts more than 450 start-ups in the Agritech sector. Over the recent years, the Agritech sector in India has witnessed some of the global and sector focused funds directly investing in Agritech startups. According to the report, as of June 2019, the sector has received more than USD 248 mn funding, a massive growth of 300% as compared to the previous year. With the recent rise in funding, 48% Agritech CEOs, as per the NASSCOM Agritech CEO survey, believe to have the next Agritech unicorn in coming 3 years.

Sharing her thoughts, Debjani Ghosh, President NASSCOM, said, “India’s agriculture sector is advancing steadily towards its digital transformation and the start-up ecosystem is playing a critical role here, bringing innovation and disruption in much-needed areas. Adoption of technology in agriculture has always needed a structured institutional focus and technology firms are trying to break into the agricultural landscape using newer business models. The findings of the report are a testimony to the potential of the Agritech industry and the opportunities that India presents in the agriculture and farming landscape.

With more and more local farmers accepting the innovative start-up solutions, there has been a considerable shift witnessed from B2C to B2B start-ups. Corporates and investors are playing a vital role in supporting this with over USD 200 mn investment in B2B start-ups in the past 18 months, making it as a key revenue generating segments in the overall Agritech sector. This has enabled creating better access to market, faster technology adoption and bring domain specific product development support to the industry. Indian companies are increasingly looking at global markets to expand with focus on regions like South East Asia, Europe, Africa and South America. According to the report in the last 5 years, more than 5 global Agritech companies have ventured in India, as compared to more than 25 Indian Agritech companies with global presence.

New emerging areas like market linkage, digital agriculture, better access to inputs, FaaS and financing are attracting large traction. These technology adoptions are enabling numerous agritech startups to...
bring forth farming-related advanced technological mechanisms to help local farming become a sustainable and profit-yielding enterprise.

With public private partnerships and government support, several Indian states have established progressive Agritech policies. However, certain measures such as setting up of catalytic or micro funds (ranging USD 2 to 14 mn) to spur innovation, offer support in terms of incubation, acceleration, and catalytic funding, opening of incubation centres, curriculum changes in agriculture universities, building of a transparent data sharing policy, and engaging with start-ups in larger projects, needs to be implemented by state governments to further enhance the use of futuristic technologies and support the growing Agritech sector in the country.

Realizing the vision of make in India, for the world, it is estimated that by 2020 the Agritech sector to be at the center-stage of innovation and will lead India’s journey towards overall transformation. Therefore, to achieve this goal, it is imperative that the ecosystem needs to focus towards driving innovation, data collaboration, easy working capital and providing digital infrastructure to enable real time access to farmers across the country. NASSCOM will continue its drive towards catalysing emerging tech start-ups, and work with the ecosystem to build category leaders and support start-ups to create not only for India but also scale up and build for the world.

About NASSCOM

The National Association of Software and Services Companies (NASSCOM*) is the premier trade body and chamber of commerce of the Tech industry in India and comprises over 2800-member companies including both Indian and multinational organisations that have a presence in India. Our membership spans across the entire spectrum of the industry from start-ups to multinationals and from products to services, Global Service Centers to Engineering firms. Guided by India’s vision to become a leading digital economy globally, NASSCOM focuses on accelerating the pace of transformation of the industry to emerge as the preferred enablers for global digital transformation. Our strategic imperatives are to reskill and upskill India’s IT workforce to ensure that talent is future-ready in terms of new-age skills, strengthen the innovation quotient across industry verticals, create new market opportunities - both international and domestic, drive policy advocacy to advance innovation and ease of doing business, and build the Industry narrative with focus on Talent, Trust and Innovation. And, in everything we do, we will continue to champion the need for diversity and equal opportunity. NASSCOM has played a key role in not just the growth of the Industry to become a $180+Billion industry today, but we have helped establish the Tech industry in India as one of the most trusted partners, globally. NASSCOM continues to make significant efforts in contributing towards India’s GDP, exports, employment, infrastructure development and global visibility. Our membership base constitutes over 95% of the industry revenues in India and employs over 4 million professionals, and as technology blends into every aspect of the economy, we expect the industry to become key driver of growth, development and inclusion for the country. Our mission is to make India a global hub for Innovation and Talent so when the world thinks Digital, the world will think India.

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