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## SOWING INNOVATION: HOW STARTUP INDIA IS TRANSFORMING AGRICULTURE

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**A**gricultural startup is a very huge sector so we need to see what are the different growth drives, key performing indicators, what are driving startups. From last 2 to 3 years startups are growing into the agriculture sectors.

Definition of startup given by Eric Reis author of book The Lean methodology is “Startup is a human institution designed to create a new sector/product/service under conditions of extreme uncertainty”. Startup is not a company, it is a human that we are starting startup. It's not like there is 10 to 15 members team is working & developing product & selling. It is people who are working in that because they understand problem and therefore they want to solve it.

How startup is built up like development phases of startup. Here, whole sector is divided into 4 parts. Here there are 3 main stages, formation, validation & growth. When you have an idea, while Startup is being built up, idea changes into product, product finally changes into business and once you started getting customers, it changes into business.

Same way if you have talent, you will be hiring a talented team so talent will change to team & team will change talented organization. So, this is over all process.

But there are significant 6 main stages Ideation, concepting, committing, validating, scaling & establishing.

1. **Ideation:** -Ideas are significant assets of startup. It is derived from brainstorming, online forum, seminars and conference. When you have an idea, raw idea/raw sketch what you want to do this is first stage of creation, so you can think that this idea can be marketed. This is 1<sup>st</sup> stage i.e. ideation.

2. **Concepting:** - This stage of concepting you have to give a concept to an idea like you have from a frame/concept for your idea.
3. **Committing:** - In this stage, you have to commit to yourself. Now the product is in a raw phase, we create MVP (minimum viable product) is like when you have a small idea & that committed in a product.
4. **Validating:** - When you take your product in market or take your product to some of your friend, you ask them to test out, there you will know which are faults in your services & how it can be improved. You have to validate/check demand for your product.
5. **Scaling:** - Taking your product to the market for getting more customers &
6. **Establishing:** - You are getting customers to your startup i.e. your startup is established.

### Startup Defined by Government of India

- Up to a period of 10 years from the date of registration or up to 10 years in Biotechnology sector.
- Incorporated as Private Limited Company
- With an annual turnover not exceeding Rs.100 crores.
- Entity should not be formed by splitting or reconstruction of business already in existence.
- Working towards innovation and development.

### Startup funding

- There are major 6 stages like pre seed, seed, early stage comprises series A & series B, Late stage - series c, mezzanine stage IPO (Initial Public Offer).

### Pre Seed

- Usually come from your own pocket another is crowdfunding- Raising hand from large number of people/investors.

### Seed Stage

- When your product is complete (Minimum viable Product) & then you are moving to investors, telling them how market scope is available to your product. In this stage,

funding done by Like one person, who have very good amount of money and ready to invest in small companies in return of share.

### **Early Stage**

- Your product is launched in market. In this stage, there wre 2 sub stages series A & series B
- Early stage means you have already completed your product, you launched your product in market & performing well.
- But In series A, you have in expand your product at different locations & funding like venture capital, means firms who always invest into small companies & will ask you certain amount of share in return.
- In series B, your produel is very good from 2 to 3 years, investors will give you more money to expand startup.

### **Late Stage**

- You are experiencing fast rate of market growth.
- In series C, you want more expansion of your product.

### **Mezanine Stage**

- Your company is established & you are working very well, funding by furdng by investors. You can acquire funding or you can merge in your competitor's company.

### **Key Locations**

- We see those key locations in terms of established hubs, there are 3 main key locations. Bangalore, Delhi & Mumbai.
- Growing hubs are Hyderabad, Kolkata, Pune & Chennai.
- Emerging hubs are Jaipur, Indore, Chandigarh, Kerala & Ahmedabad.

### **Government Initiatives & Policies to Promote Startup Ecosystem in India**

- Startup India
- Atal Incubation Mission
- New Gen IEDC
- Make In India
- BIRAC

- Small Farmers Agribusiness Consortium (SFAC)
- Rashtriya Krushi Vikas Yojana (RKVY)

### **Benefits of Registration under Startup Programme**

1. Simplification & Handling
2. Startup India Hub
3. Legal support & Patent examination
4. Easy exit
5. Tax exemption
6. Self-certification

### **Agritech Startups**

- Redefining Agriculture with Technology solutions.
- Agritech is the idea of applying modern technologies to the agriculture sector with a view to enhance, produce efficiency & revenue.
- We can divide agriculture into 3 sectors such as pre harvesting, post harvesting & value addition. So, these are major components of whole agriculture.

### **Government Initiatives & Policies to Promote Agritech Startup Ecosystem in India**

- AIM
- New Gen IEDC
- RKVY
- ASPIRE

### **Institutional Ecosystem for Agri Startup (Incubators/ accelerators)**

- Agri-udaan
- A-IDEA
- t-hub
- I CRISAT-
- Manage ACBC Incubation centre

### **Conclusion**

It is said that startups are gateway to innovation. It's true, because startup come with a new process/new service or it's very small definition of innovation defined by Rogers, that

innovation doesn't mean that anything new, it can be new product/service which is new to that locality that can be considered as innovation. So, startup promote innovation.

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