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A STUDY ON ROLE OF AGRI -TECH STARTUPS IN PROVIDING EMPLOYABILITY OPPORTUNITIES IN ANDHRA PRADESH

P. Rajasekhar[1], Dr.P.Saritha[2]

[1]Research Scholar (Full -Time) Department of Business Management, Yogi Vemana University, Kadapa - 516005, Andhra Pradesh, India

[2]Associate Professor and Research Supervisor, Department of Business Management, Yogi Vemana University, Kadapa - 516005, Andhra Pradesh, India

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ABSTRACT

The agricultural landscape of India is undergoing a transformative shift, driven by the rapid emergence of Agri-Tech startups that are redefining how farming is perceived and practiced. In a nation where agriculture forms the backbone of the economy, employing nearly 58% of the workforce and accounting for 17-18% of its GDP, the need for innovation in this sector is more critical than ever Agri-Tech startups in Andhra Pradesh are pivotal in transforming rural youth employability by introducing technology-driven agricultural practices. They create diverse job opportunities, from technical roles to on-field support, boosting local economies and stemming migration. Despite challenges like funding and adoption, these startups enhance productivity and farmer incomes through innovations like precision farming and data analytics. Government support and private investment are crucial for their growth. Ultimately, Agri-Tech fosters a sustainable agricultural ecosystem, empowering youth and revitalizing rural communities.

KEYWORDS: *Agri-Tech startups, GDP, Technology-driven, productivity, sustainable agricultural ecosystem*

INTRODUCTION TO STARTUPS IN INDIA

Agri-tech startups in Andhra Pradesh have evolved significantly over the past decade, driven by government support and innovation. Starting around 2016-2017, the state has fostered startups that integrate AI, IoT, and smart farming solutions to improve productivity and sustainability. With initiatives like the Rashtriya Krishi Vikas Yojana supporting over 60 Agri startups, Andhra Pradesh has become a hub for technology-driven agriculture, focusing on precision farming, supply chain efficiency, and empowering small farmers with modern tools and services

Jobs Created By startups over the years

India's startup ecosystem has seen explosive growth, with over 1.59 lakh startups recognized by DPIIT as of January 2025. Since 2016, these startups have generated more than 16.6 lakh direct jobs, driving employment across various sectors in the country. The IT services industry leads with 2.04 lakh jobs, followed by healthcare and life sciences (1.47 lakh) and professional services (94,000). Major hubs like Bengaluru, Hyderabad, Mumbai, and Delhi-NCR have fueled this momentum while emerging cities are also making a mark.

SCENARIO OF AGRI TECH STARTUPS IN INDIA

The agricultural landscape of India is undergoing a transformative shift, driven by the rapid emergence of Agri-Tech startups that are redefining how farming is perceived and practiced. In a nation where agriculture forms the backbone of the economy, employing nearly 58% of the workforce and accounting for 17-18% of its GDP, the need for innovation in this sector is more critical than ever. Among the states leading this agricultural renaissance is Andhra Pradesh, a region renowned for its diverse cropping systems and progressive farming practices. Andhra Pradesh, characterized by its robust agricultural output and commitment to modernization, has become a fertile ground for Agri-Tech entrepreneurship. The state's unique geographical and climatic diversity, coupled with a government keen on promoting technological integration in farming, has created an ecosystem that fosters innovation. From precision farming solutions utilizing drones and IoT (Internet of Things) technologies to platforms that directly connect farmers

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with consumers, the Agri-Tech sector in Andhra Pradesh is at the forefront of addressing challenges such as food security, resource management, and sustainability.
Currently, there are nearly 2855 Agri-Tech startups recognized by Startup India. These Agri-Tech startups in India have been termed as the "ray of hope", driving innovation and transforming the way agriculture is traditionally done in India. The total number of Agri tech Startup's in Andhra Pradesh is 67

SIGNIFICANCE OF AGRI-TECH STARTUPS IN INDIA

Today's farmer faces a lot of challenges to sustain their livelihood through farming. Malpractices in the unorganized agricultural markets and the absence of organized marketing systems for production are becoming a major concern for Indian farmers.

Moreover, they have to deal with poor transportation and storage services and much more. They have limited access to superior technology to get timely information and agricultural solutions which leaves them vulnerable and all by themselves.
Agri-Tech startups have the potential to address these challenges from the very beginning, and subsequently change the face of Indian agriculture. They are the knights in shining armor for Indian farmers.

ROLE OF AGRI-TECH STARTUP'S IN INDIA ECONOMY

Agri-Tech startups are playing a transformative role in the Indian economy, particularly within the crucial agricultural sector. Their impact is multifaceted, contributing to economic growth in several key ways:

- **Boosting Agricultural Productivity:**
  - By introducing precision farming, data analytics, and other technological solutions, these startups help farmers optimize resource utilization and increase crop yields. This directly contributes to higher agricultural output and overall economic growth.
- **Improving Farmer Incomes:**
  - Agri-Tech platforms that connect farmers directly with markets eliminate intermediaries, ensuring fairer prices for produce.
    This leads to increased farmer incomes, which in turn stimulates rural economies.
- **Strengthening the Supply Chain:**
  - Startups focused on supply chain management reduce post-harvest losses, improve logistics, and enhance traceability. This creates a more efficient and resilient agricultural supply chain, benefiting both farmers and consumers.
- **Creating Employment Opportunities:**
  - The growth of the Agri-Tech sector generates new employment opportunities in both urban and rural areas. This includes jobs in technology development, data analysis, logistics, and marketing.
- **Driving Rural Development:**
  - By empowering farmers with technology and market access, Agri-Tech startups contribute to rural development and reduce rural-urban disparities.
- **Attracting Investment:**
  - The growing potential of the Agri-Tech sector is attracting significant investment from venture capitalists and other sources. This influx of capital fuels innovation and further growth.
- **Enhancing Food Security:**
  - By increasing agricultural efficiency, Agri-Tech startups contribute to national food security, a vital component of a stable and growing economy.

STAKEHOLDER'S OF AGRI TECH STARTUP'S

Agri Tech Startup's offer a wide range of benefits to various stakeholders in the Agri Tech Startup's cultural ecosystem.

For Farmers

- **Increased Productivity and Income:** Agri Tech Startup's help farmers increase crop yields, optimize resource use (water, fertilizers, pesticides), and reduce input costs, leading to higher incomes.

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- **Improved Market Access:** Online marketplaces and platforms connect farmers directly with buyers, eliminating intermediaries and enabling them to get better prices for their produce.
- **Access to Information and Knowledge:** Digital platforms and advisory services provide farmers with valuable information on best practices, new technologies, market trends, and weather forecasts, empowering them to make informed decisions.
- **Reduced Risk and Uncertainty:** Technologies like crop monitoring and weather forecasting help farmers mitigate risks associated with pests, diseases, and unpredictable weather patterns.
- **Greater Efficiency and Convenience:** Automation and mechanization reduce the need for manual labor and make farming operations more efficient and convenient.

For Consumers

- **Access to Quality Produce:** Agri Tech Startup's are involved in improving the quality and safety of Agri Tech Startup's cultural products through technologies like traceability and quality control.
- **Stable and Affordable Prices:** By improving efficiency and reducing post-harvest losses, Agri Tech Startup's can contribute to stabilizing food prices and making them more affordable for consumers.
- **Increased Availability of Food:** By boosting Agri Tech Startup's cultural productivity, Agri Tech Startup's helps ensure a stable and adequate supply of food to meet the growing demand.

For Businesses

- **New Market Opportunities:** Agri Tech Startup's create new market opportunities for businesses involved in Agri Tech Startup's cultural inputs (seeds, fertilizers, machinery), processing, and distribution.
- **Supply Chain Efficiency:** Technology improves the efficiency and transparency Agri Tech Startup's cultural supply chains, benefiting businesses involved in logistics, storage, and transportation.
- **Access to Innovation:** Agri Tech Startup's bring innovative technologies and solutions to the Agri Tech Startup's cultural sector, which can be adopted by larger businesses to improve their operations.

For the Economy

- **Increased Agri Tech Startup's Cultural Productivity:** Agri Tech Startup's contributes to increasing Agri Tech Startup's cultural productivity, which is crucial for ensuring food security and economic growth.
- **Rural Development:** The growth of the Agri Tech Startup's sector creates new employment opportunities in rural areas, contributing to economic development and reducing migration to urban centers.
- **Sustainable Agri Tech Startup's culture:** Agri Tech Startup's promotes sustainable farming practices, which help protect the environment and conserve natural resources.

For the Government

- **Food Security:** Agri Tech Startup's plays a crucial role in ensuring food security by increasing Agri Tech Startup's cultural productivity and improving the efficiency of food systems.
- **Economic Growth:** The growth of the Agri Tech Startup's sector contributes to economic growth by creating jobs, increasing incomes, and boosting Agri Tech Startup's cultural exports.
- **Rural Development:** Agri Tech Startup's helps in rural development by empowering farmers, creating employment opportunities, and improving infrastructure in rural areas.

Agri Tech Startup's provide a win-win situation for all stakeholders in the Agri Tech Startup's cultural sector, from farmers and consumers to businesses and the government. They are driving innovation, improving efficiency, and promoting sustainability in Agri Tech Startup's culture, which is essential for ensuring food security and economic development.

Challenges of Agri-Tech Startups

- **Water Shortages:** AP experiences frequent droughts and water scarcity, making it essential for Agri Tech Startup's to prioritize water-saving solutions and drought-tolerant crops.
- **Coastal Vulnerability:** Parts of AP are susceptible to cyclones and coastal erosion, requiring Agri Tech Startup's solutions that can aid farmers in adapting to these challenges.
- **Small Farm Sizes:** The typical landholding size in AP is small, emphasizing the need for Agri Tech Startup's to develop solutions tailored to smallholder farmers.

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Tackling these challenges demands a collaborative approach involving Agri Tech Startup's, farmers, investors, policymakers, and research institutions. By overcoming these obstacles, Agri Tech Startup's can realize the full potential of technology to revolutionize Indian Agri Tech Startup's culture and enhance the livelihoods of farmers in AP and across the nation.

Agri Tech Startup's in India, including those in Andhra Pradesh (AP), can access financial assistance through various avenues. Here's a breakdown of the primary sources:

Government Schemes and Initiatives

- **Rastriya Krishi Vikas Yojana (RKVY):** This scheme provides financial support to Agri Tech Startup's entrepreneurs, including startups, at the idea/pre-seed stage (up to Rs. 5 lakh) and seed stage (up to Rs. 25 lakh) as grants-in-aid.
- **AGRI TECH STARTUP'S SURE Fund:** This fund, facilitated by NABARD, aims to support Agri Tech Startup's and rural enterprises with a focus on innovation and technology. It provides funding through sector-specific AIFs, direct equity investments, and debt instruments.
- **AGRI TECH STARTUP'S Accelerator Fund:** This fund, with a corpus of Rs.300 crores, is being set up by the Ministry of Agri Tech Startup's culture & Farmers' Welfare to help scale up Agri Tech Startup's with innovative technologies.
- **NIDHI Seed Support Program (NIDHI-SSP):** Under the Department of Science & Technology, this program provides seed funding to early-stage startups, including those in the Agri Tech Startup's sector.
- **State Government Schemes:** The Andhra Pradesh government also has various schemes and initiatives to support Agri Tech Startup's, such as the Andhra Pradesh Agri Tech Startup's business Incubation Center (APABIC).

Financial Institutions

- **NABARD:** NABARD provides refinance support to banks for lending to Agri Tech Startup's and also implements various schemes to promote Agri Tech Startup's -entrepreneurship.
- **Banks:** Many public and private sector banks offer specialized loans and credit facilities for Agri Tech Startup's, often with flexible terms and low-interest rates. Some banks also have dedicated programs Agri Tech Startup's financing.
- **Microfinance Institutions (MFIs):** MFIs provide small loans and credit to Agri Tech Startup's, particularly those operating at a smaller scale or in rural areas.

Other Funding Sources

- **Venture Capital and Private Equity:** VC and PE firms invest in Agri Tech Startup's with high growth potential, providing not only capital but also strategic guidance and mentorship.
- **Angel Investors:** Angel investors, who are high-net-worth individuals, invest in early-stage startups and can provide crucial funding and support to Agri Tech Startup's ventures.
- **Incubators and Accelerators:** Many incubators and accelerators, both government-backed and private, provide funding, mentorship, and resources to Agri Tech Startup's
- **Crowdfunding:** Online platforms allow Agri Tech Startup's to raise funds from a large number of individuals who are interested in supporting sustainable Agri Tech Startup's culture and innovation.

ROLE OF AGRI-TECH STARTUPS IN EMPLOYMENT GENERATION IN ANDHRA PRADESH

Startups have generated over 1.6 million jobs across India, with the DPIIT recognizing 1.57 lakh startups by December 25. India's vibrant ecosystem, driven by affordable internet and a young workforce, has produced over 100 unicorns and influenced global innovation.

India's Agri-tech Startup's sector is projected to generate **60,000 to 80,000 new jobs** over the next five years. Currently, the sector employs approximately **1 lakh individuals** across various roles, including AI development, supply chain management, and sustainable farming solutions.

The sector's growth is driven by technological innovations like AI, IoT, and data analytics, which are transforming agriculture and creating diverse employment opportunities.

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The specific roles that Agri-Tech startups focusing on how these roles impact rural youth and contribute to rural economies.

1. Technology-Driven Roles:

*** Data Analysts/Scientists**

- These roles involve analyzing data from sensors, satellites, and other sources to provide insights into crop health, soil conditions, and weather patterns.
- Rural youth with strong analytical and data skills can find opportunities to contribute to precision agriculture.
- This helps farmers make informed decisions about irrigation, fertilization, and pest control.

*** Software Developers/Engineers**

- Agri-Tech startups need software developers to create and maintain their platforms, mobile apps, and data analytics tools.
- This offers opportunities for rural youth with coding skills to work on cutting-edge technology.
- They might be developing apps that connect farmers to markets, or software that controls automated irrigation systems.

*** IoT (Internet of Things) Technicians**

- These roles involve installing, maintaining, and troubleshooting IoT devices, such as sensors and automated systems.
- Rural youth with technical skills can find employment in deploying and managing these technologies on farms.
- This ensures that the technology is working effectively and providing accurate data.

*** Remote Sensing/GIS Specialists**

- These people use satellite imagery and geographical information systems to analyze land use, crop health, and other agricultural factors.
- This is a growing field, and offers specialized careers.

2. On-the-Ground/Operational Roles:

*** Field Agronomists/Extension Officers**

- These roles involve providing technical assistance and training to farmers on best practices, new technologies, and sustainable farming methods.
- Rural youth with agricultural knowledge and strong communication skills can play a crucial role in bridging the gap between technology and farmers.
- They are essential for technology adoption.

*** Supply Chain and Logistics Coordinators**

- These roles involve managing the movement of agricultural products from farms to markets, ensuring efficient and timely delivery.
- Rural youth with organizational and logistical skills can find opportunities in coordinating transportation, warehousing, and distribution.
- This is essential for reducing food waste.

*** Quality Control Specialists**

- These people ensure that agricultural products meet quality standards, which is especially important for companies connecting farmers to major retail chains.
- This provides jobs in local testing facilities, or on site at farms.

*** Equipment Operators/Technicians**

- As farm mechanization increases, there's a growing demand for skilled operators and technicians to maintain and repair farm equipment.
- Rural youth with mechanical skills can find employment in operating tractors, harvesters, and other machinery.
- This increases the productivity of farms.

*** Sales and Marketing Representatives**

- Agri-Tech companies need people to sell their products and services to farmers.
- Local people make the best sales people because they understand the local culture, and the needs of the local farmers.

3. Entrepreneurial Opportunities:

*** Agri-Service Providers**

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- Rural youth can start their own businesses providing services such as soil testing, equipment rental, or drone-based crop monitoring.
- This fosters entrepreneurship and creates new economic opportunities in rural areas.

*** Value-Added Processing**

- Startups are enabling farmers to process their crops locally, adding value and increasing income.
- This creates jobs in food processing, packaging, and marketing.

*** Local Distribution Hubs**

- Young people can start local hubs that gather crops from many small farms, and then deliver those crops to larger distribution networks.

Impact on Rural Youth:

* These roles provide access to modern skills and technology, improving employability.
* They offer opportunities for career advancement and entrepreneurship.
* They contribute to the economic development of rural communities.
* They help to keep the rural youth in the rural communities.

Agri-tech startups are revolutionizing traditional farming methods

1. **Precision Farming**: Startups are using GPS, sensors, and drones to optimize resource usage, such as water, fertilizers, and pesticides. This reduces waste, enhances efficiency, and increases crop yields2.
2. **Data-Driven Insights**: By leveraging AI and big data analytics, farmers can predict weather patterns, monitor soil health, and anticipate pest outbreaks. This helps in making informed decisions and minimizing risks3.
3. **Automation and Robotics**: Automated machinery and robotics are streamlining labor-intensive tasks like planting, harvesting, and sorting, saving time and reducing costs.
4. **Smart Irrigation Systems**: These systems ensure efficient water usage, preventing over-irrigation and conserving water resources.
5. **Online Marketplaces**: Startups are creating platforms for farmers to buy inputs like seeds and fertilizers and sell their produce directly to consumers, eliminating middlemen and increasing profitability.
6. **Sustainability**: Agri-tech promotes sustainable practices like organic farming and renewable energy integration, reducing the environmental impact of agriculture.

These innovations are not only transforming farming but also empowering farmers to adopt modern techniques and improve their livelihoods.

CONCLUSION

AGRI-Tech startups are more than just technological innovators; they are catalysts for rural development and youth empowerment in Andhra Pradesh. By bridging the gap between traditional farming practices and modern technologies, they are creating a sustainable and prosperous future for rural communities. To maximize their impact, continued investment, policy support, and collaborative efforts are crucial. As Andhra Pradesh continues to champion technological integration in agriculture, it is poised to become a model for other states, showcasing the transformative power of Agri-Tech startups in driving rural youth employability and fostering economic growth.

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