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Representative image. Credit: Getty.



Karnataka is fast emerging as the leader in the agritech sector with the state witnessing a rise in interest from venture capital investors over the last few years.

Between 2016 and 2020, funding in the sector has witnessed over nine times growth, with Karnataka bagging the highest value of investments at 52%, followed by Maharashtra and Tamil Nadu at 18% and 9.2% respectively.

Over the last three-four years, agri startups from Karnataka have grabbed around Rs 2,000 crore investment, according to data by Silicon Valley-based VC firm Accel Ventures.

According to Prashant Prakash of Accel Ventures, the startup ecosystem in Bengaluru, a proactive government and availability of capital are some factors for the growing belief of investors in the potential of agritech in the state.

"People of Bengaluru and Karnataka have been early adopters of new models. For instance, Swiggy started here. Availability of capital is also an important factor as all the large venture funds have their base in Karnataka," says Prakash, Chairman, Karnataka Vision Group for Startups.

"The state has been very proactive in terms of early seed grants and supportive regulations for agritech startups in the state," he says.

Entrepreneurs coming from outside Bengaluru is another trend that is being observed in Karnataka. "In agri startups, we have started seeing entrepreneurs come from Tier-2 and Tier-3 cities in Karnataka supported by institutions like the Deshpande Foundation in Hubballi and Dharwad. They see and feel it as a local problem for them and are able to relate better, thereby craft solutions," he says.

There are around 600 agri startups in India of which 250 are from Karnataka. These are startups which have raised some form of funding.

Thirukumaran Nagarajan, Co-founder and CEO of Bengaluru-based Ninjacart, a major disruptor in the sector, says government bodies are consistent in making Karnataka agritech-driven. "The government has played an active role in boosting agritech players through schemes and active startup policies/departments that are in place with the sole purpose of supporting startups to run their business smoothly," he says.

"In South India, Karnataka is known as an agrihub, producing large amounts of fruits and vegetables compared to other states. Additionally, the farmers of Karnataka are fairly progressive in adopting technology, be it drip irrigation, sophisticated mechanism, robotics and more," adds Nagarajan.

Gourmet Garden, a Bengaluru-based player with patented Naturoponic farming technique, has raised a total investment of Rs 11 crore. Arjun Balaji, co-founder and CEO of the company, believes Bengaluru has customers who are willing to move beyond the usual convenience/price. "Health awareness combined with the overall startup friendly culture nurtured since decades and ready availability of farms within a certain driving distance of farms bode well for the entire agritech space in the state."