

## Deal activity in agritech space takes a hit amid covid

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Deal activity in agritech startups was impacted last year due to widespread disruptions from the pandemic and the strict lockdown. These startups garnered \$152 million through 30 deals in 2020, declining from \$232 million through 32 deals in 2019, shows data from Venture Intelligence. The figure, however, marked a sharp rise from \$69 million in 2018 and \$43 million in 2017 through 17 deals each, underscoring continued strong investor interest in the sector.

"This (2020 performance) is a significant number and shows there is positive sentiment. We should not forget we had a pandemic in the middle of all this," said Siddharth Pai, founder and managing partner, Siana Capital Management.

He said more investments could be expected in "technologies and startups from the input standpoint in pre-harvesting, seeds, insecticides and irrigation". Farmers have begun to increasingly rely on agritech firms to ease supply chain bottlenecks, eliminate middle-men, improve transparency and ensure they earn a bigger chunk of sale proceeds.

Startups are using technology both in pre-harvest (soil, water testing) and post-harvest (focus on supply chain, grading products). Last October, agritech startup Ergos raised ₹38.5 crore in Series A funding from Chirate Ventures and Aavishkaar Capital. Ergos has been working on a farm-gate based technology driver Grainbank model for small and marginal farmers.

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