

Minimum  
Amount per  
investor:

**₹5,00,000**



## Company Overview

Jaipur based startup, founded in 2016 by an IIT alumnus and Phd holder in Business administration Rajendra Lora and Chandrakanta. Freshokartz is India's first social commerce platform for farmers providing full stack hybrid model for farmers where farmers get Pre and post-harvest agriculture-related services. They are providing soil-based crop and fertilizer recommendation to farmers through agronomists and call centers. The startup has opened digitalized physical agro kiosks at the village level to deliver agro advisory, inputs, and collect farmer output through centers or at their doorsteps. It also facilitates farmers in getting financial aid or insurance through partners.

Founders found that the problem of huge price difference in various fruits/vegetables due to many layers of mediators, who had their own margins, followed no particular standards when it comes to quality and there were lot of difficulty in selling fruits and vegetables by farmers.

Freshokartz has simplified farming activity by providing finance, Insurance, Machinery & Cattle Feed which eliminates middlemen, and direct supply to large buyers which intend to provide better realizations. They are providing farm management software through which they take care of the whole crop cycle data like sowing date, fertilizer date, and pesticides date. This helps to keep track on the data and guide these farmers at a micro-level. Their field executives also use the mobile app to map the data and charge INR 500 to INR 1,000 annually per farmer as a subscription fee. Freshokartz also helps in creating seamless supply linking farm to buyer directly as per the output quality by providing Spot Grading facility & logistics management which reduces wastages.

The platform is based on ML and data Intelligence based algorithms, so it currently offers smart crop packages for 10+ crops, through which Saarthi simply needs to register/select Farmer and on the basis of Farmers Farm size, location, the App automatically suggests which product to be used and in what quantity, it also gives overall cost of Agri input to be incurred during the entire crop cycle, and it also gives an option for different packages to choose from, such as Low Cost Good Yield, High Cost, Organic packages, etc.

They have a network of more than 5000+ Saarthi, and plan to create a trained network of Saarthi's, who can advise farmers regarding their buying behaviors, product recommendations, etc. They collect farmers' data through Saarthi's and help them take the data-led decisions which can help farmers with 20-30% yield increase with better earnings, Incentivize Saarthis by paying commission of 5-7 % from sale of agri-products and providing essential services such as bank account opening, crop, health, vehicle, and cattle insurances.

Freshokartz plans to acquire more users by onboarding 3-5 Saarthis per villages, giving them potential to get 15000-20000 per month from platform so that they would get motivated for arranging more farm meeting. They have also tied up with companies like UPL, BASF, Axis Bank, ICICI Lombard, Davara to fulfill farmers need and selling their products to large buyers like Reliance which allow them to grow revenue from INR 25.2 CR in FY22 to INR 909 CR in FY26.

## Traction & Impact -

Incorporated in: 2016 | Headquartered in Jaipur | Founders Contribution: INR 35 Lakhs



Villages  
Reach:  
7125+



SKU's: 5000+  
with 6  
different  
services type



Growth:  
20%MoM



Freshokartz  
Saarthi's: 5225



ARR:  
INR 54 CR



MRR -  
INR 3.8 CR



Monthly Cash  
Burn: INR 2 Lakhs



Registered  
Farmers -  
1,25,000+

**40 Live hubs providing accessibility to 2000+ villages/ 3 lakhs farmers**

## Partnerships



## Market Opportunity

**TAM:** INR 3048 Bn

- **SAM:** Rajasthan- INR 78.48 Bn | Gujarat: INR 1000.03 Bn | Madhya Pradesh: INR 1083.54 Bn
- According to an Ernst & Young 2020 report, the Indian Agritech sector has a potential value of USD 24 bn by 2025, of which only 1% has been realized thus far. According to a Bain & Company research, this potential is worth USD 35 bn by 2025.

## Business Model

**B2B2C Model:** Onboarding of Freshokartz Saarthis which bringd users to the freshokartz marketplace and trains the farmers and provide 5-7% commission for sales of agricultural products. Customized area-wise data driven advisory, with 100+ packages of crop practices

**B2C Marketplace:** The platform offers Services like Agri Inputs (Seeds, Pesticides), Agri Machinery, Soil testing, Market Linkages, and Financial Products (loan, insurance, etc.).

**Technology Solutions:** Comprehensive vernacular mobile app

## Founding Team

### Rajendra Lora | CEO and Co-Founder

Rajendra Lora has 3+ years of experience as Software engineer who has Integrated payment switches like Prism (Hitachi), ATOS and developed API for integration with companies like Boupom.co, Suvidhaa.com, Mydeals247. Rajendra Lora has completed his Btech in Computer Science and Engineer from IIT Jabalpur.

### Chandrakanta Sahu | COO and Co-Founder

Chandrakanta an Operations professionals with qualitative experience in Agriculture, logistics and supply chain industry, customer relationship management (CRM), contract management, profile management, developing and executing HR strategy with 4+ years of experience with companies like Megha Vincom, Netprologic Inc. Chandrakanta has completed MBA from Rajasthan Technical University and Phd from Maharishi Dayanand Sarawasti University.

## Why to Invest

**Massive USD 40 Bn opportunity in AgriTech space:** The global agritech market is projected to grow at a CAGR of 12.1% between 2020-27. With 58% of the population dependent on agriculture, India is a largely agrarian economy, and the growth potential of agritech is immense in the country, given this quality. There are around 14mn farmers in Rajasthan, Gujarat, Madhya Pradesh with around average farm size of 2 hectare where more 40% farmers hold less than 2 hectare due lack of awareness farming and market linkage. The agritech facilitates input market linkages supported by robust physical infrastructure network that can address the existing issues related to volatility in input prices as well sub-optimal input selection and introducing quality management, traceability will help farmers attain better outcomes in terms of high quality produce, further incentivizing them to continue with modern methods.

**Robust AI/ML full stack solutions enabled for Farmers:** The platform is based on ML and Data Intelligence based algorithms which offers smart crop packages, predictions for estimating fortnightly demand based on proprietary algorithm, local real-time insights, advance order booking, geo-tagged crop-wise data through farm mapping. Saarthi App provides a bundle of services and dashboard at the touch of a button, with real-time analytics. They also offer tech enabled deliver system which delivers goods at same day with GPS location tracking for optimum logistics management. Freshokartz is building first of its kind plant disease detection machine learning application which is enabled by convolutional neural networks and trained over a dataset of public & customer sourced images

**Highly Scalable business model due to strong marketing strategy:** Freshokartz has tied up with many recognized brands like AR Seeds, Shri Krishna Pesticides, UPL, BASFL, Kisankraft etc to fulfill all the needs of the farmers by producing white label products like Mustard Seeds, Wheat Seeds, Crop Protection pesticides, etc. which has enabled them to grow them as a brand and they planning to onboard 3-5 Saarthi in every village which would allow them to acquire 30000 farmers by FY26 with BTL strategy. Even while holding inventory, they can clear their existing inventory within 30-35 days which is one of the best in the industry segment compared to the latest industry average of 49.64 days which shows the effectiveness of the Saarthi model.

**Efficient growth in revenue:** Freshokartz substantial growth was due to acquiring more and more saarthis by providing them incentives which improves their income by 15000-20000 per month by offering part time services and also offering them additional benefits like bank account, credit facilities, insurance etc. Freshokartz has grown 10x in past two year in acquiring the farmer from 24k to 2.4 lakhs which was possible as their presence have increased from 960 villages FY20 to 2475 villages in FY22 and reached INR 25.5 CR in FY22 from INR 5.1 CR in FY20.

## Historical Financials (INR CR)

Particulars	FY19	FY20	FY21	FY22
Own hubs	3	30	35	45
Franchisee hubs	0	0	5	30
No. of FK Saarthis	0	0	0	4000
Hectares doing Business	-	13,278	57,987	112,518
Total Inputs Revenues	-	0.54	6.21	16.97
Total Output Revenues	3.72	4.60	4.73	7.88
Total Company Revenues	3.72	5.1	10.9	24.8
Total Gross Margins	0.61	1.19	0.58	2.25
Total Expenses	-1.20	-1.61	-2.27	-4.28
EBITDA	-0.59	-0.42	-1.69	-2.03

## Financial Projections (INR CR)

Particulars	FY23	FY24	FY25	FY26
Own hubs	60	70	85	100
Franchisee hubs	90	160	225	300
No. of FK Saarthis	9000	18750	37500	60000
Hectares doing Business	295,803	609,045	1,205,601	1,949,184
Total Inputs Revenues	60.39	153.48	381.77	779.67
Total Output Revenues	34.16	96.23	244.13	485.35
Total Company Revenues	94.6	249.7	625.9	1,265.0
Total Gross Margins	10.35	31.26	89.12	199.62
Total Expenses	-11.36	-24.10	-49.41	-99.45
EBITDA	-1.01	7.16	39.71	100.17

## Fund Requirement

Fund Requirement	Commitment Received	Name of the Investors committed for this round	Pre Money-Valuation	Balance Funds Sought from Hem Angels
INR 10 CR	INR 7CR	Rajasthan Venture Capital Fund , Lumis Partners , Inflection Point Venture and Other Marquee Investor	INR 90 CR	INR 3 CR
<b>Usage of Funds: Technology, Marketing &amp; Expansion</b>				





























## Previous Funding

Date of Funding	Name of the Investors	Valuation	Amount of Funding
October 2020	Rajasthan Venture Capital Fund, AWE Funds, Divya Sampath, Ashish Narendra Shah, Nimesh Narendra Shah, Prachi Jain, Padma Chandraseka Ran	INR 23.1 CR	INR 9 CR

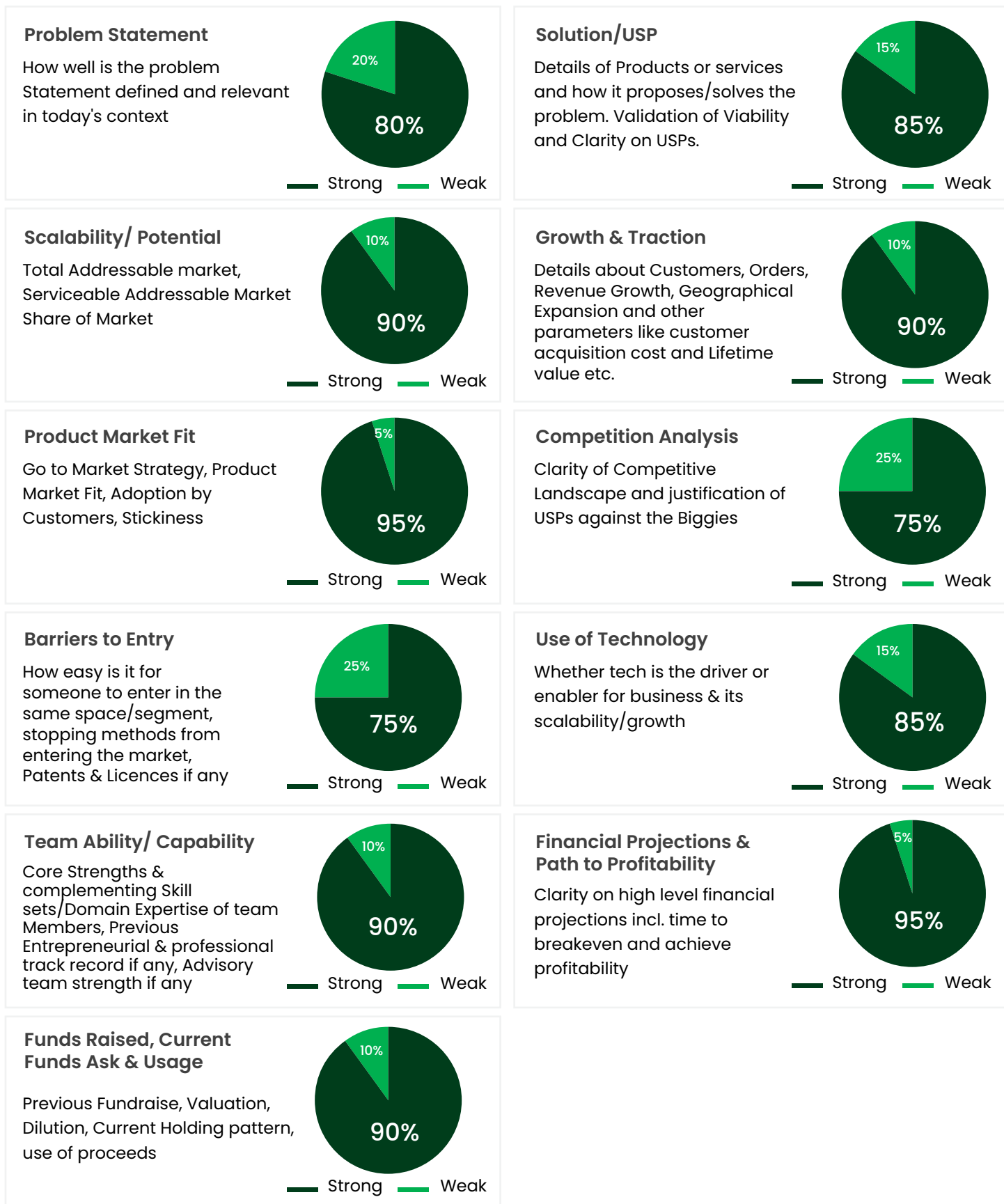
## Cap Table

Cap Table	% Holdings
Founders	48.8%
RVCF	21.6%
Innova ThinkLabs	16.22%
AWE Funds	3.6%
Sighvi Heritage	2.9%
Angel	3%
ESOP	3.7%
Others	0.3%

## Competitive Landscape

PROBHUS VENTURES		Competitive Advantages (2/2)						FreshoKartz
	Customer Acquisition Cost (CAC)	LTV	Low Set-up Costs	Unit-Economics	Farmer Penetration in Target Market	Farm Management Feature	Impact on Farmer	
			<50K			YES		
			300K			NO		
			Online Only			NO		
			200K			NO		
	NA	NA	B2B			NO		

# Internal Assessment



Disclaimer: Investment in startup involve high degree of risk. Though we provide you with our own internal assessment & diligence, we cannot give you all the information necessary to make investment judgment. The views in the documents represent personal views of the respective Hem Angels lead, co leads and experts based on the past financial performance, future projections and estimate shared by startup. Each investing member should apply their own reasonable judgment based on their risk appetite and individual understanding of the concerned business before taking the investment decision.

