How AI, ML, And IoT Are Powering India's Agri-Tech Revolution

Rishab Biswas & Sanjiv Kumar
ICAR-National Academy of Agricultural Research Management (NAARM), Hyderabad, Telangana, India.
Corresponding Author: rishabbiswas.pgdm24@naarm.org.in

India's agri-tech market - valued at $9 billion today and projected to touch $28 billion by 2030 - is being reshaped by a new generation of AI, ML, and IoT-powered startups. Here is what this revolution looks like on the ground.

Indian farming has always been shaped by nature's unpredictability - monsoon timing, soil variability, price swings, and disease outbreaks. What is new is that a set of technologies is now giving farmers something they have never had before: real-time, field-specific, data-driven answers. Artificial Intelligence, Machine Learning, and the Internet of Things - once confined to research papers and urban tech parks - are reaching Indian farms, dairy sheds, fishponds, and grain warehouses. Quietly, but decisively.

The results are not theoretical. ML-based yield prediction has achieved over 85% accuracy for Punjab wheat crops. AI-optimized irrigation has cut water use by 58-63% in documented trials. Computer vision tools detect early blight with 92% accuracy. Ninjacart reduced logistics costs from ₹10.1 to ₹1.95 per kilogram in six years - an 80.7% efficiency gain - while raising farmer incomes by 20%. These numbers are grounded in real deployments, not pilot press releases.

A Market Moving Fast

India has 13,705 agri-tech startups registered under Startup India - part of a broader ecosystem of 1,59,157 DPIIT-recognized startups that have created over 16.6 lakh direct jobs since 2016. In 2015, just 238 agri-tech companies were newly incorporated. That number climbed to 618 in 2020 alone, propelled by pandemic-era digital adoption and the emergence of unicorns like DeHaat.

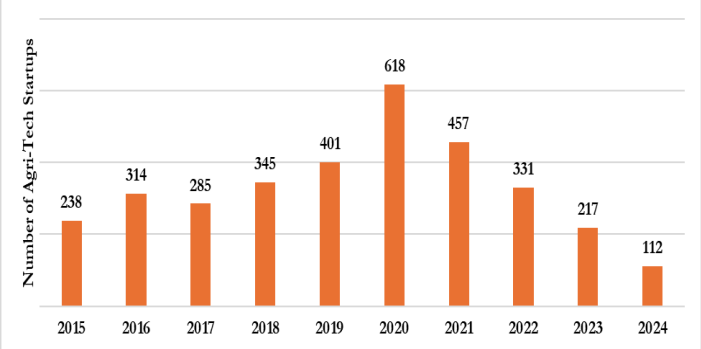

Fig. 1. Year wise number of Agri-tech startups incorporated in India (2015-2024)

(Source: Tracxn database)

The investment story followed the same curve. In 2015, the sector attracted just $50 million in funding. By 2021, it peaked at $1.2 billion, anchored by DeHaat's $150 million Series E. Global funding corrections moderated the pace in 2022-23, but approximately $462 million was still deployed in India in 2024. On the global stage, agri-food tech investments surged 215% in 2024, reaching $2.5 billion - with India capturing the dominant share.

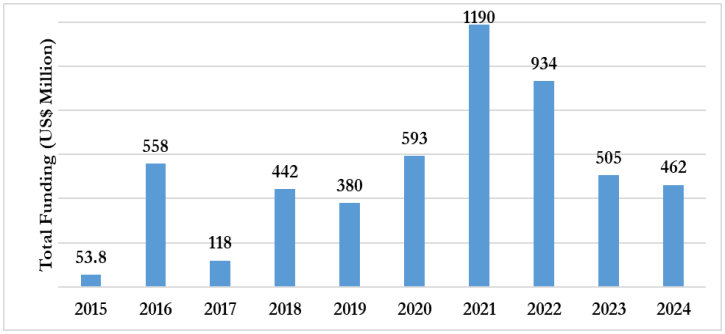

Fig. 2. Year wise Funding received by Agri-tech startups incorporated in India (2015-2024)

(Source: Tracxn database)

The trajectory forward is equally striking. India's overall agri-tech market, currently at $9 billion, is projected to reach $28 billion by 2030. AI-driven solutions alone are growing at 44% CAGR toward $5.6 billion. The Agriculture IoT market, at $1.39 billion today, is forecast to reach $2.12 billion by 2030. This is not a niche sector betting on future technology. It is a mainstream industry being rebuilt on a new architecture.

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The Policy Backbone

Behind every agri-tech startup success story is an enabling infrastructure that India has been building with quiet deliberateness.

On September 2, 2024, the Union Cabinet approved the Digital Agriculture Mission with a ₹2,817 crore outlay - the largest public investment in agricultural digitization in India's history. Its first pillar, AgriStack, creates a farmer-centric Digital Public Infrastructure: a Farmer ID system analogous to Aadhaar that links each farmer's identity to their land records, livestock ownership, crops sown, and government benefits. Nineteen states have signed MoUs;

pilot Farmer IDs and Digital Crop Surveys have already run across six states. The target: digital identities for 11 crore farmers within three years.

The second pillar - the Krishi Decision Support System - integrates satellite data on crops, soil, weather, and water into a unified geospatial platform, giving AI and ML applications the national-scale data foundation they need to be meaningful. Alongside the ₹10,000 crore Funds for Startups, RKVY-RAFTAAR's ₹186.55 crore disbursed to over 6,000 agri-startups, and the newly launched BHASKAR registry together form an enabling architecture that few developing countries can match.

"This is not an isolated digital policy. It is a comprehensive, whole-of-agriculture transformation agenda - and its timing is right."

WHAT THE TECHNOLOGY IS ACTUALLY DOING

In the field, precision agriculture has moved from concept to daily practice for a growing number of Indian farmers. IoT soil sensors and drone surveys feed real-time data into ML models that tell farmers exactly when to sow, how much water to apply, and where disease pressure is building - at the level of individual fields, not district averages. Fasal's IoT-SaaS platform for horticulture farmers has delivered 60% reductions in pesticide expenditure, 20-25% water savings, yield improvements of 10-40%, and cumulative water conservation of over 9 billion liters.

In July 2024, Google launched its AI-powered Agricultural Landscape Understanding service in India, integrated directly with AgriStack, offering farm-level insights on drought preparedness, irrigation, and crop types to users such as Ninjacart, Skymet, and IIT Bombay. In April 2024, Cropin launched Aksara, a generative AI system built on an open-source Micro Language Model designed specifically for smallholder farmers, supporting climate-smart agriculture across nine key crops in five South Asian countries. Cropin has digitized over 16 million acres of farmland across 102 countries, serving 7 million farmers. An independent Forrester study documented a 300% return on investment on its AI farm management platform.

Beyond the field, the same technologies are attacking India's most costly agricultural failure: post-harvest losses estimated at ₹1.5 lakh crore annually. Intello Labs uses computer vision and blockchain to automate quality grading across agri-supply chains, reducing manual quality checks by 80%, cutting food rejection rates by 30%, and reducing post-harvest losses by 15%. Its Praman commodity exchange now processes $40 million in monthly transactions. AI-optimized logistics have demonstrated up to 30% reductions in spoilage of perishable goods, and blockchain integration enables immutable farm-to-retail traceability that builds consumer trust one verifiable record at a time.

In livestock management, wearable IoT sensors on cattle continuously track body temperature, feeding patterns, and movement, enabling AI to flag early disease signs before visible symptoms appear. In aquaculture, IoT water-quality monitors and AI-driven feeding systems have eliminated the need for manual netting to estimate biomass. And at the advisory layer, AgroStar's AI-powered app serves over 9 million farmers - delivering accurate crop disease diagnoses from smartphone photographs in regional languages in 4-5 minutes, handling thousands of daily queries that traditional extension services could never absorb at scale and reducing input costs by 15-20% through direct manufacturer procurement.

THE CHALLENGES THAT DESERVE FRANK ACKNOWLEDGMENT

The gains are real. So are the barriers - and they deserve frank acknowledgment rather than a footnote. High costs continue to lock out smallholder farmers. Most sensors, drones, and automated systems require upfront investments that farmers operating less than 2 hectares simply cannot manage without targeted subsidy or credit support. Rural connectivity gaps compound this: real-time IoT functionality requires broadband infrastructure that vast stretches of rural India still lack.

Data quality and privacy are emerging structural concerns. AI systems are only as effective as the data they train on - and crop-specific, region-specific datasets remain sparse for many Indian crops and geographies. As farms generate increasingly sensitive operational data, questions about who owns, controls, and monetizes that data are becoming urgent and unresolved.

The digital divide is the most consequential barrier. Most current agri-tech platforms are designed for English-literate, connected, tech-comfortable users - not for the 140 million smallholders who form the backbone of Indian food production. Without local-language interfaces, offline-capable tools, and community-level digital literacy programs, the benefits of this revolution risk concentrating among India's largest, most progressive farms - deepening precisely the inequality these technologies could otherwise help correct.

The Direction of Momentum

The foundation is strong. India's agri-tech market trajectory - from $9 billion today toward $28 billion by 2030 - reflects extraordinary momentum. But the direction of that momentum matters as much as its speed.

The technology to transform Indian agriculture already exists. The capital to fund it is flowing. The policy intent is clearly articulated. What this revolution now needs

is the deliberate commitment to ensure its benefits reach every farm: subsidized sensor kits and shared IoT infrastructure for smallholders, satellite internet expansion to agri-hinterlands, transparent data ownership frameworks that protect farmers' interests, and vernacular, offline-capable platforms that any farmer can use regardless of connectivity or literacy.

The question is not whether India can build a digital agricultural future. It clearly can. The question is whether that future will be built for every farmer - especially the smallest ones who need it most.

Sources: Inc42 & StarAgri (2025) | PIB, Ministry of Agriculture (2024) | PIB, Ministry of Commerce & Industry (2025) | AgFunder (2025) | Tracxn (2024) | IMARC Group (2025) | Grand View Research (2025) | Ninjacart Impact Report (2023) | Forrester TEI of Cropin | Startup India Portal (2025).

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