

Digitisation, public investments in agtech key to future of farming

Our Bureau
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Technology, digitisation and public investments in agtech are the keys to the development of agriculture amidst climate challenges, experts said at *businessline* Agri and Commodity Summit 2025 here on Friday.

At a session on 'Tapping digitisation and technology for agri development', the panel members noted that India has a great potential in the development agri stack, which the government is implementing currently.

Dr Paresh Verma, Executive Director, Shriram Bioseed Genetics, called for "political will" and coordination among all stakeholders to bring the benefits of technology to farmers.

Stating that seeds make up hardly 10 per cent of the farmers' input costs, Verma pointed out that the government has "unfortunately" brought cottonseed under the Essential Commodities Act, 1955. "It is the only seed brought under the Act," he noted.

IMPACT OF MSP

"The fixing of minimum support price (MSP) has an impact on seed production. While the MSP for cotton has increased by 185-190 per cent over the past 10 years, prices of seeds — determined by the government

— has gone up by only 15 per cent," said Verma.

Referring to Bt cotton, he said insects have won the battle on this matter since the country has not kept pace with technological developments. The pink bollworm has become a real menace and as a result, textile units are now facing cotton shortage.

NEXT DISRUPTION

Hemendra Mathur, Co-founder of ThinkAg, said start-ups have driven digitisation of the food value chain over the past 15 years. "About 90-95 per cent of the innovation through start-ups has been through digitisation, and benefits are brewing," he said.

The government's Agri Stack programme will be the next disruption, he noted. It could cut down the transaction costs in dealing with farmers, such as banks providing loans to farmers.

On funding scenario, he said it took the pandemic to realise the importance of capital infusion. "From around \$100 million for 7-8 yrs since 2010, funding increased to \$2-3 billion in 2021 and 2022. However, it has now moderated and there has been a correction," Mathur said.

Stressing that public investments are required in agtech to make private investments attractive, he noted that, some

2-3 start-ups will likely come up with IPOs over the next couple of years.

"The agtech sector is a 'Great Bharat Story' since many companies have begun working with farmers, creating employment in rural areas," he said.

LOWER INSURANCE COSTS

Partha Ghosh, Programme Lead, Social Alpha, said 15 per cent of digitisation has gone into the value chain. Artificial intelligence and machine learning models are being developed to get a sense of the physical impact of weather, pests and diseases.

Ghosh said there is a reluctance to adopt technology and therefore, there is a need for public sector investments to help adapt to these challenges. It will break the price barrier of technology and ensure economic benefits reach the stakeholders, he said.

The *businessline* Agri and Commodity Summit 2025 is presented by Nabard and co-powered by the Federation of Seed Industry of India (FSSI) in association with Yara.

The Associate Partners are NCDEX, Indofil, Bayer, Hindustan Urvarak & Rasayan Ltd, Kribhco Agri, NSE, Aqua Group and the Tamil Nadu Agricultural University.

The Banking Partner is State Bank of India while the Broadcast Partner is NDTV Profit.



SEEDING CHANGE. (from left) KV Kurmanath, Associate Editor, *businessline*; Paresh Verma, ED, Shriram Bioseed Genetics; Partha Ghosh, Program Lead, Social Alpha; and Hemendra Mathur, Co-founder, ThinkAG, at a session on 'Tapping Digitisation, Technology for Agri Development' BIJOY GHOSH