

Integrated services key to a robust agriculture sector: Frost & Sullivan

Our Bureau

Mumbai

The integration of agriculture services and value chains have become the focus area as the Budget was tabled on Saturday.

The addressable size of the integrated agricultural services industry is expected to scale to \$75 billion by 2030, as per a Frost & Sullivan (F&S) report.

This represents a compound annual growth rate (CAGR) of 13 per cent, driven by the convergence of digital innovation, regulatory support and evolving market dynamics.

India faces multiple challenges ranging from insufficient pre-harvest due to low yield, inadequate post-harvest infrastructure, restricted access to markets, limited access to credit and limitation in use of global farming techniques, accord-

ing to the F&S report.

Agri-tech start-ups such as StarAgri, DeHaat, NinjaCart and BigHaat have developed platforms that directly connect farmers with input suppliers cutting out middlemen. Digital marketplaces such as AgriBazaar and Bijak are transforming market linkage/ sales by providing platforms where farmers can directly connect with buyers.

The collateral management market-size is projected to grow at a CAGR of about 14 per cent to over ₹1.11 lakh crore by FY29.

This growth trajectory reflects the sector's critical role in providing liquidity, especially to small- and medium-sized agricultural enterprises that often struggle to access traditional bank credit. The organised private sector agri-warehousing capacity is expected to reach 43 million tonnes (mt) by FY29, driven by government schemes such as PMFBY,

AIF, and AISM, which was framed to boost capacity building and agricultural production.

Technology-led integrated agricultural value-chain services platforms offer a comprehensive suite of services including warehousing, collateral management and financing, allowing farmers to store their produce safely and access credit against it. For example, StarAgri, WayCool and Stelapps are implementing technology-driven logistics solutions.

INTEGRATION IS KEY

To realise a robust agricultural sector, the inclusion of integrated agricultural services, government initiatives and improved market linkages is vital.

Agri-tech innovations are expected to enhance yield efficiency and resource use, particularly in small and marginal farms.