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Digital Agriculture and Smart Farming Policies for Sustainable Rural Development

[1*]Pampamma and [2] D.M.Madari

[1]Research scholar, Department of Economics Karnataka State Akkamahadevi Women University, Vijayapur
[2]Research Guide, Chairman of department of Economics, Karnataka State Akkamahadevi Women University, Vijayapur;
E-mail: madaridm@gmail.com
**Corresponding Author email: pavipatil761@gmail.com*

Abstract: Digital agriculture and smart farming are emerging as significant drivers of agricultural modernization and rural development. The adoption of advanced technologies such as Artificial Intelligence (AI), Internet of Things (IoT), drones, satellite imaging, big data analytics, and mobile-based agricultural applications has transformed traditional farming practices into more efficient, productive, and sustainable systems. This study examines the role of digital agriculture and smart farming policies in promoting sustainable rural development with special reference to agricultural productivity, food security, resource management, and farmers' socio-economic welfare. This study is based on secondary data collected from government reports, research journals, policy documents, agricultural databases, and international organizations. The study discusses major government initiatives and policy frameworks aimed at encouraging technological adoption in the agricultural sector. It further analyzes the challenges faced by rural farmers, including inadequate digital literacy, poor infrastructure, limited financial resources, and unequal access to modern technologies. The study emphasizes that effective agricultural policies can reduce the digital divide, improve farm productivity, lower production costs, and strengthen market connectivity for farmers. In addition, smart farming practices contribute to environmental sustainability through precision farming, efficient water management, and climate-resilient agricultural methods. The study concludes that strong policy support, investment in rural digital infrastructure, farmer training programs, and public-private partnerships are essential for achieving inclusive rural development and sustainable agricultural transformation.

Keywords: Digital Agriculture, Smart Farming, Rural Development, Agricultural Policy, Precision Farming, Food Security.

I. INTRODUCTION

Agriculture is a crucial sector of the Indian economy, contributing around 18% to the country's Gross Value Added (GVA) and providing employment to nearly 46% of the workforce. However, challenges such as climate change, water scarcity, low productivity, fragmented landholdings, and limited market access continue to affect rural livelihoods. To address these issues, India has increasingly adopted digital agriculture and smart farming technologies, including Artificial Intelligence (AI), Internet of Things (IoT), drones, remote sensing, and digital marketing platforms. The Government of India has launched several initiatives such as the Digital Agriculture Mission, AgriStack, e-NAM, PM-KISAN, and Soil Health Card Scheme to promote technology-driven agricultural development. As of 2025, over 11 crore farmer IDs are targeted under AgriStack, 1,389+ mandis are integrated with e-NAM, 1.78 crore farmers are registered on the platform, and digital crop surveys cover

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436 districts. Smart farming technologies have also helped reduce water use by 30–50% and increase crop productivity by 15–25%

Digital agriculture plays an important role in improving farm efficiency, enhancing market access, increasing farmers' income, and promoting sustainable use of natural resources. It also supports sustainable rural development by strengthening economic growth, social inclusion, and environmental sustainability. This study investigates the influence of digital agriculture and smart farming policies on sustainable rural development in India, utilising secondary data sourced from government reports, policy documents, and published research publications.

II. REVIEW OF LITERATURE

1. **Balayev, R. A., et al., (2022):** This article examines the role of digital technologies in improving sustainable rural development. The study highlights benefit such as increased productivity, resource conservation, and better employment opportunities in agriculture. It also discusses barriers like weak digital infrastructure, low digital literacy, and financial constraints. Based on a survey conducted in Azerbaijan, the authors conclude that stronger digital policies and public-private partnerships are necessary for successful rural development.
2. **Arif G. Ibragimov (2024):** The article explains how digital technologies are improving agricultural productivity, efficiency, and sustainability in Russia. The study highlights the use of automation, drones, IoT, and precision farming to reduce costs and increase crop yield. It also discusses challenges such as low digital adoption and lack of infrastructure compared to developed countries. The author concludes that government support and investment in digital agriculture are essential for future agricultural growth and food security.
3. **Nkosikhona Gcaza, et al., (2023).** This article discusses the importance of digital agriculture ecosystems for smallholder farmers in developing countries. It explains how technologies such as AI, IoT, mobile applications, and digital platforms can improve productivity, market access, and food security. The study also identifies challenges including poor digital infrastructure, low digital literacy, affordability issues, and limited access to technology. The authors conclude that stronger digital ecosystems and supportive policies are necessary for sustainable agricultural development among smallholder farmers.
4. **Tsvetkova, I., et al., (2023):** This article examined the role of digital technologies in agricultural management for sustainable development. The study highlights the importance of technologies such as GPS, IoT, artificial intelligence, remote sensing, block chain, and automated resource management systems in improving agricultural productivity, profitability, and environmental sustainability. The authors suggest indicators for evaluating the effectiveness of digital technologies and propose a three-stage model for their implementation. The study concludes that digitalization enhances decision-making, optimizes resource utilization, reduces production costs, and promotes sustainable agricultural development. The article provides valuable insights for policymakers and agricultural managers seeking to modernize the agricultural sector.
5. **Ukolova et al. (2020):** The article examined the role of technology transfer and digitalization in transforming the agricultural economy. The study

highlights how digital technologies such as precision farming, GPS, artificial intelligence, and digital management systems improve agricultural productivity, resource efficiency, and sustainability. The authors emphasize that digital transformation enhances competitiveness, reduces production costs, and supports sustainable agricultural development. The study concludes that strong government support and effective technology transfer mechanisms are essential for accelerating agricultural digitalization and achieving long-term economic growth.

6. **Abashidze (2023)**: The author examined the role of digital agriculture in transforming modern farming systems and improving agricultural sustainability. The study discusses the application of digital technologies such as artificial intelligence, the Internet of Things (IoT), big data, cloud computing, robotics, and precision agriculture in enhancing productivity and resource efficiency. The findings indicate that digital agriculture supports informed decision-making, reduces production costs, improves yields, and helps address challenges such as climate change, water scarcity, and soil degradation. The study concludes that government support, digital infrastructure, and farmer training are essential for successful agricultural digitalization and sustainable rural development.
7. **Nemchenko et al. (2020)** The article examined the digital transformation of agricultural production with a focus on the Volgograd region of Russia. The study highlights the importance of digital technologies in improving food security, agricultural competitiveness, and production efficiency. The authors identified resource, internal, and productive components as key drivers of agricultural digitalization and discussed challenges such as inadequate infrastructure, low digital literacy, and a shortage of skilled professionals. The study asserts that digital transformation is crucial for sustained agricultural advancement and necessitates robust governmental backing, technological investment, and the development of human capital.
8. **Sinitsa, et al., (2021**) The author explained international practices in digital agriculture across Europe and Central Asia. The study examined the adoption of information and communication technologies, digital infrastructure, e-governance, artificial intelligence, and smart farming systems in agricultural development. The findings revealed that digital technologies improve agricultural productivity, resource efficiency, market access, and food security while supporting sustainable rural development. The authors concluded that strong digital infrastructure, government support, farmer training, and international cooperation are essential for the successful implementation of digital agriculture**.**

III. BACKGROUND OF THE STUDY

Agriculture is the backbone of rural India and sustains the livelihood of roughly half of the country's population. However, the sector faces several challenges such as low productivity, climate change, water scarcity, fragmented landholdings, and limited access to markets and agricultural information. To address these issues, the Government of India has increasingly promoted digital agriculture and smart farming technologies.

Initiatives such as the Digital Agriculture Mission, AgriStack, e-NAM, Soil Health Card Scheme, and PM-KISAN attempt to improve agricultural efficiency through the use of digital technology, including AI, IoT, drones, and precision farming. These technologies

help farmers make informed decisions, optimize resource use, increase productivity, and improve income levels. As digital transformation becomes a key component of agricultural development, understanding its contribution to sustainable rural development is essential. Therefore, this study explores the significance of digital agriculture and smart farming policies in boosting economic growth, environmental sustainability, and rural livelihoods in India using secondary data sources.

IV. STATEMENT OF THE PROBLEM

Indian agriculture faces several challenges, including low productivity, climate change, water scarcity, fragmented landholdings, and limited market access. Although the Government of India has introduced various digital agriculture and smart farming initiatives such as AgriStack, e-NAM, and the Digital Agriculture Mission, the adoption of these technologies remains uneven across regions and farmer groups. Therefore, it is important to examine how digital agriculture and smart farming policies contribute to improving agricultural efficiency, farmers' income, and sustainable rural development in India.

V. OBJECTIVES OF THE STUDY

1. To examine digital agriculture and smart farming policies in India.
2. To analyze the impact of digital technologies on agricultural productivity and farmers' income.
3. To assess the contribution of digital agriculture to sustainable rural development.
4. To evaluate the environmental benefits of smart farming practices.
5. To identify challenges and suggest policy measures for improving technology adoption in agriculture.

VI. RESEARCH METHODOLOGY

The present study is based on a descriptive and analytical research design using secondary data. Relevant data were collected from various sources, including reports of the Ministry of Agriculture and Farmers Welfare, Digital Agriculture Mission documents, AgriStack reports, e-NAM statistics, NITI Aayog publications, Economic Surveys, FAO reports, World Bank databases, research journals, and government websites.

The study covers the period 2020–2025 and focuses on the role of digital agriculture and smart farming policies in promoting sustainable rural development in India. The collected data were analyzed using percentage analysis, trend analysis, and descriptive statistical methods to evaluate the impact of digital technologies on agricultural productivity, farmers' income, resource efficiency, and rural sustainability.

CONCEPTUAL FRAMEWORK

The study is based on the relationship between digital agricultural technologies, government smart farming policies, and sustainable rural development outcomes. The framework implies that initiatives such as the Digital Agriculture Mission, Agri Stack, e-NAM, precision farming, IoT-based irrigation, drone technology, and AI-driven farm management improve agricultural productivity, resource efficiency, and farmers' access to markets and information. These improvements contribute to higher farm income, employment generation, environmental sustainability, and enhanced rural livelihoods, ultimately supporting sustainable rural development in India. Thus, digital agriculture acts as the independent variable, while sustainable rural development serves as the dependent variable.

VII. DIGITAL AGRICULTURE AND SMART FARMING POLICIES IN INDIA

Digital agriculture and smart farming have become major policy priorities in India to

improve agricultural productivity, resource efficiency, farmer income, and sustainable rural development. The Government of India launched the Digital Agriculture Mission (2024–2029) with an approved outlay of ₹2,817 crore to create a comprehensive Digital Public Infrastructure (DPI) for agriculture. The mission focuses on developing technology-driven solutions through AgriStack, Krishi Decision Support System, Digital Crop Surveys, and Soil Profile Mapping.

1. Digital Agriculture Mission (2024–2029)

The Digital Agriculture Mission was launched by the Government of India with an outlay of ₹2,817 crore to strengthen digital infrastructure in agriculture. The mission promotes technologies such as AI, IoT, drones, and geospatial systems. It integrates initiatives like AgriStack, Digital Crop Survey, and KDSS. The objective is to improve productivity, resource efficiency, and data-driven agricultural governance.

2. AgriStack Initiative

Agri Stack is a digital platform that creates a comprehensive database of farmers, land records, and crop information. The government aims to provide digital identities to 11 crore farmers by 2026–27. It helps in efficient delivery of subsidies, credit, insurance, and government services. The initiative also supports better agricultural planning and policy implementation.

3. Digital Crop Survey (DCS)

The Digital Crop Survey collects crop-sown information through mobile applications and geospatial technologies. During Kharif 2024, the survey covered 436 districts across India. It improves the accuracy of crop estimation and agricultural statistics. The data support policy decisions, crop insurance, and disaster management programs.

4. National Agriculture Market (e-NAM)

e-NAM is an online trading platform that connects agricultural markets across India. More than 1,389 mandis have been integrated into the platform. It has registered over 1.78 crore farmers and 2.62 lakh traders. The platform improves market access, price transparency, and income opportunities for farmers.

5. Soil Health Card Scheme

The Soil Health Card Scheme provides information on soil nutrient status and fertilizer requirements. The government is developing soil fertility maps covering about 142 million hectares of agricultural land. The scheme promotes balanced fertilizer use and scientific farming practices. It helps improve soil productivity and environmental sustainability.

6. PM-KISAN Scheme

PM-KISAN gives financial support of ₹6,000 per year to qualified farmers through Direct Benefit Transfer (DBT). The scheme uses digital platforms and Aadhaar-based verification for transparent fund transfers. It reduces delays and leakages in payments. The scheme supports farmers' income and financial security.

7. Smart Irrigation and Precision Farming

Smart irrigation and precision farming technologies use sensors, drones, GPS, and automated systems for efficient farm management. These technologies help save 30–50% of irrigation water. They also increase crop productivity by 15–25% and reduce fertilizer consumption. This promotes sustainable and climate-resilient agriculture.

8. Drone Technology in Agriculture

Agricultural drones are increasingly used for crop monitoring, pesticide spraying, and field mapping. The government promotes drone adoption through subsidy programs and

training initiatives. Drones increase operational efficiency and lower labour expenses. They are in favour of contemporary agricultural techniques including precision farming.

9. Krishi Decision Support System (KDSS)

KDSS is a digital platform that provides real-time agricultural information using satellite imagery, weather forecasts, and soil data. It helps farmers and policymakers make informed decisions regarding crop planning and resource management. The system improves risk assessment and climate resilience. It supports evidence-based agricultural development.

VIII. STATISTICAL ANALYSIS AND DATA PRESENTATION

Table 1: Digital Agriculture Mission and Agri Stack Progress in India (2024)

Sl. no	***Indicators***	***Data***
1	Total Outlay of Digital Agriculture Mission	₹2,817 Crore
2	Central Government Share	₹1,940 Crore
3	Central Government Share	₹1,940 Crore
4	Target Farmer IDs by 2026–27	11 Crore
5	Farmer IDs Created (Dec 2024)	29.99 Lakh
6	Digital Crop Survey Coverage	436 Districts
7	States Participating in Agri Stack	19 States
8	Soil Fertility Mapping Target	142 Million Hectares

The Digital Agriculture Mission has a substantial budget allocation of ₹2,817 crore, with the Central Government contributing ₹1,940 crore, indicating strong policy support for agricultural digitalization. The mission aims to create 11 crore farmer IDs by 2026–27, while 29.99 lakh IDs had already been generated by December 2024. The Digital Crop Survey has expanded to 436 districts, improving agricultural data collection and planning. Participation of 19 states in the Agri Stack initiative reflects growing adoption of digital farming systems across India. The target of mapping 142 million hectares for soil fertility assessment will help promote scientific nutrient management. Overall, these indicators demonstrate significant progress toward building a technology-driven and sustainable agricultural sector.

Table 2: e-NAM Digital Agricultural Market Performance

Sl. no	***Indicators***	***Data***
1	Integrated Mandis	1,389+
2	Registered Farmers	1.78 Crore+
3	Registered Traders	2.5 Lakh+
4	States and UTs Covered	23+

The e-NAM platform has connected 1,389+ mandis, creating a unified digital agricultural market across India. With 1.78 crore registered farmers and 2.5 lakh traders, the platform has achieved widespread participation. Its coverage across 23+ States and Union Territories highlights its growing national reach. Overall, e-NAM enhances market access, transparency, and better price opportunities for farmers.

Table 3: PM-KISAN Financial Support to Farmers

Sl. No	***Indicators***	***Data***
1	Total Financial Assistance Released	₹3.46 Lakh Crore+
2	Beneficiaries in 18th Installment	9.58 Crore Farmers
3	Amount Released in 18th Installment	₹20,657 Crore
4	Annual Benefit per Farmer	₹6,000
5	Total Installments Released	18

The PM-KISAN scheme has provided substantial financial support to farmers, with over ₹3.46 lakh crore released since its launch. In the 18th installment, 9.58 crore farmers received benefits amounting to ₹20,657 crore. Each eligible farmer receives ₹6,000 annually, helping meet agricultural and household

Table 4: State-wise Major PM-KISAN Beneficiaries

Sl. No	***State***	***Beneficiaries***
1	Uttar Pradesh	2.25 Crore
2	Maharashtra	91.42 Lakh
3	Madhya Pradesh	81.36 Lakh
4	Bihar	75.80 Lakh
5	Rajasthan	70.31 Lakh
6	Gujarat	49.12 Lakh
7	Karnataka	43.47 Lakh

expenses. The release of 18 installments demonstrates the scheme's consistent support for farmers' income security and rural welfare.

The PM-KISAN 18th installment benefited a large number of farmers across major agricultural states. Uttar Pradesh recorded the highest number of beneficiaries at 2.25 crore, followed by Maharashtra and Madhya Pradesh. States such as Bihar, Rajasthan, Gujarat, and Karnataka also received substantial coverage. These figures highlight the wide reach of the PM-KISAN scheme in supporting farmers' income across India.

Table 5: Impact of Smart Farming Technologies

Sl. No	*Technology*	*Water Saving*	*Yield Increase*	*Cost Reduction*
1	Smart Irrigation	30–50%	15%	10%
2	Precision Farming	35%	25%	15%
3	Drone Technology	20%	20%	20–30%
4	IoT Sensors	40%	18%	12%
5	AI-Based Advisory Systems	15%	10–20%	10%

The table shows that smart farming technologies significantly improve agricultural efficiency. **Smart irrigation** saves **30–50% water** and increases yield by **15%**, while **precision farming** raises crop yield by **25%** and reduces costs by **15%**. **Drone technology** offers the highest cost reduction of **20–30%**, and **IoT sensors** save **40% water**. Overall, these technologies enhance productivity, conserve resources, and lower farming costs, contributing to sustainable agriculture.

IX. RESULTS AND DISCUSSION

The findings of the study indicate that digital agriculture and smart farming policies have positively influenced agricultural productivity, resource efficiency, and farmers' income in India. The Digital Agriculture Mission, AgriStack, e-NAM, and PM-KISAN have strengthened digital governance and improved access to agricultural services. Smart farming technologies such as AI, IoT, drones, and precision farming have helped increase crop productivity by 15–25% and reduce water usage by 30–50%. The expansion of e-NAM has improved market access and price transparency, while PM-KISAN has enhanced farmers' financial security through direct benefit transfers. Overall, digital technologies are contributing significantly to sustainable rural development by improving economic, social, and environmental outcomes.

Challenges of Digital Agriculture and Smart Farming

- Inadequate digital infrastructure in rural areas
- Limited internet connectivity and network coverage.
- Low digital literacy among farmers.
- High cost of smart farming technologies.
- Small and fragmented landholdings.
- Lack of technical training and awareness.
- Data privacy and cybersecurity concerns.
- Unequal access to digital services across regions.

Policy Recommendations

- Strengthen rural digital infrastructure and broadband connectivity.
- Expand farmer training and digital literacy programs.
- Provide financial support and subsidies for smart farming technologies.
- Promote public-private partnerships in digital agriculture.
- Improve access to affordable agricultural credit.
- Encourage research and innovation in AI, IoT, and drone technologies.
- Strengthen agricultural extension services through digital platforms.
- Ensure secure and transparent agricultural data management.

X. SMART TECHNOLOGIES AND DIGITAL AGRICULTURE'S ROLE IN SUSTAINABLE RURAL DEVELOPMENT

Digital agriculture and smart technologies play a vital role in promoting sustainable rural development by improving agricultural productivity, resource efficiency, and farmers' income. Technologies such as Artificial Intelligence (AI), Internet of Things (IoT), drones, precision farming, and digital platforms help farmers make informed decisions, reduce production costs, and increase crop yields. These technologies also support efficient water management, balanced use of fertilizers, and climate-resilient farming practices, contributing to environmental sustainability. Furthermore, digital initiatives like AgriStack, e-NAM, and PM-KISAN enhance market access, financial inclusion, and rural livelihoods. Thus, digital agriculture strengthens economic growth, social well-being, and environmental protection in rural areas.

XI. CONCLUSION

Digital agriculture and smart farming policies are transforming Indian agriculture through the adoption of advanced technologies and digital platforms. Government initiatives such as the Digital Agriculture Mission, AgriStack, e-NAM, and PM-KISAN have improved productivity, resource efficiency, and farmers' welfare. Despite challenges related to infrastructure and digital literacy, continued policy support and technological innovation can accelerate sustainable rural development and strengthen rural livelihoods in India.

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