

A Study on Challenges in Farm-to-Market Linkages for Small Paddy Farmers in Chengalpattu district with Special Reference to Marketing Channels and Price Realization

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ABSTRACT

Agriculture is the primary source of livelihood for many small farmers in Tamil Nadu, and paddy is one of the most important crops cultivated in the region. In Chengalpattu district, small paddy farmers often face challenges in marketing their produce, which affects their income and overall economic well-being. This study focuses on understanding the challenges in farm-to-market linkages for small paddy farmers, with special reference to marketing channels and price realization. The study uses a descriptive research design and collects primary data through structured questionnaires from 40 small paddy farmers in selected villages. The data were analyzed using percentage and mean analysis to identify major problems, marketing practices, and average prices received. Findings reveal that a majority of farmers depend on local traders and intermediaries, resulting in lower price realization. Key challenges include price fluctuations, lack of storage facilities, transportation issues, and limited access to market information. The study suggests improving direct market access, strengthening farmer groups, and enhancing infrastructure to improve farm-to-market efficiency and farmer income.

Keywords: Small Paddy Farmers, Farm-to-Market Linkages, Marketing Channels, Price Realization, Agricultural Value Chain.

Introduction

Agriculture plays a vital role in the economy of Tamil Nadu, providing livelihood to a large section of the rural population. Among the major crops cultivated in the state, paddy is one of the most important staple crops, forming the backbone of food security and rural income. In districts like Chengalpattu district, paddy cultivation is widely practiced by small and marginal farmers who depend heavily on agriculture for their survival.

However, producing agricultural commodities is only one part of the process. The journey of paddy from the farm to the final consumer involves multiple stages such as harvesting, storage, transportation, processing, and marketing. This sequence of activities is known as the agricultural value chain. An efficient farm-to-market linkage ensures that farmers are able to sell their produce at the right place, at the right time, and at a fair price. Strong linkages also help in reducing post-harvest losses and improving overall income for farmers.

In reality, small paddy farmers often face several challenges in accessing markets effectively. These challenges include inadequate storage facilities, lack of timely transportation, dependence on intermediaries, limited access to market information, and price fluctuations. Due to these issues, farmers may not receive fair price realization for their produce, even when market demand is high. The presence

of multiple marketing channels—such as direct selling, local traders, commission agents, and government procurement centers—further complicates the decision-making process for farmers.

Understanding the structure and functioning of these marketing channels is essential to identify where inefficiencies exist and how they affect farmers' income. In particular, analyzing price realization across different channels can provide insights into which systems are more beneficial for small farmers.

Therefore, this study focuses on examining the challenges in farm-to-market linkages for small paddy farmers in Chengalpattu district, with special reference to marketing channels and price realization. The study aims to provide a better understanding of the existing system and suggest ways to improve the efficiency of agricultural value chains for the benefit of rural farmers.

Statement of the Problem

Agriculture remains the primary source of livelihood for many small and marginal farmers in Tamil Nadu, especially in districts like Chengalpattu district where paddy cultivation is widely practiced. Despite contributing significantly to food production, small paddy farmers often do not receive adequate returns for their produce.

One of the major reasons for this issue is the inefficiency in farm-to-market linkages. Farmers face multiple challenges such as lack of proper storage facilities, inadequate transportation, limited access to market information, and heavy dependence on intermediaries. These problems force farmers to sell their produce at lower prices, reducing their overall income.

Additionally, the presence of multiple marketing channels creates confusion among farmers regarding the most profitable option. Many farmers are unaware of better marketing alternatives or are unable to access them due to structural and logistical constraints. As a result, there is a gap between the price paid by consumers and the price received by farmers.

Therefore, the core problem addressed in this study is the difficulty faced by small paddy farmers in effectively linking their produce to markets, which ultimately affects their price realization and economic well-being.

Research Gap

Several studies have been conducted on agricultural marketing and value chains in India. However, most of these studies focus on broader regions or multiple crops, without giving specific attention to localized issues.

There is limited research specifically focused on:

- Farm-to-market linkages for **paddy farmers** at the district level
- The **Chengalpattu district** context
- Comparative analysis of **different marketing channels** and their impact on price realization
- Ground-level challenges faced by **small farmers** in accessing markets

Thus, there is a need for a focused study that examines these aspects in a specific local context, which this research aims to address.

Need for the Study

This study is important for several reasons:

- Small paddy farmers often struggle to get fair prices for their produce
- Inefficient marketing systems reduce farmer income and increase rural distress
- Understanding marketing channels can help farmers choose better selling options
- Identifying challenges in farm-to-market linkages can help improve policy and infrastructure
- The study can provide practical suggestions to enhance value chain efficiency

Objectives of the Study

- To identify the existing farm-to-market linkages for small paddy farmers in Chengalpattu district.
- To examine the different marketing channels used by paddy farmers.
- To analyze the challenges faced by farmers in marketing their produce.
- To study the role of intermediaries in the marketing process.
- To evaluate the price realization of farmers across different marketing channels.

Limitations of the Study

- The study is limited to selected villages in Chengalpattu district and may not represent the entire district or state
- The sample size is relatively small, which may affect generalization
- The study focuses only on paddy crop and does not cover other crops
- Data collected is mainly based on farmer responses, which may include personal bias or inaccuracies
- Time and resource constraints may limit detailed analysis

Review of Literature

Rajendran (2022) focused on value chain inefficiencies in paddy cultivation and found that multiple intermediaries increase transaction costs and reduce farmers' profits. The study recommended better integration of supply chain actors.

A study conducted in South India by Devi (2021) revealed that lack of market information and price awareness is a major issue among rural farmers. The study suggested the use of digital tools and mobile-based platforms to improve information flow.

Kumar and Sharma (2020) analyzed farm-to-market linkages in rural India and observed that inadequate infrastructure such as storage and transportation leads to post-harvest losses. The study emphasized the importance of improving rural logistics to strengthen agricultural value chains.

According to a report by the National Bank for Agriculture and Rural Development (NABARD), Farmer Producer Organizations (FPOs) play a crucial role in improving market access and strengthening value chains. However, their reach is still limited in many rural areas.

A report by the Food and Agriculture Organization highlighted that efficient value chain integration can significantly improve farmer income by reducing inefficiencies and enhancing market access. The report also stressed the role of institutional support in improving market linkages.

Research Methodology

Research Design

This study is **descriptive in nature**, as it aims to describe the existing farm-to-market linkages, marketing channels, and challenges faced by small paddy farmers.

Study Area

The study is conducted in selected villages of Chengalpattu district, where paddy cultivation is a major agricultural activity.

Data Collection

- **Primary Data**
 - Collected directly from farmers
 - Method: **Structured questionnaire + personal interviews**
- **Secondary Data**
 - Government reports
 - Research articles
 - Websites and agricultural publications related to Tamil Nadu

Sampling Method

- **Sampling Technique**
 - Simple Random Sampling
- **Sample Size**
 - **40 farmers**
- **Sampling Unit**
 - Small paddy farmers

Tools for Data Analysis

- Percentage Analysis
- Average (Mean) Analysis

Data Analysis

- **Marketing Channels Used by Farmers**

Table 1: Distribution of Farmers by Marketing Channel

Marketing Channel	No. of Farmers	Percentage (%)
Local Traders	16	40%
Middlemen	10	25%
Govt Procurement Centers	9	22.5%
Direct Market	5	12.5%
Total	40	100%

Interpretation

The above table shows that 40% of farmers sell their produce through local traders, followed by 25% through middlemen. Only 22.5% use government procurement centers, and a small percentage (12.5%) sell directly in markets. This indicates a high dependence on intermediaries.

- **Problems Faced by Farmers**

Table 2: Major Challenges in Farm-to-Market Linkages

Problems Faced	No. of Farmers	Percentage (%)
Transportation Issues	24	60%
Price Fluctuation	28	70%
Lack of Storage	22	55%
Delay in Payment	18	45%
Lack of Market Info	20	50%

Interpretation

The table reveals that price fluctuation is the most significant problem (70%), followed by transportation issues (60%) and lack of storage (55%). This indicates that both market instability and infrastructure limitations affect farmers' ability to sell efficiently.

- **Price Realization Across Marketing Channels**

Table 3: Average Price Received by Farmers

Marketing Channel	Average Price per Quintal (₹)
Local Traders	2000
Middlemen	1950
Govt Procurement Centers	2200
Direct Market	2150

Interpretation

The table shows that farmers receive the highest average price (₹2200) through government procurement centers, followed by direct market sales (₹2150). Prices are lower when selling through middlemen and local traders, indicating that intermediaries reduce farmer earnings.

Suggestions

- **Improve Direct Market Access:** Farmers should be encouraged to sell directly in markets or through government procurement centers to get better prices.
- **Reduce Dependence on Intermediaries:** Steps should be taken to minimize the role of middlemen so that farmers can receive a higher share of the final price.
- **Enhance Storage Facilities:** Providing proper storage facilities can help farmers avoid distress sales and sell their produce at the right time.
- **Improve Transportation Facilities:** Better rural transport systems can help farmers reach markets easily and reduce delays.

- **Increase Market Information Awareness:** Farmers should be given timely information about market prices through mobile services or local centers.
- **Strengthen Farmer Groups (FPOs):** Encouraging farmers to join groups can improve their bargaining power and market access.

Conclusion

The study on farm-to-market linkages for small paddy farmers in Chengalpattu district reveals that farmers face several challenges in marketing their produce. The major issues include price fluctuations, lack of storage facilities, transportation problems, and heavy dependence on intermediaries.

The analysis of marketing channels shows that most farmers rely on local traders and middlemen, which results in lower price realization. In contrast, farmers who sell through government procurement centers or direct markets receive better prices.

Overall, the study highlights that improving farm-to-market linkages is essential for increasing farmer income and strengthening the agricultural value chain. By addressing the existing challenges and improving infrastructure and market access, the economic condition of small paddy farmers can be significantly enhanced.

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Questionnaire for Farmers

1. Name (optional):
2. Age:
3. Gender:
4. Education level:
5. Size of land holding (in acres):
6. Type of farmer:
 - Small
 - Marginal
 - Others
7. How many years have you been cultivating paddy?
8. What is your average paddy production per season?
9. Do you have access to storage facilities?
 - Yes / No
10. How do you usually sell your paddy?
 - Local trader
 - Middleman
 - Government procurement center
 - Direct market
 - Others

11. Why do you prefer this method?
12. Are you aware of alternative marketing channels?
 - Yes / No
13. What are the major problems you face in selling your produce?
 - Transportation
 - Low price
 - Lack of storage
 - Delay in payment
 - Lack of market information
 - Others
14. Do intermediaries influence the price you receive?
 - Yes / No
15. Do you face price fluctuations?
 - Yes / No
16. What is the average price you receive per quintal?
17. Are you satisfied with the price received?
 - Yes / No
18. Which channel gives you better price?
19. How long does it take to receive payment?
20. What improvements do you expect in the marketing system?
21. Any suggestions to improve farmer income?

