

**Dr. SNS RAJALAKSHMI COLLEGE OF ARTS & SCIENCE (Autonomous)**  
**Coimbatore -641049**

Accredited by NAAC(Cycle-IV) with 'A+' Grade  
(Recognized by UGC, Approved by AICTE, New Delhi and  
Affiliated to Bharathiar University, Coimbatore)

**DEPARTMENT OF BUSINESS ADMINISTRATION (UG)**

**COURSE NAME : BASICS OF AGRICULTURAL  
BUSINESS MANAGEMENT  
III YEAR / VI SEMESTER**

**Unit 4: Problems Faced by Agro Industries**



04.02.2026

**Ms. Pavithra. C.R B.COM (PA)., MBA., (PhD) |Assistant Professor: Business Administration (UG): Title:  
Problems Faced by Agro Industries**

1/11



## Problems Faced by Agro Industries

04.02.2026

**Ms. Pavithra. C.R B.COM (PA)., MBA., (PhD) |Assistant Professor: Business Administration (UG): Title:  
Problems Faced by Agro Industries**

2/11

# What We'll Explore Today



## Core Topics

- Key challenges facing agricultural industries
- Supply chain disruptions and logistics issues
- Market access and pricing volatility
- Technology adoption barriers
- Environmental and regulatory pressures
- Labour shortages and skills gaps

## Interactive Learning Activities

Quick polls, think-pair-share discussions, word cloud generation, group work, and reflective exercises throughout.

CHALLENGE 1

# Supply Chain Disruptions



## Transportation Bottlenecks

Delays in moving produce from farms to markets increase spoilage rates and reduce profit margins. Infrastructure limitations affect timely deliveries.



## Cold Chain Failures

Inadequate refrigeration and storage facilities lead to significant post-harvest losses, particularly for perishable goods like fruits, vegetables, and dairy.



## Inventory Management Gaps

Poor tracking systems result in overstocking or understocking, affecting cash flow and customer satisfaction in retail operations.

# Market Access & Pricing Challenges

## Price Volatility

Agricultural markets experience dramatic price fluctuations due to weather conditions, global demand shifts, and speculation. Farmers struggle to predict returns on investment.

## Limited Market Information

Many producers lack access to real-time market data, preventing informed selling decisions. Information asymmetry favours intermediaries over farmers.

## Middleman Dependencies

Multiple intermediaries reduce farmer profits whilst increasing consumer prices. Direct market linkages remain underdeveloped in many regions.



# Technology Adoption Barriers

## High Initial Costs

Modern farming equipment and digital tools require substantial upfront investment, placing them beyond reach for small and marginal farmers.

## Digital Literacy Gaps

Lack of technical skills and training prevents effective utilisation of precision agriculture tools, management software, and e-commerce platforms.

## Infrastructure Limitations

Poor internet connectivity in rural areas restricts access to digital marketplaces, weather apps, and online agricultural advisory services.

# Engagement Activities

## Quick Poll

3 minutes

Which challenge affects agro industries most in your region? Vote using your devices or show of hands.

## Think-Pair-Share

3 minutes

Consider a local agro business. Identify one major problem it faces. Discuss with a partner, then share insights with the class.

## Word Cloud Activity

3 minutes

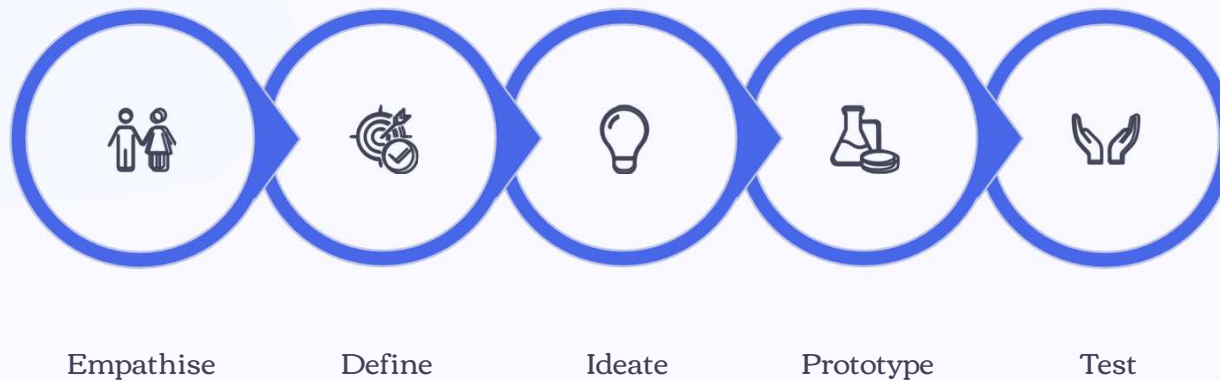
Submit words describing agro industry challenges. We'll generate a collective word cloud showing our shared understanding.

## Reflection

2 minutes

Write down one new insight you've gained. How might this knowledge influence your future career in agricultural retail?

# Design Thinking Workshop



## Group Activity: Problem-Solving

Stage: Empathise & Define

**Activity:** In groups of 4-5, select one agro industry challenge. Interview classmates acting as stakeholders (farmers, retailers, consumers). Define the problem from multiple perspectives.

**Outcome:** Each group presents a problem statement and one innovative solution idea. Document insights on flip charts.

CASE STUDY

# Real-World Scenario Analysis

Case: "Green Valley Farmers' Cooperative"

A 50-member cooperative struggles with inconsistent product quality, delayed payments from retailers, and lack of cold storage. Members are considering direct-to-consumer sales but face digital marketing challenges.

## Discussion Points

What are the root causes of Green Valley's problems? How do they interconnect?

## Strategic Options

Should the cooperative invest in cold storage, pursue direct sales, or negotiate better terms with existing retailers?

## Implementation Challenges

What resources and partnerships would each solution require? What are the potential risks?

# Key Learnings & Next Steps

## Summary: Core Insights

- Agro industries face multifaceted challenges across supply chains, markets, technology, and regulations
- Solutions require integrated approaches combining infrastructure, skills development, and policy support
- Retail management in agriculture demands understanding both farmer and consumer perspectives
- Technology can bridge gaps but requires investment in training and connectivity

## ☐ Take-Home Assignment

Visit a local agribusiness (farm, cooperative, or agricultural retail shop). Interview the manager about their top three operational challenges. Prepare a 2-page report with:

1. Problem description and impact
2. Proposed solutions with justification
3. Implementation plan outline

**Due:** Next session



# Questions, Reflections & Thanks

## Q&A Session

Share your questions about today's topics. Let's explore any areas needing clarification together.

## Final Reflection

What surprised you most? Which challenge will you focus on in your career? Write your thoughts and share if comfortable.

## Thank You

Your engagement and insights made this session valuable. Keep exploring agricultural business management with curiosity and innovation.

*Remember: The challenges facing agro industries are also opportunities for creative, impactful solutions. You are the next generation of agricultural business leaders.*