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A Comprehensive Study on the Functioning and Services of APMC with Reference to Shajapur District

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Abstract : This study examines the functioning and services of the Agricultural Produce Marketing Committee (APMC) with a focus on its role in Shajapur District and the range of services it provides to farmers and traders. By ensuring fair prices and providing necessary services including grading, weighing, storage, and transportation, APMC plays a critical role in controlling agricultural markets. These services support fair trade between farmers and traders, maintain transparency, and prevent exploitation. The primary goal of the study is to evaluate the overall functioning of APMC with particular focus on how well it meets the needs of traders and farmers and to determine the level of satisfaction that farmers and traders have with the services they receive. The study will offer suggestions to enhance the efficacy and efficiency of APMC operations in light of these discoveries. Through qualitative techniques, including farmer and trader interviews, the study will offer an in-depth understanding of how the APMC operates and make recommendations for improvements to improve its services. The results will provide insightful information to enhance market efficiency and better serve Shajapur District's farming community.
Keywords- Agricultural Markets, APMC Services, APMC Functioning, Profitability, Accessibility.

Introduction - The foundation of the Indian economy is agriculture, and the agricultural market system is essential to ensuring that producers farmers and consumers traders have fair and equal access to products. APMC's known as marketing committees, as they are responsible for managing and supervising the operations of agricultural markets, widely known as mandis. These committees guarantee that agricultural products are available with reasonable prices, clear transactions, and suitable facilities. By offering crucial services including grading, weighing, storing, and transporting agricultural products, APMC serves as a liaison between farmers and dealers, protecting their interests. Under the APMC Act, APMCs were created in India to facilitate the trade of agricultural products in an organized manner and protect against middlemen taking advantage of farmers. They ensure that farmers are paid competitive prices for their produce and that transactions take place at government-regulated rates. Despite these initiatives, the efficiency of APMC's operations in different areas have frequently been questioned, particularly in relation to the extent to which farmers and traders' benefit from these services and how well they are being implemented. To find deficiencies and recommend changes in this situation, it is essential to comprehend how APMC operates and what services it provides. The purpose of this study is to evaluate the operations and services offered by the APMC in the Shajapur District. Like many other Indian districts, Shajapur is mostly dependent on agriculture, and the local agricultural community's and traders' livelihoods are directly impacted by the APMC's performance. There isn't much research explicitly examining the efficacy of APMC services in Shajapur, despite their crucial significance. This study will therefore close the gap byassessing different facets of the APMC's offerings and their effects on stakeholders, with an emphasis on farmers and traders in particularly. Furthermore, enhancing APMC's efficacy requires an awareness of the difficulties that farmers and traders come across. These real-world obstacles, such as long delays for grading and weighing or inadequate storage facilities that cause spoiling, must be recognized and removed. More effective policy changes and enhancements to APMC operations will be possible with a deeper comprehension of the stakeholders' perspectives. In the end, this study will advance a more thorough comprehension of the functioning of APMC services in Shajapur District by offering insightful information about areas in need of reform or development. The results will help market regulators and politicians improve their tactics to establish a more open, effective, and farmer-friendly marketplace. This can result in a more stable and efficient market system that benefits the district's economy as a whole as well as the agricultural sector. The performance of agricultural markets in India are largely dependent on how well APMCs work. Evaluating APMC's

operations and service delivery are not only a scholarly exercise but also a step toward a significant improvement in rural lives, particularly in areas like Shajapur where a major portion of the population is dependent on agriculture.

Review Of Literature-

1. Dr. Chitra Shashidhar, Dr, Ashish Khanna, Prof. Raghavendra (2024) discussed **"Contribution of APMC's in Agricultural Marketing-A Study on Arecanut Farmers Perspective in Malenadu Region"** The study investigated the key marketing challenges faced by arecanut farmers, including limited market accessibility due to geographical remoteness, price volatility, and inadequate storage infrastructure. It emphasized the role of Agricultural Produce Market Committees (APMC) in ensuring fair trade practices, price transparency, and improved market linkages. The primary objective was to assess farmers' expectations regarding APMC performance and to identify existing operational shortcomings.

2. Sathisha S.M, Dr. D. Rajajabasingh, Harshita K. (2021) examines **"Contribution of APMC's in Agricultural Marketing-A Study on Farmer Perspective in Tumkur District".** The study addressed persistent challenges in Indian agriculture despite technological advancement, including vulnerability to natural disasters and weak institutional support. It highlighted the uneven benefits of farmer-to-farmer marketing and stressed the need for improved transportation, warehousing, regulated markets, and cooperative systems. Focusing on Tumkur district, which has only nine APMCs, the research aimed to evaluate farmers' expectations and identify issues in APMC management and functioning.

3. Shyam Sundar Tumma. Dr. Ramesh Kumar Miryala (2023) discussed **"Factors influencing Agricultural Marketing Performance in Telangana's Agricultural Produce Market Committees (APMCS): A Mixed-Method Study".** The study focused on identifying key factors influencing agricultural marketing within Telangana's APMCs and aimed to develop a reliable model to assess their impact. It emphasized the role of APMCs in shaping agricultural trade in the region. By analyzing these variables, the study offers valuable insights for policymakers, market participants, and stakeholders to enhance marketing efficiency, improve APMC operations, and support the overall growth of Telangana's agricultural sector.

4. Shubhomay Saha, Chaitali Sinha and Shrabani Saha (2023) discussed **"Agricultural Marketing in India: Challenges, Policies and Politics."** The study critically examined India's agricultural marketing system in the context of the controversial farm laws introduced in 2020 and repealed in 2021. The authors explored the intended objectives of these laws, which aimed to modernize the agricultural marketing structure through increased private investment, market competition, and reduced role of intermediaries. They emphasized that the reforms were projected to empower farmers by providing more choices and better price realization for their produce.

However, the study also delved into the widespread protests and farmer apprehensions that arose in response to these laws. It highlighted concerns regarding the potential erosion of state-level protections such as Minimum 3 Support Price (MSP), regulated mandis, and government procurement, which many farmers viewed as safety nets for their livelihoods. The analysis brought to light the deep-rooted mistrust between policymakers and the farming community, which ultimately contributed to the political reversal of the reforms.

5. Sonali Bharat Khalate (2024) analyzed **"A Study of Marketing Challenges Faced by Agro Producers Through Agricultural Produce Marketing Committee in the State of Maharashtra."** The study highlighted the weak linkage between agricultural production and marketing, stressing that marketing-oriented production is crucial for success. It identified the lack of integration between production and marketing sectors at the district level as a major issue. The research aimed to address gaps in Maharashtra's agricultural marketing infrastructure by enhancing coordination and marketing efficiency. It also highlighted issues like poor market information, delayed transportation, and limited market access, stressing the need for stronger institutional support and strategic planning to ensure fair pricing for farmers.

Objectives Of The Study:

1. To evaluate the overall functioning of APMC in Shajapur district, with a focus on how effectively it meets the needs of farmers and traders.
2. To determine the level of satisfaction among farmers and traders with the services provided by the APMC.

Hypothesis-

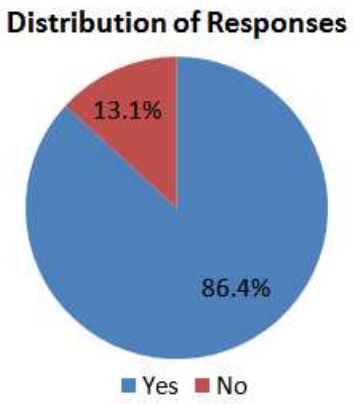
1. H0- There are no significant changes in the functioning of APMC in Shajapur district.
   H1- There are significant changes in the functioning of APMC in Shajapur district.
2. H0- There is no significant satisfaction among farmers and traders with the services provided by the APMC.
   H1- There is significant satisfaction among farmers and traders with the services provided by the APMC.

Research Methodology- The research methodology encompasses the systematic approach researchers employ to investigate phenomena, address questions, or solve problems within a particular field. It involves careful planning, execution, and analysis of research activities to ensure the validity and reliability of findings. The data applied in this research paper are based on Primary data. A total sample size of 200 including both farmers and traders has been selected by using random sampling method from various APMC mandis of Shajapur district which includes Shujalpur, Shajapur, Kalapipal, Akodiya, Maksi, Bercha and Mo. Badodiya. This is a qualitative and survey- based study where data has been collected with the help of a questionnaire.

Data Analysis And Interpretation:

I. Assessing the Functioning of APMC in Shajapur District: Data was collected through a structured questionnaire from both Farmers and Traders with a total sample size of 200 respondents. Based on the responses ,86.4% of the participants answered 'Yes' and 13.1% answered 'No'. These findings have been visually represented through pie chart representation to provide a clear overview of the response's distribution.

Figure I: Pie Chart Representation of Yes and No Responses Based on the Survey.



A Z-test for proportions was performed to assess the statistical significance of the observed response rate.

1. One -Tail Z-Test for Proportions.
2. Based on the Z-Test analysis with a sample size of 200.
3. Z Test for one proportion:

$$Z = \frac{p\hat{} - p0}{\sqrt{\frac{p0\,(1-p0)}{n}}}$$

Where:

p^ = Sample Proportion (Observed proportion of "Yes" percentage)

p0 =Population Proportion (Under the null hypothesis 50% or 0.50)

n= Sample Size (200)

Given Data:

Sample Proportion (p^) = 86.4% (0.864)

Population Proportion (p))= 0.50 (50%)

Sample Size(n)=200

Confidence Level=95%

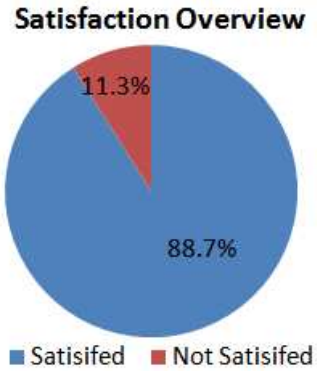
Z-Critical (One-Tailed) =1.645

$$\text{Formula: } Z = \frac{p\hat{} - p0}{\sqrt{\frac{p0\,(1-p0)}{n}}} = \frac{0.864-0.5}{\sqrt{\frac{0.5\,(1-0.5)}{200}}} = \frac{0.864-0.5}{0.03536} = 10.31$$

Interpretations- For one-tailed test at 95% confidence level, critical Z-Value is 1.645. Since the calculated Z Value is 10.31, which is significantly greater than the critical value, we reject null hypothesis (H_0) and accept alternate hypothesis (H_1). The corresponding p-value is approximately 0.0000 which is below than the significance level of 0.05, further strengthening the decision to rejection (H_0). The sample proportion of positive responses is 86.4% substantially higher than assumed population proportion 50%, indicating a statistically significant improvement in the functioning of APMC. This confirms that significant changes have occurred, and these changes have led to measurable improvements in performance. The high level of positive response reflects that farmers and trader perceive the functioning as effective and aligned their needs.

II. Assessment of Farmers and Traders Satisfaction with APMC Services: Data was collected through a structured questionnaire from both farmers and traders with a total sample size of 200 respondents. Based on the responses, 88.7% of the farmers and traders were satisfied with the services provided by APMC where as 11.3 % expressed dissatisfaction. To visually depict the level of satisfaction among farmers and traders, a pie chart has been used, offering an easily interpretable summary of the survey results.

Figure II: Overview of Satisfaction among Farmers and Traders towards APMC Services.



To test whether the proportion of satisfied farmers and traders is significantly greater than 50% a one-proportion Z-test was applied.

1. One -Tail Z-Test for Proportions.
2. Based on the Z-Test analysis with a sample size of 200.
3. Z Test for one proportion:

$$Z = \frac{p\hat{} - p0}{\sqrt{\frac{p0\,(1-p0)}{n}}}$$

Where:

p^= Sample Proportion (Observed proportion of "Yes" percentage)

p0 =Population Proportion (Under the null hypothesis 50% or 0.50)

n= Sample Size (200)

Given Data:

Sample Proportion =88.7% (0.887)

Population Proportion (p0)= 0.50 (50%)

Sample Size(n)=200

Confidence Level=95%

Z-Critical (One-Tailed) =1.645

Formula: $Z = \frac{\hat{p} - p_0}{\sqrt{\frac{p_0(1-p_0)}{n}}} = \frac{0.887-0.5}{\sqrt{\frac{0.5(1-0.5)}{200}}} = \frac{0.387}{0.03536} = 10.95$

Interpretations- For one-tailed test at 95% confidence level, critical Z-Value is 1. 645.Since the calculated Z-Value is10.95, which is significantly greater than the critical value of 1.645, we reject null hypothesis (H_0) and accept alternate hypothesis (H_1). Since the Z score of 10.95 indicates the test statistic is beyond the critical value, and the corresponding p-value is approximately 0.0000 which is much smaller than the significance level of 0.05. The result strongly supports rejecting the null hypothesis (H_0). This statistically confirms that there is a significant satisfaction among farmers and traders with the services provided by APMC. The observed satisfaction level is 88.7% not only exceeds the assumed base line of 50% but also provides strong statistical evidence supporting the presence of significant satisfaction.

Findings:

1. Significant improvement was observed in the overall functioning of APMC. It is clear from the sample proportion 86.4% that there have been significant changes in the operational efficiency, market handling, and services of APMC.A majority of the respondents believe that APMC's services have improved and are meeting their needs effectively.
2. APMC's market operations have now become more efficient and streamlined. In comparison to earlier, market transactions have become faster and transparency has also increased, which is beneficial for traders and farmers.
3. APMC has upgraded its physical infrastructure, better storage facilities, and enhanced market access. Digital infrastructure has also seen improvements in online platforms and market data access.
4. APMC has improved communication channels, which has increased transparency regarding market prices and services. Farmers are getting real-time information, which helps them in taking
decisions.
5. It is clear from this analysis that there have been substantial improvements in the overall functioning of APMC, which are positively impacting market operations, farmer welfare, and transparency. These positive developments are progressively transforming APMCs into more responsive, inclusive, and farmer-centric institutions.
6. The satisfaction level of farmers and traders regarding APMC services is very high, which is 88.7%. This indicates that APMC has made substantial improvements in its services, due to which their overall experience has been very positive.
7. Significant improvements have been observed in the service delivery of APMC. Farmers and traders are now getting timely services, clear communication, and efficient processes, which boost their satisfaction.
8. APMC has improved market transparency, infrastructure, and storage facilities, helping farmers and traders make better decisions. Access to accurate pricing and data has increased their convenience and satisfaction. With direct selling platforms and fair pricing policies, farmers are getting better returns. These reforms have strengthened their trust and overall satisfaction. Additionally, easier market access and reduced dependency on middlemen have empowered farmers economically and boosted their confidence.

Suggestions:

1. APMC should further expand its digital platforms. Such mobile apps and online systems can be implemented which can provide market updates, prices, and transaction information to farmers and traders instantaneously.
2. APMC should organize advanced training programs and agricultural best practices workshops for farmers. This will help them adopt modern technologies and market trends.
3. APMCs should launch specific programs to promote sustainable agricultural practices. These can make farming and market operations environmentally friendly and resource-efficient.
4. APMC will have to further strengthen its feedback mechanisms, so that farmers and traders can share their issues and suggestions quickly and timely solutions can be provided for them.
5. APMCs should further expand their digital platforms, like mobile apps and online marketplaces, so that farmers and traders can get real-time updates on market prices, trends, and transaction details.

Conclusion: The investigation clearly demonstrates significant improvements in APMC's overall operations, as supported by strong statistical evidence such as an 86.4% sample proportion indicating enhanced performance and efficiency. These enhancements cover a wide range of areas, such as farmer empowerment, market operations, physical infrastructure, and transparency. It is clear from the high satisfaction rate of 88.7% that these advancements are having a real positive impact on farmers and traders both. A system that is more efficient and farmer-friendly has been made possible by better infrastructure, better service delivery, and more seamless market operations. APMCs must keep bolstering their digital offerings, communication channels, training programs, and sustainability activities in order to maintain this good momentum and meet upcoming difficulties. In addition to significantly streamlining processes, this strategy will guarantee the maintenance and improvement of stakeholders' increasing levels of satisfaction. In summary, the data shows that APMC is changing into a more contemporary, open, and stakeholder-focused organization, which will boost confidence, improve service quality, and strengthen the agricultural ecosystem.

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