METHODOLOGY FOR COLLECTION OF FARM HARVEST PRICES

1.   Farm Harvest prices of a commodity as reported in this publication is defined as the average wholesale price at which the commodity is disposed of by the producer to the trader at the village site during the specified marketing period after the commencement of harvest.

2.   The following procedure is followed for systematising the collection and compilation of these statistics:-

a) A certain number of representative villages are selected in each district at the rate of one, two or three villages from each Tehsil, depending upon the extent to which the crop is grown in the Tehsil. The total number of villages to be selected in each district should, however, not be less than ten.

b) In each selected village, the price at which the commodity is sold by the producer is recorded in the specified form (p.68), by the price reporter on every Friday during the peak period of marketing after the commencement of the harvesting season. If no sales take place on that Friday, the price at which the commodity was sold last during the week is recorded instead.

c) In cases, where village site transactions do not take place, the price reported relate to what the farmer receives for his produce, and is obtained by subtracting transport and other marketing charges from the wholesale prices quoted at the mandi where produce is disposed of.

d) The price recorded is the wholesale price of the specified variety of the commodity and is expressed in terms of Rupees and paise per quintal (net weight) exclusive of gunny bags / container.

3.   The existence of different varieties and qualities of commodities with a wide variation in prices makes the task of giving a single harvest price for a commodity for the State as a whole difficult. In each district, however, it may be possible to determine a particular variety which is grown to the largest extent, and that variety is specified for the purpose of noting the farm harvest prices. In some cases, it may be necessary to give the farm harvest prices of two varieties separately if the difference in price is large, as for instance, in the case of prices of American and Deshi cotton.

4.   It is also necessary to fix the reference period of harvest and the subsequent peak period of marketing for each crop, as these tend to vary widely depending upon the variety of the crop and the nature of cultivation. In some cases, it is even difficult to define strictly the harvesting period, as for instance, in the case of cotton where there are more than four pickings in a year. These periods, however, are fixed in respect of each-crop and each State by the State Governments having due regard to the local conditions. Usually, in case of

most commodities, six to eight weeks during the peak period of marketing after the commencement of the harvest season is taken to be the period during which farmers are generally expected to dispose of their produce.

5.   Data on farm harvest prices are viewed as an integral part of agricultural statistics. They need to be collected through the same agency employed for the collection of statistics of area and yield. The Supervisors, Kanungos, Revenue Inspectors or the equivalent officials, who are generally employed by the state government for the collection of statistics of area and yield are also entrusted with the task of collecting these statistics. However, in view of the wide divergences in the revenue machinery of different States, the choice of the reporting agency is left to the decision of the State Government. The price reporters are required to visit the selected villages on the appointed dates, enquire personally the prices at which the commodity has been sold by the farmer and record them in the specified form.

6.   The method of arriving at the average price of a commodity for the State as a whole is the method of weighted average, with the district production figures for the concerned year as weights. However, the average price for the district for each week may be obtained as a simple arithmetic average of the Tehsil prices which in turn, are the simple arithmatic average of village prices. The average price for the season is the simple arithmetic average or the district prices for each commodity. The computation of the district average price is done at the district headquarters while the prices for the State as a whole is worked out at State headquarters.

7.   The farm harvest prices are required to be collected in respect of all the important crops and, in any case, they are required to be submitted for all the forecast crops. As the final estimate of every crop is published at least one month after the completion of harvesting, it may be feasible to get the farm harvest prices ready by the time of the final estimate.

8.   The farm harvest prices when multiplied by the production figures of the crops give an estimate of the income of the producers of the commodity, which is equitation to   the contribution of that particular commodity to the National Agricultural Income.

FORM

VILLAGE

CIRCLE

TALUKA

DISTRICT

PRICE PREVAILING ON …………………………………

_____
| COMMODITY | QUALITY | WHOLESALE PRICE (RS. PER QUINTAL) |
_____

1.

2.

3.
_____

NAME OF THE REPORTER

DUE DATE   DESIGNATION

DATE OF DESPATCH   REASON FOR DELAY

DATE OF RECEIPT

SIGNATURE OF REPORTER

DEPTT. HEADQUARTERS.