

Impact of Weather Based Crop Insurance Scheme on Insured and Uninsured Chilli Cultivators in Guntur District of Andhra Pradesh.

K P Sravana Varalakshmi, G Raghunadha reddy , D V S Rao and V Srinivasa Rao
College of Agricultural Economics, Agricultural College, Bapatla – 522 101, Andhra Pradesh

ABSTRACT

The input-output coefficients were generated with personal surveys from 60 insured and 60 uninsured chilli farmers from six villages of three mandals in Guntur district, during 2013-14. The Cobb-Douglass production function was found to be better fit in the present study. The farm size, value of assets and holding of insurance policy were found significant. The sum of elasticities of production were observed to be 2.001, 1.238 and 1.488 for insured, uninsured and overall group indicating increasing returns to scale respectively. The sign of the coefficient obtained in this analysis is positive, thereby showing that the insured farmers were more efficient in the bundle of resource use than the uninsured farmers.

Key words : Dummy variable, Insured, Resource Use Efficiency, Returns to scale, Uninsured farmers.