

# **Borrowing Behaviour and Resource Use Efficiency of Farmers in Guntur district of Andhra Pradesh\***

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## **ABSTRACT**

The borrowing behaviour and resource use efficiency of sample farmers were generated from the data collected from 120 farmers (land owned farmers, semi-tenant farmers and tenant farmers) from six villages of three mandals in Guntur district of Andhra Pradesh. Discriminant function analysis revealed that institutional loan amount (52.67 %) was the major discriminator followed by operational costs (38.56%), net returns (3.16 %), wage income, (2.46 %), family expenditure (2.38 %) and non-institutional loan amount (0.77 %) for land owned farmers Vs. semi-tenant farmers, while the institutional loan amount (81.38 %) was the major discriminator followed by operational costs (22.48 %) and non-institutional loan amount (0.39 %) for land owned farmers Vs. tenant farmers. For semi-tenant farmers Vs. tenant farmers operational costs (54.71%) followed by institutional loan amount (49.08 %), non-institutional loan amount (3.18 %) and family expenditure (0.55%) were the major discriminators. Land and labour cost showed significant influence on gross returns of land owners. The regression co-efficient of labour cost was positive and significant at 1 per cent level of significance for land owned farmers. Labour cost, borrowed capital and owned capital showed positive and significant influence on gross returns of semi-tenant farmers. Land, borrowed capital and owned capital showed positive and significant influence on gross returns of tenant farmers.

**Key words :**Borrowing behaviour, Efficiency of farmer, Resource.