

ABSTRACT

Major portion of the national income for some countries are contributed by the agriculture sector .Even in India despite reducing share of agriculture sector, the importance of the sector cannot be undermined. It is a known fact that agriculture sector is exposed to a lot of calamities and this in turn affects the productivity of the country. In order to protect the farmer's agriculture insurance scheme was introduced. In India this scheme was introduced in the year 2000 and over the past 10 years it has been introduced all over India. But unfortunately it has not been successful in India. The Government had introduced NAIS (National Agriculture Insurance Scheme) to promote agriculture insurance but still the concept is not popular among the farmers. The reason is most of them don't know about the scheme and also full information is not given. This study looks into the working of NAIS scheme in two districts, namely, Thiruvanamalai and Vellore in Tamil Nadu. It looks at the working of the scheme for one particular crop. In this case the crop taken is paddy and the paddy production of all three seasons is taken into account. Using the data collected from the insurance company the study shows how the insurance scheme has been implemented in these two districts and it also shows the working of the insurance company in general. The study on the whole tells about the need to promote agriculture schemes in huge way and also the need for proper government intervention in these schemes.