

Investment feasibility and marketing of jasmine in Chitradurga district

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ABSTRACT

The paper discusses the investment feasibility and marketing of jasmine in Chitradurga district. The jasmine crop is becoming increasingly popular among the farmers in the district of Chitradurga. The results reveals that the net present value at 15% was Rs. 190602.32 per acre, The benefit cost ratio was 2.00, which was positive indicating the investment in jasmine is profitable financially and economically. The internal rate of return was more than 50% and pay back period was 4.6 years which indicates that the investment in jasmine is economically feasible and financially viable. Channel I- Producers - Commission agent - wholesaler - Retailer – Consumer was more popular. Through this channel the net return realized by commission agents, wholesaler and retailer worked out to Rs. 2550, Rs. 31374 and Rs. 9,600, respectively. About 75-80 % of flowers moved through channel-I the reason for the preference of channel was that the commission agent advances loans to farmer. The price spread in channel-I, Channel-II and channel -III was estimated to be Rs. 37.15, Rs. 36.48 and Rs. 25.13, respectively. Farmers got higher returns in channel III *i.e.*, selling directly to retailers which worked out Rs 44.20/kg.

KEY WORDS : Investment feasibility, Jasmine crop, Commission agent

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Jasmine (*Jasminum* spp.) belongs to the family *Oleaceae* and is one of the oldest fragrant flowers cultivated by man and were known to be cultivated in tropical and sub tropical regions throughout the globe. The products of jasmine are important natural raw materials in the perfume industry. Jasmine concrete is the most common of the jasmine extract products. It is used as such in making perfumed hair oil, preparation of absolute and hand kerchief perfumes. In addition it is used in toiletries, cosmetics, pharmaceuticals, food essences, chewing tobacco, dental preparations,

confectionaries etc. Even different parts of the plant suet. as leaf, stem, bark, root, seed and fruits are also used for medicinal purposes.

In India, Tamil Nadu, Karnataka, Bihar Gujarat, Andhra Pradesh, Maharashtra, Uttar Pradesh, West Bengal are the major jasmine producing states in india with an estimated area of 12,000 hectares. Among the major growing states, Tamil Nadu stands first with an area of 5,000 hectare and Karnataka stood second producing 24,581 tonnes in an area of 4,355 hectares during 2008-09 (Directorate of Horticulture, Government of Karnataka). The most commonly grown types are *Jasminum multiJlorum* (kakada), *J. sabac* (Dundumallige), *J. grandiflorum* (Jaji mallige) and *J. auriculatum* (Sooji Mallige). Bangalore, Kolar, Tumkur, Mysore, Bellary, Mangalore, Chickmagalur, Chitradurga and Belgaum are the major jasmine growing districts.

Jasmine flowers are highly perishable and hence require careful handling and speedy disposal and hence the market remains localized. Location apart, perishability makes the flower trade complex and risky. In addition, the demand for

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