A STUDY ON COSTS AND RETURNS AND INVESTMENT PATTERN OF COMMERCIAL FLORICULTURAL NURSERIES IN EAST GODAVARI DISTRICT OF ANDHRA PRADESH

MAYURI KORIPALLI*; HYMA JYOTHI**; SHANMUKH SAGAR KUNUKU***

*M.Sc. (DEPARTMENT OF AGRICULTURAL ECONOMICS), AGRICULTURAL COLLEGE, BAPATLA, ANDHRA PRADESH

** ASSOCIATE PROFESSOR (DEPARTMENT OF AGRICULTURAL ECONOMICS), AGRICULTURAL COLLEGE, RAJAHMUNDRY, ANDHRA PRADESH

*** TEACHING ASSOCIATE (DEPARTMENT OF AGRI-BUSINESS MANAGEMENT), SCHOOL OF AGRI-BUSINESS MANAGEMENT, HYDERABAD, ANDHRA PRADESH

ABSTRACT
The study was conducted in Kadiyam Mandal of East Godavari district of Andhra Pradesh during the year 2011-12. It analysed the costs and returns and investment pattern of commercial floricultural nurseries. Simple tabular analysis, pay-back period, net present worth, benefit-cost ratio and internal rate of return have been used to draw the inference. The study revealed that the total expenditure incurred by floricultural nursery entrepreneurs for establishing the per hectare floricultural nursery was Rs 25,51,338.29, the cost of maintenance of per hectare floricultural nurseries was Rs 18,32,100.75 and the net returns per hectare were Rs 5,45,206.79. The results of capital investment analysis techniques showed the pay-back period for floricultural nursery was 2.72 years, the net present worth discounted at 12 per cent was found to be Rs 29,82,790.38, the benefit-cost ratio was 1.64 and the internal rate return obtained by investment was 123.52 percent. Therefore the commercial floricultural nursery enterprise is capital intensive as well as highly profitable and investment in it was found to be economically viable when compared to other perennial horticultural crops.

KEYWORDS: commercial floricultural nursery, costs and returns, investment pattern, capital intensive, economically feasible.