



From Petals to Profits: The Economics of Flower Farming in India-Why Floriculture Deserves a Closer Look from Farmers, Researchers and Policymakers

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Walk through any flower market in Hyderabad, Bengaluru or Pune before sunrise and you see an economy at work: marigold garlands for temples, roses for weddings, jasmine strings for homes. Flowers are woven into Indian life and increasingly they are woven into rural livelihoods too. The Government of India has identified floriculture as a sunrise industry and given it 100 percent export-oriented status, yet it remains far less discussed than cereals, pulses or even fruits and vegetables.

India's flower economy in numbers

The scale is larger than most people assume. According to National Horticulture Board data, India had about 317 thousand hectares under floriculture in 2023-24, producing roughly 2.66 million tonnes of loose flowers and 0.88 million tonnes of cut flowers. Loose flowers such as marigold, jasmine, chrysanthemum and tuberose dominate, because they serve domestic religious, social and decorative demand. Marigold alone is a major crop in many states; for instance, Madhya Pradesh grew marigold on over 24,000 hectares in 2024-25, the largest share of its flower area. Cut flowers such as rose, gerbera, carnation and orchids are grown mostly under protected cultivation for premium domestic and export markets. The government has identified Bengaluru, Pune, New Delhi and Hyderabad as major areas suited to export-oriented cut-flower units. India has more than 300 export-oriented units and over half are located in Karnataka, Andhra Pradesh and Tamil Nadu.

Why flowers can out-earn field crops

Agricultural economists often compare crops by gross and net returns per hectare. Flowers tend to do well on this measure for three reasons.

First, they are high-value, short-duration crops. Marigold can be harvested within a few months of transplanting and perennial crops like jasmine and roses flower repeatedly, giving farmers a stream of income rather than one harvest payment.

Second, flowers are labour-intensive, particularly at harvest, grading and garland-making. For a small farm with family labour, this is an advantage: income stays within the household. It also creates wage work, often for women.

Third, demand is festival-driven and growing with urbanisation and rising incomes. Weddings, Diwali, Dasara, Sankranti and temple offerings create reliable seasonal peaks.

However, higher gross returns come with higher cultivation costs. Planting material, irrigation, labour, plant protection and transport can consume a large share of revenue. A polyhouse rose or gerbera unit also requires substantial capital before the first harvest. Economists therefore look at net returns and benefit-cost ratios, not just gross income.

The core problem: perishability and price risk

Flowers cannot be stored like grain. A harvested rose or marigold loses value within hours, so farmers sell quickly, often at whatever price the market offers. Three risks stand out.

Price volatility. Prices can multiply during festivals and fall steeply a few days later. A farmer whose crop peaks at the wrong time may earn a fraction of what a neighbour earns.

Post-harvest losses. Weak cold-chain facilities, poor packaging and long transport times damage quality, especially for small growers far from city markets.

Weather and pests. Unseasonal rain, heat waves and disease can destroy a crop quickly. Unlike many staple crops, flowers have limited crop insurance coverage and few price-support mechanisms.

Who captures the consumer's rupee?

Marketing-channel studies in horticulture repeatedly show the same pattern: the more intermediaries between farm and consumer, the smaller the producer's share of the final price. Marketing of cut flowers in India remains largely unorganised. Growers often depend on commission agents who provide advances, transport and quick payment, but also control price information. Retailers, florists and decorators then add their own margins.

This is where our research interest lies. Measuring the producer's share, identifying the most efficient channels and understanding why farmers choose particular buyers are central questions in floriculture economics.

Evidence from Indian studies points in the same direction. In a study of rose, gerbera and jasmine marketing in Karnataka, shorter marketing channels gave farmers a larger share of the consumer rupee and a lower price spread, while marketing efficiency was lowest wherever a commission agent was involved. The same study noted that jasmine growers did not sell directly to consumers at all. A study in Jammu district (2022-23) found that growers selling directly to consumers earned a higher net price for marigold, ₹17.77 against ₹10.89 through the wholesaler-retailer chain and that the growers' main constraints were price fluctuations, perishability and delayed payment. A cut-flower study reported producer shares in the consumer price of 76.2, 66.6 and 69.3 percent across its three channels, from direct sale to sale through commission agents. These patterns suggest that the structure of the marketing channel and not only the crop or the price, decides how much of the consumer's rupee reaches the farmer.

The export opportunity and the gap

Exports tell a mixed story. India exported about 21,000 tonnes of floriculture products worth roughly USD 88.6 million in 2024-25, with the United States, the Netherlands, the UAE, the United Kingdom and Canada among the main buyers. Compared with domestic production of more than 3.5 million tonnes, exports account for well under one percent of volume. That shows how much of the sector still serves local markets and how limited India's share is in a global trade dominated by countries with strong logistics, auctions and cold chains.

For growers, the export market offers better prices but demands consistent quality, certification, air freight links and market knowledge that individual smallholders rarely have.

The way forward

Several steps could help flower growers earn more and face less risk:

- **Farmer producer organisations (FPOs)** can aggregate produce, share transport and cooling costs and negotiate with buyers collectively.
- **Cold chains, pack-houses and reefer transport** near production clusters can reduce losses and widen the market radius.
- **Direct marketing and digital platforms** can shorten supply chains and improve price transparency, including tie-ups with florists, event decorators and temples.
- **Contract farming and forward arrangements** can stabilise incomes if contracts are fair and transparent.

- **Value addition** from dried flowers, natural dyes, essential oils, vermicompost and incense made from temple flower waste can turn surplus into additional income.
- **Credit, subsidy and insurance** for protected cultivation, quality planting material and weather risk can lower the barrier for small farmers.
- **Market intelligence and training** in grading, packaging and demand forecasting help farmers decide what to plant and when to harvest.

Conclusion

Floriculture will not replace staple crops and it should not. It suits farmers with reliable water, access to markets and the ability to manage risk. But for those farmers and especially for women and small holders who can use their labour on a few acres, it offers one of the better routes to higher income and rural entrepreneurship. The task for researchers and policymakers is to make that route accessible to ordinary growers, not just well-capitalised ones. With better markets, infrastructure and institutions, India's flower farmers could do more than sell petals; they could build durable businesses.