

Agarwood farming project report

Agarwood farming cost per acre

Plants cost

1 plant = Rs 30, Rs 45 to Rs 100

700 plants per acre

Rs 30 x 700 plants = 21,000

Planting material cost = Rs 21,000

Other cost

Land preparation cost = Rs 15,000

Fertilizer cost = Rs 8,000

Irrigation cost = Rs 15,000

Drip irrigation cost = Rs 60,000

Plant protection charges = Rs 6000

Labor cost = Rs 20,000

Miscellaneous cost = Rs 5000

Total cost (1year) = Rs 150,000 (including plant cost)

Total cost for 8 years

Reduce plant cost from 1st year cost - Rs 150,000 - Rs 21,000 = 129,000

Cost for 8 years = Rs 129,000 x 8 years = Rs10,32,000

Total cost = Rs 10,32,000 + plant cost i.e 21,000 = 10,53,000

Total cost for 8 years = Rs 10,53,000

Agarwood yield per tree

1 Agarwood tree can produce approximately 4 kg yield

agarwood price per kg 2021 = Rs 2 lakh to Rs 5 lakh (depends on quality)

If 700 plants are planted and after 8-10 years only 500 trees are in good condition.

500 trees x Rs 2 lakh = 10 crore

Net profit = agarwood profit per acre - agarwood tree cost per acre

Net profit = 10 crore - 10,53,000

Net profit = Rs 9,89,47,000

Note - Price may differ according to the market and time. There are lots of duplicate variety in the market so be careful while purchasing it. Agarwood farming is not permitted in every state by the government so you need to check the agarwood cultivation permission at your region before starting agarwood plantation in India.