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Beyond "Blind Spots": Illuminating Financial Pathways for Thriving Agrotourism as a Family Business

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Authors' contributions

This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.

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ABSTRACT

Purpose: This scientific research study aims to highlight the management of blind spots in agrotourism with the clear goal of helping farmers by offering them useful financial ratio analysis.
Design/Methodology/Approach: Conducted in-depth interviews with agrotourism owners and conducted a comprehensive review of existing academic literature, industry reports, and government publications on financial management in family-run businesses and agrotourism.

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Findings: By acknowledging and addressing core "blind spots," family-run agrotourism businesses can cultivate a culture of financial awareness and proactive planning. The project appears to have a benefit-cost ratio (1.478) that is positive, meaning that benefits exceed expenses. Given the high internal rate of return (45.56%), the investment may out to be quite beneficial. The project's financial viability is further supported by the profitability index (1.37), which is higher than 1.
Practical Implication: We have analyzed financial ratios, such as profitability index, benefit cost ratio, payback period ratio, current ratio, net profit margin, fixed turnover assets ratio, Internal rate of return, working capital turnover ratio, return on investment, gross margin etc. to assess the profitability and performance of the agrotourism. In order to maximize revenue from agrotourism, we monitored a number of factors before calculating break-even analysis. These included financial risks, profitable revenue streams, and seasonal variations in demand and income during off-peak seasons, off-farm income, and operating costs. This type of all analysis useful for avoid blind spots in agrotourism.
Originality/Value: Offering concrete strategies and frameworks tailored to family agrotourism business can directly benefit practitioners, enhancing their financial resilience and contributing to business success.

Keywords: Family business management; agrotourism; blind spots; financial assessment; agri business management.

1. INTRODUCTION

Within the global hospitality and tourism sector, family-owned firms hold significant economic importance. Few research, meanwhile, have focused on their unique traits and goals [1].

A family business is one that is run and controlled by members of the same family or by a small number of families in a manner that is sustainable over the generations, with the goal of fulfilling the business's mission [2].

A defining characteristic of family-owned businesses in tourism is the strong sense of commitment and unity among family members. This translates into a collaborative decision-making culture, where collective wisdom and long-term perspectives are valued, ultimately leading to more sustainable business practices [3].

Agro Tourism is a family business - it is a basically commercial enterprise on a working farm conducted for the education, enjoyment and active involvement of the visitor to generate supplemental income for the farmer's family. A fundamental tenet of agrotourism is the provision of necessary services and amenities from bygone eras to travelers and society in an effort to reconnect with a way of life that has been forgotten. The study's overarching goals for the economic appraisal of agro tourism were taken into consideration when conducting the examination [4].

If entrepreneurs take the fundamentals of financial management for granted, they will become blind spots in the future. Understanding the financial viability of agro tourism ventures is crucial for informed decision-making and sustainable growth [5].

1.1 Research Objective

1. To examine financial blind spots in family-run agrotourism business.
2. To give implementable financial strategies as a solutions for a blind spots in agrotourism.

1.1.1 Hypothesis about research

1. Ho: There is no relation between the Income and purchased tickets according to price by tourist with core pricing strategies.

H_1 :There is significant relation between the Income and purchased tickets according to price by tourist with core pricing strategies.

2. MATERIALS AND METHODS

2.1 Data Gathering Technique

Information gathered via the process of primary and secondary data collection method. Reviewed academic literature, industry papers, and government publications on financial management in family-run enterprises and

agrotourism, as well as conducted in-depth interviews with agrotourism owners.

2.2 Selected Area for Study

Shirur Taluka in Pune district (west region of Maharashtra state in India).We have chosen the Indian state of Maharashtra's agrotourism for study because, Most farmers know a good deal about handling their finances. Farmers in the state of Maharashtra have experienced a 25% increase in their income. In the years 2018, 2019, and 2020, the agrotourism centers welcomed 4.7 lakhs, 5.3 lakhs, and 7.9 lakhs tourists, respectively. This influx of visitors contributed to a total revenue of Rs. 55.79 crore, benefiting the farmers [6].

2.3 Used Data Collection tools / Method

In this study, a proper number of data collecting instruments were employed, including personal interviews, questionnaires, and personal observations for primary data, and research articles, journals, and websites for secondary data.

2.4 Blind Spots

Business blind spots, which are defined by their propensity to impede development and innovation, are unseen vulnerabilities that pose a danger to advancement and are typically associated with financial, operational, and strategic components of an business.

2.4.1 In business, what happens if blind spots are ignored?

Being conscious of one's blind spots is one thing; even in the most progressive workplace settings, certain problems might be difficult to identify. But once you find them, you need to act quickly. Ignoring a problem that is now evident can have serious repercussions. Businesses that ignore their blind spots run the risk of suffering from operational inefficiencies, missed growth opportunities, and financial losses. As a result, poor decision-making stifles creativity and may even jeopardize the long-term sustainability of the business. (https://www.activtrak.com/blog/blind-spots-in-business/)

2.4.2 Blind spots in family-run business

1.Financial Blind spots
2.Operational Blind Spots
3.Strategic Blind Spots
4.Communication Blind Spots.
5.Capacity Blind Spots.

2.4.3 Core examples of blind spots as hidden obstacles in family-run agrotourism business

Agrotourism, a delightful fusion of hospitality and agriculture, provides visitors and rural communities with an enjoyable and sustainable experience. Like any endeavor, though, there are potential obstacles along the way, and the picture-perfect agricultural setting may conceal certain financial blind spots. (https://www.activtrak.com/blog/blind-spots-in-business/) Let's examine some typical traps to stay clear of:

A. Misinterpreting Guests' Expectations: The reality of farm life may surprise city people looking for rural appeal. Negative evaluations and dissatisfaction might result from not understanding visitor expectations and providing facilities appropriately.

B. Avoiding Seasonality: Seasons have a big impact on agrotourism, unlike typical travel. If you neglect seasonality in your marketing and budget, you may find yourself with vacant cabins in the off-season.

C. Overestimating benefits and total Revenue: Although picturesque cottages and lush fields may suggest quick money, agrotourism requires time and work to take off. Cash flow problems can result from underestimating operating costs and overestimating starting revenue.

D. Ignoring Maintenance necessities: Agrotourism involves ongoing maintenance for anything from farm equipment to guest houses. Your bottom line may suffer from expensive repairs and downtime brought on by neglecting maintenance.

E. Neglecting Marketing Expenses: It requires work to reach the appropriate audience. If you only rely on word-of-mouth, your reach may be restricted. If you underfund your marketing, prospective visitors may never see you.

F. Ignoring Legislative and Regulatory Concerns: Agrotourism frequently occurs in a transitional domain between hospitality and agriculture. Fines and legal issues may arise

from neglecting to get the required licenses and rules.

G. Disregarding Sustainable Practices: Responsible agrotourism attracts eco-aware tourists. Ignoring environmentally friendly procedures, like as waste management and water conservation, may harm your brand and drive away customers.

H. Ignoring the "Human" in Hospitality: Agrotourism encompasses more than farm visits. A lovely event might become forgettable if real relationships are not made with visitors and their emotional needs are not met [7].

I. Lack of financial planning in agrotourism as a family business: While agrotourism can be extremely all-consuming, doing so at the expense of your personal financial health can cause bitterness and exhaustion. Long-term success requires prioritizing personal financial objectives and setting limitations.

By identifying and addressing these blind spots, agrotourism initiatives may pave the way for sustainable growth and a really fulfilling experience for both tourists and the community. Remember that cautious planning and sound financial understanding are essential to achieving the most potential in this unique and rewarding field [8].

From the above given blind spots and hidden obstacles, this study aimed to provide insights by analyzing core concepts of financial matters of agrotourism in family business. One actual, useful example of agrotourism under economic analysis has been thoroughly presented. This research looks at the steps that owners of agrotourism destinations need to take and addresses financial management, expenses (both fixed and variable), total return, benefit-cost ratio, payback periods, break-even point, etc. Reaching the break-even point, both financially and in terms of visitor numbers, is essential for the viability of any agrotourism venture under cash flow and profitability data to estimate payback periods.

For the physical unit itself, the break-even point in terms of visitors represents the threshold at which the owner neither makes nor loses money. Financial losses are influenced by both supply and demand for services, but general economic research in agrotourism reveals that, operating an agrotourism business with under qualified employees frequently leads to financial losses.Several key challenges impede the success of agrotourism enterprises [4]. These include: limited access to capital for initial setup and ongoing maintenance, unreliable access to workers during peak seasons, high labour costs, a lack of readily available resources and best practices specific to agrotourism, bureaucratic hurdles in obtaining permits, expensive upkeep requirements, and a scarcity of trained personnel.

2.4.4 To identify blind spots in this family business, agrotourism is actually analyzed from a financial standpoint

Here we have mentioned all essential goods of agrotourism which are useful in financial calculations. Experienced and beginner agrotourism operators find equal value here. A thoughtful examination offers a balanced approach to opportunities and obstacles through analysis of proven and experimental techniques. Considerations involve lodging selections and recreational activities balanced against fluctuating demand. Adaptability across seasons assists maintaining steady income flows.

Has your dream of an agrotourism retreat burdened finances? This investigation provides solutions and lessons from those successfully navigating the interwoven economic complexities. Consistent revenue relies on agreeable collaborations and approaches adaptable to changing economic climates. A direct yet accommodating template guides viability through fluctuating conditions.

3. RESULTS AND DISCUSSION

Primary Data Analysis:

Table 1. Land value

Particular	Rate (Rs./ha)	Area (ha)	Total Cost (Rs.)
Land rate	2,50,000	4	10,00,000

Land rent @ 10% of market value= 10,00,000 X 10/100=Rs. 1,00,000

Table 2. Building and Construction value

Sr.	Particular	Quantity	Total Cost (Rs.)
1	Staying Rooms	6 X 1,75,000	10,50,000
2.	Rest Rooms	5 X 45,000	2,25,000
3.	Furniture		1,40,000
4.	Bamboo House	1	2,10,000
5.	Tree House	1	1,32,000
6.	Welcome Room	1	65,000
7.	Rural life Darshan Room	1	28,000
8.	KhagolVishwa Room	1	95,000
9.	Fort Collection Room	1	1,20,000
10.	Puppet Show Room	1	1,48,000
11.	Overall building construction	1	5,38,000
12.	Well	3	12,65,000
	Total		**40,16,000**

Formula-Junk Value = Original value x Rate % /100,Depreciation = Original cost- Junk value/ Useful life

Table 3. Depreciation of building and construction

Sr. No.	Particulars	Original Cost(Rs.)	Useful Life(Years)	Rate (%)	Junk Value	Depreciation (Rs.)
1.	Staying Rooms 6X 1,75,000	10,50,000	50	2	21,000	20,580
2.	Rest Rooms 5X 45,000	2,25,000	20	5	11,250	10,687.5
3.	Bamboo House 1	2,10,000	40	2.5	5,250	5118.75
4.	Tree House 1	1,32,000	20	5	6,600	6,250
5.	Welcome Room	65,000	25	4	2,600	2,496
6.	Rural life Intro. Room	28,000	20	5	1,400	1,330
7.	KhagolVishwa intro. Room	95,000	50	2	1,900	1,862
8.	Fort Collection Room	1,20,000	50	2	2,400	2,352
9.	Puppet Show Room	1,48,000	25	4	5,920	5,683.2
10.	Overall building construction	5,38,000	50	2	10,760	10,544.8
11.	Well 3	12,65,000	40	2.5	31,625	30,834.37
12.	Furniture	1,40,000	25	4	5,600	5,376
	Total					**1,03,114.62**

Table 4. Equipments value and Depreciation

Sr. No.	Particular	Original cost (Rs.)	Useful Life (Years)	Rate (%)	Junk Value	Depreciation (Rs.)
1.	Bullock cart	90,000	20	5	4,500	4,275
2.	Tractor and Trolley	4,75,000	25	4	19,000	18,240
3.	Water Supply	1,15,000	20	5	5,750	5,462.5
	a. Motor	2,65,000	25	4	10,600	10,176
	b. Pipeline	1,75,000	10	10	17,500	15,750
	c . Surface Drip					
4.	Electrical appliances	45,000	20	5	2,250	2,137.5
	a .Generator	30,000	5	20	6,000	4,800
	b. Inverter	28,500	10	10	2,850	2,565
	c. Computer & Printer					
5.	Children Park (All Toys)	2,34,000	25	4	9,360	8985.6
6.	Household Asset (Utensils)	2,75,000	25	4	11,000	10,560
	Total	**17,32,500**				**82,951.6**

Table 5. Miscellaneous assets value

Sr.No .	Particular	Total cost (Rs)
1.	Website Charges	10,000
2.	Animals and Birds	2,69,500
3.	Developing Lighting	12,500
4.	Tree Plantation	37,000
	Total	**3,29,000**

Table 6. Total depreciation value

Sr.No.	Particular	Cost (Rs)	Depreciation value (Rs)
1	Building and construction	40,16,000	1,03,114.62
2	Equipment	17,32,500	82,951.6
	Total		**1,86,066.22**

(MART)Attachment Certificate Fee & Procedure Fee

MART:Attachment Certificate Fee & Procedure Fee isRs.5000

Total Fixed Cost (Rs.): Land cost **+(**Table 2)Building and Construction value + (Table 4) Equipments and others**+**(Table 5) Miscellaneous Assets value + MART: Attachment Certificate Fee & Procedure Fee**.**

Total Fixed Cost (Rs.):10,00,000 + 40,16,000 + 17,32,500 + 3,29,000 + 5,000 = Rs.70,82,500

Table 7. Interest on fixed capital

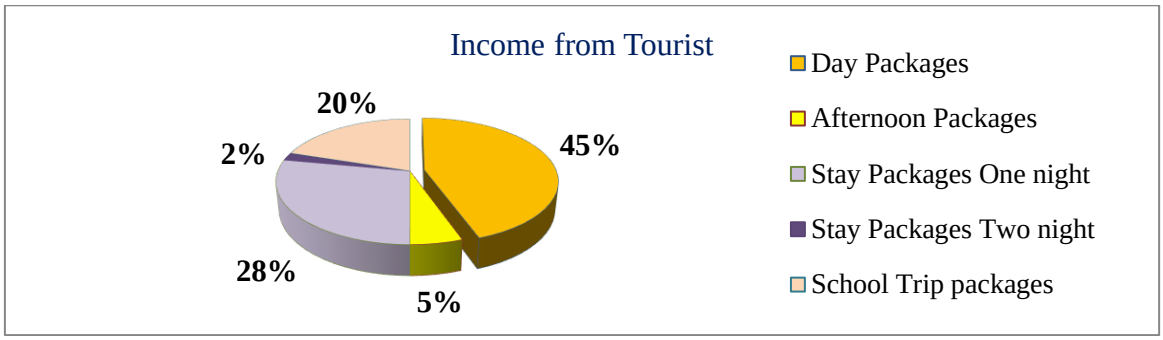
Interest Rate	**14%**	
Fixed Capital	70,82,500	
Interest On Fixed Capital @14%	70,82,500 × 14 /100	**Rs. 9,91,550**

Table 8. Total annual fixed cost

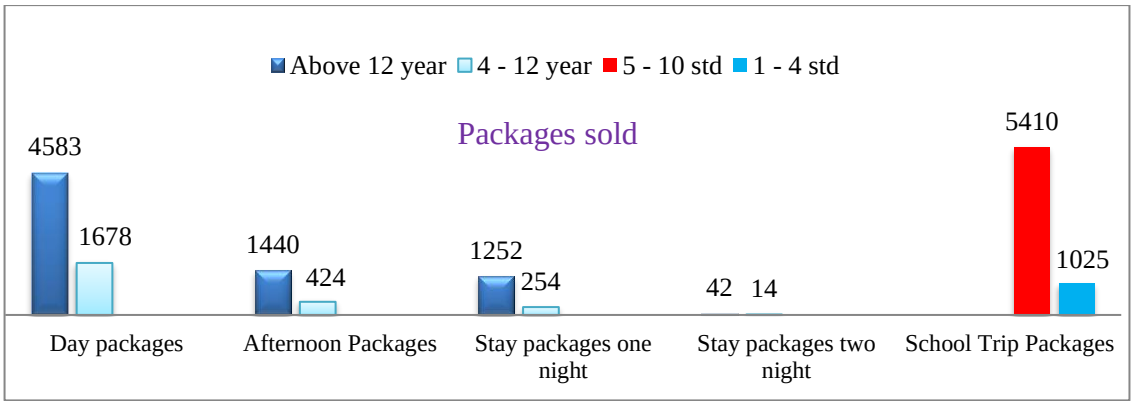
Sr. No.	Particular	Amount (Rs.)
1.	Interest On Fixed Capital @14%	9,91,550
2.	Depreciation	1,86,066.22
	Total Annual Fixed Cost	**11,77,616.22**

Table 9. Income generated from tourist according to packages

Sr. No.(Package)	No. of tourists visited	Package Rate, Rs.	Total (Rs.)
1.Day package			
a) 4-12 year	1,678	450	7,55,100
b) >12 year	4,583	600	27,49,800
2.Afternoon package			
a)4-12 year	424	150	63,600
b) >12 year	1,440	250	3,60,000
3.Stay package of one day			
a) 4-12 year	254	1,250	3,17,500
b) >12 year	1,252	1,500	18,78,000
4.Stay package of two days			
a) 4-12 year	14	2,500	35,000
b) >12 year	42	3,000	1,26,000
5.School Trip package			
a) 1 – 4 std	1,025	240	2,46,000
b) 5 – 10 std	5,410	245	13,25,450
		Total	**78,56,450**



Graph 1. (Pie Chart):- Income generated from tourist according to package



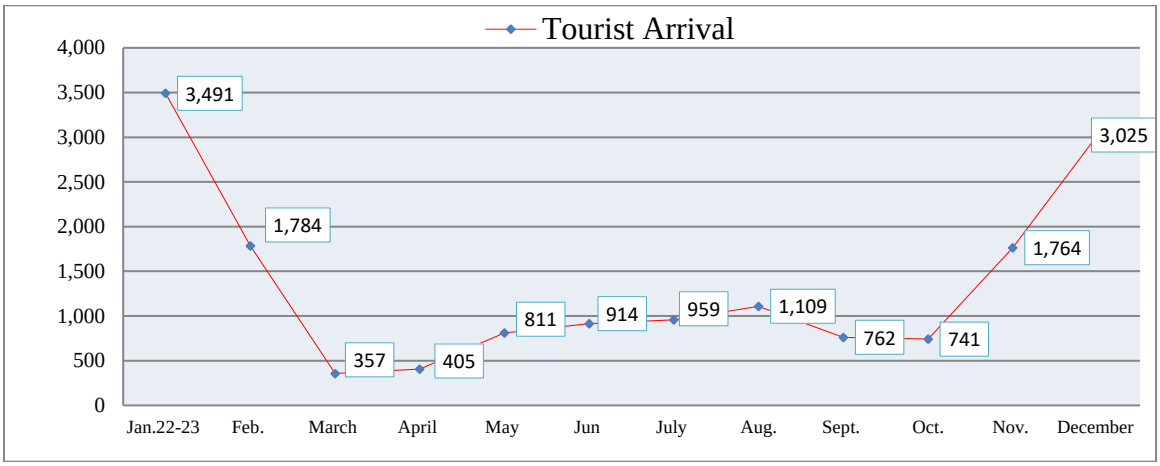
Graph 2. Package wise tourists visited in selected Agrotourism in one year

Table 10. Variable cost

Sr. no.	Particulars	Amount (Rs./Yr)
1.	Labor charges	
	a)14 Women (14 X 6,000)	10,08,000
	b) 8 Men (8 X 6,500)	6,24,000
2.	Grocery charges	5,91,600
3.	Supervisor (1 X 10,500)	1,26,000
	Manager (1 X 12,000)	1,44,000
4.	Maintenance (Electrical & Others)	35,000
5.	Website updating charges	10,000
6.	Laundry charges	9,140
7.	Expenditure on gift	6,500
8.	Diesel	13,500
9.	Electricity charges	19,860
10.	Miscellaneous charges	21,500
11.	Fodder Cultivation expenditure	18,000
12.	Medicine and Doctor Fees (Veterinary & B.H.M.S Doctor)	6,300
13.	Advertising charges	28,700
	Total annual variable cost	**26,62,100**

Total cost per annum:

Total cost per annum= Annual Variable Cost (Total) + Annual Fixed Cost (Total) = 26,62,100 + 11,77,616.22= Rs. 38,39,616.22



Graph 3. Month wise Tourists visited in selected Agrotourism in a year 2022-23

Table 11. Gross Income

Sr. No.	Income From Tourist	Rs.
1.	Packages	78,56,450
A	**Other goods :**	
1.	Tamarind	86,000
2.	Hurda	29,800
3.	Sweet corn	2,700
4.	Flower pots	8,000
	Gross income	**79,82,950**

Table 12. Cash flow statement

Sr. No	Particulars (INR.)	1st Year	2nd Year	3rd Year	4th Year	5th Year
A	Initial Investment	70,82,500	-	-	-	-
B	Total Fixed Cost per year.	11,77,616.22	11,77,616.22	11,77,616.22	11,77,616.22	11,77,616.22
C	Total Variable Cost per year. (Avg. 5% will increase per year)	26,62,100	27,95,205	29,34,965.25	30,81,713.51	32,35,799.19
D	Total Cost per year(Sr.No. A+B+C = D)	1,09,22,216.22	39,72,821.22	41,12,581.47	42,59,329.73	44,13,415.41
E	Gross Income per year (Avg. 5% will increase per year)	79,82,950	83,82,097.5	88,01,202.38	92,41,262.49	97,03,325.62
F	Net Income per year	-29,39,266.22	44,09,276.28	46,88,620.91	49,81,932.76	52,89,910.21

Table 13. Net present worth [9]

Yrs.	Cost	Gross Income	Net Income	Discount Factor	Net Present Worth @14%
	(Rs.)	(Rs.)	(Rs.)	-14%	(Rs.)
1	1,09,22,216.22	79,82,950	-29,39,266.22	0.8771	-25,78,030.4
2	39,72,821.22	83,82,097.5	44,09,276.28	0.7694	33,92,497.17
3	41,12,581.47	88,01,202.38	46,88,620.91	0.6749	31,64,350.25
4	42,59,329.73	92,41,262.49	49,81,932.76	0.5920	29,49,304.2
5	44,13,415.41	97,03,325.62	52,89,910.21	0.5193	27,47,050.37
				Total	**96,75,171.59**

Table 14. Benefit cost ratio [10]

Years	Cost	Gross Income	Discount Factor	Present Worth Of Cost	Present Worth Of Benefit
	(Rs.)	**(Rs.)**	**14%**	**(Rs.)**	**(Rs.)**
1	1,09,22,216.22	79,82,950	0.8771	95,79,875.85	70,01,845.45
2	39,72,821.22	83,82,097.5	0.7694	30,56,688.65	64,49,185.82
3	41,12,581.47	88,01,202.38	0.6749	27,75,581.23	59,39,931.49
4	42,59,329.73	92,41,262.49	0.5920	25,21,523.20	54,70,827.4
5	44,13,415.41	97,03,325.62	0.5193	22,91,886.62	50,38,936.99
				2,02,25,555.55	**2,99,00,727.15**

Benefit Cost Ratio:

= (Present Worth of Benefit (Gross Return)/Present Worth of cost= 2,99,00,727.15/ 2,02,25,555.55= 1.478)

Interpretation:-BCR is greater than one then project is financially feasible

Table 15. (IRR) Internal Rate of Return [9]

Yr.	Cost	Net Income	D.F	N P W@ 14 %	D.F	N P W@ 18%
	(Rs.)	**(Rs.)**	**14%**	**(Rs.)**	**18%**	**(Rs.)**
1	1,09,22,216.22	-29,39,266.22	0.8771	-25,78,030.4	0.8474	- 24,90,734.19
2	39,72,821.22	44,09,276.28	0.7694	33,92,497.17	0.7181	31,66,301.3
3	41,12,581.47	46,88,620.91	0.6749	31,64,350.25	0.6086	28,53,494.69
4	42,59,329.73	49,81,932.76	0.5920	29,49,304.2	0.5157	25,69,182.72
5	44,13,415.41	52,89,910.21	0.5193	27,47,050.37	0.4371	23,12,219.75
	Total			**96,75,171.59**		**1,09,01,198.46**

Internal Rate of Return (IRR)

$$\textbf{IRR} = \text{Discount Rate between the two discount rate} + \left(\text{x} \ \frac{\text{Lowest Difference NPW at lowest discount rate}}{\text{Difference between Net Present Worth at two discount rate's}} \right)$$

= 14 + [4 X 96,75,171.59/ 12,26,026.87]= 14 + [4 X 7.89]= 14 + [31.56] = 45.56 %

IRR = 45.56 %, Interpretation: IRR is greater than Market Interest Rate; hence project is financially feasible & acceptable.

Table 16. Profitability Index [11]

Years	Net Income	Discount Factor 14%	Net Present Worth @14%
1	-29,39,266.22	0.8771	-25,78,030.4
2	44,09,276.28	0.7694	33,92,497.17
3	46,88,620.91	0.6749	31,64,350.25
4	49,81,932.76	0.5920	29,49,304.2
5	52,89,910.21	0.5193	27,47,050.37
	Total		**96,75,171.59**

Profitability Index = (Total NPW of Cash Flow/Initial Investment=96,75,171.59/ 70,82,500 = 1.37Profitability Index = 1.37);

Interpretation:-Profitability index is 1.37which indicates 1.37 times net profit over Initial Investment.

Table 17. Pay back period [11]

Year	Total Cost	Gross Income	Net Income
1	1,09,22,216.22	79,82,950	-29,39,266.22
2	39,72,821.22	83,82,097.5	44,09,276.28
3	41,12,581.47	88,01,202.38	46,88,620.91
4	42,59,329.73	92,41,262.49	49,81,932.76
5	44,13,415.41	97,03,325.62	52,89,910.21
		Total	**1,64,30,473.94**

Annual Net Cash Revenue :-

= 1,64,30,473.94/ 5= Rs. 32,86,094.79

Payback Period

= Initial Investment /Annual Net Cash Revenue= 70,82,500/ 32,86,094.79= 2.16 , So, 1 + 2.16 = 3.16, Payback Period**:** Year = 3, Months = 0.16 x 12 = 1.92,

Days = 0.92 x 30 = 27.6 = Nearly equal to 28

Payback Period = **3 years 1 month and 28 days**

Liquidity Ratio:-

Current Ratio

= Current asset's ÷ Current liabilities= 79,82,950÷26,62,100=2.99, Here,

a) Current assets = Gross income of the year, b) Current liabilities = Total annual variable cost.

Interpretation:-Liquidity Ratio of **2.99**Indicates that assets are **2.99%** more than liabilities to meet immediate Financial Obligations.

Turnover Ratio:-

Fixed turnover assets ratio:

(Fixed Turnover Assets Ratio= Sale (Net)/ Fixed assets (Net)),

Fixed assets (Net) = Fixed asset's - Depreciation
= 11,77,616.22-1,86,066.22=9,91,550
Net sale/ Net Fixed assets = 79,82,950/9,91,550 = 8.05

Interpretation:

Fixed turnover assets ratio of **8.05**indicates efficient utilization of net fixed assets

Working Capital Turnover Ratio= Net sale / Working capital**,** Here,
Net sale is a gross income and Working capital is a variable cost.= 79,82,950 / 26,62,100= **2.99**

Interpretation:

An efficient utilization of working capital is evident with a working capital turnover ratio of **2.99**

Profitability Ratio:

Here, Net Sale= 79,82,950
Net Profit = Net sale – Total cost per annum [12]
= 79,82,950 - 38,39,616.22 = 41,43,333.78

Net Profit Margin =Net Profit / Net Sale X 100,
= 41,43,333.78/ 79,82,950 X 100 = 0.51902289 X 100 = 51.90 %
Net Profit Margin = 51.90%

Interpretation:-Profitability ratio of **51.90%**indicates of profit margin of the business unit under study which is satisfactory for production business**.**

BEP (Rs.) Break Even Point:-

= Total fixed cost's ÷ 1- (Total Variable Cost's÷Total sale's) [13]
=11,77,616.22/1 - (26,62,100/ 79,82,950)
= 11,77,616.22/ 1 - (0.33)= 11,77,616.22/ 0.67 = Rs. 17,57,636.15

Margin of Safety:

= Gross income – BEP in Rs. = 79,82,950 - 17,57,636.15 = Rs. 62,25,313.85

Interpretation:-In that I conclude, my project's Margin of safety is much higher than BEP so it is sign for better economical feasibility & good risk bearing ability of project.

Financial Management:

Sources and Allocation of Fund :A) Sources Own fund : Rs. 97,44,600 ;
B) Allocation: 1.Initial Investment = Rs.70,82,500;2.Working capital =Rs.26,62,100 ; Total Allocation= Rs. 97,44,600.

Strategies to maximize operational effectiveness and push the agrotourism family business beyond its blind spot: The economic management aspect of family-run agrotourism is versatile in nature, as there are all aspects of revenue generation, various cost control measures and a wide economic impact on the agricultural communities that carry out all the activities at the same firm. By efficiently managing costs, you can improve the productivity and profitability of your agrotourism business while providing a genuine and enjoyable experience for visitors [14]. Here are given core specific cost control measures for selected agrotourism.

Regarding financial planning & insurance assessment: It became clear to us throughout the initial data collection process that financial planning still needed a great deal of work. We have included several procedures for financial planning and insurance evaluation here since agrotourism revenue is complex.

Steps in financial planning & insurance assessment:

First develop an inclusive monetary plan that includes income predictions, cost estimates, and cash flow projections. Prepare a financial plan that involves tourists activities and all operations in agro tourism including Fruit and flower Cultivation, all farming activities, agri allied business activities, Cultural and Cooking activities, accommodation etc. with continuously appraisal and normalize the budget to ensure financial stability.

Then make a regular financial reporting to examine your agrotourism's economic performance. These reports must include balance sheets, income &revenue statements, and cash flow statements to give a complete view of your financial health.

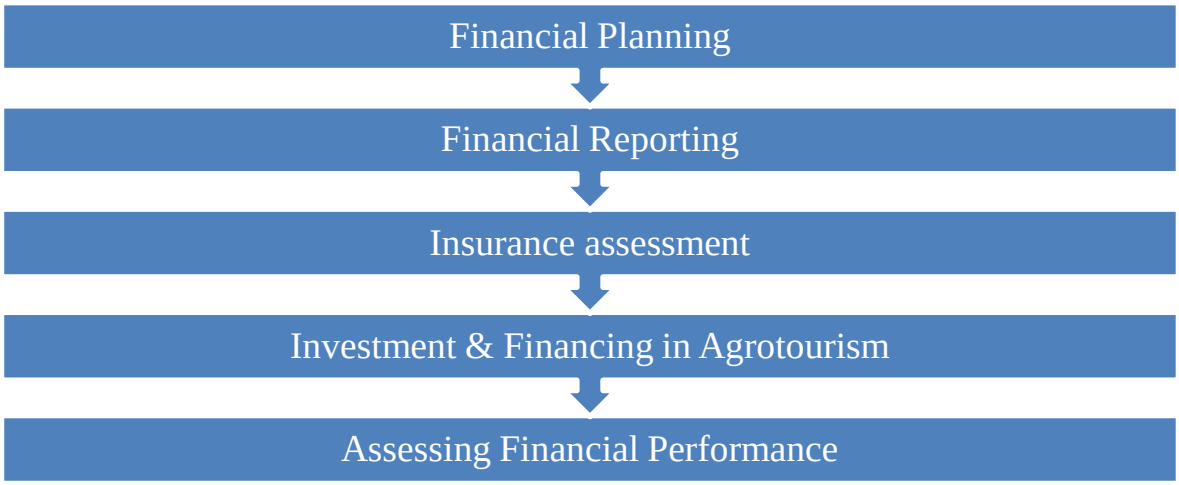


Chart 1. Steps in Financial Planning; Source: Personal Observation

Chart 2. Revenue Streams in Agro Tourism; Source: Personal Observation

Appraisal and regulate your insurance coverage to make sure it is both adequate and cost-effective for your particular agrotourism operations. Then do the contingency planning which helps to maintain a financial safety to cover emergency situations, unpredicted expenses, financial failures and economic downturns. This shield can protect the financial stability of your agrotourism business. After the insurance appraisal you must prepare for new investments and financing with capital allocation strategies in agrotourism and make sure about Government Grants and Incentives. Then you can assess financial performance with investment appraisal techniques. Frequently evaluate and update this plan to make sure that your agrotourism business enterprise remains financially sustainable.

Expand Revenue Streams: Based on the primary data (Table 11), we can conclude that of the total revenue of Rs. 79,82,950, they received Rs. 78,56,450 from direct packages and only Rs. 1,26,500 from other sources such as agriculture. For instance, fruits and vegetables, hurda, tamarind, sweet corn and flowerpots etc.; however, it is not a suitable or stable source of income as the majority of agrotourism's revenue comes from direct packages.

Farmers used to primarily rely on agriculturally related products for income from agrotourism, but these days, with monsoon fluctuations and other climate-related factors affecting rural areas, farmers need to diversify their sources of income. For this reason, we have listed some of the most significant and directly beneficial revenue streams for agrotourism that are specific to the state of Maharashtra [15].

Offering Agro Based Business Workshops: Farmers have to learn about how to deliver proper knowledge of agro based and agri allied business.e.g. management of agrotourism, dairy farming, manufacturing of grinded spices etc. these are all useful in educational sector. In off season of tourists, farmers can get income from these type of workshops [15].

Retail Sales: It is essential to offering complete high-quality goods and services by farmer, it can help to increase retail sales of agricultural products in agro tourism. The desire to purchase in a fulfilling and pleasurable atmosphere is shared by almost all visitors. Investigate other revenue streams, such selling agricultural products. For example, fruits, vegetables, millets, dairy products, processed agricultural goods, and honey.

Explore agricultural pursuits such as guided tours, cooking, milking cows, planting, harvesting crops, picking fruits, and riding bullock carts. Make sure that every service you provide to visitors meets their expectations and preferences. In addition to offering lodging options like camping, farm stays, and cabins, as well as hosting events like farm-to-table dinners, campfires, agricultural festivals, and other festivals like "Pola," "Diwali," "Ganeshji Pujan," "Gokulashtmi," and "Shri Ramji Janma," among

others, farmers can make extra money by offering a variety of products and services.

Engaging experiences: Attract visitors through interactive activities like fruit picking, vegetable harvesting, and farm animal interactions. Educational tours showcase farming techniques and eco-friendly practices, providing insights into agricultural heritage. Seasonal attractions such as corn mazes, pumpkin patches, hayrides, and stargazing events offer entertainment, while festive celebrations bring vibrancy to the farm setting. Workshops offer a range of skills from local ingredient cooking to cheese-making and beekeeping. Relaxing yoga retreats, live music performances, and farm-to-table dining experiences set against the evening sky create unique entertainment opportunities.

Accommodation options: Consider offering immersive farm stays with glamping and lodging choices like bed and breakfast or camping facilities. Community Supported Agriculture programs deliver fresh, seasonal produce directly to customers. A farm store on-site prominently showcases farm-produced goods, and local artisans display their handcrafted products. Expand your reach through an online marketplace featuring jams, honey, and other artisanal offerings.

Partnership opportunities: Collaborate with local restaurants to include your products on their menus, fostering mutually beneficial relationships. Generate educational revenue by hosting field trips and workshops. Utilize your space for private events such as weddings and corporate functions. Seek sponsorships from local businesses to support your initiatives.

Customized Offerings: Tailor your services to match your farm's unique characteristics and target audience. Leverage social media and online marketing to connect with potential clients. Providing exceptional service will create memorable experiences that encourage repeat visits.

Seasonal planning: According to our analysis of Graph 3, there is an off-peak season for some types of agrotourism from March through October. Thus, there are certain gaps in the off-peak season agrotourism marketing. Therefore, farmers need to prepare for both peak and off-peak times for agrotourism.

Off-Peak season promotion: To attract travelers during off-peak seasons, provide lower prices and best-selling package offers together with carefully thought-out advertising and targeted promotion techniques.

Seasonal Planning: Plan your agrotourism events and activities around the agricultural seasons or natural farming rhythms to maximise resource utilisation and save costs. Adopt laws and rules that promote agrotourism to ensure the quality of goods and services, and then create marketing campaigns for each alternate season [14].

Cost Control Committees / Team: A budget provides standard costs for cost control purposes.When management creates budgets, it lays out a roadmap to direct its efforts and makes a number of assumptions about the relationships and interactions among the economy, market dynamics, the skills of its work force, and its ability to provide the right quantity and quality of products and services demanded. Keeping expenses of goods and services under control is crucial to boosting corporate profitability. It's beneficial if the farmer can hire more personnel for the cost control committee. Farmers don't always have to worry about finding new members for the agrotourism cost control committee. For farmers, however, seeking advice from an agrotourism specialist is crucial. To regularly assess financial performance and examine cost-cutting strategies, farmers are required to keep accurate records of all their financial transactions. Here, we've covered a few important topics that will benefit farmers and cost-control committees. Two forms of control are made possible by the planning process:1. Feed forward: This method establishes a foundation for control at the decision-making stage; 2. Feedback: This method establishes a foundation for gauging the efficacy of control following implementation [16].

Maintain productive efficient labor staff: Workers should receive some training in marketing and hospitality so they can undertake a variety of jobs as needed. During the busiest travel seasons, hire seasonal workers to prevent staffing excess during the slow seasons.

Preservation and Repairs: Plan your seasonally appropriate strategy to protect your agrotourism natural structures, such as your farm pond, sowing field, mud pool, etc. If you built accommodations on the property, ongoing repairs will be required. If you have vintage agricultural equipment on display, every piece

Chart 3. Identifying Areas of Improvement in Blind Space in Selected Family-Run Agrotourism Business; Source: Personal Observation

has to be fixed as soon as possible to keep it in working order for longer.

Although maintenance costs are variable, they have a direct impact on the depreciation of the items since they will last longer overall if regular repairs are made to preserve the products' quality and avoid costly emergency repairs and replacements. Therefore, it will assist maintain fixed costs in the field of agrotourism.

Local Sourcing: Whenever feasible, try to hire locals since this will save on transit expenses and recruiting agency commissions.

Take Government support and implement policies: Modify your business structure to comply with national and state regulations in order to get government funding. The government provides subsidies to agribusiness processing facilities, fruit plantations, dairy farms, and vermicomposting initiatives, among other things. Thus, in order for farmers to benefit from these initiatives, they should include them into their agrotourism businesses and get government subsidies [17].

Analysis of cost-benefit ratio:

Make sure to evaluate the best returns on investment by regularly weighing the costs and advantages of various areas of your agrotourism business. Based on this information, priorities your investments in various services and activities. Create a capital budgeting strategy for capital expenditures based on their actual potential to generate more revenue or reduce long-term operational costs after prioritization.

You should examine the following factors when analyzing a cost-benefit ratio:

Areas of Improvement in Blind Spot:

1. The use of capital budgets, 2. Method of Pricing, 3.Accounting for Costs, 4.Cash Flow Supervision, 5.Feasibility Reports, 6. Evaluation of Investments
Use economic metrics like IRR:Internal Rate of Return and NPV: Net Present Value to decide their financial viability [16,18].

Identifying Areas of Improvement in Blind Spot in Selected Family-Run Agrotourism Business: Based on our data collection and personal observations, we have identified a few areas for improvement in a few specific family run agrotourism business.

For future perspective: If farmer want to survive in market for long time then farmer should study about innovations under future perspective.

Basic thing is, farmer should learn about future demand of agriculture and tourism. He should focus on agro-tech integration, which is useful for doing activity of marketing to attract tourists. agro-tech integration in agrotourism means, use of technology in agriculture in diverse form then attach it with the tourism activities e.g. use of Virtual Reality techniques, in museum explore of conventional agricultural equipments. Also you should develop Augmented Reality for chronological rebuilding in agrotourism like's agricultural and cost cultivation types and rural life of farmer's in ancient times age. Emerging Trends and Innovations is related to

changing pattern of giving services and doing activities in agrotourism. Make few changes according to tourists demand e.g. make farm festival during harvesting of crops. Also make available the facility of cooking, fruit plucking etc [19].

For economic perspectives: If we move towards the data of retail sales then it is very important to mention here, farmer got income of only Rs.1,26,500 from agriculture and other products. So the main decision in this situation is that the farmer has not focused on retail sales. Farmer should focus on retail sales and not rely solely on tourism packages. Utilize full financial reporting systems to track earnings, overhead costs and profitability. Continuously examine financial statements to identify opportunities for cost reduction. Implement proper pricing strategy for deciding packages for tourists which includes competitors' prices, casting for demand and seasonal variation. This strategy can help farmers to increase income and use cost control measures like business planning and scaling, feasibility studies and strategic planning in agrotourism.

Risk management perspective: According to this study, the farmer did not focus entirely on advertising during the off-season and was not interested in taking the risk of spending money on advertising during the off-season. To make core decisions under investment in risk management strategies to discover areas for enhancement in agrotourism. The utilize the key performance indicators to examine the efficiency of your agrotourism operations. Take risk and make diversified revenue on farm and expand your products category and services mix. To reduce input costs while reducing environmental impact, the farmer should use water-saving irrigation systems and organic farming under sustainable farming practices in agrotourism. Basic thing is that to managing local economic impact in input-output analysis in agrotourism for risk assessment then regularly evaluate risks that possibly will affect your all agrotourism operations. This involves crop losses from improper climatic conditions and economic losses from fluctuations in visitor numbers in every season. Hence farmer should apply for the insurance for crops and insurance for each agri allied businesses which are present in agrotourism.

Hypothesis Testing:

Table of chi square (X^2) [20]
$X^2 = \sum Fo - Fe / Fe$, Significance Level (α) = 0.05

Table 18. Table of observed value

Income / Price	Rs.650	Rs.1,000	Rs.1,500	Rs.2,000	Total
Upto 20k	14	3	3	2	22
21k-30k	27	16	9	6	58
31k-60k	71	64	26	18	179
Above 60k	9	26	37	19	91
Total	**121**	**109**	**75**	**45**	**350**

Table 19. Table of expected value

Income / Price	Rs.650	Rs.1,000	Rs.1,500	Rs.2,000
Upto 20k	22 X 121 / 350 = 8.87	22 X 109 / 350 = 6.85	4.71	2.828
21k-30k	20.05	18.062	12.428	7.457
31k-60k	61.88	55.745	38.357	23.01
Above 60k	31.46	28.34	19.5	11.7

Table 20. X^2 calculated

observed value(O)	Expected value (E)	(O - E)	(O - E) ^{2}	(O - E) ^{2}/ E
14	8.87	5.13	26.3169	2.9669
3	6.85	-3.85	14.8225	2.1638
3	4.71	-1.71	2.9241	0.6208
2	2.828	0.828	0.685584	0.2424
27	20.05	6.95	48.3025	2.4091

observed value(O)	Expected value (E)	(O - E)	(O - E) ^{2}	(O - E) ^{2}/ E
16	18.062	-2.062	4.251844	0.2354
9	12.428	-3.428	11.751184	0.9455
6	7.457	-1.457	2.122849	0.2846
71	61.88	9.12	83.1744	1.3441
64	55.745	8.255	68.145025	1.2224
26	38.357	-12.357	152.695449	3.9809
18	23.01	-5.01	25.1001	1.0908
9	31.46	-22.46	504.4516	16.0346
26	28.34	-2.34	5.4756	0.1932
37	19.5	17.5	306.25	15.70
19	11.7	7.3	53.29	4.5547
				∑(O - E) ^{2}/ E = 53.9892

X^2calculated =53.9892

Degree of freedom = (Columns-1) (rows-1)
= (4-1) (4-1) = (3) (3) = 9

Degree of freedom = 9

Significance Level (α) = 0.05
X^2tabular = 16.92
X^2 calculated =53.9892
X^2 calculated > X2tabular (or called as X^2 critical)
From the above result of calculation , We reject null hypothesis and accept alternate hypothesis

Alternate hypothesis: There is Significant relation between the Income and purchased tickets according to price by tourist with core pricing strategies.

Hence Low cost products and services are highly demanded in Agro-Tourism

4. SUMMARY AND CONCLUSION

In this particular case, the family-run agrotourism was primarily concerned with making money during the peak travel season. Farmers received 45% of their income directly from day packages. The profitability index and payback period will directly improve if farmers retain and lower their fixed costs while increasing revenue from by-products in agrotourism. Since many travelers purchase packages between November to February, the off-peak travel months of March to October are the least busy. Therefore, a farmer must adhere to certain target marketing guidelines in order to draw visitors during these months [21].

Family-run agrotourism businesses provide a special fusion of rural charm, business potential, and cultural awareness. However, handling the financial complexity of this sector provides distinct hurdles due to the dynamic interaction of family dynamics, agricultural concerns, and tourism fluctuations.

By acknowledging and addressing these "blind spots," family-run agrotourism businesses can cultivate a culture of financial awareness and proactive planning. Adopting innovative financial management strategies, fostering open communication within the family, and embracing continuous learning are crucial steps towards achieving long-term financial prosperity. Moreover, collaboration with experts, networking with other agrotourism businesses, and leveraging government support programs can provide valuable resources and knowledge. Successfully navigating these challenges paves the way for family-run agrotourism ventures to flourish, contributing to the sustainable development of rural communities and enriching the experience of travelers seeking a unique connection with nature and tradition.

5. FINDINGS

The project appears to have a benefit-cost ratio (1.478) that is positive, meaning that benefits exceed expenses. Given the high internal rate of return (45.56%), the investment may out to be quite beneficial. Given the short payback time (3 years, 1 month, and 28 days), it is anticipated that the investment would soon recoup its original cost. The project's financial viability is further supported by the profitability index (1.37), which is higher than 1. The income threshold at which the project experiences neither a profit nor a loss is known as the break-even point, which is at Rs. 17,57,636.15. The project appears to have sufficient current assets to meet its current liabilities, as shown by the current ratio of 2.99.The project appears to be making a

substantial profit margin based on the profitability ratio of 51.90%.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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