

Study of Business Management Opportunities with Special Reference to Agro-Tourism in Maharashtra State

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Abstract. After Covid-19 India observing V-shaped recovery, this is positive sign for Agro-Tourism and Agri-business industry. Covid-19 pandemic influenced the management of demand and supply of agri-processed goods. In sustainable business like Agro-Tourism farmer provide amenities and services to tourists similar to past simpler era and get additional income from them. Both positive and negative impacts made by pandemic on Agro-Tourism. This research paper attempt to identifying the challenges and opportunities for Agri-business and Agro-Tourism after pandemic. All these points I discussed here in research paper with graphical chart presentation of related data to above topic.

Keywords: Agro-Tourism, Agri-Business, Sustainable business.

1 Introduction of the Agro-Tourism and Agri Business

The combination of prefix agri/agro with noun tourism resulted in the formation of new word Agro-Tourism / Agri-Tourism, which means human tourist activity whose aim is to familiarize oneself with farming activity and recreation in an agricultural environment. Tourism is a form of active recreation away from one's place of residence that is inspired by cognitive, recreational and sports need.

It is core part of rural and culture tourism, According to Pebble Magazine "Agri-tourism is a form of commercial enterprise that links agricultural production or processing with tourism in order to attract visitors, with a number of financial, educational and social benefits for tourists, producers and communities."

Agri-businesses is not limited to only farming, it includes input supplies, value addition, marketing, entrepreneurship, agricultural extension, micro financing etc, to produce marketable as well as usable goods and byproducts from agricultural raw material and make farming economically sustainable is the main purpose of agro-based industries. This Agro-based

industries almost covers a variety of manufacturing and processing activities based on agricultural raw material, it is directly and indirectly related to agro-allied industry, agro-services industry and agro-related industry.

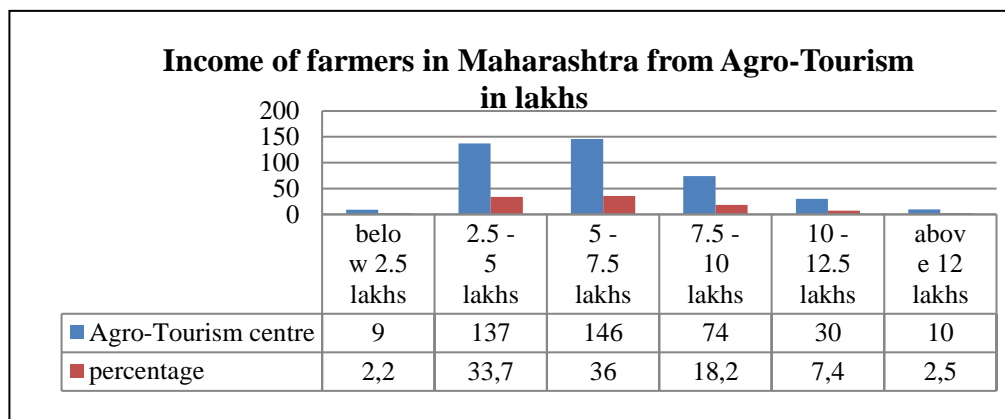


Fig. 1. Farmer income from Agro-Tourism in lakhs in Maharashtra.

Source: shodhganga website

In Maharashtra 36% of Agro-Tourism got income between 5 to 7.5 lakhs. Then 2.5 % of Agro-Tourism got more than 12 lakhs income yearly, then 33.7 % Agro-Tourism got income between 2.2 to 5 lakhs. 18.2% Agro-Tourism got income between 7.5 to 10 lakhs, so in this field lots of opportunities developing for researchers day by day. Total tourists visited in Agro-Tourism centers in Maharashtra in year 2018 i.e. 4.7 lakhs visitors, in year 2019 i.e. 5.3 lakhs visitors, in the year 2020 i.e. 7.9 lakhs visitors arrivals in Agro-Tourism and it is increasing day by day. (from graph no.1 and 2).

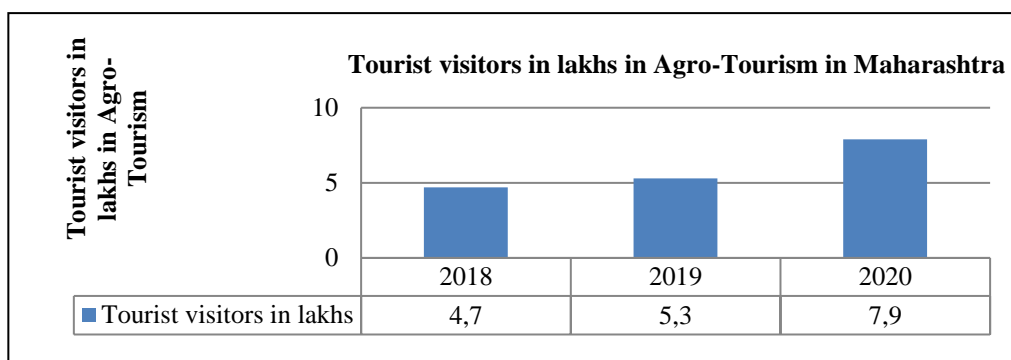


Fig. 2. Tourist visitors in lakhs in Agro-Tourism
source: www.financialexpress.com (15 mav,2021)

1.2 Research Objectives

- 1.To observe the sustainability of Agro-Tourism and Agri-businesses.
- 2.To study about benefits of Agro-Tourism.

3.To analysis the income of farmer through Agro-Tourism.

1.3 Hypothesis

1.The Agro-Tourism is beneficial for Maharashtra state: yes it is beneficial for the Maharashtra according to opinion of the people.

2.Is it increasing the income of the farmer:Yes according to survey report by researcher increasing the income of the farmer which is mentioned in graph.

3.The study will justify this research: Yes it is justify with the research, according to above hypothesis the study will justify of this research.

1.4 Data analysis and Methodology

This research paper has been prepared for describing data of Management in Agro-Tourism. It is based on secondary data which involved scopus journals,publications,annual reports and standard websites etc.

2 Opportunities after Covid-19 Pandemic for Sustainable Agri-Business with Special reference to Agro-Tourism

2.1 Opportunities in the startup agro-processing industry in Maharashtra

After the rank of Andhra Pradesh (5,861), Tamilnadu (5,077), Telangana (3,969), Punjab (2,906) then Maharashtra ranks 5th in India which having 2,808 registered agro based units.So Maharashtra government take steps towards to increase production in agro-processed industry through SMART project which is known as “Hon.Balasaheb Thakeray Agribusiness And Rural Transformation (SMART) Project”.It gives financial and guidance support to farmers & Entrepreneurs, also It helps to reduce the scarcity of agro-processed goods due to Covid -19 situation.

After covid-19 situation 2021, that SMART project helps to start new agro-processing units by giving them subsidy also it helps to expand production channels of byproducts of agro-processed final goods for already started agro-processing units. Above data explains under developing staged small & large agro-processed units in Maharashtra by the guidance and financial help from SMART project.

This agro-processing units involve oil mill,Dal mill, Pickle industry,Spices grinding unit,Ginning pressing, Fruit processing etc. Soyabean processing is most preferred in Marathwada region.

2.2 Opportunities in rural area, to stabilize good brand image of local edible oil in competitive prices

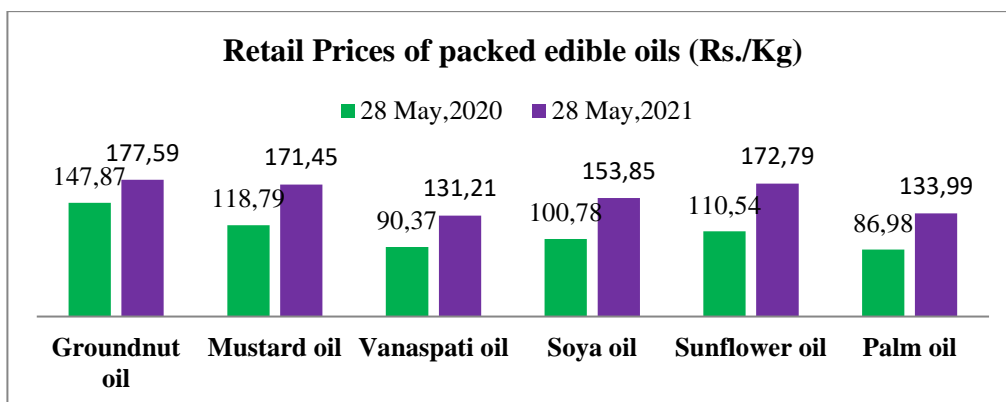


Fig. 3. Retail prices of edible oil's in Covid-19 period in India from 28 May 2020 - 28 May,2021
Source - <https://consumeraffairs.nic.in>

Then edible oil's demand is satisfied about 56% from import of edible oil. Argentina and Brazil for soyabean oil, Indonesia and Malaysia for palm oil, Ukraine and again Argentina for sunflower oil, these are major sources of imports which indicates our highly dependency on import.

If our raw material from local area's farm, Employees also in local areas, then production cost will decreased and it helps to produce high quality Agro-processed product at competitive price for stabilize good brand image for local products in consumer mind.

Effect on Indian Economy by Increased prices of edible oils.

(Mentioned terms in %) about 20.1 in groundnut,44.33 in Mustard oil,45.19 in Vanaspati oil,52.66 in Soya oil,56.36 in Sunflower oil,54.5 in Palm oil between the period of 28 May,2020 to 28 May,2021.

It directly effects on consumption rate of people which is rapidly decreases so Cash flow in economy from these staple goods also decreases. We have to spend much more forex reserve for imports these goods. It also effect on import capacity of nation and we have to do comparatively less expenditure through annual budget also slightly affects on GDP of India.

A. Opportunities to allow foreign direct investment in our agro-processing industries.

According to "Ease of Doing Business ranking-2020" India ranks 63 among 190 countries . In 2018 India ranks 77, In our country suitability to investor increases day by day. In Economical year 2020 Foreign Direct Investment equity inflows were US\$49.98 billion. There is huge chances to buy Agro-processing industries shares in stock market by foreign companies to enter in Indian Market. It also helps to increase contribution for increasing GDP.

B. Opportunities in changing demand after covid-19, people moved towards better health and preferred natural products.

People moved towards natural processed products instead of chemical products, it's a huge opportunity for entrepreneurs to make a Agro-processed goods i.e. final goods and byproducts

for consider as staple food in daily life. Also this is the best opportunity for organic agro – processing Industry because the supply of organic products is rare and demand is very high in urban area from Covid-19 pandemic.

In Maharashtra govt. helps through “Chief Minister Agriculture and Food Processing Scheme” is being implemented for quality enhancement of agricultural produce, creating skilled manpower for Agro and Food processing also employment generation in Agro-processing units in rural area. In which 158 proposal approved up to January, 2020. Government took initiatives because demand of agro-processed products is increased in large amount in Covid-19 pandemic and it is capable to sustain economy for longer time.

C. Opportunities to start Agro-Tourism & make successful linkages for Agro-Tourism

Agro-Tourism links with other Agro-Tourism centers, small farmers, carpenters, potters, sculpture, vegetable venders etc. Linkages in co-operative business strategy working well when proper knowledge sharing done among the owners of Agro-Tourism related to cooperative marketing.

It's must to discuss experiences & exchange ideas for face any obstacles in Agro-Tourism. Agro-Tourism is promoting under various present trends like offering outdoor recreation, provide education through activities, offering hospitality and services, offering accommodation & introduce agri entertainment etc these all trends managed with proper quality management services.

D. Opportunities for expand your services in Agro-Tourism through digital enhancement to attract tourists from

The globally Agro-Tourism market size was valued at \$ 42,460.3 million in 2019, and is estimated to reach \$ 62,982.6 million by 2027, registering a CAGR of 13.4% from 2021 to 2027. Following smart technology entrepreneur can use in Agro-Tourism:

1. Data mining

- Tourist number prediction
- Cross selling
- Tourist segmentation for marketing
- Cancellation prediction

2. Virtual Reality (VR)

- Museum exploration of old and traditional farming equipments
- Virtual tour of agro farm
- Allied activities
- Natural beauty i.e. Trees, Birds and Fauna

3. Internet of Things (IoT)

- Air quality control
- Contact tracing

4. Augmented Reality (AR)

Historical reconstruction in Agro-Tourism like farming methods of past simpler era.

3 After covid-19 the Potential Agro-Tourism benefits for farmer and society

1. Agro-Tourism is helpful for expanding farm operations and improving their farm income alternative.
2. Agro-Tourism helped to farmer to generate extra cumulative extra income of Rs.55.79 crore in Maharashtra.
3. It gives more than one lakh jobs for youth and ladies in rural areas.
4. Maharashtra is the first state who introduce Agro-Tourism policy in September 2020, so now it directly helpful for developing new consumer niche marketing for local agricultural products.
5. It Provides opportunity to attract a more energetic business environment for traditional small rural businesses
6. It helps to get additional on-farm income directly to all family members also it helps to farmer to get extra income also in off season.
7. It helps to improving farm living conditions also helpful for develop farm recreation opportunities.
8. It also helpful for developing managerial skill as well as entrepreneurial spirit then it helps to maintain sustainability for agri allies & Agri-businesses.
9. It helps to preserve traditions, art, craft & culture It gives opportunity to tourist to live in open sky, take taste of local foods, feel the nature with work in farm, understand the culture etc

4 Challenges After Covid-19 Pandemic for Business in Indian Economy

- 1) Demand of staple goods increased in positive curve but it helpful when wave of Covid-19 not come again.
- 2) Due to covid-19 pandemic, risk taking ability of entrepreneur is decreased and it impacts on new investment.
- 3) It's very difficult to get employment for people to increasing their expenditure capacity after Covid-19 pandemic with same income.
- 4) If entrepreneur not paid their loan amount due to Covid-19 pandemic, then now it's not an easy to get again finance from bank without clear their past loan.
- 5) Consumption capacity of people increased but average income rapidly decreased in Covid-19 pandemic then for starting new industries it will get some time to recover all economical aspects in business in today's time 'V shape recovery' of Indian economy.

4.1 Conclusion

Agro-Tourism, a continuously growing business of the tourism industry, It provides financial, societal and environmental benefits for rural people. If Agro-Tourism run on cooperative basis then it plays vital role as a organizational business because all village activities centered at on spot that is in the Agro-Tourism.

Maharashtra state has a large scope for develop this type of business specially after Covid-19, because government also took initiative for promote the Agro-Tourism. It is well profitable for each farmer who works cooperatively and maintains the rural linkages activities with Agro-Tourism. It plays crucial role to save environment and culture so today's youth are takes interests in run the Agro-Tourism cooperatively.

4.2 Acknowledgement

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