Vegan areca palm leather – waste to wealth generation through agri-start-up

Kiran Kumar R. Patil[1,*], K. C. Shashidara[1], H. S. Sowmya[1] and S. R. Suresh[2]

[1]Keladi Shivappa Nayaka University of Agricultural and Horticultural Sciences, Shivamogga 577 204, India
[2]Bhoomi Agri Ventures, Corporate Office 75/76, Sri Nilaya behind KGP Hospital Kallahali, Vinobanagar, Shivamogga 577 204, India

Areca leaf sheath, a by-product which was earlier wasted by farmers in the field, has now found utility in agro-based industries. Several areca leaf plates and bowl manufacturing units have mushroomed in the hinterland, which escalated the demand for leaf sheaths. Due to the rapid growth of arecanut production, the state has a vast supply of raw materials. However, the existing areca leaf product industries cannot fully utilise this abundance. As a result, entrepreneurs can explore alternative uses for this valuable resource. Start-up India, a flagship scheme of the Government of India that encourages entrepreneurs, has resulted in an enterprise in Shivammogga, Karnataka that converts waste in the form of areca leaf sheath to wealth in the form of palm leather. The innovation lies in the manufacturing of palm leather without causing environmental pollution. The present study examined the economics, economic viability and SWOT factors of this start-up. Arecanut growers reaped net returns of Rs 38,000 from the sale of leaf sheaths. The entrepreneur made net returns of Rs 116.22 from indoor slippers, Rs 76.98 from diary covers and Rs 253.52 from vanity bags. The positive net present worth of Rs 7.2 crores, benefit : cost ratio of 1.49 and internal rate of returns of 134% revealed economic viability. Strengths and opportunities emerged as crucial SWOT elements. The challenge lies in scaling up the enterprise to encash the glaring demand for palm leather.

Keywords: Agri-start-up, arecanut, leaf sheath, palm leather, wealth generation.