**Opportunity Analysis for Value-Added Banana Chips Production by Using Refused Bananas in Commercial Farms**

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Banana is a major fruit crop grown commercially in Sri Lanka. There are many varieties of bananas cultivated in Sri Lanka. However, the Cavendish banana variety is the most popular commercially grown variety in major banana-growing countries of the world including Sri Lanka. One of the major problems of commercial banana farmers is generating a large amount of refused bananas due to physical damage to the fruit. Due to external damage, the quality level and price level of the fruits are compromised. Hence, the study identified the opportunity to recover the value of cosmetically damaged bananas by developing value-added banana chips. To identify the best banana chips sample, three types of value-added banana chips such as salty banana chips, spicy banana chips and sweet banana chips samples were prepared. The study areas were Higurakgoda, Medirigiriya and Lankapura Divisional Secretariat. Sensory analysis, microbiological analysis and consumer analysis were conducted to determine product characteristics and consumer preferences. A feasibility analysis was conducted to identify the opportunity to develop a banana chips unit on commercial farms. The study data was based on a reputed commercial banana farm in Sri Lanka. The results of sensory analysis and consumer analysis concluded that spicy banana chips are the most suitable sample to select as the final product. A feasibility analysis was done based on Cash Flow identification, Net Present Value, Internal Rate of Return and Cost Benefit Ratio calculation. The results concluded that it is more cost-effective to develop banana chips using rejected bananas than to sell them at low prices or dispose of them as waste.

***Keywords:*** Refused Banana, Value addition, Banana Chips, Customer analysis, Feasibility analysis