

PROBLEMS FACED BY CASHEW INDUSTRIALISTS IN KANYAKUMARI DISTRICT

By

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Abstract

Cashew as a marketable commodity, has a very important role to play in the liberalized Indian economy. From the farmers' as well as from the exporters' point of view, the current emphasis that cashew is receiving as a horticultural crop from the research and development front, is a welcome sign. At present, India has a processing capacity of nearly seven hundred thousand metric tons and to meet the raw nut demand, the country depends partially on imports from several African, and in recent years, from south-east Asian countries. This has considerable drain on the country's foreign exchange reserves and there is an urgent need to increase local production to substitute imported raw material in order to derive the maximum benefits from a strong processing and marketing capability developed over the years by the Indian cashew industry. The present study explains about features of cashew industries its advantages and disadvantages. The objectives of the study, are to analyze the problems faced by the cashew industrialists in Kanyakumari district and to provide findings. The study covered both primary and secondary data. For the present study 25 cashew industrialists are selected. The samples are selected using convenient sampling method. The percentage and Garrett ranking method are used to analyze the data.

Keywords: *cashew industry, features, processing stages, advantages, disadvantages, problems.*

Introduction

Cashew is a slow-spreading, evergreen, tropical tree which grows pretty big if left un-tended. A South American native, the cashew reached the Indian

soil through the hands of Portuguese, four centuries ago. It found this soil more suitable to grow and flourish. Today it is cultivated all over Tropical Asia, Africa and South America. India is the largest producer and processor of

cashews. Indian processed cashews dominate more than half the world cashew market. Procure it from its master exporters in India.

Cashew as a marketable commodity, has a very important role to play in the liberalized Indian economy. From the farmers' as well as from the exporters' point of view, the current emphasis that cashew is receiving as a horticultural crop from the research and development front, is a welcome sign. At present, India has a processing capacity of nearly seven hundred thousand metric tons and to meet the raw nut demand, the country depends partially on imports from several African, and in recent years, from south-east Asian countries. This has considerable drain on the country's foreign exchange reserves and there is an urgent need to increase local production to substitute imported raw material in order to derive the maximum benefits from a strong processing and marketing capability developed over the years by the Indian cashew industry.

Now, nearly 80 percent of this industry in India is centered in and around Kollam in Kerala. Members of the

Cashew Export Promotion Council of India, who are manufacturers and exports of cashew kernels are the major sources for cashews from India. There are regular shipping facilities from India to all ports of the world. Major shipments from India take place through Cochin port. Regular services of container ships are available from India ports on India-USA, India-UK/continent, India-Australia, India-Japan, India-Middle East and India-Singapore routes.

Objectives

The important objectives are

1. To know about the features of cashew industries.
2. To study about the advantages and disadvantages of cashew industries.
3. To analyze the problems faced by the cashew industrialists in Kanyakumari district.

Methodology

The study is confined with both primary and secondary data. The primary data is collected through a well-structured interview schedule. The secondary data have been mainly collected from the books, journals, magazines, and also from the internet.

Sampling Design

In order to study the problems faced by the cashew industrialists in Kanyakumari district 50 industrialists are randomly selected using convenient sampling method.

Statistical Tools Used

The collected data were analyzed with the help of various statistical measures such as *Percentage and Garrett ranking technique*.

The formula used for Garrett ranking method is

$$\text{Percent position} = \frac{100(R_{ij} - 0.5)}{N_{ij}}$$

Cashewnut Industry in Kanyakumari District

Cashew is the king of nuts and it is an exotic plant from Brazil introduced in India by the Portuguese in the 16th century. The main cashew growing states in the country are Kerala. Tamil Nadu, Karnataka, Andra Pradesh, Goa and Pondicherry. In Kanyakumari district, the cashew factories are located in backward areas. Here they create opportunities of gainful

employment to the poverty stick women folk and thereby contribute to their economic growth. Cashew kernel is exported to overseas markets. Increase of exports has added prosperity of cashew industry and its potentials to generate opportunities of gainful employment to the rural folk.

The increased government intervention owing to a variety of circumstances led to the gradual shifting of the processing activity to Kanyakumari district. The important *reasons for the localization of cashew nut factories in Kanyakumari district* are given below as follows:

- The abundant supply of cheap labour and the low wages paid to the labourers are the main reasons for the shifting of cashew factories from Kerala to Kanyakumari district.
- Kanyakumari is thickly populated and industrially backward. Many people are unemployed. So, it is possible to get more labourers at low wages rate.
- Since political awareness is lacking in this region the employers can

resort to unfair labour practices. They can exploit the labourers and need not implement the "Labour Acts".

- Transport, water electricity facilities and the co-operation of the public are also partially responsible for the localization of factories in this district.
- Majority of the working folk are poor.

Features of cashew nut industry

The cashew nut industry has numerous features. The most important features are.

- It is labour intensive and women constitute nearly 75 per cent of the work force.
- It uses a horticultural product as raw material.
- It does not require electronic power for most of its basic operations.
- Since the techniques of production used is not capital intensive most of the cashew units have been organized on a small scales.

- It does not require any expensive, technical know-how for shelling and processing.
- It is located mostly in rural and backward areas.
- It is an important foreign exchange earner.
- In India it has contributed significantly towards poverty eradication by generating opportunities of gainful employment for the rural women.

Advantages of cashew nut factory

The important advantages of cashew industries are:

- The Kanyakumari district is mainly of rural and backward areas. The cashew nut factory helps to remove poverty by generating rural employment.
- The cashew factories provide gainful employment opportunities to rural women in Kanyakumari district.
- Cashew Kernel is one of the export-oriented commodity. it yields foreign exchanges, promotes for

income and welfare of people and raises the standard of living of the people in Kanyakumari district.

- Employment through of cashew nut factory improves the economic and social status of the people in Kanyakumari district.

Disadvantages of cashew nut factory

The following are some of the important disadvantages of cashew industries in Kanyakumari district.

- Cashew nut industry has harmful effects on the environment. The smoke pollution of the cashew factory affects the environment. It creates some diseases to the people in Kanyakumari district.
- Women labourers in the cashew nut factories are kept under conditions of close control and strict supervisions under the supervisors in the factories.
- According to the factories Act the cashew factories must provide the workers with gloves to protect their hands. In Kanyakumari district the factory owners do not provide gloves to the workers. This

affect the skin and health of the workers.

Cashew processing stages

The cashew processing stages are:

Steaming

The in-shell cashews are steamed under pressure to soften the shell. This causes the cashews inside to become loose and easier to remove in time.

Shelling

Each cashew shell is split open longitudinally and the cashew inside is immediately taken out by hand.

Drying and peeling

The skin on cashews is dried in an oven at low heat for a few hours to loosen the skin. The skin of each cashew is removed by hand and the cashew is simultaneously visually graded according to quality.

Grading and Quality Inspection

The whole cashew kernels are individually graded by hand according to count per pound and cashews of each grade are inspected according to

the present quality standards for that grade.

Quality Control

The cashews are then put through a set of quality assurance measures heating in an oven, metal detection, dust aspiration and handpicking conveyor.

Packing

The cashews are packed in 50-pound (22.68 kg) multilayer barrier pouches in a modified atmosphere of low oxygen and high carbon dioxide and

nitrogen. These pouches are placed one each in a carton. The above explained are some of the important steps followed in processing the raw nuts in cashew industries.

Problems faced by cashew industrialists

Production Problems

The following table indicates the production problems faced by the cashew industrialists in Kanyakumari district. The ranks assigned by the respondents are converted into scores using Garrett ranking technique.

Table 1. Production Problems

Sl. No.	Problems	Garrett mean score	Rank
1	Lack of rawnuts	50.16	II
2	Problems in procurement	52	I
3	Labour problems	47.4	IV
4	Financial problems	47.56	III
5	Insufficient storage	15.1	VI
6	Others	47.4	V

Source: Computed Data

It is inferred from the table that the problems in procurement scores 52 and holds the first rank, the lack of raw nuts scores 50.16 and holds the

second rank and the financial problems scores 47.56 and holds the third rank respectively.

Problems in purchasing rawnuts from other state

other state faced by the cashew industrialists in Kanyakumari district.

The following table indicates the problems in purchasing raw nuts from

Table 2. Problems in purchasing raw nuts from other state

Sl. No.	Problems	Garrett mean score	Rank
1	Competition among processors	52.44	II
2	High price of raw nuts	49.7	III
3	Place where purchasing nuts	53.48	I
4	Restrictions in movements	46.9	IV
5	Transport	46.48	V

Source: Computed Data

It is inferred from the table that the place where the industrialists purchase the raw nuts scores 53.48 and holds the first rank, the competition among processors scores 52.44 and holds the second rank and the high price of raw nuts scores 49.7 and holds the third rank respectively.

Findings

The important findings of the study are:

1. The problems in procurement scores 52 and holds the first rank, the lack of raw nuts scores 50.16 and holds the second rank and the financial

problems scores 47.56 and holds the third rank respectively in the production problems faced by the cashew industrialists.

2. The place where the industrialists purchase the raw nuts scores 53.48 and holds the first rank, the competition among processors scores 52.44 and holds the second rank and the high price of raw nuts scores 49.7 and holds the third rank respectively in the problems faced by the industrialists in purchasing raw nuts.

Conclusion

Cashew is a commodity rich in unsaturated fatty acids with high protein and low levels of saturated fats and soluble sugars. Higher levels of polyunsaturated fatty acids which lower blood cholesterol is particularly of high nutritional significance. Though the cashew nut has many nutritional

benefits and an important commodity exported the industries and the industrialists are facing many problems. Hence now-a-days there is a vast sickness in the industries in the study area. Hence it is suggested to introduce eco-friendly production and packages to boost up the development of the cashew industry in the future.

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