Chapter 1

INTRODUCTION
Agriculture in India is the means of livelihood of almost two thirds of the work force in the country. Agriculture contributes 25 per cent to the Gross Domestic Product (GDP) of the country and is a key sector of the Indian economy, providing food security to the population, major employment opportunities to the rural population and consequently, a large domestic market for manufactured goods. Initially agricultural activity was confined to the production of food- grains and a few cash crops such as cotton, sugarcane and jute. In recent years there has been a remarkable change in the agricultural scene, including increasing diversity in a range of products and greater sophistication with the creation of critical infrastructural facilities like cold storage, refrigerated transportation, packaging, quality control etc. This sector is now poised for a leap with the introduction of Information Technology (IT), Bio-technology, contract and corporate farming and food processing.

Given its magnitude, India's share in world exports of agricultural produce is somewhat small. But on production front, India is the second largest producer of rice and wheat in the world; first in pulses and fourth in coarse grains. India is also one of the largest producers of cotton, sugar, sugarcane, peanuts, jute, tea and an assortment of spices. India is the largest producer of coconuts, cashew nuts, ginger, turmeric and black pepper and the second largest producer of groundnuts, fruits and vegetables. India accounts for about 10 per cent of the world's fruit production. The country ranks highest in the production of mangoes and bananas. It also has the highest scale of milk production in the world. India is the fifth largest producer of eggs and seventh with regard to meat.

In terms of the real value added, the Indian agriculture sector ranks third, after China and the United States. The share of agriculture in the total value added to the economy, at around 25 per cent implies that agriculture is likely to remain a priority, both for policy makers as well as businesses, in the foreseeable future and any move to ramp up the sector calls for a multi-pronged strategy. In recent years, there has been a considerable
emphasize on crop diversification towards horticulture (fruits, vegetables, ornamental crops, medicinal & aromatic plants and spices), plantation crops (coconut, cashew nuts and cocoa) and allied activities.

Trade in agricultural goods can play an important role in promoting economic development especially in Less Developed Countries (LDC’s). Export is traditionally regarded as an engine of economic growth. Exports are often used as a major indicator of economic growth and development of a country. In fact, India’s share in world agricultural exports rose from 1.1 per cent during 1999 to around 1.3 per cent during 2005. Value of agro-exports from India in absolute terms had increased phenomenally, having gone up to US$8 billion (2005-06), an increase of 70 per cent in just five years from a level of US$5.6 billion (1999-2000). It constitutes about 12 per cent of total merchandise exports. The government’s special efforts to encourage food-grain exports in recent years through the granting of World Trade Organization (WTO) compatible subsidies has made India one of the leading exporters of food-grains in the international market.

Horticulture is a generic term for a diverse range of products spanning fruits, vegetables, spices, coconut, medicinal & aromatic plants, mushrooms, cashew, cocoa etc. The boom in this sector over the past decade is evident from the rise in its share in the total agricultural output, employing about 24.5 per cent of the total cultivated area. Besides providing nutritional and livelihood security and helping alleviate poverty and generate employment, this sub-sector sustains a large number of agro-industries, which generate huge additional non-farming employment opportunities.

Cashew, \( \textit{Anacardium occidentale} \) native of the tropical region of Brazil in the Latin American Zone, was introduced to India by the Portuguese about 5 centuries ago. It has been well adapted to Indian conditions and is at home in the coastal regions of the country. Cashew, leads the edible nuts in international trade with 20 per cent of the market after hazelnuts (29 per cent) and almonds (21 per cent). Cashew is generally described as "poor man's crop and rich man's food".
1.1 World Cashew Trade

The major raw cashew nut producing countries in the world are India, Brazil, Vietnam, Indonesia, Mozambique, Tanzania, Kenya, Nigeria, Benin, Ivory Coast, Guinea Bissau and Senegal where as the major cashew kernel consuming countries are European Union, United States of America, India, Japan, Australia, Middle East, China and Brazil. The table 1.1 shows the demand and supply of cashew in the world. Balance sheet in 2003 and 2004 showed a deficit in raw cashew nut supply.

Table 1.1 Demand and supply of cashew in the world

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>300000</td>
<td>255000</td>
<td>250000</td>
<td>250000</td>
<td>250000</td>
</tr>
<tr>
<td>Brazil</td>
<td>235000</td>
<td>225000</td>
<td>210000</td>
<td>180000</td>
<td>160000</td>
</tr>
<tr>
<td>Vietnam</td>
<td>235000</td>
<td>190000</td>
<td>220000</td>
<td>190000</td>
<td>115000</td>
</tr>
<tr>
<td>Indonesia</td>
<td>45000</td>
<td>45000</td>
<td>45000</td>
<td>35000</td>
<td>20000</td>
</tr>
<tr>
<td>Mozambique</td>
<td>30000</td>
<td>30000</td>
<td>40000</td>
<td>28000</td>
<td>40000</td>
</tr>
<tr>
<td>Tanzania</td>
<td>100000</td>
<td>85000</td>
<td>90000</td>
<td>80000</td>
<td>141000</td>
</tr>
<tr>
<td>Kenya</td>
<td>6000</td>
<td>6000</td>
<td>6000</td>
<td>10000</td>
<td>5000</td>
</tr>
<tr>
<td>Nigeria</td>
<td>35000</td>
<td>35000</td>
<td>40000</td>
<td>40000</td>
<td>30000</td>
</tr>
<tr>
<td>Benin</td>
<td>45000</td>
<td>45000</td>
<td>40000</td>
<td>40000</td>
<td>35000</td>
</tr>
<tr>
<td>Ivory Coast</td>
<td>140000</td>
<td>135000</td>
<td>95000</td>
<td>95000</td>
<td>65000</td>
</tr>
<tr>
<td>Guinea Bissau</td>
<td>100000</td>
<td>100000</td>
<td>70000</td>
<td>75000</td>
<td>75000</td>
</tr>
<tr>
<td>Senegal</td>
<td>15000</td>
<td>15000</td>
<td>15000</td>
<td>15000</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>10000</td>
<td>10000</td>
<td>12000</td>
<td>12000</td>
<td>10000</td>
</tr>
<tr>
<td>World total supply</td>
<td>1296000</td>
<td>1176000</td>
<td>1133000</td>
<td>1050000</td>
<td>946000</td>
</tr>
</tbody>
</table>

| Balance             | 68000 | -35700 | -40900 | 27500 | 26000 |

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EU incl East/Scan</td>
<td>2.382</td>
<td>2.247</td>
<td>2.140</td>
<td>2.000</td>
<td>2.000</td>
</tr>
<tr>
<td>USA</td>
<td>5.564</td>
<td>5.200</td>
<td>5.000</td>
<td>4.200</td>
<td>3.800</td>
</tr>
<tr>
<td>India</td>
<td>2.675</td>
<td>2.500</td>
<td>2.500</td>
<td>2.000</td>
<td>2.000</td>
</tr>
<tr>
<td>Japan</td>
<td>0.283</td>
<td>0.275</td>
<td>0.700</td>
<td>0.700</td>
<td>0.700</td>
</tr>
<tr>
<td>Australia</td>
<td>0.462</td>
<td>0.440</td>
<td>0.348</td>
<td>0.330</td>
<td>-</td>
</tr>
<tr>
<td>Middle East</td>
<td>0.478</td>
<td>0.455</td>
<td>0.308</td>
<td>0.280</td>
<td>-</td>
</tr>
<tr>
<td>China</td>
<td>0.636</td>
<td>0.600</td>
<td>0.495</td>
<td>0.450</td>
<td>0.300</td>
</tr>
<tr>
<td>Brazil</td>
<td>0.258</td>
<td>0.250</td>
<td>0.248</td>
<td>0.265</td>
<td>0.250</td>
</tr>
<tr>
<td>Others</td>
<td>0.155</td>
<td>0.150</td>
<td>-</td>
<td>-</td>
<td>0.150</td>
</tr>
</tbody>
</table>

(Source: Brijesh Krishnaswamy, Olam Exports); Note: 1 kg = 2.21 lb
Cashew kernel contributes 3 per cent of total Indian agriculture exports where as 9 per cent of Indian agriculture import is raw cashew nut. (Fig 1.1)
Share of origins (in per cent)

India produces 26 per cent of the total world raw cashew nut. In addition to its production, India imports raw cashew nut from other producing countries and processes 60 per cent of the raw cashew nuts in the world. Out of the total cashew kernel trade in the whole world, 50 per cent is contributed by India alone. The table 1.2 shows the share of different origins in raw cashew production, processing and cashew kernel exports.

Table 1.2 Average share of cashew producing countries (in per cent)

<table>
<thead>
<tr>
<th>Country</th>
<th>Production</th>
<th>Processing</th>
<th>Kernel export</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>26</td>
<td>60</td>
<td>50</td>
</tr>
<tr>
<td>Vietnam</td>
<td>19</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td>Brazil</td>
<td>15</td>
<td>15</td>
<td>22</td>
</tr>
<tr>
<td>East Africa</td>
<td>13</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>West Africa</td>
<td>23</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Indonesia/Asia</td>
<td>4</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: Pankaj Sampat, Samsons Trading Company)

1.2 India’s Pride in Wonder Nut

India is the largest producer of raw cashew, manufacturer of cashew kernel, exporter of cashew kernel, importer of raw cashew and second largest consumer of cashew kernel in the world. India was the only importer of raw cashew in the world two to three years ago. In India, cashew has a tradition of nearly 500 years for its cultivation and 75 years for processing and exports.

1.3 Importance of Cashew in Indian Economy

Cashew plays a prominent role in the Indian economy. It is commercially important because of its substantial export earnings through international trade. A cashew export from the country is 114,143 tons valued at Rs 2,515 crore during 2005-06. It is the third largest foreign exchange earner among the agricultural commodities exported from India.

In the rural sector, more than 0.2 million small and marginal farmers rely upon cashew plantations for an economic vocational engagement. It is a major raw material for more
than 1,100 organised cashew processing units in India. These highly labour-oriented processing units provide means of living for more than 0.3 million families in the country. More than 90 per cent of the workers in the processing factories are women from the lowest strata of the society, mainly belonging to the socially and economically backward communities. Thus, apart from its economic significance, the cashew industry has the potential to play a leading role in the social and financial up-liftment of the rural poor.

It has attained much commercial importance owing to wide adaptability in varying agro-climatic conditions and its potential to transform wastelands into economically productive zones.

Cashew kernel derived by processing of raw nuts is highly nutritious and an ingredient of dietary concept in most of the developed countries, due to its balancing role in regulating the diet-related diseases. It provides good quality protein, unsaturated free fatty acids, rich blend of minerals and many water-soluble vitamins. Research proved that cashew is zero cholesterol produce. Cashew kernels are being considered as substitute for animal fats and proteins which are considered unhealthy.

1.4 Institutions

Effective promotion of commodity has to be supported by efficient research and development, input support and infrastructural facilities added with organised marketing system, processing set-up, export promotion agency and an organised international marketing agency.

The Directorate of Cashew nut Development established under the Ministry of Agriculture at Cochin is committed to provide support for a production program.

The National Research Centre for Cashew under Indian Council for Agricultural Research, Puttur, is engaged in conducting basic and strategic research.

The All India Coordinated Research Project with centers located in all cashew growing states is conducting location-specific research.

Research is also being carried out by the Central Food Training Research Institute
1.5 Progress in Cashew Development during the Five Year Plans (FYP)

A concerted effort for development of cashew started only from Fifth Five Year Plan onwards with focus on area expansion, production of quality planting material and development of production technology including rejuvenation and plant protection. Research front was also strengthened by establishing the All India Coordinated Research Project on Cashew. At the same time, State and Forest Departments started execution of systematic plantation using seedlings from high-yielding plants. The formation of Cashew Development Corporations and Forest Development Corporations to address the issues on cashew development was a significant step in the promotion of cashew in the public sector.

During sixth FYP, World Bank aided project for cashew was implemented both under public and private sectors. But due to non-availability of any specified variety or any multiplication technique, seeds and seedlings were the only source used for coverage of massive area under this project. Although financial assistance was available, due to technological constraints, the area covered under the project had little impact.

During seventh Five Year Plan, High Yielding Varieties (HIV’s) were identified for different agro-climatic conditions. However, due to lack of easy propagation techniques, these high-yielding varieties had limited adoption. As a first step towards clonal generation of these varieties, development of propagation technique, establishment of scion banks, etc. were the significant turns that could be attained during this period. The
impact of technological interventions was visible only by the end of the seventh Five Year Plan.

During the eighth Five Year Plan, the varietal wealth of cashew had increased from 25 to 40 High Yielding Varieties (HYV’s). Standardised package on nutrition, crop protection, tree management and soil and water management techniques became available from extensive research. Establishment of model gardens to demonstrate the efficacy of modern technologies at farmer’s fields helped in disseminating the technology to farming sector. A modest approach for replanting with high-yielding clones commenced during the eighth Five Year Plan.

1.6 Research Gap
1.6.1 Cashew plantation

Need for increase in productivity: Even though cashew has a history of 500 years, it remained as a neglected crop in India. It is considered as a plantation crop in all countries except in India. Cashew, though for all practical purposes, is viewed as a plantation crop is not administratively given the status of a plantation crop primarily due to lack of awareness regarding its economic, ecological and biological potential. It is grown in wasteland, which is unsuitable for the cultivation of any other remunerative plantation crop. It is an energy-rich crop, which is grown in energy-less soil. Therefore, the yield per tree tends to be very low. Plantation management in cashew is an area that has not received attention so far. The plantations which are developed from indiscreet seeds are least responsive to the recent package of technological advancements.

Cashew cultivation is more profitable than rubber, coffee, tea and cardamom, especially as it can be cultivated even in wastelands. Under best management (if the same attention given to tea, coffee and rubber) four tons of cashew can be obtained per hectare. There are plantations in Australia yielding four tons of raw cashew per hectare. The average productivity of cashew in India is around 720 kg/ha.
Need for increase in quantity of production: Due to inadequate indigenous production, the industry is forced to import over 250,000 tons of raw cashew nut annually, mainly from African countries for export processing. India earns around Rs 20 billion per annum through export of cashew, and to realise this, the country is spending over Rs 9 billion for importing raw cashew nut. To process imported raw nuts, the Indian processors have to incur about 30 per cent more in cost compared to the local cashew processing industry in those countries, which makes them non-competitive. The quantity of raw nuts available for processing has dropped short of the requirements for full use of the capacity of the processing units. The insufficiency of raw nuts has brought about reduction in the days of employment for the large number of workers who depend on cashew processing. Under-utilisation of capacity and severe under-employment of labour in the existing factories are increasing. If cashew plantations are not developed with a far-sighted view, the future of these communities could become very sad. There is a need for increasing the production of raw cashew nut to make the country self-sufficient.

To enhance the productivity and production of cashew, it is necessary to encourage establishment and management of commercial plantations. Attention given is meager to establish cashew plantations in a scientific manner.

1.6.2 Cashew developments in other countries
Most of the cashew-producing countries which were traditional suppliers of raw cashew nuts to India are revamping their cashew processing facilities to process and export cashew kernels rather than exporting raw cashew nuts to India. Development of cashew processing in those countries is bound to affect the availability of raw nuts for import into India. International development agencies have recognized cashew cultivation and processing as an effective poverty alleviation measure in developing countries. They are providing funds to Africa and Southeast Asia for the development of cashew industry. India cannot maintain its prime position in the world market by depending on imported raw cashew nut for making up the shortfall in the availability of raw cashew nut in the domestic market. There is a need to study the developments in cashew industry in major raw cashew nut suppliers to India which will decide the Indian cashew kernel exports.
1.6.3 Processing of raw cashew nut and cashew apples
The Indian processing sector is still crude in nature. Most of the processing takes place in the small scale sector and is highly labour intensive. Industry as a whole may have to rise to improve the qualitative processing aspects. The difference between the price of one kg of raw cashew nut and that of cashew kernel is large. Therefore, there is a need for studying the different types of costs involved in different types of processing technologies which are practiced in different places, advantages and disadvantages of different processing technologies, etc.

The ways and means to popularise, use of cashew apple should be taken up in a modest manner. More than 4.1 million tons of cashew apple are being wasted every year in India, which otherwise would have helped our nation to provide more employment, nutritious food and levy more than Rs 100 million as excise revenue alone.

1.6.4 Demand and supply of Cashew Nut Shell Liquid (CNSL)
Cashew Nut Shell Liquid (CNSL) is an industrial byproduct and its exploitation is very limited. In the context of natural, eco-friendly industrial consumable articles coming up, use of CNSL has to be encouraged for its effective extraction and industrial consumption. CNSL industry in India is very much unorganised. There is a great demand for CNSL and Cardonal in the domestic and international market, and there is a wide gap between the CNSL production and the potential for its production. India’s raw cashew availability on an average is around 870,000 tons of which 480,000 tons is from domestic production from different producing regions and 390,000 tons is from imports. This cashew is processed by different methods viz., drum roasting, oil bath and steam boiling. If all the cashew processors in the country adopt steam boiling method, then there is a potential for production of 145,000 tons of CNSL per annum in India. However, the current production is estimated at around 30,000 tons, which is hardly 20 per cent of the potential production. (Note: Shell – 70 per cent of raw cashew, CNSL – 24 per cent of shell)

1.6.5 Cashew trade
The increase in indigenous production has not helped in reducing the import, but has only
helped in an increase in indigenous consumption. The availability of imported nut has been the mainstay in increasing the export. Cashew kernel exports, by and large, is not stable mostly due to the availability of raw nut for imports and unpredictable domestic production. This scarcity of raw cashew nut leads to changes in export pattern of cashew kernel. USA and Netherlands together contribute more than 65 per cent of the total exports. Over-dependence on one or two nations will adversely affect India’s capacity to bargain for better prices even with a quality product, considering the size of the major market. In this context, there is a need to study the growth and stability in Indian raw cashew nut production and trade along with the direction and changing pattern in exports of cashew kernel to different countries.

1.6.6 Cashew price behaviour
Pricing of raw cashew nuts has a direct bearing on promotional efforts of the industry which have not been a matter of scientific concern so far. The relationship of domestic price is always based on the international prices of kernels, which is indirectly dependent on the exchange rate. The study on price behaviors of cashew industry is very meager.

1.6.7 Government policies
There should be uniformity in levying of taxes across the states for raw cashew. Presently the taxes range between zero per cent to 7.5 per cent causing distortion in the pricing structure. State Government should improve the Agriculture Produce Market Committee (APMC) or remove raw cashew from regulations. The APMC levies one per cent market fee even on imported raw cashew while manufacturers are paying a similar fee for imports, which amounts to paying double fees. The industry as a whole has been facing problems of double taxation as the government considers raw cashew and cashew kernel to be two separate commodities because of which sales tax and turnover tax are payable both on the input and the output. Under the market access provisions of the WTO, cashew kernels can be imported in to the country. The government now levies only 40 per cent duty on import of cashew kernels where as there is a provision to levy up to 80 per cent under the WTO regime to protect the domestic kernel industry. A study on identifying such constraints and identification of probable solutions is needed.
1.7 Objectives of the Study

Keeping the problems of Indian cashew industry in view, the present study is designed to analyze the “Indian Raw Cashew Nut Industry in the Changing Global Scenario”.

The following are the objectives of the study-
1. To study the cashew production in India
2. To examine the cashew developments in other countries
3. To analyse the Indian cashew processing industry and
4. To study the cashew marketing and trade in India

1.8 Hypothesis

1. Commercial scale cashew plantation is an economically viable venture and it can tolerate possible yield reduction to some extent. The growth rates in area under raw cashew, production of raw cashew and exports of cashew kernel are positive.
2. Many of the cashew-producing countries which are traditional suppliers of raw cashew nuts to India are revamping their cashew processing facilities to process and export cashew kernels rather than exporting raw cashew nuts to India.
3. There is a wide potential to increase the usage of cashew apples and cashew nut shells.
4. USA and Netherlands are stable importers of Indian cashew kernel and will continue to be the major importers in future also.

1.9 Scope of the Study

The scope of the first objective “to study the cashew production in India”
1. To study the establishment, management, viability and sensitivity of commercial scale cashew plantation in India includes -
   • To identify the critical decisions involved in selection of plantation sites, critical inputs, operations and management practices involved in the scientific establishment and management of cashew plantations.
   • To estimate the input requirement, the input cost, the labour requirement and
distribution for one hectare of cashew plantation.

- To estimate the expected yield and net income from cashew plantations.
- Analysis of the cost of establishment and maintenance of cashew over the years and the economics of scientific cashew cultivation.
- The economic analysis of a project for the establishment and maintenance of 100 hectares of cashew plantation and
- To know the economic viability of the cashew plantations.

2. To estimate the growth and stability in India's raw cashew nut production includes -
   - To estimate the growth in area, production, productivity of raw cashew nuts in India.
   - To predict the future growth in cashew area, production and productivity and
   - To study the stability in Indian cashew production.

The scope of the second objective “to examine the cashew developments in other countries” includes -

- Structure of cashew industry in major suppliers of raw cashew nuts to India and
- Performance of different sectors of cashew industry in major suppliers of raw cashew nuts to India.

The scope of the third objective “to analyse the Indian cashew processing industry”

1. Establishment, management and viability of commercial scale cashew plantation in India includes -
   - To study the different cashew processing industries in different states.
   - To study the cashew processing using different processing technologies.
   - Cost-benefit analysis of cashew processing under different technologies and
   - To estimate the processing cost of one kg raw cashew nut.

2. To estimate the cashew apple and cashew nut shell processing in India includes -
   - To study the cashew fenny industries in Goa state.
   - To identify the different uses of cashew apple.
• To estimate the region-wise production of CNSL in India.
• To estimate the region-wise and sector-wise consumption of CNSL in India.
• Profiling the major producers and consumers of CNSL in India.
• To analyse the supply channel of CNSL and Cardonal both for domestic consumption and for export and
• To enlist the major ongoing and past research activities pertaining to CNSL.

The scope of the fourth objective “to study the cashew marketing and trade in India”

1. To study the trends in cashew trade includes -
• To estimate the growth in raw cashew imports, cashew kernel and cashew nut shell liquid exports.
• To predict the future growth in cashew exports and imports.
• To study the stability in Indian cashew trade and
• Producer – Consumer relationship in the world cashew trade and Indian cashew kernel in the international commerce.

2. To analyze the degree and direction of India's raw cashew and cashew kernel trade in the world market” includes -
• To study the dynamics of changes in exports of cashew kernel by estimating the probability of retention/loss of markets by developing a suitable one-step and n-step Markov chain model.
• To project future import share of different cashew importing countries and
• To project the future exports of cashew kernel from India.

3. To analyze the raw cashew and cashew kernel price behaviours” includes -
• To know the trends in domestic raw cashew nut prices and
• To study the co-integration between domestic and international cashew kernel prices.

4. To study the Strengths, Weakness, Opportunities and Threats (SWOT) of the Indian cashew industry” includes -
To study the strength and opportunity in the Indian cashew industry and
To study the weakness and threat to the Indian cashew industry.

This research work would be of immense value to farmers, processors, exporters, importers, traders, commission agents, policy makers, academicians, scientists, who are concerned for the development of cashew and would serve as a guide for strategic development of cashew in India.

1.10 Limitations of the Study
There exists a difference in the estimation of data on area and production of cashew between trade and official sources. However, the data from official sources is used for the analysis.

There is a difference between the export and import data published by DGCIS, Kolkotta and Cashew Export Promotion Council (CEPC), Cochin. The data published from DGCIS is used for the analysis.

The official language of most of the West African countries is French. Therefore, the information obtained from those countries is translated from French to English, which might have caused some translation errors, though utmost care has been taken to avoid such errors.

During the primary survey of the industry, the respondents might not have given full and correct information in order to maintain their trade secrets.

1.11 Organisation of the Thesis
For analytical convenience, the thesis is organised into eight chapters. The first chapter deals with the world trade in cashew, importance of cashew in Indian economy, infrastructure, progress in cashew industry development during the FYPs, research gap, objectives of the study, hypothesis, scope of the study and limitations of the study. The second chapter presents a critical and concise review of the available research literature
relating to the topic and analytical techniques used in the study. The third chapter covers the study area, selection of samples, sources of data and methodology used in the study. The fourth chapter presents the cashew production in India in which establishment; management and viability of cashew plantation, growth in domestic raw cashew sector and importance of raw cashew imports are covered while the fifth chapter elaborates the cashew developments in other countries which are supplying raw cashew to India. The sixth chapter explains the raw cashew, cashew apple and cashew nut shell liquid processing industry at different states. The seventh chapter attempts to explain the cashew marketing and trade in India which includes trends in cashew trade, direction of Indian cashew trade in the world market, cashew price behaviour and SWOT analysis of the Indian cashew industry. The eighth chapter presents the summary, policy recommendations and conclusion and finally list of literature referred for the study and data used for the study are presented in the end.