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UNDERSTANDING THE MANAGEMENT OF CASHEW PROCESSING UNITS IN GOA: A REVIEW OF RELATED LITERATURE

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ABSTRACT

The cashew processing sector is vital to Goa's local economy, rural livelihoods, employment generation, and agriculture. However, the number of cashew processing facilities in the state has considerably declined over time, creating concerns about the industry's sustainability and prospects for future growth. With emphasis on technological adoption, labour availability, production efficiency, financial performance, energy consumption, working conditions, raw material supply, and government assistance, this study reviews the existing research on cashew production and processing. According to the review, cashew processing continues to depend largely on labour-intensive activities, while the performance of processing units is influenced by increasing production costs, inadequate availability of raw cashew nuts, restricted technological development, labour-related challenges, and financial limitations.

To enhance the competitiveness of the cashew processing industry, earlier studies have also highlighted the importance of modernization, efficient production methods, cost management, improved working conditions, and institutional assistance. Although several studies have examined cashew cultivation and processing in different regions of India and other countries, only a limited number of studies have specifically examined the management and operational functioning of cashew processing units in Goa. Consequently, the review identifies a significant research gap concerning the management approaches, technological challenges, availability of

female labour, financial viability, and government assistance encountered by processing units. The study provides a framework for systematically examining these issues and developing appropriate strategies to improve the productivity and long-term sustainability of Goa's cashew processing sector.

Keywords: Goa, Financial Sustainability, Labour Issues, Technology Adoption, Management Practices, Cashew Processing, and Government Support

INTRODUCTION

Goa is primarily known for its rich cultural heritage and tourism-related activities because of its beaches, ancient temples, and churches distributed across the three Talukas of Goa: North, South, and Kushavati. Tourism plays a vital role in Goa as it not only strengthens the Goan economy but also creates employment opportunities in various organized sectors of the state. A large portion of the Goan population largely depends on tourism-related activities for their daily livelihood. Goa is particularly renowned for its Goan Cashew and Goan Feni, which are widely appreciated by domestic and international tourists. Goan Cashew and Feni are distinctive in their flavour, and no other state in India can equal their level in terms of uniqueness.

Cashew is among the most valuable and nutritious kernels and generally holds a high position in the international market after almonds and walnuts, etc. Cashew originated in Brazil and was introduced to India by the Portuguese during the 16th Century. Cashew plantations were initially undertaken to control soil erosion. It is noteworthy that Cashew spread across different countries with the assistance of elephants, as the nuts were difficult to digest; subsequently, the same undigested nuts gave rise to cashew plants.

India is a leading producer of cashew plantations as well as a processor of nuts. Goa, Karnataka, Maharashtra, Kerala, and Tamil Nadu are the states where maximum cashew plantations are cultivated by local farmers for their livelihood. Goan Cashew possesses a distinctive flavour because of Goa's hot climate and mineral-rich coastal soil. Vietnam and African countries are among the major producers of Raw Cashew Nuts, which are imported by several countries, including India, for operating their Cashew Processing Units. Vietnam has widely adopted modern technology, which has lowered labour expenses and increased the profit share of owners. During 2004-05, Goan Cashew Processing Industries supported the agriculture sector and generated employment opportunities for women on a large scale. Goa once had more than 77 Cashew Processing Units, but gradually this number declined to nearly 30 at present. Several factors contributed to the closure of these units, including inadequate raw material supply,

labour difficulties resulting from industrialisation, preference for white-collar employment, inability to adjust to modern technologies, and insufficient assistance from the State and Central Governments, compelling owners of various processing units to discontinue their operations.

SYSTEMATIC REVIEW OF EXISTING LITERATURES

- 1. Shrivastava and Banerjee (2014):** The economic consequences of cashew nut processing in India were examined by Banerjee and Shrivastava (2014), concentrating on processing facilities in West Bengal. The research incorporated a detailed case study of a small-scale facility having a 100 kg processing capacity along with a survey of processing units. The findings demonstrated that when the facility operates efficiently and maintains an appropriate level of capacity utilization, cashew processing can be profitable. Furthermore, the authors observed that modernization and mechanization could enhance output, reduce labour expenses, and accelerate processing. The report stresses the importance of cost management and efficient production methods in improving the profitability of cashew processing facilities.
- 2. Karthickumar and associates (2014):** An overview of the Indian cashew processing sector was presented by Karthickumar, Sinija, and Alagusundaram (2014), with emphasis on employment, quality, production, processing techniques, and international trade. Although productivity and processing efficiency remain concerns, the authors observed that India possesses considerable potential in the cashew processing industry. According to the study, a substantial portion of processing activities still depends on manual labour, particularly operations such as shelling, peeling, grading, and packing. Concerns relating to labour requirements, energy consumption, technological adoption, food safety, and working conditions were also highlighted. The study concluded that improving the competitiveness of the Indian cashew processing sector requires technological improvements as well as enhanced management practices.
- 3. Patil (2016):** Packaging practices and food processing technology in the Indian cashew-nut industry were examined. The study particularly investigated processing and packaging challenges and their influence on cashew kernel quality. It observed that improper processing could lead to a greater proportion of broken kernels, which generally obtain lower prices and may not qualify for export markets. The study further stressed the importance of applying

appropriate processing and packaging methods to preserve nutritional quality and improve the marketability of cashew products. The findings suggest that technological improvements can help maintain India's position in the international cashew industry.

4. **Dhanushkodi and associates (2016):** An energy assessment of small-scale cashew processing enterprises in Panruti, Tamil Nadu, was conducted by Dhanushkodi, Wilson, and Sudhakar (2016). The study assessed energy utilization, specific energy consumption, and energy intensity under different drying methods. The researchers found that steaming, kernel drying, and raw-nut drying required considerable energy. The study demonstrated that the efficiency of cashew processing is directly influenced by the choice of processing technology and energy source. To reduce operating expenses and improve overall efficiency, the authors suggested that processing units consider emerging technologies and energy-efficient practices.
5. **Sisili (2017):** District-level patterns in area, production, and productivity were examined to assess cashew nut production in Kerala. The report emphasized the economic importance of cashew cultivation and its contribution to the livelihoods of small and marginal farmers. The growing demand for cashew nuts in domestic as well as international markets was also highlighted. The study emphasized the necessity of improving productivity to meet increasing demand for cashews and identified variations in production among different regions. The findings are relevant to the present investigation because fluctuations in raw cashew production can directly influence the cost and availability of raw materials for processing facilities.
6. **Palisetty and associates (2017):** The production of cashews was examined with particular attention to manual and conventional methods. The study discussed the difficulties associated with labour-intensive processing and the importance of various stages such as cleaning, processing, shelling, and packaging. It also emphasized the requirement for improving processing efficiency and the continued relevance of traditional processing techniques in India. From a managerial perspective, the study is significant because it demonstrates that dependence on manual operations can influence the overall performance of cashew processing units, labour requirements, processing expenses, and productivity.

7. **Sudha Rani and Bhoomika (2018):** The challenges and prospects of cashew cultivation in India were studied by Bhoomika and Sudha Rani (2018). The research assessed India's position in the global cashew market and identified several issues affecting industry performance, including low productivity, insufficient raw nuts, and technological limitations. The authors also emphasized the role of women and small-scale farmers in the cashew value chain. The study suggests that promoting small-scale processing, improving productivity, and strengthening cultivation practices could enhance rural livelihoods and create employment. The research provides a broader understanding of the relationship between raw material production and the development of the processing industry.
8. **Vishwakarma and Nayak (2018):** This study examined Indian cashew exports, marketing, and manufacturing practices. Their research emphasized India's dependence on imported raw cashew nuts to fulfil the requirements of the country's processing industry. The authors also discussed the increasing competitiveness of countries such as Brazil, China, and Mozambique in international markets. According to the study, improving domestic production and productivity is essential for strengthening India's export position and ensuring a regular supply of raw materials to processing facilities. The findings emphasize the importance of coordinated production, marketing, and export strategies for the sustainable development of the cashew industry.
9. **Bhat and associates (2019):** With particular reference to Kaladhar Cashew Industries, Bhat, Praveen Kumar, and Ravisha (2019) examined the profitability and performance of cashew processing facilities. The study assessed indicators such as profitability and operational performance, with particular emphasis on the financial performance of the processing unit. Financial sustainability is essential to the functioning of cashew processing facilities, making the study especially relevant to their management. The findings suggest that processing-unit managers can make more informed decisions concerning cost control, profitability, and operational efficiency by applying systematic financial analysis to identify areas requiring improvement.
10. **Okonkwo and Ugwu (2020):** Cashew nut processing techniques in Enugu State, Nigeria, were investigated by Ugwu and Okonkwo (2020). The researchers assessed manual and mechanical processing methods and examined the difficulties experienced by processors

through surveys and field investigations. The study found that manual processing remained predominant among the units examined, while mechanical procedures were adopted only to a limited extent. Technological, equipment-related, and financial limitations were identified as major barriers to modernization. The authors recommended greater institutional and governmental assistance for adopting improved processing equipment. This study demonstrates the importance of financial support and technological capability in enhancing the productivity of cashew processing facilities.

11. Bhat and D'Silva (2021): The cashew industry in Karnataka was examined through a case study by D'Silva and Bhat (2021), who also assessed its position in domestic and international markets. Along with considering the strengths, weaknesses, opportunities, and challenges of the industry, the study applied SWOC and PESTLE perspectives to understand its business environment. The authors identified inadequate post-harvest facilities, labour shortages, high processing expenses, fluctuations in raw material availability, and international competition as major challenges. The report also emphasized the contribution of the cashew industry to employment, particularly among rural women. It concluded that technological development, improved processing and storage infrastructure, value addition, and appropriate strategic interventions are necessary to strengthen the industry.

12. Priya and associates (2021): Priya, Ayyasamy, Mahendiran, and Selvarathinam (2021) examined occupational health and safety risks among cashew processing workers in the Cuddalore district. Based on 200 employees, the study investigated ergonomic hazards, musculoskeletal problems, personal protective equipment, and workplace conditions. The researchers found considerable musculoskeletal problems among workers, particularly lower-back and wrist or hand pain. The survey also identified deficiencies in medical services, laundry facilities, and safety equipment across several units. The authors concluded that improving workplace safety, reducing occupational hazards, and adopting appropriate ergonomic and technological solutions are essential for protecting workers. Since working conditions and labour welfare are important components of cashew-unit management, this study is highly relevant to the present research.

13. Kalaiselvi and Dhivya (2022): The development and performance of cashew nut production in Tamil Nadu were examined by Dhivya and Kalaiselvi (2022). The study emphasized the

labour-intensive nature of the cashew processing industry and its contribution to employment, particularly among rural women. The authors also discussed challenges encountered by entrepreneurs, including working-capital requirements, market competition, and maintaining profitability. The report proposed measures such as developing high-yielding cultivars, rejuvenating old orchards, improving productivity, and adopting advanced production technologies. The findings demonstrate a strong relationship between processing-unit performance and the availability, productivity, and cost of raw cashew nuts.

RESEARCH GAP

The review of related literature identifies a research gap, clearly indicating that no comprehensive study in Goa has been undertaken on cashew processing units, their management, and operational activities. The gap also highlights technological upgrading, the shortage of women workers, and restricted access to subsidies for processing units.

CONCLUSION

Goa is primarily renowned for tourism and its diverse cultural heritage activities. Cashew is an important cash crop for Goan farmers as it provides sufficient income to the people. Cashew Nuts and Cashew Feni (Drinks) are widely preferred by domestic as well as international tourists. Over time, cashew processing units in Goa have steadily declined, creating a threat to the agricultural sector. The Government needs to formulate policies to safeguard Goan Processing Units. Owners of Processing Units must also recognize and address competition from neighbouring states. The Government should formulate policies while considering imported cashew from Africa and Vietnam, which often affects local manufacturers and small processing units that continue to operate.

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