

## An economic study on cashew processing and its by- products

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**SUMMARY :** The by-products of cashew viz., Cashew Nut Shell Liquid (CNSL), shell cake, testa and cashew apples are commercially exploitable. The method of processing affects the outturn, quality of the output, health of the workers, quality of by products and the cost of production. To use these byproducts economically and to create awareness on the business opportunities in cashew processing, the present study attempts to find out the economic feasibility of cashew nut and oil (CNSL). The overall cost of production of kernels has been found to be Rs. 4784.11 and Rs. 4616.63 per quintal of raw nuts processed in steaming and drum roasting methods, respectively. The total sale proceeds from the sale of cashew kernels, shells and testa have been Rs.5347.53 and the profit per quintal of raw nuts processed has been Rs. 563.43 in steaming method, whereas in drum roasting method the total sale proceeds has been Rs. 4693.62 and the profit per quintal of raw nut has been Rs 76.99. Thus it is concluded that the steam processing method realized better returns than drum roasting method due to the adoption of latest technology in the cashew processing methods in India. The two methods of extraction of CNSL viz., kiln method and expeller method are adopted by farmers/processors. The BCR and IRR analysis worked out to 1.15 and 47.40 per cent in kiln method, whereas, they have been 1.14 and 41.38 per cent in expeller method. The solutions to the problems confronting cashew nut processing lies in intensifying research in order to develop cost – effective, eco- friendly technology to boost efficiency and productivity and to reduce costs of processing.

**KEY WORDS :** Cost of processing, Steaming method, Cashew nut shell liquid, IRR

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Cashew cultivation in India was introduced by the Portuguese during 16<sup>th</sup> century. India is the largest producer, processor, exporter and the second largest consumer of cashewnut in the world. Among the agricultural commodities exported from India during 2003-04, cashewnut held the second position contributing to 1.50 per cent of the total export earnings. (Singh, 2002).

The total area under cashew in the world is 30.93 lakh hectares. In terms of area under cultivation, India ranks first with 7.70 lakh hectares constituting 25 per cent of area under cashew in the world (The Cashew Statistics, 2004). Out of the total world production of 18.93 lakh tonnes during 2004, India ranked first with 5.30 lakh tonnes (26.41 per cent).

Cashew occupies an area of 9.23 lakh hectares in the country as on 2009-2010 with a production of 6.13 lakh MT. Of these, 2.00 lakh ha of the plantations developed from the beginning of 8<sup>th</sup> Plan alone have been with superior clones of

high yielding varieties. It generates employment in the processing and agrarian sector employing over three lakh persons with 95 per cent of them being women.

Cultivation of cashew in India confines mainly to the peninsular areas. As per latest statistics, out of total area under cashew, Andhra Pradesh ranks first (19.83 per cent), followed by Maharashtra (18.96 per cent), Orissa (15.49 per cent), Tamil Nadu (14.41 per cent), Karnataka (12.78 per cent), Kerala (7.80 per cent), Goa (5.96 per cent), West Bengal (1.19 per cent) and others (3.57 per cent).

### Cashew processing :

In cashew industry, there are different methods of processing of cashew in India. Many processors are still using the traditional methods, though a number of modern innovative methods are widely used in India. The method of processing affects the outturn, quality of the output, health of the workers, quality of by products and the cost of production. The adoption of appropriate methods of processing can bring efficiency in the form of higher outturn, better quality kernels and cashew nut shell liquid. It also reduces unit cost of production, besides

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