

## Face to Face at World Cashew Convention 2017

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**P Sundaran, Chairman, CEPCI and S Kannan, Executive Director and Secretary, CEPCI**

*An Exclusive Interview with P Sundaran, Chairman, CEPCI and S Kannan, Executive Director and Secretary, CEPCI, at the World Cashew Convention, 09-11 Feb, 2017, Singapore*



### **Narrate the initiatives taken by CEPCI to improve exports from India**

The processing cost in India is very high when compared to other countries like Vietnam. Vietnam has fully-mechanised cashew factories due to which the cost is considerably reduced whereas in India we are still depending on the traditional processing methods, which incur higher expenditure, which in turn reduced our competitiveness in the export market. Government of India is trying a lot to increase the production of RCN in India, which in turn encourages exports of cashew kernels. Grant-in-aid scheme plan fund provides aid to the processors to buy machineries to encourage mechanisation and automation, which has turned out to be successful.

### **Under Grant-in-Aid scheme, 88 exporters were selected. What were the benefits they derived out of this plan scheme?**

Grant-in-Aid is a one-time investment scheme from the Government of India which provides 1/3rd investment cost for buying and installing machineries to encourage mechanisation and automation to the processors which reduces their processing cost. We are expecting more support from the Government to the cashew industry as it is a traditional and labour intensive industry with its workers who are mostly from the weaker sections of the society.

### **Mr. Kannan, you were the marketing director of the Spice Board of India earlier. What according to you that the cashew industry can learn from spices sector?**

Largely there is couple of areas that the cashew industry can learn from the spices industry. First being the backward integration in some of the spices like chilies, turmeric etc. The exporters are working backward with the farmers to ensure absolute quality right from the farm gate to finished product. Similarly, as new areas are coming up under cashew cultivation the exporters can have a backward integration on quality, processing, high yielding varieties, disease resistance, residue free and such things. Second one is that, Kollam being the capital of Cashew, we need to have a GI certification similar to that of spices, as Kollam cashew is unique in flavor, colour and taste that need to be registered through a new trademark or logo which can act like as a marketing tool. The third one is the quality certifications; we have an excellent quality evaluation lab which can assure the quality performance under mandatory testing and mandatory certifications, which can ensure whatever is exported, are of best assured quality. So I feel these three areas can definitely impact on the cashew industry, recently I have noticed that because of the food safety aspects which is becoming more

stringent and strict in the consuming countries Indian cashew industry needs to get tuned to meet those requirements. I think this is a very good lead as the government is also supporting and encouraging the food safety aspects by subsidizing 1/3rd of the cost of such efforts which will go a long way in achieving higher export growth. The production growth which we anticipate for the next five years will have a commendable impact leading to self-sufficiency of cashews leading us to emerge as the leading exporter of cashew kernels.

**What are the challenges faced by exporters and processors today in India?**

**Sundaran:** Presently the price of cashew kernels in domestic market is very high. India has emerged as the biggest consumer of the world. As domestic market is fetching better price than that of export market, processors are concentrating more on the Indian market. As result, export is coming down. Government has realized the importance of exports and is encouraging RCN production with India having rich diversity of land resources and enormous number of high yielding varieties and has started providing more subsidies. In that front CEPCI has submitted a road map to improve the sustainability of cashew industry. The government is now assisting farmers, processors and exporters in the right path (mechanization and automation) and am very confident that by 2025 India will emerge out as a self-sufficient country

**Please tell us about the CEPCI lab and its contribution**

**Kannan:** CEPCI lab was established to ensure quality of cashew and cashew products. Now the facility of lab has been extended to other food products -water, spices, fruits and vegetables. That's why the Government of India and Kerala has renamed the CEPCI lab as a research institute, that includes more of research activities not only in product but also in market research, which will further provide a better boost for the industry and also a chance for commodities and markets to develop and grow. We are also training people on testing, examining the quality as well as ensuring food safety. These kinds of training program have a big impact over a period of time. We can have an absolutely quality control at every stage and assure that the Indian Cashews are the safest for consumption.

**What are the views on WCC and what are your expectations for next year?**

**Sundaran:** You have done a good job, for the last three years. You have been assembling the cashew fraternity together, where we can easily exchange our ideas and views and discuss on the future aspects of the cashew industry.

**Kannan:** I could see from the interaction inside and outside the conference hall, WCC is a massive success. I think this has been the biggest gathering of the WCC also, if you take this forward to the consuming market it will have an even better impact. It's a very good initiative taken up by Foretell Business Solutions and I think WCC has even better days in future.