

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
STARRED QUESTION NO. 76
TO BE ANSWERED ON 23rd JULY, 2018

CASHEW INDUSTRY

*76. SHRI N.K. PREMACHANDRAN:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether it has come to the notice of the Government that the cashew industry is in crisis and if so, the details thereof along with the action taken by the Government to save the cashew industry;
- (b) whether the Government proposes to change the export-import policy for cashew in the light of the crisis in the said industry and if so, the details of the action taken by the Government in this regard;
- (c) whether it has also come to the notice of the Government that the exporters who have cleared the import cargo with the help of advance authorisation license as per foreign trade policy are not able to fulfil their export obligations due to the crisis in the cashew industry;
- (d) if so, the details of the action taken by the Government in this regard; and
- (e) the details of the action taken by the Government to sanction the request of cashew industrialists to provide additional time limit of 18 months from the date of expiry of the current period of advance authorisation?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

a) to e): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA
STARRED QUESTION NO. 76 FOR ANSWER ON 23rd JULY, 2018 REGARDING
“CASHEW INDUSTRY”.**

(a) Cashew Industry in india has seen a positive growth in the production of raw cashew nuts and export of cashew kernel. Production of Raw Cashew nut during 2016-17 has registered 16% increase to 7,79,335 Metric Tons compared to previous production of 6,70,300 Metric Tons. Similarly, the export earnings from cashew and allied products during the year 2017-18 has reached at Rs.5903.60 crore (USD 916 million) registering a growth of 13.25% (in rupees terms) over the last year export of Rs.5,212.78 crores (US\$ 778 Million).

However, the Government has taken several steps to address the problems faced by some section cashew industry

- Basic Custom Duty on import of raw cashew nut has been reduced from 5% to 2.5% w.e.f 01.02.2018 in the current budget session.
- Goods and Service Tax (GST) has been reduced to 5% from 12% for Cashew nuts.
- Under Mid Term Review of Foreign Trade Policy (FTP), Merchandise Export Incentive Scheme (MEIS) for cashew was increased to 5% (from 3%) for cashew kernel and 7% (from 5%) for cashew nut salted/roasted respectively.
- Revised Standard Inputs Output Norms (SION) norms for export of Cashew Kernel, from import of Raw Cashew Nut under Advance Authorisation Scheme, to 5.04 kg from 4 kg.
- Approved the Medium Term Framework (2017-2020) Scheme for Process Mechanization and Automation of Cashew Processing Units with financial outlay of Rs. 60 crore.
- Under Mission for Integrated Development of Horticulture (MIDH) and Rashtriya Krishi Vikash Yojana (RKVY), Ministry of Agriculture and Farmer's Welfare (MoAFW) has drawn up strategies to increase domestic production by massive area expansion of cashew and replacing of senile cashew plantations with high yielding varieties in traditional and non-traditional states. Some of the key initiatives are New plantation Development programme, replanting programme of cashew, technology dissemination and transfer of technology programme etc.

b) No Madam. The Government has no such proposal at present.

c & d) No Madam, such incident has not been reported to the Government.

e) The Government has not received any request from the cashew industrialists to provide additional time limit of 18 months of export obligation period over and above the current time limit of 18 months.
