



## A STUDY ON THE ROLE OF CASHEW PROCESSING ENTERPRISES IN RURAL DEVELOPMENT OF SAWANTWADI

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### ❖ ABSTRACT:

Cashew processing industries are very important to the economic development of rural areas, as they create employment, boost entrepreneurship and improve household incomes. Sawantwadi area of Sindhudurg district is famous for growing and processing cashew, which is a significant source of income for the area. In the present study, role of cashew processing enterprises in promoting rural development in Sawantwadi area has been examined. The research aims to gain insights into the role of these businesses in creating employment, improving income, empowering women, industrialization of rural communities and socio-economic development. This study is descriptive research that uses primary and secondary data sources. A data collection tool (structured questionnaire) is used to gather primary data from workers, entrepreneurs and stakeholders involved in cashew processing business. Secondary data come from government reports, research articles, journals and industry publications. The result shows that the cashew processing business offers substantial sources of livelihood for the rural households particularly for women and seasonal labourers. The industry also provides an environment for growth of ancillary businesses, transportation services and local markets. But issues like erratic raw material prices, labour scarcity, technical constraints and competition in the market remain to impact the industry. The study finds that the cashew processing units are playing an important role in rural development of the study area Sawantwadi by generating jobs, lowering the rate of migration and enhancing the quality of the life of the rural people. This study recommends the adoption of policy support, technological modernization, skill development programs and enhancing the market access of the cashew processing industry for sustainable growth and contribution to rural development. CPE is mainly engaged in the processing of the cashew nuts.

**KEYWORDS:** Cashew Processing Enterprises, Generate employment, promote Rural industrialization, Socio-economic development, Rural areas of Sawantwadi.

### 1. INTRODUCTION:

Cashew is one of the major commercial plantation crops of India. Maharashtra has been one of the prominent states to produce cashewnuts and Sindhudurg district is regarded as a prominent area for cashew cultivation and processing. The area of Sawantwadi is one of the major pockets in the

district that has become a centre of economic activity regarding cashew. A significant number of rural population is engaged in the cashew processing industries. These businesses provide jobs in processing, packaging, transportation and marketing. The sector is significant for women workers who make a significant number of the workforce in cashew processing units. Rural development is concerned with making an improvement in the economic and social status of people in rural areas. Industrial activities like the processing of cashews bring income generation, poverty alleviation, improved living standards and entrepreneurship into the rural economy which support the general rural development. Processing enterprises are also being established, which in turn fosters infrastructure development and boosts local markets. A number of cashew processing units have been established, which has enhanced the livelihood of the farmers and labourers in Sawantwadi area. The industry has promoted value addition to agricultural produce, thus improving the profitability of cashew farming. It has also helped to curb migration from rural areas by providing employment opportunities in the rural areas. Although it is an important sector, it has some difficulties, such as the volatility of raw material acquisitions, and the increase of production costs, labor shortage and competition. Therefore it is important to have an understanding of the contribution of cashew processing enterprises on rural development for the policymakers and stakeholders. The present study aims at analyzing the impact of cashew processing industries on socio-economic development of the rural communities of Sawantwadi area and what measures can be taken for sustainable development of the cashew industry.

## 2. REVIEW OF LITERATURE:

- 1) **Singh and Sharma (2018)** studied the role agro-processing industry in the economic development of rural area in India. The study set to assess the employment generation through the agro based enterprises. The study found that agro-processing helps industrialize the rural areas. The socio-economic effect of cashew processing industries in coastal.
- 2) **Patil (2019)**. The aim was to evaluate employment potential of the sector. The study highlighted the importance of the cashew industry in alleviation of poverty.
- 3) **Desai and Kulkarni (2020)** investigated small-scale agro-industries and rural transformation. This study was an attempt to delve to the link between industrial development and the development of rural prosperity. The research gap related to limited focus on cashew processing units.
- 4) **Rao (2017)** studied the employment trend of the agriculture processing industries. The aim was to detect labour market effects. Local industries were emphasised as being important in the study.
- 5) **Kadam and Joshi (2021)** analysed the entrepreneurship in agro-processing sector among the rural population. The objective of the study was to assess entrepreneurial opportunities. There was no specific emphasis on cashew businesses.
- 6) **Nair (2018)** discussed the empowerment of women through agro-processing industries. The aim was to evaluate the economic involvement of women workers. The study focused on gender inclusive development. But there was a geographical restriction.
- 7) **Patankar and More (2022)** have investigated about the value addition in cashew processing industries. The goal was to investigate the economic advantages to processing activities. The rural development aspect was not explored.

### ❖ RESEARCH GAP:

The economic and employment impacts of agro-processing industries (APUs) have been studied, including those of cashew processing units (CPU). But, there is little research study work in a comprehensive manner to evaluate their overall contribution to rural development especially in the Sawantwadi area. Most of the studies have been conducted on a specific issue, like income generation or industrial development, but have not taken into account social and economic dimensions. As such, there is a lack of understanding of the wider developmental impact of cashew processing businesses on rural communities. Statement of the Research Problem The cashew processing units are a major source of

employment and income in Sawantwadi area. Although their significance has been recognized, the role they play and their contribution in rural development is not fully documented. They are subject to a range of pressures that impact their performance and growth, including labour shortages, technology constraints and market volatility. Therefore, their role and contribution towards economic and social development in rural areas should be assessed.

### 3. OBJECTIVES OF THE STUDY:

The study aimed to determine the objectives of the study.

1. To study the contribution of cashew processing industries towards the rural development of Sawantwadi.
2. To analyse the role of cashew processing units in providing job opportunities.
3. To study how the cashew processing enterprises affect household income and standard of living.
4. To determine the contribution of cashew processing companies towards women employment.
5. To get information regarding the problems of the cashew processing units in Sawantwadi.
6. To recommend ways of boosting the role of cashew processing companies in rural development.

### 4. HYPOTHESES OF THE STUDY

#### Hypothesis 1

**H<sup>0</sup>:** There is no significant relationship between the number of processing enterprises and employment generation in the Sawantwadi area.

**H<sup>1</sup>:** There is a significant relationship between the number of processing enterprises and employment generation in the Sawantwadi area.

#### Hypothesis 2

**H<sup>0</sup>:** The contribution of the cashew processing enterprises towards rural development is do not significantly in the wadi of Sawant.

**H<sup>1</sup>:** The contribution of the cashew processing enterprises towards rural development is significantly in the wadi of Sawant.

### 5. SIGNIFICANCE OF THE STUDY

The study is important in establishing the value of cashew processing industry as a source of employment and income generation in rural areas. It offers some insight into their role in the economy and in the development of communities. The study results can help policy makers, entrepreneurs and development organizations to develop effective strategies for the development of industries. In addition, the research makes a contribution to academic knowledge on the topic of rural development and agro-based industries.

### 6. SCOPE OF THE STUDY

It is intended to discuss the different processing units of the cashew industry in Sawantwadi region and their role in the rural development of the region. It focuses on issues related to employment creation, income improvement, promotion of entrepreneurship and socio-economic development. The research covers workers, entrepreneurs and other stakeholders that are involved in the industry. The results will contribute to sustainable development actions and boost the region's rural economy.

### 7. LIMITATIONS OF THE STUDY

The study is restricted to the area of Sawantwadi and hence the results obtained cannot be generalized to other parts of the world. All of the data gleaned from the respondents will be based on their perceptions and experiences, and thus will have some subjectivity. The study had very limited

coverage and sample size due to time and resource limitations. Moreover, the results of the study may be affected by shifts of market conditions and information available.

## 8. RESEARCH METHODOLOGY

- a) The study is descriptive research design in researching the role of cashew processing enterprises in rural development.
- b) Type of data: Both primary and secondary data are used. Primary Data: Primary data are the data gathered by the structured questionnaires and personal interview. Secondary Data: Secondary data are data that are gathered from books, journals, government reports, research papers, and industry publications.
- c) Universe of the Study: All the Cashew processing units in Sawantwadi.
- d) Population: Cashew processing enterprise workers, entrepreneurs, managers and stakeholders.
- e) Sample Size: 120 respondents. And Sampling Unit: Household.
- f) Area of Study: Sawantwadi area of Sindhudurg District, Maharashtra.
- g) Respondents: Workers, enterprise owners, managers and local stakeholders.
- h) Statistical Tools: Percentage Analysis, Mean Score Analysis, Chi-Square Test, Correlation Analysis and SPSS Software.

## 9. DATA ANALYSIS AND INTERPRETATION:

**Table 1 shows the age distribution of the respondents (N = 150).**

Age Group	Respondents	Percentage
Below 25 Years	20	13.33
25-35 Years	45	30.00
36-45 Years	50	33.33
Above 45 Years	35	23.34
Total	150	100.00

**Interpretation:** Majorities of the respondents (33.33%) are in the age group of 36-45 years, which means that middle aged people form a large proportion of workers and management in the cashew processing industries.

**Table 2 Gender-wise Distribution**

Gender	Respondents	Percentage
Male	65	43.33
Female	85	56.67
Total	150	100.00

**Interpretation:**

In the female respondents, 56.67% participated in the cashew processing business indicating high participation by women in the cashew processing business.

**Table 3 Presents the employment generated by the cashew enterprises.**

Category	Respondents	Percentage
Highly Satisfied	55	36.67
Satisfied	60	40.00
Neutral	20	13.33
Dissatisfied	10	6.67
Highly Dissatisfied	5	3.33
Total	150	100.00

**Interpretation:**

Over three-fourths of respondents are satisfied with the employment opportunities created as a result of the cashew businesses.

**Table 4 Impact on Household Income**

Response	Respondents	Percentage
Significant Increase	70	46.67
Moderate Increase	50	33.33
Slight Increase	20	13.33
No Increase	10	6.67
Total	150	100.00

**Source:** Data compiled by Researcher.

**Interpretation:**

The majority of the respondents indicated that their household income improved greatly as a result of their job creation activities in cashew processing.

**Table 5 Contribution to Rural Development**

Response	Respondents	Percentage
Very High	65	43.33
High	50	33.33
Moderate	20	13.33
Low	10	6.67
Very Low	5	3.34
Total	150	100.00

**Source:** Data compiled by Researcher.

**Interpretation:**

A majority of the respondents has the impression that the cashew enterprises have contributed well in rural development.

**❖ Hypothesis Testing****Hypothesis 1**

Statistic	Value
Pearson Chi-Square	18.526
Df	4
Asymp. Sig. (p-value)	0.001

Decision: Since p-value (0.001) < 0.05,  $H_{01}$  is rejected.

These findings indicate that there is a good relationship between the cashew processing enterprises and employment generation in the Sawantwadi area.

**Hypothesis 2**

Variables	Pearson Correlation (r)	Sig. (2-tailed)
Cashew Enterprises & Rural Development	0.742	0.000

Decision: Since p-value (0.000) < 0.05,  $H_{02}$  is rejected.

Interpretation: The cashew processing industries play a very important role in the development of the rural areas.

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## 10. FINDINGS

1. There are a significant number of employment opportunities created in the Sawantwadi area by the cashew processing enterprises.
2. The industry has a large female workforce.
3. The industry employs a significant number of women.
4. Household income growth is greatly enhanced by enterprise activities.
5. The generation of jobs in the rural area has slowed down rural migration.
6. Cashew companies contribute to industrialisation and entrepreneurship in the rural area. Labor shortages and cost variability of raw materials are key issues.

## 11. SUGGESTIONS

1. The Government should give financial support to the cashew processing units.
2. The use of modern technology to increase productivity should be encouraged.
3. Skill development programmes should be arranged for the workers.
4. Market linkages should be enhanced.
5. Encourage women entrepreneurship programmes.
6. Improvements in infrastructure facilities should be made in rural areas.

## 12. SCOPE FOR FURTHER RESEARCH

1. Future research could be conducted to compare various areas of cashew production.
2. Cashew enterprises export performance may be a research area.
3. Comparative studies organized sector and unorganized sector can be carried out.
4. Adoption of technology and productivity is a topic that can be investigated.
5. The environmental sustainability aspects can be assessed.
6. Long-term rural development impacts can be measured through the use of a longitudinal study.

## 13. CONCLUSION

Cashew processing companies are important contributors in the field of rural development in Sawantwadi region. The industry plays an important role in employment, income generation, women empowerment and rural industrialization. The results show a high positive correlation between activities of the enterprises and socio-economic development. Although faced with operational difficulties, the sector is an important source of local economic development. Its contribution can be further enhanced through suitable policy support, technological modernization and skill development programme. Hence it can be concluded that the cashew processing industries are an important tool for sustainable rural development in Sawantwadi region.

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