

**Mr Pankaj N. Sampat, Managing Director,  
Samsons Traders LLC, India**

*This is a transcript of the exclusive interview of Mr Pankaj N. Sampat,  
Managing Director, Samsons Traders LLC, India taken on the occasion of World  
Cashew Convention & Exhibition 2018*



**What are the general requirements/expectations of kernel buyers?**

Now couples of things that are very important for the cashew buyers in USA or other developed markets. First, Food safety is becoming very important; the consumers are becoming more and more aware of what constituents healthy food; secondly reliability of supply, because the buyers from importing countries, when they buy the kernels as have their commitment to feed the retail stores; so timely delivery as per schedule are very important and the third aspect is consistency in terms of quality.

**The Government of India has introduced 'One Nation-One Tax' GST, how it has changed the dynamics of the Indian cashew industry. Have you seen any big consolidation happening?**

Traditionally, the large portion of the cashew; in general any food commodity business in India was in the unorganized sector, not reported and there was distortion in the supply chain because people who are not taking things on to books, they will able to compete with the others; now with one nation - one tax, the anomaly will be taken out and this should be a very healthy development for the cashew industry in the long term.

**The government has restored the MEIS incentives for the exporters and also reduced the RCN import duty by about 2.5 percent, whether it has positive impact on cashew export demand going forward?**

It will, but import duty even at 2.5 percent will not make any sense and it should be abolished totally. The issue is not about 2.5 percent but the issue is about the procedures, formalities; an exporter if he is not paying 2.5 percent duty, he has to go for AA (advanced authorization) procedures, which is time consuming and if we look at it out of the total import of RCN, more than 50 percent is from LDC's, where

there is no duty. So levying duty only on 50 percent of imports, the amount which government collects from 2.5 percent is very small and doesn't make sense and it should be abolished totally.

**The demand for the food ingredients is going up continuously not only in India but also in Vietnam and other Western countries. Are you able to meet the food ingredients demand for quality in terms of grade wise because they mostly needed splits and pieces?**

The cashew is the only nut where broken are cheaper than the wholes, in all other nuts like Almonds, Brazil nuts, the broken are higher, because there is a process involved in making the broken but in cashews, the splits and pieces are the only a by-products, so it is cheaper. Now the use of cashew as ingredient is increasing and I would not surprise five years down the line, the splits are likely to be higher than the price of wholes, because of the increase in demand.

**What will be the average price for this season?**

It is very difficult to predict, as every year in the cashew industry is New Year. I am in industry for about 40 years but looking at various factors such as supply is consistent and demand is growing. So although people expect that there will be decline in the price, but I feel the decline will not be too much and I would expect range bound in cashew kernel price basis W320 in the region of USD 4.5 to 5 for 2018. Prices are likely to be somewhat stable, so everybody in the chain will be able to make decent profit and the growth of the industry and the investment required in various stages will happen.

**The growth momentum is W240 in on the upswing. What is the reason behind this phenomenon?**

The W320 and W240 price differentials narrowed. i.e., we are seeing a shift from W320 to W240. Based on the demand and supply fluctuations will happen and also based on the prices shift may change accordingly.

**Your views on WCCE, 2018**

WCCE has been growing from strength to strength and if you compare from first to fourth edition, we are seeing more involvement and we now to see more involvement from the cashew consuming countries; hats off to Mr Srivatsava and team, cashewinfo.com is doing a fantastic job to the betterment of cashew industry and I hope you will continue to do the same.