Why Musaliar is called 'The Cashew King'

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Janab A. Thangal Kunju Musaliar, whose Birth Centenary was celebrated in Quilon by the beneficiaries of his philanthropy as well as by his countrymen, is better known to the world as the doyen of cashew export industry in India. His achievements, in building up a valuable foreign exchange earning export trade and organising a large scale human labour intensive industry, with the largest employment potential, in a state where unemployment is still an unsolved problem, are laudable contributions for the country's national economic development.

Janab Musaliar has started the cashewnut processing and trade in processed kernels on a small scale as a cottage industry even before the legislation such as Factories Act, or the Bonus Act or any rules for industrial relations were enacted in the country. But the industry he has started in a small way and by other like minded entrepreneurs of his time, has now developed into a net work of factories in the southern states of Kerala, Karnakata and Tamil Nadu with the largest employment potential for human labour more particularly of women in the southern part of the Indian sub continent.

Even before the enactment of labour legislation Janab Musaliar set an example in his processing units for others to follow. There was no time schedule for workers in the Cashew processing units before Janab Musaliar, stepped into the arena. It was dawn to dusk work as it was used to be in agricultural fields and for casual work and there was no specific wage rates. Janab Musaliar introduced fixed periods of work and a wage rate system based on work turned out, as reckoned by the quantity of finished production. So when the first minimum wages committee for the cashew industry was constituted by the State Government under the Chairmanship of veteran freedom fighter A.P. Udaya Bhanu with well known trade Union leaders like M.N. Govindan Nair and T.K. Divakaran as members besides Janab Musaliar and others on the employer's side, the same wage rates that prevailed in Musaliar's units were virtually adopted for the industry. Even before the demand for Festival Bonus was ever thought of, he used to make lump sum payments to his staff members during the Onam festival. Further as a welfare measure, during the World War period, when food grains became scarce and dear, he used to distribute the entire produce of rice from his agricultural farms at fair price to workers in his factory.

Janab Musaliar was the President of the South India Cashewnut Manufacturers Association continuously until he retired owing to ill health. With the increase in the number of entrepreneurs in the export trade of cashew-nuts and consequently increase in processing units, very keen competition prevailed in the rawnut buying markets as the availability of

rawnuts were limited to the harvesting period during the months of March to May annually. On account of the cut throat competition in the buying of rawnuts resulted in disparity in the rawnut prices with the export market prices, many an exporter was ruined financially incurring huge losses. As a remedial measure during the harvesting season of the year 1954, Janab Musaliar as leader of the exporters in the trade organised all the exporters to come to a gentleman's understanding between themselves, to pool their rawnut purchases at rates in parity with export prices and for voluntary distribution of the rawnuts so bought, on a quota basis in proportion to their individual export requirements. Although this arrangement worked well and for the satisfaction of all concerned, the understanding could not be continued for want of legal enforcement.

As the number of processing units increased, the availability of indigenously harvested rawnuts became insufficient for continuous working of the processing units. In order to supplement the need of processing units, raw cashewnuts used to be imported from the producing countries in Africa, viz., Mozambique, Tanzania and Kenya, Janab Musaliar made an extensive tour to the cashew producing countries in Africa during 1950. He then met the shippers in the rawnut exporting countries and personally gave them guidance as to the methods of drying and pre-shipment storage of raw cashewnuts in order to preserve the quality of resultant kernels. The imports of rawnuts were also subject to competitive buying by the processors which resulted in undue loss of foreign exchange utilised in the import bills.

Janab Musaliar urged the Government of India to implement channelisation of import of rawnuts through a governmental agency under the import Trade Control Scheme then in force and to distribute the imported nuts among the processors on the basis of their export requirements.

The processed cashew kernel imports were monopolised by the U.S.A. at a time Janab Musaliar was in a way responsible for the diversification of the cashew kernel export market. He was the largest supplier of cashew kernels to the U.S.S.R. under the India-U.S.S.R. trade agreement and he also appointed sales agents for exploring and marketing of cashews in the Far East Countries of Japan and Singapore where processed kernels used to be imported from U.S.A. When the demand for the cashewnut shell liquid was felt in the foreign countries, he lost no time to design and remodel the cashewnut roasting plants in his processing units for extraction of the oil in the cashew shell in order to cater the needs of the new found buyers and thus augment the export earnings of the country.

The long felt need of the industry to become self-sufficient in the matter of production of rawnuts could be met only by increasing the area of cultivation of cashewnuts in the country. The production has to be made available to bonafide processors and fair prices have to be guaranteed to the cultivators. According to Janab Musaliar, all these issues can be met by the formation of a Cashew Board on the pattern of the Rubber Board. So he urged the Government for taking steps for the constitution of such a Board with the necessary statutory powers. The development of production, collection and equitable distribution could have been possible if the scheme was implemented as suggested by him. In that case it would have eliminated our dependence on imports for running our

processing units and curtailed our foreign exchange expenditure spent in import bills. As yet the scheme is not implemented. It is worth consideration even now although Janab Musaliar made this proposal many years ago. He was a Founder Member of the Government sponsored Cashew Export Promotion Council which has done valuable service in promotion of export sales and world wide diversification of the export market.

Janab Musaliar was born in Kilikolloor village of Quilon District of Kerala in the year 1897 and he expired in 1966. His life span was only 69 years. He started his business with a cashew frying pan in his native hamlet of Kilikolloor in the early 1930s. During the three decades of his business career his achievements in business and contributions to the economy of our country are remarkable. He took initiative in providing large scale employment of his countrymen and was responsible for earning valuable foreign exchange from exports of an item of goods not included in the traditional items of export. The employment of women on a large scale helped the rural economy. The small cottage industry, he started in 1930 grew up into an industrial empire at the time of his death in 1966. It consisted of 26 cashew-processing factories each one employing around a thousand workers, mostly women. The auxiliary units for his export industry were the tin can fabricating plant, wood working unit for manufacture of packing cases, the purchase depots, storage godowns and drying yards situated throughout the length of Kerala State from district of Kasaragod in the north to Trivandrum in the South encompassed altogether the whole State of Kerala.

His fleet of goods vehicles bearing the initials of his brand A.T.K.M. could always be seen on the State public roads carrying cashewnuts or finished kernels. His barge trains ploughed the waterways connecting Quilon with Cochin Harbour carrying cashews and its finished goods. The Bricks and roofing tiles making unit provided for the requirements of construction purposes and the engineering workshop well equipped to cater to the needs of the plants and machines. These were the ostensible proofs of the vastness of his industrial empire.

All these achievements earned during the short span of thirty years are remarkable and inimitable. His hardworking nature, perseverance and the whole hearted application of mind to even the minute details of his enterprise helped him achieve the inimitable success in life. It was his practice to verify the quality of goods being packed every day for export. His ethical determination to honour his export commitments together with strict maintenance of quality standards have earned for him a goodwill in the international markets and there was always a premium for his trade brand. His moral principles of truthfulness, honesty and trustworthiness, all based on his firm belief and faith in God Almighty were the distinct features of his personality.

It is a fact that Janab Musaliar missed the opportunity for a formal education in modern economics or business management or any course of study in the intricacies of international trade. But his firm convictions derived from the inculcation of his religious faith and the practical knowledge he gained from his world travels, very well compensated for the lack of a formal education in theory available within the four walls of any institution. He toured the neighbouring countries of Sri Lanka, Singapore and Malaysia quite early in his life in search of an earning professional career. Again in 1948

and 1949 he made business tours, visiting China and Japan in the Far East, the U.S.A. and Canada, United Kingdom and the continent of Europe and some of the African countries. He made a comparative study of the form of governments such as the totalitarian system of China, the popular democracy of the U.S.A. and the democratic monarchy of United Kingdom in his article in the newspaper *Prabhatham*.

He kept himself abreast of world events from news broadcasts very punctually everyday. This habit enabled him to assess world-wide demand and supply position of the commodity of his trade. This practical method accounted for his ability of foresight in prediction and assessment of world trends in the market. Many of his contemporaries in the trade were thus encouraged to adopt a trade policy of "follow Musaliar" in the matter of buying and selling in their trade. These were the factors which contributed to his achievements in business.

Does not such a person of outstanding achievements who contributed too much to the national economy and provided for large scale employment in our country through the cashew trade, deserve to be entitled the **Cashew King of India?**