

## Consumption Expenditure Pattern of Lac Growers in Jharkhand

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### Abstract

The paper is based on the analysis of survey data conducted for 200 lac growers in 2003-04 and 2004-05. Primary data were collected from the respondents with the help of pre-tested schedule/questionnaire. The economy of the sample lac growers was primarily based on agriculture and forest produce. Income from lac cultivation was found to contribute towards 19.8 and 28.3% of total income and farm income respectively. Income from food grains was found to contribute towards 27.5 and 39.3% of total and farm income respectively. Opportunities for non-farm employment were low in the villages. Ratio of expenditure on food and non-food items was 57.6 : 42.4. Share of average expenditure on foodgrains was 64.4% of the total food expenditure. Production and consumption of food grains was dominated by rice. Among the non-food items the proportion of total expenditure on clothing (36.6%) was found to be the highest followed by other non-food items (24.0%) and medicine (17.0%). Majority of sample households have low or equal production level of cereals as compared to consumption level. Few households had surplus production for sale. The study shows that the standard of living of surveyed households was low. There is need to diversify agriculture and other related activities in the study area which would ultimately produce a variety of home products and enhance income.

**Key words :** Lac growers, Expenditure pattern.

Jharkhand is a food deficit state. The food grain production is around 22 lakh tonnes while requirement is 46 lakh tonnes for a population of 26 million. Thus, the deficiency is 52% in food grains. Deficiency also exists in vegetable (12%), fruit (52%), milk (52%) and in fish (52%). This deficiency is coped by importing food from other states (Anonymous 2006). Per capita income in Jharkhand is low (Rs 4,161) compared to that of the national average (Rs 20,860) (Anonymous 2005). About 57.0% population is below poverty line in Jharkhand compared to the national average of 26.1% (Datt and Sunderam 2002). The lac growers of Jharkhand mainly depend on agriculture and forest for their livelihood and lac is an important source of cash income for these families. Household food consumption and expenditure pattern are influenced by food availability and income level at the household, which is a combined result of food produced at the household and cash income from other sources. Consumption expenditure pattern of tribals of Mahboobnagar district (AP) have been studied by Upendra and Laxmaiah (2001) and reported that proportion of expenditure incurred on

rice was the highest among the food items and liquor was highest among the non-food items. No information in the aspect of consumption expenditure is available for lac growers. Keeping these in view it was felt essential to find out consumption expenditure pattern of lac growers in Jharkhand. The study will be of significance in understanding the behavior of lac growers in allocating the proportion of total expenditure on different food and non-food items.

### Methods

The study was based on primary data obtained from the survey conducted in Ranchi district of Jharkhand. A three stage stratified random sampling technique was employed to select the sample lac grower households. The total sample size comprised 200 lac growers. Relevant information was collected from the sample lac grower households through a pre-tested questionnaire/schedule by survey method in 2003-04 and 2004-05. The reference period for the data was the agricultural year preceeding the year of investigation. The data relating to consumption

**Table 1.** Source of income of lac growers in Ranchi district of Jharkhand (in percentage).

Particulars	Percent of total income	Percent of group income
<b>Farm Income</b>		
Foodgrains	27.5	39.3
Vegetables	10.5	15.0
Livestock	12.2	17.4
Lac	19.8	28.3
Total farm income	70.0	100.0
<b>Off-Farm Income</b>		
Salary job	4.2	14.0
Business / Shop	3.7	12.3
Forest produce	3.9	13.0
Labor	14.0	46.7
Others	4.2	14.0
Total off-farm income	30.0	100.0
Total income	100.0	—

expenditure were collected in terms of monetary value. Tabular analysis was used for the different values of consumption expenditure pattern of lac growers. Weighted average was used for average analysis.

### Results and Discussion

The data pertaining to source of farm and off-farm income of lac growers in Ranchi district of Jharkhand are given in Table 1. The analysis of survey data shows that farm and off-farm income was in the ratio of 70 : 30. The resource base of lac growers and infrastructure development of the study area were poor. Income from lac cultivation was found to contribute towards 19.8 and 28.3% of total income and farm income respectively. Contribution of lac in total income varied from 10.5 to 51.2% at lac growers level. Lac is a subsidiary crop for the lac growers especially for meeting cash expenses towards family needs and cash purchase for their house hold requirements. Among the different sources of income, foodgrains ranked first (27.5%) followed by lac (19.8%). Production of foodgrains at lac growers level was mainly for self consumption purpose. Income from foodgrains was found to contribute towards 27.5 and 39.3% of total income and farm income respectively. Foodgrain production was dominated by paddy. The

**Table 2.** Distribution of consumption expenditure of lac growers in Ranchi district of Jharkhand (in percentage). \*Meat includes mutton, beef, poultry, eggs and fish.

Particulars	Percent of total expenditure	Percent of group expenditure
<b>Food Items</b>		
Rice	24.4	42.4
Wheat	4.9	8.5
Maize	0.3	0.5
Bajra / Jowar	0.3	0.5
Madua	1.2	2.1
Pulses	6.0	10.4
Edible oil	3.5	6.1
Vegetable	8.6	14.9
Fruits	0.9	1.6
Milk	2.5	4.3
Meat*	3.8	6.6
Other food items	1.2	2.1
Total food expenditure	57.6	100.0
<b>Non-Food Items</b>		
Clothing	15.5	36.6
Travelling	2.2	5.2
Liquor	2.0	4.7
Medicine	7.2	17.0
Entertainment	1.3	3.1
Education	4.0	9.4
Other non-food items	10.2	24.0
Total non-food expenditure	42.4	100.0
Total expenditure	100.0	—

irrigation percentage was low at growers field. Growers cultivate mainly *kharif* crop. Production of vegetable crops was for home consumption and sale. The lac growers having irrigation facility have more area under vegetable crops and the surplus vegetables are for sale. Opportunity for non-farm employment was less in the villages. Lac growers in the village worked as labor for private or government works or go to nearby town for labor activity. Income from labor activity was found to contribute towards 14.0 and 46.7% of total income and off-farm income respectively. Lac growers collect either wood or minor forest produce such as mahua flower, karanj seed, kusum seed, tassar cocoons, neem seed, ber, chiraita, arjun bark, bamboo, sal seed, honey, bahera and tamarind from forest and sell them in the village to village trader or trader in the nearby market.

Birthal (1996) in his study in western Uttar

Pradesh (green revolution belt) reported that share of average consumption of foodgrains, milk and milk product, vegetables, fruits and meat was 27.69, 22.73, 8.39, 4.09 and 7.83% of the total food expenditure respectively. Table 2 indicates distribution of consumption expenditure of lac growers on food and non-food items. It is evident that the ratio of expenditure on food and non-food items was 57.6 : 42.4. Among the food items, the proportion of total expenditure incurred on rice (42.4%) was found to be highest followed by vegetables (14.9%). The share of average expenditure on foodgrains was 64.4% of the total food expenditure. The high share is because of poor economic condition of lac growers and the reason that the expenditure share of cereals declined progressively with increase in income. The expenditure share of food of animal origin and fruits, which are rich in different nutrients was low due to the low level of income of lac growers. The expenditure share on other foodgrains items was comparatively low because the farm production of these items was low. Major food requirement was met through farm produce, while other requirements were met through the market purchase and purchase through fair price shops at controlled rate. Among the non-food items the proportion of total expenditure on clothing (36.6%) was found to be highest followed by other non-food items (24.0%) and medicine (17.0%). Expenditure on non-food items were met by the partial income from lac and off-farm income. The expenditure pattern of lac growers was associated with the agricultural production and other sources of farm and off-farm income.

### Conclusion

The economy of the sample households of lac growers was primarily based on agriculture and

forest produce. Among the different sources of income, foodgrains ranked first (27.5%) followed by lac (19.8%). Foodgrain production was dominated by paddy production. Contribution of lac in farm income was 28.3%. Income from labor activity has highest share in off-farm income. Opportunities for non-farm employment were less in the villages of study area. The lac growers having irrigation facility have more area under vegetable crops and more surplus vegetables for sale. Ratio of expenditure on food and non-food items was 57.6 : 42.4. The lac grower households were comfortable with the rice consumption. The consumption level of other food items was low. Among the food items the proportion of total expenditure incurred on rice (42.4%) was found to be highest followed by vegetables (14.9%). Share of foodgrains in total food expenditure was high due to the poor economic condition and low level of income of lac growers. In food items major requirements are met through farm produce. Expenditure on non-food items are met by the partial income from lac and off-farm income. There is a need to diversify the agriculture and other related activities in the study area which will facilitate production of a variety of home produce and generate sufficient income to the lac growers.

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