



Marketing Scenario of lac in India

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Lac cultivation is being carried out by all type of farmers *i.e.* marginal, small and big farmers who possess lac host trees. Lac cultivation is mainly done on *palas*, *ber* and *kusum* trees which are available in plenty in agricultural field, bunds, unused land, degraded land and forest land of the lac growers. Mature or immature (*ari*) crop along with branches are cut down and the lac encrustation is scraped by the cultivators. Sticklac in small quantity (< 10 kg. lot) is generally sold in the *haats* by the lac growers.

The rural markets (*haat*) in lac growing areas operate once or twice in a week. Farmers in these markets sell lac and other farm produce and purchase their daily

requirement goods. Income from lac is used for purchase of household requirements. Lac growers, after harvesting sticklac sell it in the village itself or bring it to the nearest village market for sale to *paikars* (primary purchasers). Lac growers, nearer to lac processing units, also sell their produce directly to processing units. Prices of lac in the market depend upon the *Chouri* (seedlac) price in processing units. The *paikars* after collecting, whatever quantity they could in the course of the market day, sell it to the wholesaler in the same market or nearby manufacturing centers in bigger lots. Simultaneously the wholesalers sell the produce to manufacturers at different lac processing centers. After processing, lac is sold for internal consumption within the country or exported by lac exporters. Markets with annual arrival of over 500 tons and Channels of lac marketing have been presented in Table 1 and Fig. 1, respectively.

Lac processing in India : The total quantity of sticklac processed during 2010-11 was 13,600 tons, which also included the imported lac in India. 28 Lac processing units in Chhattisgarh, 15 units in Jharkhand, 6 units in

Table 1 : Markets with annual arrival of over 500 tons during 2011-12

States	Primary markets	Secondary markets
Chhattisgarh	Bhaisama Bazar	Dhamtari, Kathgora, Sakti
Jharkhand	Jaldega, Kolebira, Bandgaon	Khunti
Maharashtra	-	Gondia
West Bengal	-	Balarampur

Table 2 : Lac processing centers and amount of sticklac processed in India (2010-11)

States	Districts /Centres	No. of processing units	Products prepared from lac	Quantity processed (tons)
Chhattisgarh	Bilaspur (Pendra)	2	Seedlac, Button Lac	20
	Dhamtari	12	Seedlac, Button Lac, Bleached Lac	1500
	Janjgir-Champa (Sakti)	3	Seedlac, Shellac, Bleached Lac, Dewaxed Shellac, Lac Dye	300
	Kanker	2	Seedlac	100
	Korba (Kathgora)	6	Seedlac, Shellac, Bleached Lac	1600
	Rajnandgaon	1	Seedlac, Shellac	80
	Raipur	2	Bleached Lac, Aleuritic acid	-
	Jharkh-and	Daltonganj	2	Seedlac
Jharkh-and	Ranchi (Khunti, Bundu, Murhu)	10	Seedlac, Button Lac, Shellac, Lac Dye, Bleached Lac	3000
	Simdega	2	Seedlac	25
	Saraikela-Kharsawan (Chandil)	1	Bleached Lac	300
	W. Singhbhum (Chakradharpur)	1	Shellac	25
	Madhya	Indore	1	Seedlac, Bleached Lac
Pradesh	Hoshangabad (Bankhedi)	1	Seedlac	50
Maharashtra	Gondia	6	Seedlac, Shellac, Gasket Shellac Compound, Bleached Lac	700
West Bengal	Purulia (Balarampur)	110	Seedlac, Shellac, Button Lac, Bleached Lac, Aleuritic acid, Lac Wax, Dewaxed Decolourised Lac	5600
	Purulia (Jhalda)	3	Seedlac, Shellac, Button Lac	100
	Purulia (Tulin)	30	Seedlac, Button Lac	100
	Total	195		13600



Maharashtra, 2 units in Madhya Pradesh and 142 units in West Bengal were in running condition during the year 2010-11. The information on lac processing centers and amount of sticklac processed in India during 2010-11 has been presented in Table 1.

Export of Lac from India: The total export of lac and its value added products during the year 2010-11 was 6339.05 tons valued Rs.211.13 crores. Details of export in quantity and value during 2010-11 and list of top 5

Sr. No.	Name of product	Quantity (tons)	Value (Rs. lakh)
1.	Shellac	4616.18	13565.14
2.	Seedlac	1089.55	3659.44
3.	Dewaxed shellac	200.12	1051.68
4.	Bleached lac	336.13	1598.86
5.	Aleuritic acid	64.00	1118.13
6.	Gasket lac	4.32	6.62
7.	Shellac wax	28.75	113.05
Total		6339.05	21112.92

Sr. No.	Country	Quantity (tons)	Value (Rs. Lakh)
1.	Germany	981.38	3448.25
2.	ARE	1093.88	3326.15
3.	Pakistan	596.94	1956.25
4.	Indonesia	586.63	1871.51
5.	Bangladesh	988.45	1718.66
6.	Others	2091.77	8792.10
Total		6339.05	21112.92

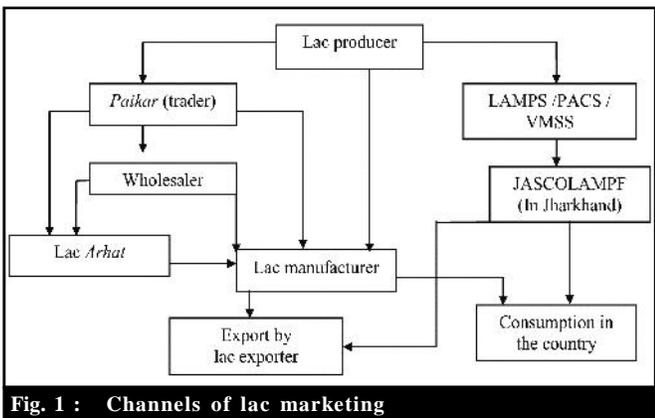


Fig. 1 : Channels of lac marketing

Name of products	Approximate quantity used in India (tons)	Application area	Share of different sectors (in %)		
Seedlac/ Shellac/ Button Lac	2500	Paint and Varnish	58		
		Handicraft (cottage)	20		
		Ornaments	5		
		Cosmetics	3		
		Electrical insulation	4		
		Pharmaceutical Industries	3		
		Bulb capping cement	4		
		Others	3		
		Bleached lac	150	Colorless varnish	70
				Pharmaceutical Industries	15
Chocolate coating	5				
Other	10				
Aleuritic acid	25	Perfumery	85		
		Industry	10		
		Cosmetics	3		
		Fine chemicals/ Bio-active	2		
Dewaxed De-colorized Lac	100	Pharmaceutical Industries	2		
		Fruit coating	5		
		Varnish	80		
Gasket shellac	150	Other	15		
		Automobile	40		
		Industry	40		
Wax	15	Sanitary fitting	60		
		Polish (Floor, Shoe, Auto mobile polish)	70		
		Cosmetics	10		
Dye	2	Other	20		
		Textile Industries	100		

countries importing Indian lac has been presented in the Table 3 and 4, respectively.

Diversified uses of lac in India: Present scenario of product-wise consumption of lac in various sectors with approximate quantity has been presented in the Table 5.

Lac is an important factor for economic upliftment of farmers of forest and sub-forest areas of the country. Demand of lac has been increased due to its uses in newer areas. Demand of Indian lac is more in the foreign market due to its better quality. Proper marketing system will be helpful for providing fair price to the lac growers, which will certainly increase the lac production.