



GLOBAL JOURNAL OF HUMAN-SOCIAL SCIENCE: D  
HISTORY, ARCHAEOLOGY & ANTHROPOLOGY  
Volume 14 Issue 4 Version 1.0 Year 2014  
Type: Double Blind Peer Reviewed International Research Journal  
Publisher: Global Journals Inc. (USA)  
Online ISSN: 2249-460X & Print ISSN: 0975-587X

## Decline of the European Entrepreneurship in the Tea Plantation Industry: A Case - Study of the Darjeeling and Jalpaiguri District (1933 - 1960)

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*GJHSS-D Classification : FOR Code : 0150304, 210108*



DECLINED OF THE EUROPEAN ENTREPRENEURSHIP IN THE TEA PLANTATION INDUSTRY A CASE STUDY OF THE DARJEELING AND JALPAIGURI DISTRICT 1933 1960

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# Decline of the European Entrepreneurship in the Tea Plantation Industry: A Case – Study of the Darjeeling and Jalpaiguri District (1933 – 1960)

Supam Biswas<sup>α</sup> & Kalidas Roy<sup>σ</sup>

**Abstract-** Tea plantation industry in India was originally initiated and developed by British enterprises. The management of the estates of various Sterling and British Rupee Public Limited tea companies were vested on the British Managing Agency Houses of Calcutta. They played an important role in converting either a personal lease or proprietary estate into a public limited company. In the tea plantations, the major collieries – commanding greater capital and larger mining rights – were joint – stock firms and 89 per cent of these were controlled by Europeans, mostly British, managing agencies. With the impact of 1930's World – wide economic depression, the colonial firms fell from grace and made a hasty retreat from India. In this juncture, the European tea Companies were also affected by some acts which were implemented after the independence of India such as Minimum Wages Act (1947), Factory Act (1948), Plantation Labour Act (1951). This grave situation compelled the European planters to think whether they would retain their business in India or not? As a result the European tea companies began to shift their business in South Africa, Uganda, and Rhodesia after selling their gardens to the native Indians. Thus an attempt have been made here to draw a pen – picture on the decline of European entrepreneurship of the tea plantation industry in the tea growing areas of Bengal such as Jalpaiguri and Darjeeling districts.

## I. INTRODUCTION

Tea plantation industry in India was originally initiated and developed by British enterprises. It was started on a commercial scale in India after the British monopoly of trade in tea with China was abolished in 1833 and wild tea plants, indigenous to Assam, were found in the early part of the nineteenth century<sup>1</sup>. In *Jalpaiguri* there were 18 Sterling tea companies and 33 British Rupee Public Limited tea companies. These companies employed agents or secretaries in Calcutta to implement the policies and programmers formulated by the Board of Directors in London<sup>2</sup>. The management of the estates of various Sterling and British Rupee Public Limited tea companies were vested on the British Managing Agency Houses of Calcutta. They played an important role in converting either a personal lease or proprietary estate into a public limited company<sup>3</sup>. As the Managing Agents were the

organizers of the companies, they kept control over the companies and continued to manage the estate on behalf of the company on a commission. In some cases they bought the controlling shares of the companies that now owned the tea estates. In some cases these grants were sold to the agency houses by the private individuals themselves generally for two reasons. Either they could not afford to wait for the profits from the investment which would take seven to ten years to come or they found the price offered by the agency houses too attractive to resist. These estates or grants were converted into joint – stock companies under the control of the agency houses. The original lease remained a shareholder of the company. The above was another process through which the British owned tea estates came under the control of the Managing Agency Houses. Whether registered as Sterling joint – stock company incorporated in London or as Rupee joint – stock company incorporated in Calcutta, all the British owned companies in North – Eastern India dominated by British capital had their management entrusted to one or other of the Calcutta based Managing Agency Houses. In fact the head office of a tea garden could almost invariably give an indication whether it was controlled by British managing agents or by others<sup>4</sup>. *Ellenbarrie* and *Manabarrie* Tea Estate in Jalpaiguri *Duars* were established by a Calcutta Bank manager, a Darjeeling planter and a sub – manager of the Land Mortgage Bank and later came to be managed by Duncan Brothers<sup>5</sup>. The Hansqua Tea Estate was established by Mr. Arthur Currie in the 1865. Mr. Currie sold this property to Messrs R.D. Hamilton and C. F. A. Deney in 1913. Mr. D. F. Clive was the manager of this garden from 1913 to 1917. Following some misunderstanding Mr. Deney sold his interest to Mr. Hamilton in 1916 and left to his own country England in the very next year. Mr. Hamilton was also established another Tea Estate namely Gaya Ganga Tea Estate in the year 1916 and appointed his nephew Mr. A. Robertson as the manager of the garden. Since then Mr. Hamilton along with his nephew continued to reside at Gayaganga Tea Estate. The factory of both the garden was established in the year 1926. Duncan brothers formed the Hansqua Tea Co. Ltd. and purchased the Hansqua Tea Estate from Mr. A. Robertson in 1934 along with the Gaya Ganga Tea Estate<sup>6</sup>.

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Beside the white tea planters, the Indian tea planters also played a pivot role in introducing the tea plantation industry in North Bengal. Among the Indian tea planters the Bengali lawyers ranked first. Apart from the Bengali lawyers, there were also other Bengali people residing in Jalpaiguri town<sup>7</sup> and a very few of them in Siliguri belonged to various profession<sup>8</sup> like Zaminders, Jotedars, timber merchants, ex - tea garden employees, Bankers, money lenders, Government professionals, labour suppliers of numerous tea estates<sup>9</sup> who also played a major role by introducing tea estates singlehandedly in Jalpaiguri and Darjeeling district respectively<sup>10</sup>. All of them migrated here from various parts of undivided Bengal for the sake of administrative and economic interest. The formation of Jalpaiguri district in the year 1869 opened up some new opportunities on a hitherto unprecedented scale<sup>11</sup>. The local residents of *Jalpaiguri* district could not respond effectively to the new opportunities. Hence all the positions were filled up by the immigrant population from rest of Bengal as well as from outside. A nebular social stratification began to take shape there since that period which indeed made the platform for the rise of the Bengali entrepreneurs of the *Jalpaiguri* town<sup>12</sup>. The *Jalpaiguri* Gazetteer is clear about this fact and it reads that "After the formation of Jalpaiguri district with its headquarter at *Jalpaiguri* town and sub divisional headquarter at *Alipurduar*, the district began to attract educated Hindu gentry from various parts of East Bengal. The administration needed clerks and lawyers. Once the clerks and lawyers came and settled down there, their needs attracted doctors and teachers. .... Thus a process of urbanization set in."<sup>13</sup>

Nevertheless, as a newly formed district obviously Jalpaiguri had a special attraction for the lawyers. To affix the land – revenue in the newly formed Jalpaiguri district as well as civil suits on land and attestations of land – titles shot up the demand for pleaders. They were sought out by the *Jotedars* zealous to defend their claims. Moreover, fresh demands were also come from various European Tea Companies of having a law agent in order to deal with the legal matters mainly in connection with land. It resulted in the migration of a number of qualified pleaders in *Jalpaiguri* from various districts of East Bengal. It is true that in this process those who come to Jalpaiguri were earlier retained by the Bhutan Government for the Bengal – Bhutan boundary demarcation. It helped them a lot to establish them as a successful lawyer towards the *Jotedars* as well as to the European Tea Companies. That an environment such as this should favour legal practitioners was no wonder. Almost all of the first groups of Bengali pleaders were the law agents of the European Tea Companies. This experience actually helped them to establish tea estate of their own in future<sup>14</sup>. They started with very small capitals which they could

gather. Practically it was an association of poor men determined to do a big thing<sup>15</sup>.

So from this perspective we can say with confidence that in pre – independence days, the control and ownership of tea estates in North Bengal were under the subservience of both the European and Bengali tea planters. Except the Bengali community we could not find any other Indian community put their step in this economic venture majorly before independence. The Marwaris during that period entered the tea business, not indeed as producers but as purchasers of tea from small village growers for sale to local tribal people<sup>16</sup>. Though the ownership of a few European tea estates in Darjeeling hill were began to transfer to the non Bengalis (among them the Marwaris, Gujratis ranked first) during the World economic depression of 1930's but no serious changes took place in field of ownership as a whole until 1947. Since independence especially 1960's we find a dramatic change in the history of the tea plantation industry of North Bengal. Most of the tea estates run both by the Europeans were began to sell to the Indians. However, though the process received its momentum since 1960's but it was actually commenced during 1930's. Hence I have started my paper from the year 1933. Further, I have fixed the time period up to 1960 because according to the Assam Tea Directory Hand Books in between 1960's approximately 98 per cent tea estates were came under the possession of the Indians among them the Marwaris and Gujratis played the most exordium role<sup>17</sup>. Thus an attempt has been made to make a paper on the decline of the European entrepreneurship of the tea plantation industry in the Darjeeling and Jalpaiguri district.

An analysis of the rupee companies listed in Investor's India Year Book 1911 revealed that the seven European managing agency houses like Andrew, Yule and Company, Bird and Company, Dunlop and Company, Shaw, Wallace and Company, Williamson, Magor and Company, Duncan Brothers and Octavia's Steel and Company controlled 55% of jute companies, 61% of the tea companies and 46% of the coal companies. However, in case of jute Andrew Yule and Company, Bird and Company alone controlled fourteen out of twenty-nine rupee companies, and their control increased by the decade 1910-20<sup>18</sup>.

One can say that when a company was registered in India, the capital had been predominantly raised from Europeans (and a small group of Indians) who were living in India or who had lived in India in the recent past and had close connections with India. However, it is not true that when a company was registered in London, the capital came predominantly from the residents of Britain. This is obvious when one looks at the history of most of the tea companies under the control of British managing houses. The tea estates were organized into companies after they had already been worked, at least partially, for some years and an

estimate of the profits that were likely to be made by the companies had been arrived at. Many of the sterling companies managed by the managing agency houses were closely held, and their shares were not quoted on the stock exchange<sup>19</sup>.

The British mercantile presence on the eve of World War I was truly staggering. Most of the tea plantations were managed by Britons. The larger of these were organized along joint – stock lines and 96 per cent of such companies had boards that were exclusively British. At first glance, matters seemed somewhat different in the coal industry: only 47 per cent of the firms were managed by non – Indians<sup>20</sup>. However, in the tea plantations, the major collieries – commanding greater capital and larger mining rights – were joint – stock firms and 89 per cent of these were controlled by Europeans, mostly British, managing agencies<sup>21</sup>.

1947 a much greater divide in business history than it was reality. The standard argument run as follows. By creating formidable barriers to the entry of 'natives', colonial firms maintained an oligopolistic position eastern India up to 1947. These barriers were created and efficiently maintained because of a milieu that allowed Anglo – Saxon businessman to reap the benefits of their bonds of racial affinity with the rulers of the land. With the snapping of such bonds in 1947, the colonial firms fell from grace and made a hasty retreat from India. Unfortunately, this argument has factual problems. Although some British managing agencies packed up after 1947, many others remained. Even in 1960 Calcutta had Andrew Yule, Gillanders and others that were still under British control and the expatriate community continued to enjoy the privilege of sunbathing in exclusive whites – only swimming clubs, even preventing Indian entry into the hallowed premises of the Bengal club right up to the late 1960s.

The structure of development of tea estates particularly to its ownership and management pattern took place when the Capital Issue Control Act was implemented in 1947. This provided that all joint – stock companies operating in the country whether registered in India or abroad will have to obtain official permission for bonus issue of all types of securities ( shares and debentures ) and in certain cases the authorities had the right to refuse the permission for capital issue . The joint - stock tea companies faced with difficulties in declaring bonus and getting permission for capital issue. Under this situation, some of the tea estates owned by foreign companies transferred their ownership to Indian hands who were either Indian rupee companies or agency houses whether Indian or non – Indians .The changes in structural development of tea industry received further momentum when the Foreign Exchange Regulation Act , 1947 and Export Import Control Act, 1947 were also implemented. The foreign tea companies were restricted to earn foreign exchange and were compelled to take

official permission to import any commodity. They were supposed to be guided by the rules and regulations of the act which specified the conditions of payments (like cash, instalments or long term credit ) under which goods could be imported and also decided the countries from where the commodities could be purchased by specifying the foreign exchange. The Acts, thus, established the ways of restricting a competition among the foreign companies, of securing domestic market for local producers and of utilizing the foreign exchange in the most rational manner. In view of the above, some of the foreign companies faced difficulties in expanding tea cultivation and thereby production and desired to sell their tea estates to the Indian nationals. The Indians subsequently converted them into different types of ownership viz. public limited, private limited and property concerns. Henceforth, they came under the management of mainly Indian agency houses, board of directors, managing partners and individuals<sup>22</sup>.

The European tea companies were also affected by the Minimum Wages Act, 1947 and the Factory Act, 1948. The Minimum Wages Act provided that wages in tea plantation industry were to be fixed and notified by the respective Governments from time to time. The Factory Act contained various provisions limiting the permissible hours to work of a factory labour. The foreign companies which mainly dominated the tea plantation industry thus feared the possibility of low production of tea under the implementation of these acts, and found unprofitable to run business in India after meeting all the expenditure<sup>23</sup>. Moreover, incessant interceptions like protest, *gheraos* created by the tea – garden labourers in attaining their demands and of course the slogan "*Bilati Malik London Bhago*" (white tea planters Go Back London) given by the same group along with the railway workers union, share croppers (*Bhag Chasi*) during the *Tebhaga* movement (demanding two – third share instead of the customary one – half as their produced corps) in Dooars region compelled the European planters to think whether they would retain their business in India or not?<sup>24</sup> As a result the European tea companies began to shift their business in South Africa, Uganda, and Rhodesia after selling their gardens to the native Indians<sup>25</sup>. These Indians began to form the limited liability companies under the management of mainly Indian agency houses and board of directors.

The foreign tea companies thus realized that their gardens might not be profitable and changed their ownership and thereby management. The foreign companies were badly hit due to Industrial Development and Regulation Act of 1951. They were required to register with the corresponding government agencies and to obtain licence permitting them to operate. Official licenses were made compulsory if a new industrial project was launched. In certain cases, the authorities

were given the power to refuse registration or declare the license invalid. Moreover, the authorities assumed the right to inspect the activities of all the private enterprises. In the case of unsatisfactory management (chronic financial loss, instability, violation of national interest or threat of national unemployment), the authorities had right to take them over for a few years. The foreign owned tea estates which were mainly dominated the tea industry, apprehended nationalization and decided to change their ownership to Indian hands<sup>26</sup>. The Tea Act of 1953 restricted cultivation of tea in India and export of tea from India. The foreign tea companies thus felt further handicapped on account of this act.

Structural changes in the tea industry began to take place rapidly from 1956. During the period between 1956 and 1975 important legislations and policies like Industrial Policy Resolution 1956; Companies Act 1956; Monopoly and Restrictive Trade Practices Act 1969; Second Five Year Plan 1956 – 1961 ; Third Five Year Plan 1962 – 1967; Fourth Five Year Plan 1969 – 1974 and Foreign Exchange Regulation Act, 1973 were introduced. These had crucial bearing on the course of major industries. Tea being one of the major organized industries, the implementation of those legislation and policies led to far reaching changes in the structure.

Apart from Foreign Exchange Regulation Act of 1973 which stated that foreign tea companies should be converted into Indian tea companies with Indian participation not less than 26 per cent of the equity of the company, the major activities of all those legislations and policies were to prevent private monopoly, managing agents and concentration of economic powers. As a result, the tea industry where there was a monopoly of foreign companies and managing agents controlling a large number of tea estates , area , production, buying, broking and distribution of tea had undergone significant changes particularly in its ownership and management pattern. The number of tea estates under the foreign companies 508 comprising 7 per cent of the total tea estates in India and it was reduced to 276 in 1975 accounting for 2 per cent of the total tea estates. This indicated the fact that the share of the tea estates under the foreign companies had diminished in both absolute and relative terms. Most of them were in dire straits. Revenue from their staple product like tea had disappeared. They were actually strapped for cash and working capital. They could not establish any cartel like control over prices output, or entry. And they were being buffeted not only by unprecedented global events that beyond their comprehension and reactive ability but also by Indians who were determined to enter their domain directly or via the bourse. Companies like Andrew Yule, Goodricke could manage to weather the storm. But other famous firms like McLeod, Gillanders Arbuthnot, Duncan faced serious takeover threats in many of their concerns<sup>27</sup>.

The companies that survived the 1930s and 1940s and fought off Indian intrusion remained after 1947 and were reasonably prosperous until the mid 1960s when they were finally sold to Marwaris, Gujratis. The ones that packed up did not do so because the Raj had come to an end. They were inefficient, cash – strapped managing agencies that had lost the battle in the 1930s and early 1940s in the economic, not the political arena. Deeply in debt, these companies were bought up by their old Banias. For examples, we can mention that Duncan's Group was bought up by Mr. Keshav Prasad Goenka; MacLeod Russel by Mr. Radha Kissen Kanoria<sup>28</sup>.

To clarify the scenario some examples are given below-

## II. LONGVIEW TEA ESTATE

This tea estate was incorporated on 16<sup>th</sup> January, 1879 by James Warren and Company Ltd. (formerly known as Planter's Stores and Agency Co. Ltd.) who had been looking after the management of the company as secretary and treasurers, registered on 31<sup>st</sup> January, 1950<sup>29</sup>. In 1970 the ownership of this tea estate was transferred to Dagapur Tea Co. Ltd., Jalpaiguri, a private company incorporated in the year 1933 under Indian Companies Act 1913. The Daga family has also promoted other industrial enterprises including Deepak spinners Ltd, Deepak Industries Ltd and continental profiles Ltd<sup>30</sup>.

## III. BAGDOGRA TEA ESTATE

This tea estate was incorporated by E.F. Southern and Others<sup>31</sup>. It was sold to Late Maithan Das Agarwala in 1956. He along with his son Sri Ajit Prasad Agarwala formed Terai Tea Co. Ltd This company now possesses 8 tea estates under its management. However, all these estates were sold both from the British and Bengali tea companies.

## IV. LOHAGARH TEA ESTATE

This tea estate was incorporated by Octavius Steel Company Ltd. Later its ownership was transferred to National Indian Traders Pvt. Ltd in 1960's. Their head office was at 49, Steeple House B.B.D. Bag, Kol-1. On 15<sup>th</sup> April 1976, the ownership of this tea estate was further transferred to Maithan Das Agarwala<sup>32</sup>.

## V. ATAL AND SINGHTON TEA ESTATE

These two estates were incorporated by Andrew Yule and Co. Ltd. It was primarily a managing agency who made their money in trade or as labour contractor in tea estates. Andrew Yule started in trade and entered the fields of coal and steamships before they took up the jute industry. Later they started their venture in tea industry<sup>33</sup>. Their first venture in tea industry in the Terai region was the Atal Tea Estate and Singhton Tea Estate

in Darjeeling hill. Later this two estate was purchased by Sri N.C. Goenka, a trader from Kurseong in 1947<sup>34</sup>.

VI. CHUNIAJHORA T.E., JAYANTI T.E., PHANSKHOWA T.E., BHATPARA T.E.

These four tea estates lying in the border area of Bhutan were incorporated by McLeod Russel India Ltd, a group of William Magor and Company with its head office in London. Two Englishmen namely Captain J.H. Williamson and Richard Boycott Magor based in Calcutta formed a partnership firm namely Williamson Magor and Company to service the requirements of tea estates in North – East India under the flagship of McLeod Russel and Company. The office was originally at 7 new China Bazar Street, Calcutta before they moved to Four Mangoe Lane in 1894 where the company is still located today. It was renamed as

Williamson Magor and Company Ltd.<sup>35</sup> When it changed its status to a limited company in 1954 Brijmohan Khaitan, an East Indian merchant who used to the tea estates of this company with fertilizers and tea chests, was asked to join the board of the company in 1963 and he became the Managing Director of the Company in 1964. In 1967 the Guthrie family in U.K. sold their all shares in the McLeod Russel group which included the Makum and Namdung Tea Companies to the Khaitan family, making the Macneill and Magor group. In 1992 Macneill and Magor group was renamed as Williamson Magor and Company Ltd. It was originally incorporated as Ever Ready Company India Pvt. Ltd on 5<sup>th</sup> May 1998. The company's tea is marketed under the registered Elephant trade mark. The present Managing Director of the company including the tea estates is Aditya Khaitan<sup>36</sup>.

More examples relating to the context mentioned above are given below –

Name of the Tea Estate	Earlier owner	present owner
1. Bhagatpur T.E.	Arbuthnot Gillanders	Bhagatpur Tea Co.
2. Ranichera T.E.	Mcleod Russel and Co.	Nirmal Kumar Jhunjunwala
3. Raimatang T.E	Wallace Tea Co.	Kanoi Brothers
4. Marionbarie T.E	Longview Tea Co.	Jayashree Tea & Industries (Birla Group)
5. Belgachi & Panighata T.E.	Devenport & Co.	Dalmia & Sharaff Group, Kolkata
6. Ord Terai T.E.	Duncan Brothers	Tarachand Agarwal
7. Putin barie T.E	Do	Bangalore Pesticide Co.
8. Joy Birpara T.E.	Andrew Yule and Co.	Mehata and Brothers (Gold Brew Agro Industries Ltd.)

It is true that a large number of foreign tea companies after went back to their own country a few of them further put their steps in India like Goodricke Tea Company which has its main head quarter in London. After went back to England this company further incorporated in India on 14<sup>th</sup> June, 1977 and the certificate of commencement of business was obtained on 27<sup>th</sup> June , 1977. It was formed to take over the Indian business and assets of eight sterling tea companies comprising 17 Tea Estates. in terms of the scheme of amalgamation sanctioned by the Calcutta High Court the company acquired the Indian undertakings of the sterling companies as a going concern with all their assets and liabilities as at the close

of business of 31st December. Now it has eight tea companies like The Assam – *Dooars* Tea Company Limited, *Hope* Tea Company Limited, *Lebong Chulsa* Tea Company Limited, The Darjeeling Tea Company Limited, *Chulsa* Tea Company Limited, *Leesh River* Tea Company Limited, *Dengaujhar* Tea Company Limited, *Meenglass* Tea Company Limited. These are amalgamated with the Goodricke tea Company since 31<sup>st</sup> December 1977. However, some examples are given below to help the readers to know that how many tea estates which were worked earlier under Indian management are now being owned and controlled by this foreign tea Company<sup>37</sup>.

Name of the Tea Estate	Previous Lease	Present Lease	Date of Transfer
1. Gendrapara T.E.	Assam - Duars Tea Co. Ltd.	Goodricke Group	09/ 08/1980
2. Luxmipara T. E	Assam – Duars Tea Co. Ltd.	Goodricke Group	09/08/1980
3. Dalimkote T.E.	Meenglass Tea Co. Ltd.	Goodricke Group	09/08/1980
4. Patibari T.E.	Leeshriver Tea Co. Ltd.	Goodricke Group	09/08/1980
5. Hope T.E.	Hope Tea Co.	Goodricke Group	09/08/1980
6. Aibheel T.E.	Chalsa Tea Co. Ltd.	Goodricke Group	09/08/1980

(Source: Touji Department, District Magistrate Office, Jalpaiguri)

Question may be arise that why most of the European tea estates were sold only to the non –

Bengalis, not to the Bengalis whereas till then a large number of Bengali tea planters were there. To cite an

example we can mention the Sonali Tea Estate as a case – study. This tea estate was established in 1906 by a Sterling Company named “The Empire of India and Ceylon Tea Company”. Up to 1960 Sonali was a division of Bagrakot Tea Estate which was founded in the year 1876. Sonali was then known as the Saongaon Division of Bagrakot Tea Estate. In 1960 it was sold to an Indian managed Tea Company the “*Great Gopalpur Tea Company*” (Regd. No. 21692) in exchange of Rs. 2 lakhs. Since then it acquired a separate identity and began to run with a new name. The owner of the Bagrakot Tea Estate Shri B.C. Ghosh renamed the estate with his daughter’s name ‘Sonali’. The garden had a total area of 1174.63 acres of which 458.16 acres were under tea. It had no its personal factory within the garden premises and hence all teas produced in the garden were sold to the nearest factory of Good Hope Tea Estate controlled under the name of the Duncan Goenkas. As the years went on, the *Gopalpur* Tea Company faced some financial problems to run the garden due to the fall of tea price in 1970’s and most of its shares were sold to khemka brothers namely Mr. Bijay Kumar khemka and Mr. Krishna Kumar khemka. Since their period the garden was mortgaged to the United Bank of India (U.B.I.) and the khemka brother’s fled away from the garden silently before the Durga Puja in 1973.<sup>39</sup>

It is indeed hard to cite other examples particularly in regard to the transfer of ownership of European gardens to the Bengalis. Several reasons were responsible for this situation –

Firstly, the Bengali tea planters always fought against the British Government either to set up their own gardens or even to set up their own economic identity by establishing various tea associations like “Indian Tea Planter’s Association” (ITPA) in Jalpaiguri town and “Terai Indian Planter’s Association” (TIPA) in Matigara, Siliguri. What is more interesting is the recognition of the Indian Planters’ own Associations like *ITPA*, *TIPA* by even the ruling British planters against whom the founder has waged a persistent *Jehad* right from the moment of its birth against the mechanization of British influence. They could not deny the popularity of these Associations in spite of their bitter feeling towards it<sup>40</sup>.

Secondly, the Bengali tea planters like Jogesh Chandra Ghosh, Sashi Bhushan Neyogi, Tarini Prasad Roy had a major role in India’s Freedom Struggle by affording all sort of assistance to the freedom fighters or even with the participation in the *Swadeshi* movement<sup>41</sup>. So we could see that from the very beginning a monstrous tussle was there in between the European and Bengali tea planters.

Thirdly, though a large number of Bengali tea planters were there but they were not in a position to buy another tea estate on account of their weak financial condition and feudal life style<sup>42</sup>. The drastic fall of tea price in 1970’s and 1980’s hit their tea estates badly.

They had no reserve fund at all to survive their tea estates from this financial depress condition. So, under the circumstances it was really impossible for them to buy another tea estate owned by the Europeans rather surviving their own tea estates.

This opportunity was engulfed by the Marwari, Gujrati traders as a whole during the economic depression in 1930’s and most importantly after independence. Their relation with the European firms as managing agents or as a broker brought to them the opportunity of buying the tea estates from the European companies. The European tea companies often appointed a guaranteed broker, colloquially “Banian”, usually remunerated with a one percent commission on sales, who had to guarantee the trustworthiness than other Indian businessmen who dealt with the firm. Sometime the relation between the guaranteed broker and the European firm were far closer than the simple relationship. For examples, Goenka group were closely related with the Duncans; Tarachand Ghanshyamdas itself became Banian to Wallace Tea Company; Radha Kissen Kanoria was closely related with the McLeod and Co. from 1887<sup>43</sup>. Timberg observes that where opportunities were less or competition potent, they moved less rapidly. Their migration were rapid to those fields which formed, in the words of Timberg, a “commercial vacuum” and where the indigenous population were neither well organized nor provided with the other requisites to exploit the new trading opportunities opened up by the British<sup>44</sup>. This type of privilege was available in the tea industry of North Bengal since independence but the Bengalis, the pioneer tea planters among the Indians after the British could not grab the opportunity due to their financial weakness. In addition to that the long – absence of any Indian merchant in the tea industry of North Bengal actually helped the Marwaris to buy the tea estates from the foreign tea companies<sup>45</sup>. Lastly, the most notable feature about this community is that they always present themselves as a closed – knit community anywhere in this vast country. They used to take good care of each other, provided food and shelter to those who would come later to try their luck<sup>46</sup>. Sometimes they would even collectively contribute a small amount of money so that one newly arrived could start a business of one’s own<sup>47</sup>. Due to this attitude this community now stands as the major owner of tea estates not even in North Bengal but across the all over India.

Now once again looking back to the rhythm wherefrom we started we may possibly conclude that particular socio – economic condition made the platform behind the transfer of ownership from the Europeans to the Indians of the tea plantation industry in the Darjeeling and Jalpaiguri district. Their (Marwaris, Gujratis) relation with the European firms as managing agents or as a broker brought to them the opportunity of buying the tea estates from the European companies.

Furthermore, the cooperating mentality of this community to the new comers belonged to the same community in any form and of course the organizational mastery in Indian business since the British period was itself a prime advantage to the rise of Marwari, Gujrati traders in the tea – plantation industry of North Bengal.

Lastly it is important to mention here that the advent of the non – Bengalis as a trader not as a planter has severely affected the tea industry as well. The profit oriented outlook of the new comers has resulted in the increase of crop at a low cost but the quality of tea has deteriorated to a great extent. Strike, lock - out become a nominal feature of the tea industry. They systematically stripped off the gardens of their assets, drained the surplus and siphoned it off to other industries situated in Bombay, Delhi and Rajasthan. The commercial approach of quick back return of the new traders has been the fundamental spot of weakness in the tea industry of North Bengal.

## VII. ACKNOWLEDGEMENT

Prof. Ananda Gopal Ghosh, Dept. of History, University of North Bengal, Mr. Uday Bhanu Das, Secretary, Terai Indian Planters Association, Mr. Sandip Mukharjee, Secretary, Darjeeling Branch Indian Tea Association, Mr. Sanjay Bagchi, Asst. Secretary, Dooars Branch Indian Tea Association.

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