

# **Chapter-II**

## **History and Growth of Tea Industry in India and Particularly North Bengal Region**

## 2.1: Origin of Tea

The history of tea is encompassed by the fuzzy legends and fabled tale of the fanciful Chinese. There are numbers of legends and fabled tales regarding the origin of tea plant. These tales and legends entirely differ from each other. So, this can be the most accepted and relevant argument regarding the origin of tea plants which is obscure and a kind of myth. However, the Chinese has enjoyed for originating of tea for the millennia. As per the legend, tea was discovered accidentally by the Chinese King and herbalist, Sheh Nung, in 2737 BC (Mitra, 2010)<sup>1</sup>. This verse of legends reflects only the discovery of tea but the origin of tea plant has not been highlighted. There is another version of legends on the origin of tea plant. An Indian religious devotee and prince named Dharma, son of the king Kosjusva once imposed on himself no sleep during his wonderings. However, he was failed and so grieved. He stretched out his eyes and flung on ground. It was believed that the tea plant was actually originated from the eye of Dharma (Samuel, 1882)<sup>2</sup>. This verse of argument has supported by the Japanese and in their chronicles it has mentioned. In this 21<sup>st</sup> century, the tale of Dharma may not be acceptable but anyhow Dharma was the first person who introduced tea plant. However, the actual centre of origin of tea is not clearly known. Some scholars believed that the centre of origin might be the Tibetan Plateau including Sze Chuan, Yunnan, Sain, North East India or China.

The word 'tea' came from the Chinese Amoy word *t'e*, pronounced *tay*. The Dutch, who were the first to import tea into Europe from the port of Amoy in Fujian Province, called it *thee*, which became 'tea' in English. The Mandarin word for tea is *cha*, became *ch'a* (pronounced *tcha*) in Cantonese, in Indian it is *chai*.

Exactly when and how tea spread china is not clearly known. The Taoist monks and the Buddhist established that consuming tea was worthy boost for meditation and it was also helpful to enhance the concentration and avoided fatigue. The founder of Taoism, Lao-tzu believed that to excel in

meditation, tea was one of the essential ingredients. Tea had become so popular by the 4<sup>th</sup> century CE that it became necessary to being the deliberate cultivation of tea, rather than simply harvesting the leaves from wild bushes. Having started out as an obscure medicinal and religious beverage, tea first seems to have become a domestic drink in China around this time. Tea was expanded throughout the entire China and turned the most popular drink by the Tang dynasty, an era that is regarded as a golden period in Chinese history. Later on, the idea of tea as beverage travelled gradually from the East to the West by the sixteenth century.

## **2.2: Genesis of Tea**

- In 2737 B.C tea plant was discovered in China by the Chinese King Shen Nung.
- In 350 A.D for the first time, one of the Chinese dictionaries mentioned about tea.
- In between 400-600, the demand of tea was raised in China. In that time, tea was consumed as medical beverage. The cultivation process was developed. During this period, the concept of tea was travelled to Japan.
- In between 648-749, Gyoki, the Japanese monk planted tea in some 50 temple gardens. In Japan, tea was rare and expensive, only the aristocrats and priests would enjoy it.
- In 780, for the first time tax was imposed on tea in China.
- In 1211, Abbot Eisai, a Japanese Buddhist wrote a book on tea titled 'Kitcha-Yojoki'.
- In 1589, the Europeans learned about tea.
- In 1597, the word 'tea' got translated in English for the first time.
- In 1610, tea was bought by the East India Company. They marketed it as a foreign medical drink. According to them, tea was expensive and common people could not afford it.

- In 1661, there was a debate on the benefits versus harmful aspects of tea. Dutch doctors were in favor of health benefits of tea and on the other hand, German and French doctors were of its detrimental aspects.
- In 1723, the import tax was reduced on tea by Robert Walpole, the British prime minister.
- In 1765, tea gained popularity in America.
- In 1778, Joseph Bank, the British naturalist suggested to cultivate tea in India.
- In 1823, indigenous tea was originated in India by Robert Bruce, a Scottish Adventurer.
- In 1835, tea cultivation was started in Assam by the East India Company.
- In 1856, tea plantation was started in Darjeeling, India.
- During 1865- 1867 a situation of tea disaster was hit to the tea planters in India.
- In 1904, the concept of iced tea was generated by Richard Blechynden.
- In 1909, Thomas Lipton started packaging and blending of tea.
- In 1953, first instant tea was introduced.

### **2.3: Discovery of Tea Plant in India**

In 1823, Robert Bruce, British soldier and merchant, at the time of his visit to Rongpur, he was informed by Singpho Chief, one of the local inhabitant of northeast India regarding the existence of indigenous tea plant in Assam. In 1824, Robert Bruce provided some of plants to C. A. Bruce who was the brother of Robert Bruce (Bhuyan, 1974)<sup>3</sup>. Few years later, the similar kind of wild plant came to be noticed by the Lieutenant Charlton of Assam near Sadiya of northeast Assam in 1832. Then the wild plant was sent to the Calcutta Botanical Garden. The East India Company developed their trade and empire after the discovery of tea plant in Assam.

## 2.4: Tea History in India

The history of cultivation of tea and use of tea in India is long back. As per the Indian Ayurveda practice, tea was consumed as tisanes. The Indian Ayurveda also revealed that tea leaves was mixed with basil, cardamom, pepper, mint, etc. and consumed to get some medical benefits for maladies (Manoharan, 1974)<sup>4</sup>. Later on, the pattern of cultivation and use of tea were changed while the British East India Company arrived in India.

The first record mentioned of tea in India was in 1780, while a few tea bushes from the Canton were planted in Calcutta. These plants were not survived for long, either for want of culture or due to unfavorable weather or soil conditions. These tea bushes were planted for luxury than for any other purpose. The actual emphasis was given in 1788 for the cultivation of tea while Sir J. Bank suggested about it. However, the government botanist made a mistake to identify the indigenous tea plant and due to that the cultivation of tea was delayed. Later on, Bihar and Cooch Behar were found suitable for tea cultivation. Still then Assam did not come under the regime of the East India Company.

Mr. Scott, the then Governor General of Assam in 1819 put effort to cultivate tea on his own in Assam but nothing good was recorded. Few years later, Major Bruce was informed by a Singpho Chief of Assam regarding the existence of the indigenous tea plant in Sibsagar region of Assam. Mr. Bruce then informed his brother, C. A. Bruce. He collected some of specimen from the jungle of Sibsagar and sent them to D. Scott. D. Scott finally sent those specimens to Dr. Wallich, the botanist. Meanwhile, the monopoly trade of East India Company between China and Britain was dissolved. At that point of time, the British realized an urgent need for tea cultivation. This was the positive turn for tea in India. However, in 1834, 'Tea committee' was formed under the stewardship of L. W. Bentinck to investigate the possibilities of cultivating tea in India. The committee submitted its report that there were tea plants in many regions of the northeast frontier.

At the same time, Mr. Gordon sent some China variety of seeds and these were planted in Calcutta. C.A Bruce was appointed as Tea Forest Superintendent in 1836 and during his tenure he made some remarkable job. He set up new tea plantation of China variety at Jaipur, Chauba and Weenjaj; established The Bengal Tea Company at Calcutta; formed a tea company in London; etc. were the major records of his work.

In 1839, for the first time, Indian tea was auctioned in London. Total eight chests were sold at the auction and the rates per pound were ranging from 16 shilling to 34 shilling. During 1860-1870, tea cultivation spread all over India but at that tenure, a sizable number of tea gardens faced unfavorable situations which has termed in many literature as 'tea disaster'. However the disaster did not stayed for a longer period of time. Many gardens were sold at a cheap price and a new company was formed. Thus, the industry turned a steady shift.

## **2.5: Tea History in West Bengal**

West Bengal occupies the prestigious position in Indian tea industry. The overall position of tea industry of West Bengal is next to Assam. Tea industry of West Bengal is about 160 years old. The commercial tea cultivation was started in 1856. However, prior to that, the cultivation of tea took place on experimental basis in 1835. The first experimental tea cultivation was started in West Bengal in the Darjeeling hills while Mr. Garden, a naturalist returned back from China to India. Mr. Garden fetched some tea seeds and seedlings and distributed them in many parts of India for experimental purpose. The same seedlings and seeds were planted in this region. Thus, Dr. Campbell was assigned responsibility for the first experiment in Darjeeling hills in 1841. He planted those Chinese varieties in Jalpahar and Alubari areas which were of about 7000ft. elevation. The experiment did not provid any positive result because of unfavorable climatic conditions. Then Mr. Cronemelin set up one of the excremental nursery in Lebong located at the lower elevation than the previous excremental area and succeeded. Afterwards, tea cultivation

spread across the lower elevation of Darjeeling. However, from 1856 tea cultivation was started commercially. The first tea garden was established in Alubari by the Kurseong and Darjeeling Tea Company. Within 20 years of it, there were around 115 tea gardens set up which was spread over 18,888 acres of land. Meanwhile, tea cultivation was started in the Terai region. The first tea garden 'Chamta Tea Garden' was established in Terai in 1862 by Mr. J. White. In the succeeding years, Dooars also came to be noticed by the British for tea cultivation. The first tea garden in Dooars was set up by Mr. R. Haughton at Gazaldoba in 1876. Thus, tea cultivation gained popularity in West Bengal. In West Bengal, tea cultivation is mainly confined in the northern part of it which is popularly known as North Bengal.

### **2.5.1: Brief Sketch of North Bengal**

Tea industry of North Bengal lies under the Himalayan foothills and covering the districts of Alipurduar, Jalpaiguri, Darjeeling and few parts of Coochbehar and North Dinajpur in West Bengal. Technically, the entire tea producing region of Bengal has been divided into three peripheries- Terai, Dooars and Darjeeling hills. Terai covers the area of Siliguri sub-division of the Darjeeling district and a part of the North Dinajpur district. The Darjeeling hills cover the Darjeeling sub-division, the Kurseong sub-division and the Kalimpong sub-division of the Darjeeling district. Dooars entirely covers the Jalpaiguri, the Alipurduar and a part of the Coochbehar district. Dooars is the biggest tea producing region in Bengal and even in north India. A total of 276 organized tea estates (Government of West Bengal, 2014)<sup>5</sup> of the North Bengal plays a monumental role in the economy of this region. The industry provides 2,62,426 employments directly and several millions indirectly. There are seven employers' associations and 22 trade unions registered under the banners of different political parties.

### **2.5.1.1: Darjeeling**

Darjeeling region came to the British regime in 1800's, prior to that it was under the Sikkim kingdom. Darjeeling is known as the 'Queen of the Hills'. Darjeeling, the name is derived from the Tibetan words 'Dorjee' and 'Ling'. Where 'Dorjee' means thunderbolt and 'Ling' means place. Hence, Darjeeling means land of thunderbolt.

The entire credit goes to Dr. Campbell, a civil surgeon of British East India Company for the tea industry of Darjeeling. In 1839, recommendation was made by the East India Company on development of tea in Darjeeling. Dr. Campbell was appointed as consultant for this purpose. Dr. Campbell then started experiment of tea plant in 1841. In the first attempt, the experiment was failed. After few years, another botanist, Mr. Cronmelin got success on his experiment. It took almost 15 years to grow the original plant. However, based on the result of the experiment, suggestions were made regarding the possibility of tea cultivation in Darjeeling. Later on the commercial tea plantation was started in 1856. Initially, the China variety of tea was cultivated but few years after, the indigenous Assam variety of tea cultivation was started. The first tea garden in Darjeeling was established in 1856 by the Kurseong and Darjeeling Tea company. In 1859, Dhutardia Tea Garden was set up by Dr. Brougham. During 1860 to 1864, more tea gardens were established by the Kurseong and Darjeeling Tea Company in Ambutia, Takdash, Gind and Phubseing. Lebong Tea Company was also expanded more number of gardens at Badmatam and Takvar. Several other gardens were established during this tenure viz. Makaibari, Steinthal and Pandam tea estates. There were total 39 tea estates with an approximate area of 10392 hectare in 1866. The following table shows the steady progress of tea garden in Darjeeling in between 1861-1951.



**Table 2.1: Tea Gardens in Darjeeling (1861 to 1951).**

<b>Year</b>	<b>Number of Gardens</b>	<b>Area under cultivation (Acres)</b>	<b>Total Approximate Yield in lbs</b>	<b>Average yield in lbs. per Acre</b>
1861	22	3251	42600	13
1866	39	10392	433715	42
1867	40	9214	582640	63
1868	44	10067	851549	85
1869	55	10769	1278869	119
1870	56	11046	1689186	153
1872	74	14503	2938626	203
1873	87	15695	2956710	188
1874	113	18888	3927911	208
1881	155	28367	5160316	182
1885	175	38495	9090500	236
1891	177	45585	10910487	239
1895	186	48692	11714500	241
1901	170	51724	13535537	262
1911	156	51488	14256615	277
1921	168	59005	14080946	239
1931	169	61178	20459481	335
1941	136	63173	24815216	393
1951	138	62580	29283499	468

**Source:** Data compiled from Hunter<sup>6</sup>, 1972; Dash<sup>7</sup>, 1947 and Mitra<sup>8</sup>, 1951

The above statistics indicates the rapid progress rate of tea plantations in Darjeeling during 1861 to 1951. Within the 10 years of establishment of commercial production of tea in Darjeeling, it has observed that 39 tea gardens were opened. The steady improvement of tea industry was observed in between 1874 and 1895; area under cultivation improved by 158 per cent and the improvement in production was observed 198 per cent.

Further, it is to be recorded that in between 1896 to 1901, the number of tea gardens and area of cultivations were decreased. The price of tea was fallen down in the international market and tea industry was no longer can able to earn profit. Many tea gardens were merged with another and some were closed.

#### **2.5.1.2: Dooars**

The lower fertile strip of the base of Bhutan hills is known as Dooars. 'Dooars' is derived from the Hindusthani word 'Dwar' which means door or gateway. The logic behind the name Dooars is that the region has at least eighteen doors or gateway to Bhutan. Dooars is the entrance to Bhutan and North East India. Dooars has no political identity, only it has a geographical existence. It is situated over an area of around 130 kilometer by 50 kilometer. On the west, it stretches from the river Teesta and on east the river Sankosh.

Long back, Dooars was a part of the Coochbehar. In 1661, Coochbehar was attacked by the Mughals. During the war with Mughals, the King of Coochbehar realized the need to employ more forces but within short span of time this was not possible. Then the Konch King asked for help to the Bhutan. Bhutan provided military help to Coochbehar. However, after the war the King of Bhutan in lieu of the help wanted Dooars area from Coochbehar. Then Coochbehar had no other alternatives and agreed (Majumder, 1984)<sup>9</sup>. Later on, a portion of Dooars which was known as Assam Dooars wrested by the British from the Bhutias in 1837 and the remaining part of Dooars i.e. Bengal Dooars was also wrested by them in 1842 (Hunter 1877)<sup>10</sup>.

Earlier, Dooars region had two parts; Eastern Dooars and Western Dooars. The part of Eastern Dooars is now in Goalpara district of Assam and its name no longer is known. Talking about the Western Dooars, which is regarded as Dooars of now, located along with the foothills of Bhutan and the Sankosh in the east and the Teesta in the west. Dooars is plain land and have so many streams and deep forests. A sizable portion of land in Dooars is favorable for cultivation of paddy, jute, wheat, potato and other crops. However, tea is the prime industry of Dooars.

The first tea garden of Dooars opened at Gazaldubi (now it is Gazaldoba). In 1876, Dr. Brougham initiated tea cultivation at Gazaldoba and took lease 996 acres of land on 16<sup>th</sup> February 1876. Then, Mr. R. Haugthon was appointed by Dr. Brougham to set up tea garden at Gazalboda. However, Mr. R. Haugthon is regarded as the pioneer of tea cultivation of Dooars (Ghosh, 1970)<sup>11</sup>. Soon after, tea cultivation gained popularity of this region and within 1877, 22 more tea garden opened. Initially, China variety was cultivated and later on Assam and Assam-China hybrid variety were scultivated.

The tea industry of Dooars has distinct features. The early emergence of entrepreneurship in India was carried out by tea garden owners. Munshi R. Baksh was the first Indian who received grant for the purpose of tea cultivation in 1877. The Jaldhaka grant was taken by him on 17<sup>th</sup> August 1877 and the area was 728 acres. In the same year, Washabari, Dam Dim, Ellenbari, Kumlai, etc. gardens were established. In 1878, more number of tea gardens was established. Dr. Nilratan Sarkar, the eminent physician of then received Kalabari grant. During the same year Altadanga grant was taken by Kalimohan Roy and Durgabati Sen of 310 acres. However, after few days the grant was transferred to Beharilal Ganguly. In 1879, the first Joint Stock Company was formed by the Indians in Jalpaiguri to venture in tea. Thus, by 1930 the total number of estates owned by the Indian entrepreneurs went to 47.

In the following table, the progress of tea industry in Jalpaiguri is presented:

**Table 2.2: Progress of Tea Cultivation in Jalpaiguri (1874-1951)**

<b>Year</b>	<b>No. of Garden</b>	<b>Area (in acres)</b>	<b>Approximate yield in lbs</b>	<b>Average yield in lbs per acre</b>
<b>1874</b>	<b>1</b>	<b>-----</b>	<b>-----</b>	<b>-----</b>
<b>1881</b>	<b>47</b>	<b>5,673</b>	<b>-----</b>	<b>-----</b>
<b>1891</b>	<b>79</b>	<b>35,683</b>	<b>-----</b>	<b>-----</b>
<b>1901</b>	<b>235</b>	<b>76,403</b>	<b>31,087,537</b>	<b>407</b>
<b>1911</b>	<b>191</b>	<b>90,85 9</b>	<b>48,820,637</b>	<b>537</b>
<b>1921</b>	<b>131</b>	<b>1,12,688</b>	<b>43,287,187</b>	<b>384</b>
<b>1931</b>	<b>151</b>	<b>1,32,074</b>	<b>66,447,715</b>	<b>503</b>
<b>1941</b>	<b>189</b>	<b>1,31,770</b>	<b>94,604,450</b>	<b>718</b>
<b>1951</b>	<b>158</b>	<b>1,34,473</b>	<b>1,37,194,660</b>	<b>1,020</b>

Source: Mitra, 1953<sup>12</sup>

### **2.5.1.3: Terai**

Terai, the boggy and slender strip of field is located under foothills of the Himalayas. The nature of soil is sandy humus and mixing with boulders. In this region, the suitable climate provides opportunities to grow tea. Terai region is broadly divided into two territories: the northern Terai and the southern Terai. The northern Terai is located in the foothills of Himalayas and the southern Terai is located in the plain. The average annual rainfall of this region is around 3000 millimeter. Terai composed of the area of Siliguri sub-division and other plain surrounding of Darjeeling district. Terai region mainly produced C.T.C. and Orthodox tea (Bhowmik, 1981)<sup>13</sup>.

Earlier, Terai was a portion of Sikkim. Terai had a complex history of being a part of Darjeeling district. Terai was annexed to Darjeeling in 1850. The actual area of annexed was around 640

square miles and the lion portion of it was dense forest. After few years, forest lands were converted into cultivation land. Initially, attempt was made to cultivate paddy. Meanwhile, cultivation of tea was in full swing in the Darjeeling hills. Tea planters then realized the need to cultivate tea in the available suitable land of Terai. Thus, in 1862 Mr. J. White who had earlier started tea cultivation in Kurseong, initiated to cultivate tea in Champta of Khaprial in Terai. By then tea cultivation started in Terai and in the following years tea cultivation spread across the entire Terai region from the north to south.

## 2.6: Growth and Development of Tea Industry in India

The growth of Indian tea industry can be divided based on the two major periods;

- i) The period prior to the five year plans (1850 to 1950), and
- ii) The five year plans period (1951 to the succeeding years).

### i). The period prior to the five year plans (1850 to 1890)

Tea cultivation began in India in 1834 on experimental basis. The commercial cultivation of tea was started in 1839 after the establishment of Assam Tea Company. In the following year, several companies were established and the rate of growth was found remarkable. From the year 1850, the industry took a sharp turn. Within the forty years of it, the unbelievable growth was recorded in all aspects such as areas of production, total production and average yield per hectare of tea industry.

The following table shows the growth of the industry during 1850 to 1890:

**Table 2.3: Growth of the Tea Industry in India (During 1850 to 1890)**

<b>Year</b>	<b>Area under cultivation (thousand hectare)</b>	<b>Production (Million Kilogram)</b>	<b>Yield per hectare (in Kilogram)</b>
<b>1850</b>	<b>0.75</b>	<b>0.097</b>	<b>130</b>
<b>1890</b>	<b>152</b>	<b>57</b>	<b>373</b>

**Source:** Tea Board of India statistics

The period 1890 to 1918 witnessed an overall development of the tea industry. The following are the factors those were responsible for the growth of the industry:

- a). During this tenure, cultivation of tea in south India shaped as industry. The notable development of this tenure is that the formation of United Planters Association of South India (UPASI) and many other employers association in north India;
- b). The emphasis was given on the research and development of tea cultivations;
- c). Enactment of Indian Tea Act, 1903;
- d). Development activities were initiated to set up railway tracks in the North India.

During 1918 to 1939, Indian tea industry passed a period of turmoil. Hence, no significant growth was observed in this period. In 1919 to 1920, the price of tea was fallen down; production also was decreased significantly in 1921. In 1929, the global depression was badly impacted on tea industry. Decline in consumption as a result of depression, tea industry was non remunerative.

In between 1939 to 1950, tea industry of India got oxygen after a long for the Second World War. During the war tea production was stopped in some countries, like Indonesia. Indian tea companies grasped this opportunities and exported huge quantity of tea. Ultimately, Indian tea industry earned huge revenue. This was the strategic turning point for Indian tea industry. During that time, U.K. government became the buyer of Indian tea. Thus, the profitability of the industry improved gradually. Enactment of the Central Tea Board Act, 1949 was one of the customized initiatives for the industry. Though, North Indian tea industry was faced stiff shortage of manpower during the war.

**Table 2.4: Growth of the Tea Industry in India (During 1850 to 1950)**

<b>Year</b>	<b>Area under cultivation (thousand hectare)</b>	<b>Production (Million Kilogram)</b>	<b>Yield per hectare (in Kilogram)</b>
<b>1850</b>	<b>0.75</b>	<b>0.097</b>	<b>130</b>

<b>1890</b>	<b>152</b>	<b>57</b>	<b>373</b>
<b>1918</b>	<b>275</b>	<b>173</b>	<b>629</b>
<b>1939</b>	<b>337</b>	<b>205</b>	<b>610</b>
<b>1950</b>	<b>316</b>	<b>278</b>	<b>881</b>

**Source:** Tea Board of India statistics

## **ii) The five year plan period (1951 onwards)**

The government of India appointed a committee during the first planning period in 1952 under the supervision of Rajaram Rao. The committee was named ‘Rajaram Rao Committee on Tea’. However, the committee was formed to trace out the difficulties confronted by the tea industry. The committee, based on the difficulties provided suggestions to revamp the industry. Reduction of central excise duty, finance from bank, relaxation of income tax, etc. were some of those suggestions provided by the committee. Tea Act, 1953 was constituted in this plan period. Tea Board of India was set up under Tea Act, 1953 during this tenure.

The second plan period had negative as well positive impacts on the tea industry. The negative impact was of Suez canal in 1956. The Suez issues made Indian tea trade difficult with its largest buyer, the U.K. On the other hand, the positive role played by the Plantation Enquiry Commission. In this planning period, the commission recommended on vital issues. The issues were; cost reduction, financial assistance for the tea industry, re-plantation program, export promotion, etc.

The third plan period observed the overall development of Indian tea industry. During this tenure a number of auction centre were opened. The railway transportation was arranged for transportation of tea and coal.

During the fourth plan period, Guwahati auction centre was established. It was the first auction centre in Assam. In 1970, Indian Tea Association appointed a special committee. Mr. M. Lamond

was the chairman of this committee. The committee was formed to accelerate the improvement of tea production. Foreign exchange Regulation Act, 1973 was enacted in this period.

The fifth plan period witnessed a glorious turn of Indian tea industry. The unpredicted and abnormal price raised in all auction centre in pan India and even in the foreign market. In this period, Siliguri auction centre was established. In 1978, 'Tea Marketing Committee' was formed. Mr. P. Tandon was the chairman of this committee.

The important event of the sixth plan period was the national level meets of the representative of all tea producing states. This was the first time that the due importance was given to the small growers of the country. The outcomes of this meets were: (a) the priority area, export and quality were highlighted; (b) reduction of excise duty and indirect tax on export, etc.

Tea industry initiated a number of activities during the seventh plan periods. The initiatives were purely related to tea plantation. During this period, West Bengal Tea Development Corporation was modernized. Darjeeling tea logo was launched in this plan period.

During the eight five year plan period, tea industry badly affected due to the liberalization, privatization and globalization policy. The entire period, tea industry experienced unstable prices in its all auction market. The average auction price of tea was declined in 1992 and immediate in 1993 price was increased. Again in 1994, price was declined in the auction market. The quantity of production of tea was down turn in 1992. In the ninth plan period, production increased very negligibly, around 0.4 per cent. The export scenario remained same during the ninth plan period. In terms of monetary value of the export, improvement was observed because the unit value of export was raised from Rs. 85.79 to Rs. 87.13 per kilogram of tea. In the tenth plan tenure, the export of tea declined to 184 million kilogram.



In the eleventh five year plan period, the financial health of tea industry was not healthy. Tea industry especially in West Bengal region was in deep crises. A number of tea estates were closed or abandoned in this tenure. Dooars and Terai region of Indian tea industry were in the news headline over the years. The socioeconomic foundation of the entire tea producing region of North Bengal was badly affected. Thousands of tea labours and their family members were died during this period only because of malnutrition and starvation. However, in the eve of the twelfth five year plan period, the situation was also remained same.

**Table 2.5: Growth of Tea Industry in India (during 1890-1950).**

<b>Year</b>	<b>Area under tea (in hectare)</b>	<b>Production (in tones)</b>	<b>Export (in tones)</b>
<b>1890</b>	<b>211433</b>	<b>89567</b>	<b>87226</b>
<b>1905</b>	<b>213657</b>	<b>100567</b>	<b>98325</b>
<b>1910</b>	<b>218062</b>	<b>119569</b>	<b>116319</b>
<b>1915</b>	<b>256951</b>	<b>168828</b>	<b>154418</b>
<b>1920</b>	<b>284922</b>	<b>156645</b>	<b>130419</b>
<b>1925</b>	<b>294474</b>	<b>164886</b>	<b>153003</b>
<b>1930</b>	<b>325057</b>	<b>177391</b>	<b>164243</b>
<b>1935</b>	<b>336572</b>	<b>178912</b>	<b>146926</b>
<b>1940</b>	<b>337296</b>	<b>2`0415</b>	<b>160664</b>
<b>1945</b>	<b>308922</b>	<b>229038</b>	<b>167638</b>
<b>1950</b>	<b>314640</b>	<b>275475</b>	<b>200780</b>

**Source:** Tea Statistics, J. Thomas & Company Pvt. Ltd., 1990

**Table: 2.6: Scenario of Indian Tea Industry during Post Globalization Period (Based on 1990)**

<b>Year</b>	<b>Area (hectare)</b>	<b>Production (Th. Kg)</b>	<b>Yield (Kg/ hectare)</b>	<b>Export Qty.(Th./ Kg)</b>
<b>1990</b>	<b>4,16,269</b>	<b>7,20,338</b>	<b>1,730</b>	<b>2,10,024</b>
<b>1995</b>	<b>4,27,065</b>	<b>7,56,016</b>	<b>1,770</b>	<b>1,67,996</b>
<b>2000</b>	<b>5,04,366</b>	<b>8,46,922</b>	<b>1,679</b>	<b>2,06,816</b>
<b>2005</b>	<b>5,55,611</b>	<b>9,45,974</b>	<b>1,703</b>	<b>1,99,050</b>
<b>2006</b>	<b>5,67,020</b>	<b>9,81,805</b>	<b>1,732</b>	<b>2,18,737</b>
<b>2007</b>	<b>5,78,458</b>	<b>9,86,427</b>	<b>1,705</b>	<b>1,78,754</b>
<b>2008</b>	<b>5,79,353</b>	<b>9,80,818</b>	<b>1,693</b>	<b>2,03,117</b>
<b>2009</b>	<b>5,79,353</b>	<b>9,79,000</b>	<b>1,689</b>	<b>1,97,903</b>
<b>2010</b>	<b>5,79,353</b>	<b>9,66,400</b>	<b>1,668</b>	<b>2,22,019</b>
<b>2011</b>	<b>5,79,353</b>	<b>1,115,720</b>	<b>1,925</b>	<b>2,15,410</b>
<b>2012</b>	<b>5,63,979</b>	<b>1,126,330</b>	<b>1,997</b>	<b>2,08,230</b>
<b>2013</b>	<b>5,63,979</b>	<b>1,200,040</b>	<b>2,127</b>	<b>2,19,060</b>
<b>2014</b>	<b>5,63,979</b>	<b>1,207,310</b>	<b>2,141</b>	<b>2,07,440</b>
<b>2015</b>	<b>5,66,660</b>	<b>1,208,660</b>	<b>2,133</b>	<b>2,28,660</b>
<b>2016</b>	<b>5,66,660</b>	<b>1,267,360</b>	<b>2,236</b>	<b>2,22,450</b>

**Source:** Tea Board of India

## 2.7: Major Tea Growing Regions in India

In India, the entire tea growing region is broadly classified into two; North Indian tea industry and South India tea industry. These regions are spread all over India, some of which are world famous. Generally, tea plantations are located in backward areas of rural hills in India (Griffiths, 1967)<sup>14</sup>. Major tea growing areas in India are located in West Bengal, Assam, Karnataka, Kerala and Tamil Nadu. Beyond these, there are other locations where tea is grown in small quantity; these areas are Arunachal Pradesh, Tripura, Himachal Pradesh, Sikkim, Uttaranchal, Nagaland, Manipur, Mizoram, Meghalaya, Bihar and Orissa (Hazarika, 2011)<sup>15</sup>.

## 2.8: Growth and Development of Tea Industry in West Bengal

Earlier we have discussed regarding the history of tea cultivation in West Bengal. In this section, focus has been given on the growth and development of the industry in West Bengal. Further, the discussions have been made on each and individual tea growing areas of West Bengal. The growth and development pattern have been discussed based on the production of tea, area under cultivation of tea and number of tea gardens.

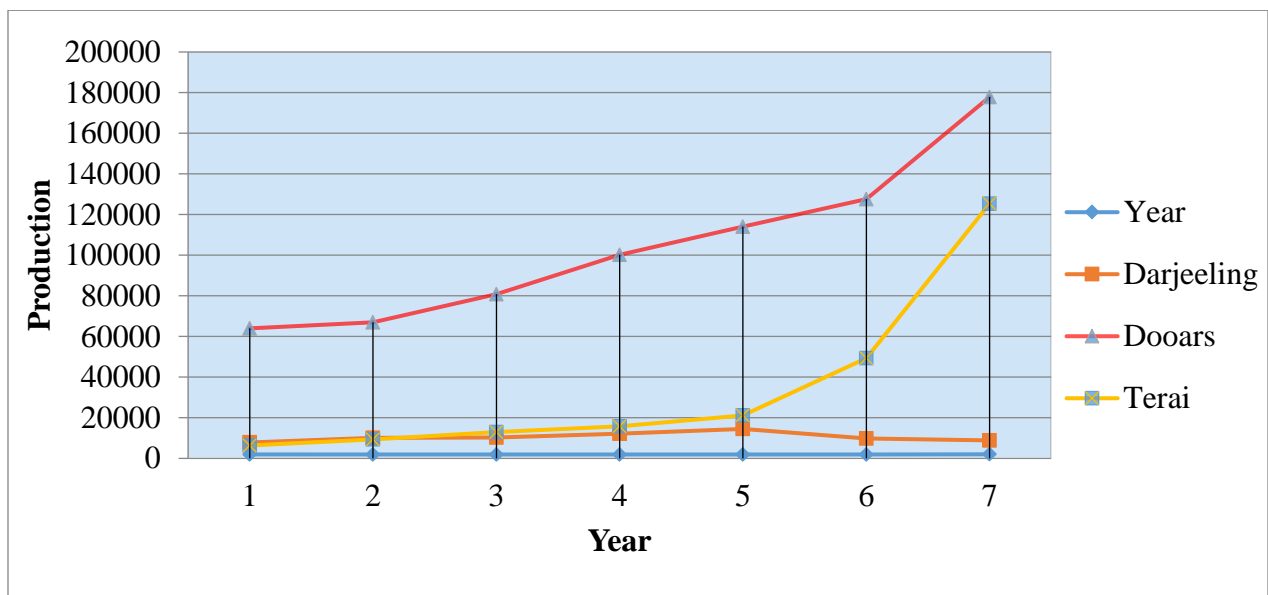
**Table 2.7: Production of Tea in Three Regions of West Bengal (Figures in '000 K.G.)**

<b>Region/ State</b>	<b>1951</b>	<b>1961</b>	<b>1971</b>	<b>1981</b>	<b>1990</b>	<b>2001</b>	<b>2014</b>	<b>% increase over 1951</b>
<b>Darjeeling</b>	<b>7839</b>	<b>10107</b>	<b>10293</b>	<b>12226</b>	<b>14499</b>	<b>9841</b>	<b>8910</b>	<b>13.66</b>
<b>Terai</b>	<b>6376</b>	<b>9253</b>	<b>12954</b>	<b>15782</b>	<b>21130</b>	<b>49388</b>	<b>125340</b>	<b>1865.80</b>
<b>Dooars</b>	<b>63994</b>	<b>66898</b>	<b>80840</b>	<b>100251</b>	<b>114124</b>	<b>127611</b>	<b>177850</b>	<b>177.91</b>
<b>West Bengal</b>	<b>78158</b>	<b>86258</b>	<b>104087</b>	<b>128259</b>	<b>149735</b>	<b>186840</b>	<b>312100</b>	<b>299.31</b>

**Source:** Tea Board of India

It is observed from the table 2.7 that the tea production in West Bengal has raised by 299.31 per cent over the last 63 years tenure i.e. from 1951 to 2014. The above table also depicts the growth rate of tea production in the entire three regions of West Bengal separately. The highest rate of growth is observed in the Terai region (1865.80 per cent) followed by the Dooars region (177.91 per cent) and the Darjeeling region (13.66 per cent) during the last 63 years.

**Chart 2.1: Comparative Scenario of Tea Production among Three Regions in West Bengal**



The above figure shows that the comparative scenario of tea production among the three tea producing belts of West Bengal. In West Bengal, among the three tea producing belt, Dooars is in the top most position in terms of production of tea followed by Terai, Darjeeling. It is also noticed from the above figure that Terai region has turned towards upward of tea production in the year 1990 and has been producing in the same rhythm till 2014. On the other side, from the same year Darjeeling region has found down turn of tea production. However, in case of Dooars, it is noticed that in 2001 production of tea has turned more upwards.

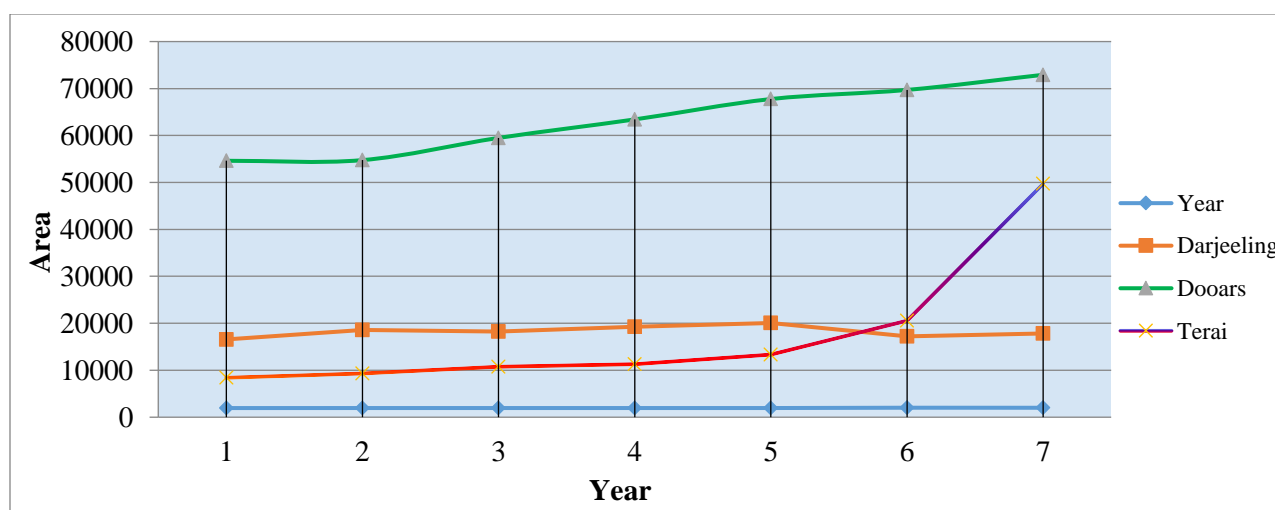
**Table 2.8: Area of Cultivation of Tea in Three Regions of West Bengal (Figure in Hectares)**

Region /State	1951	1961	1971	1981	1990	2000	2014	% increase over 1951
Darjeeling	16569	18605	18245	19239	20065	17228	17820	7.55
Dooars	54609	54756	59485	63418	67760	69703	72920	33.52
Terai	8402	9344	10769	11314	13345	20548	49700	189.91
West Bengal	79580	82705	88499	93971	101170	107479	140440	76.47

**Source:** Tea Board of India

It is observed from the table 2.8 that the area under cultivation of tea in West Bengal has raised by 76.46 per cent over the last 63 years tenure i.e. from 1951 to 2014. The above table also depicts the growth rate of the areas of tea cultivation in the entire three regions in West Bengal individually. The highest rate of growth in terms of area of tea cultivation land is observed in the Terai region (189.91 per cent) followed by the Dooars region (33.52 per cent) and the Darjeeling region (7.55 per cent) over the last 63 years.

**Chart 2.2: Scenario of Tea Cultivation Area among Three Regions in West Bengal**



The figure shows that the comparative scenario of tea cultivation area among the three tea producing belts of West Bengal. According to the above figure, Dooars have the maximum tea plantation area followed by the Terai and Darjeeling. The figure also depicts that the tea cultivation area of Terai region has increased unpredictably from 2000. On the other hand, tea cultivation area of Darjeeling region has decreased from 1990.

### **2.8.1: Darjeeling**

In Darjeeling, cultivation of tea actually dated back to 1835 on trial basis. The commercial cultivation was started from 1856. The Kurseong and Darjeeling Tea Company were the first organized tea company in Darjeeling to set up tea estates. Within five years of started the commercial cultivation of tea in Darjeeling, the number of tea garden was increased to 22.

#### **2.8.1.1: Number of Tea Garden in Darjeeling**

The growth of number of tea garden in Darjeeling hills is presented below (Between 1961 to 2014):

**Table 2.9: Growth of Number of Tea Gardens in Darjeeling (1961 to 2014)**

<b>Year</b>	<b>Number of Tea Gardens</b>	<b>Year</b>	<b>Number of Tea Gardens</b>
<b>1961</b>	<b>99</b>	<b>1995</b>	<b>83</b>
<b>1980</b>	<b>103</b>	<b>2000</b>	<b>85</b>
<b>1985</b>	<b>102</b>	<b>2005</b>	<b>85</b>
<b>1990</b>	<b>102</b>	<b>2014</b>	<b>81</b>

**Source:** Tea Board of India

In the above table 2.9, it shows that the number of tea gardens was decreased from 102 to 83 during the year 1990 to 1995 i.e. which is around 19 per cent. Since, we understood that the year 1991 as starting of new economic policy which advocated the doctrine of LPG (Liberalization, Privatization and Globalization). The new economic policy might causes for the decline of number of tea gardens in the Darjeeling hills. In the subsequent years, it was noticed that the number of tea

estates had been increased but again in 2014 the number has goes down. Though, the percentage of increase and decrease of number of tea gardens in between 1995 to 2014 is very negligible. However, the new economic policy really impacted on the tea industry of Darjeeling.

### 2.8.1.2: Production of Tea in Darjeeling

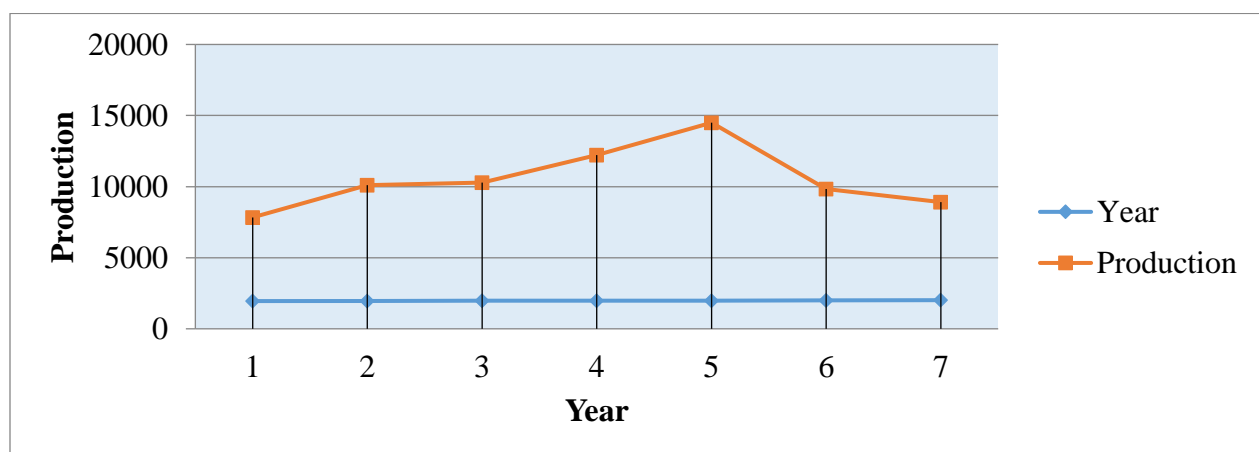
**Table 2.10: Production of Tea in Darjeeling (Figures in '000 K.G.)**

Year	1951	1961	1971	1981	1990	2001	2014	% increase over 1951
Production	7839	10107	10293	12226	14499	9841	8910	13.66

**Source:** Tea Board of India

The above statistics of tea production of Darjeeling reveals that over the period of 63 years, the production of tea has increased by 13.66 per cent. The decade of 1951 to 1961 observed the maximum per cent increase of production of tea which is 28.93 per cent. On the other side, the decade of 1990 to 2001 observed the maximum per cent decrease of production of tea which is about -32.12 per cent. However, the sharp fall of tea production during the period of 1990 to 2001 indicates that the globalization has negative impact of the tea production of this region. Since, in the year 1991 LPG policy was conceived and the negative impact of it continued to the subsequent years.

**Chart 2.3: Trend of Tea Production in Darjeeling**



The above figure of production of tea in Darjeeling region clearly legible that the sharp fall of tea production since 1990. It is also noticed that from 1951 the trend of tea production was upward till 1990 but particularly after this point of time downward trend of tea production is observed.

### 2.8.1.3: Area of Tea Cultivation in Darjeeling

**Table 2.11: Area under Tea Cultivation in Darjeeling (Area in Hectares)**

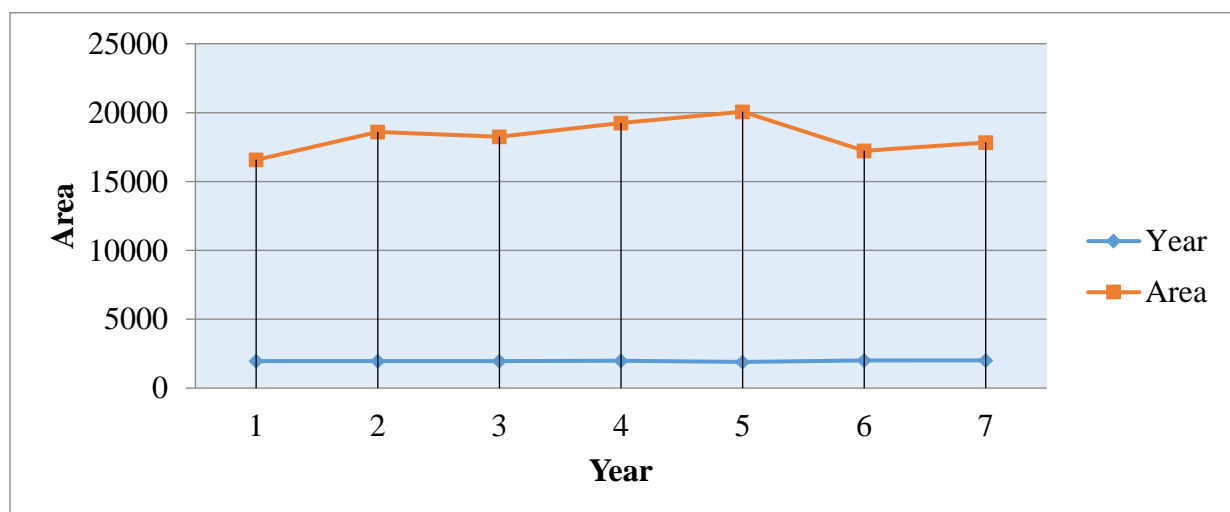
Year	1951	1961	1971	1981	1990	2000	2014	% increase over 1951
Area (Hectares)	16569	18605	18245	19239	20065	17228	17820	7.55

**Source:** Tea Board of India

From the table 2.11, it has seen that the area under tea cultivation in Darjeeling rose by 7.55 per cent over the period of 63 years (1951 to 2014).

The cultivation area of tea in Darjeeling is found maximum growth in between 1951 to 1961. The growth in between these particular period is observed 12.28 per cent, followed by the period of 1971 to 1981 (5.49 per cent) and 2000-2014 (3.43 per cent). In the following figure, the growth pattern of the area under tea cultivation in Darjeeling is apparently observed.

**Chart 2.4: Trend of Tea Cultivation Area in Darjeeling**





The figure 2.4 depicts that from 1990 the area of tea cultivation in Darjeeling has reduced. This clearly indicates that due to the globalization many tea company stop their operations in Darjeeling. Further, it also confirmed from the above mentioned figure that globalization had a worse impact on the tea industry in Darjeeling.

## 2.8.2: Dooars

In 1874, Mr. R. Haughton started cultivation of tea in Gazaldubi (now it is Gajaldoba) of Dooars (Saha and Ghosh, 2013)<sup>16</sup>. This was the first tea garden of Dooars. Mr. R. Haughton is regarded as the pioneer of tea industry of Dooars (Ghosh, 1970)<sup>17</sup>. Immediately after the set up of first tea garden in Dooars, cultivation of tea was started randomly.

### 2.8.2.1: Number of Tea Gardens in Dooars

In 1876, 13 tea gardens had been started. However the growth of number of tea garden of Dooars region is presented here:

**Table 2.12: The Growth of Number of Tea Gardens in Dooars (1876 to 2014)**

Year	Number of Tea Garden	Year	Number of Tea Garden
1876	13	1941	189
1881	55	1951	158
1892	182	1961	155
1901	235	1971	151
1921	131	1990	163
1931	151	2014	150

**Source:** Combination of Tea Board of India, Labour Department of Government of West Bengal<sup>18</sup> and Griffith<sup>19</sup>, 1967

The above table shows that from 1876 to 1901, the number of garden was increased rapidly. On the contrary, after 1991, the number was decreased gradually. In between 1892 and 1901, there

was maximum number of grants (area of land offered on lease). There were so many grants in the Jalpaiguri district and the number of tea gardens in 1901 actually represents the number of grants.

The actual number of tea garden was less than 235.

### 2.8.2.2: Production of Tea in Dooars

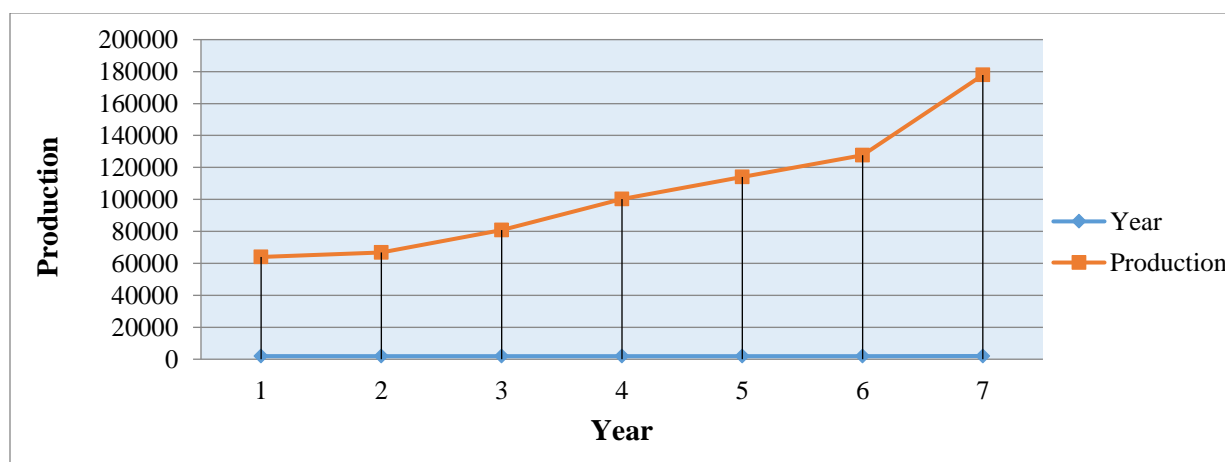
**Table 2.13: Production of Tea in Dooars (Figures in '000 K.G.)**

Year	1951	1961	1971	1981	1990	2001	2014	% increase over 1951
Production	63994	66898	80840	100251	114124	127611	177850	177.91

**Source:** Tea Board of India

The table 2.13 reveals that the tea production of Dooars was in increasing trend since 1951. The statistics of tea production indicates that over the past decades, the tea industry of Dooars has been performed in an excellent manner. In between 2000 to 2014, the tea production was observed maximum than the other decades, which was 39.36 per cent. The period of 1990 to 2001, the least quantity of tea was produced in Dooars. This least quantity of production evidences that the ill effect of globalization on tea industry.

**Chart 2.5: Trend of Tea Production in Dooars**



The above figure reflects that the growth trends of tea production in Dooars from 1961 to 2014.

Over the period of last 63 years, tea production of Dooars has raised to 177.91 per cent. The

growth of production has been observed such as 1951 to 1961, it was 4.53 per cent, 1961 to 1971, it was 20.84 per cent, 1971 to 1981, it was 24.01 per cent, 1981 to 1990, it was 13.83 per cent, 1990 to 2000, it was 11.81 per cent, 2000 to 2014, it was 39.36 per cent.

### 2.8.2.3: Area of Tea Cultivation in Dooars

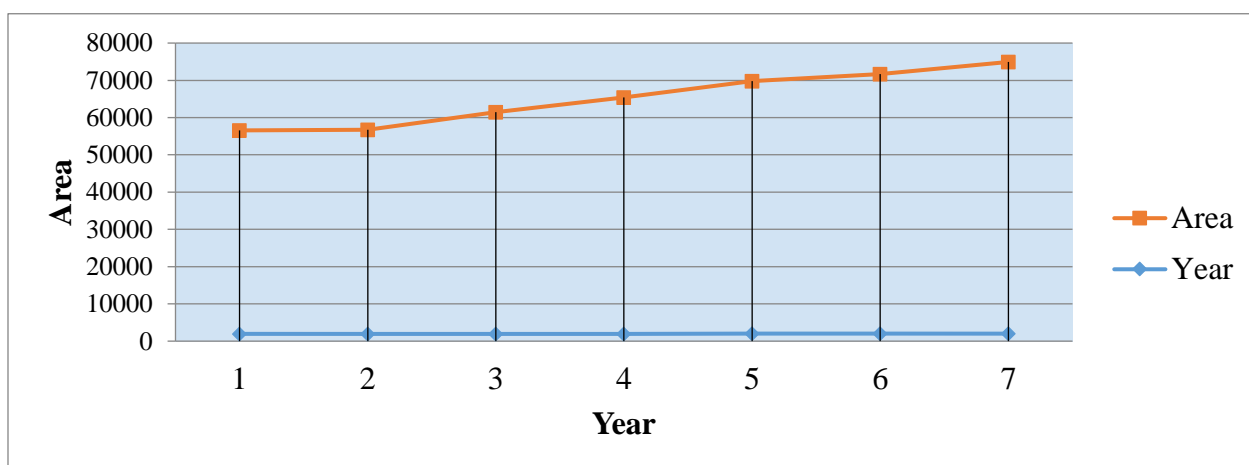
**Table 2.14: Area of Tea Cultivation in Dooars**

Year	1951	1961	1971	1981	1990	2000	2014	% increase over 1951
Area (Hectares)	54609	54756	59485	63418	67760	69703	72920	33.53

**Source:** Tea Board of India

Above table reveals that areas of tea cultivation in Dooars has increased by 33.53 per cent over the period of 63 years. The period of 1961 to 1971 has been observed the maximum increase of area of tea cultivation in this region.

**Chart 2.6: Trend of Growth of Tea Cultivation Area in Dooars**



The above figure shows the trend of increase in tea cultivation area. From the figure, we can interpret that the growth of cultivation area during the period of 1951 to 1961 was very negligible, only 0.26 per cent; otherwise almost in every period, satisfactory growth is observed. However, during 1990 to 2000, the growth of tea cultivation area was found only 2.86 per cent.

### 2.8.3: Terai

The whole credit goes to Mr. J. White for initiating the tea cultivation in Terai region. Terai was equipped with its first tea garden at Champta, close to Siliguri in 1862. However, the industry developed afterwards. The growth of number of tea gardens in the Terai region is presented below:

#### 2.8.3.1: Number of Tea Gardens in Terai

**Table 2.15: The Growth of Number of Tea Gardens in Terai (1961 to 2014)**

Year	Number of Tea Garden	Year	Number of Tea Garden
1961	47	1986	62
1971	48	1988	73
1980	48	1990	82
1985	63	2014	45

**Source:** Combination data from Mitra, 2010; Labour Dept. of West Bengal Government, 2014

From the table, it is noticed that from 1961 to 1990, number of tea garden was increasing in a systematic way. From 1990, it took down turn. The sudden decrease of the number of tea gardens from the 1990 indicates the worse effects of globalization. However, no uniform statistics are available regarding the number of tea estates in West Bengal region. The published statistics by the various organizations on the number of tea estates in West Bengal are not same. Hence, this is a matter of confusion.

#### 2.8.3.2: Growth of Tea Production in Terai

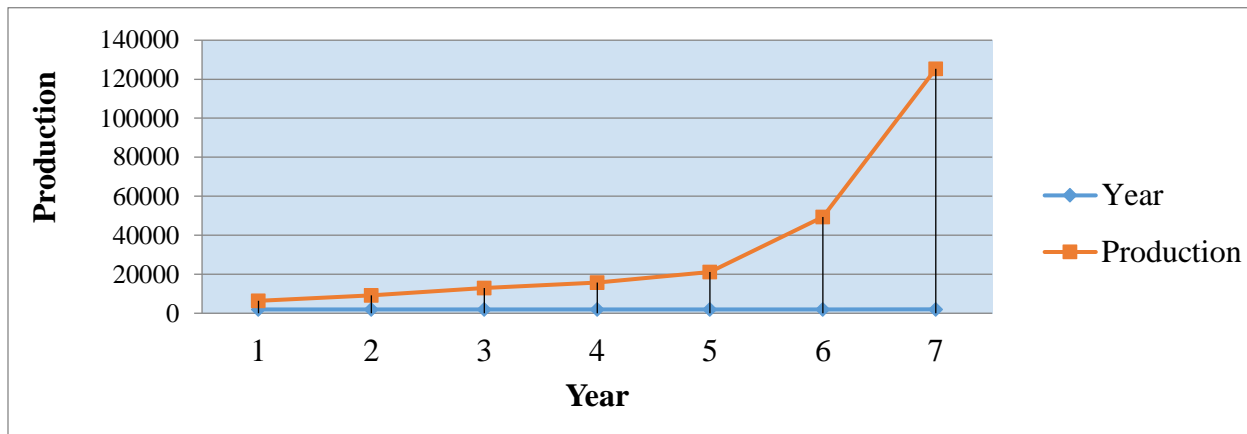
**Table 2.16: Production of Tea in Terai (Figures in '000 K.G.)**

Year	1951	1961	1971	1981	1990	2001	2014	% increase over 1951
Production	6376	9253	12954	15782	21130	49388	125340	1865.80

**Source:** Tea Board of India

Above table reveals that production of tea cultivation has increased 1865.80 per cent over the period of 63 years i.e. from 1951 to 2014. Tea production of Terai region was observed a steady progress over last six decades.

**Chart 2.7: Trend of Tea Production in Terai**



The above figure of tea production in Terai region shows a positive trend since 1951. The maximum production of tea has been observed in the period of 2001 to 2014 which is 153 per cent followed by the period of 1990 to 2001 (133.73 per cent), 1951 to 1961 (45.12 per cent), 1961 to 1971 (39.99 per cent), 1981 to 1990 (33.88 per cent) and 1971 to 1981 (21.83 per cent). While the performances of the other tea producing regions were passive during the period of 1990 to 2014, on the same time outstanding performance has shown by the Terai region.

### 2.8.3.3: Tea Cultivation Area in Terai

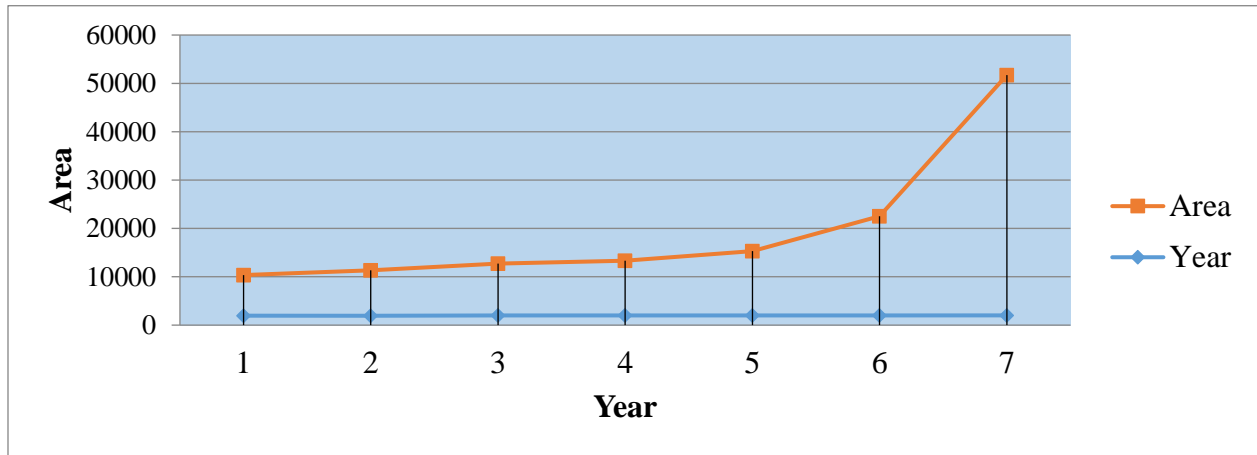
**Table 2.17: Tea Cultivation Area in Terai (Figures in '000 K.G.)**

Year	1951	1961	1971	1981	1990	2000	2014	% increase over 1951
Area (Hectares)	8402	9344	10769	11314	13345	20548	49700	491.52

Source: Tea Board of India

Above table reveals that area of tea cultivation in Terai has increased by 491.52 per cent over the period of 63 years. The period of 2001 to 2014 has been observed the maximum increased of the area of tea cultivation in this region which was 141.87 per cent.

**Chart 2.8: Trend of Tea Cultivation in Terai**



The above figure shows the increasing trend of extension of tea cultivation areas in the Terai region. From the above figure, it may be inferred that the year 1990 was blessed with tea industry of Terai.

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