

Colonial Economic Venture: A Study on the Tea Industry of North Bengal (1850 – 1947)

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The ownership and management of tea plantations in Darjeeling hill, plains and the Duars region rested overwhelmingly in the hands of the Europeans during the colonial period. The monopoly of the Europeans in this economic venture was established with the control of Managing Agency houses and tea Associations. Migrations of adivasis like Santhals, Mundas and Oraons from Chotanagpur and Santhal Parganas as labour - force in Duars was increased rapidly with the growth of tea industries. The entry of the Indian entrepreneurs in tea plantations with their European counterparts was an interesting feature during this period. A few Bengali lawyers and clerks of Jalpaiguri formed the first Indian tea company, called the Jalpaiguri Tea Company, with Mogolkata Tea Estate (1878). The year 1947 was a severe blow to the European tea companies that many of them sold their tea estates to Indians and ultimately left from India.

Keywords: Tea Plantation, Managing Agencies, Tea Associations, White Tea Planters, Labour - force, Indian entrepreneurs, Partition of India 1947

Introduction

European powers oppressed India, keeping it as a colony until the nation finally gained independence in 1947. Among the major successes of colonial rule in Bengal, tea was the biggest field of investment. Assam, by far the foremost region in tea production, was closely followed by Bengal whose tea producing areas included the hill areas along with the plains of Terai in the Darjeeling district and the Duars in Jalpaiguri district.¹ In North Bengal, the first commercial tea estate was opened at Tukvar, Darjeeling in 1850 followed by Steinthall and Alubari tea estates in 1852.² Teaplants had been sown and raised at Tukvar by Captain Masson, at Kurseong by Mr. Smith. In Terai, the first European tea estate was Chamta, established in 1862.³ In the year 1874, the first tea estate established in Duars was the Gazuldoba tea estate. Most of the tea gardens were under European control. The European businessmen had established organisations and institutions for setting up their advantages and protecting them against intruders all over Bengal. They were organised both under 'Bengal Chambers of Commerce' and 'Indian Tea Association', Calcutta to which very few Indians were admitted. The Duars Labour Code (1915) was implemented to serve the European planters' interests.⁴

Growth of the European Enterprise and the Managing Agency System

By the 1880s, 'tea became the cheapest and most widely used drink amongst the common people' in Europe. Previously, Chinese tea dominated the World economy, but by 1888 Indian tea established

itself as the chief product of European consumers. With this in demand, a number of companies formed. Though they were basically engineering companies by profession, the massive demand of tea in the World market lured them to invest in this economic venture. These companies maintained a substantial profit level by keeping labour costs down. In short, these companies created a climate of British dominance that tea plantations used as their basis for subsequent exploitation.⁵

The monopoly of Europeans in tea trade was established by the control of managing agencies. The European managing agencies managed both the sterling and rupee companies in the tea plantation industry of Himalayan and sub – Himalayan region of colonial Bengal. The private tea trade between North Bengal and Calcutta was channelled through these agencies. A few Indian managed tea companies, beginning in the 1880s, adopted the managing agency system when they established gardens both in Terai – Duars and the hill region of the Darjeeling district.⁶ In short, the European managing agencies enjoyed a lion share of control of the tea trade of North Bengal. An analysis of the 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 Octavius Steel and Company controlled 61% of the tea companies. However, in the case of jute, Andrew Yule and Company, Bird and Company controlled fourteen out of twenty-nine companies; and their control increased by the decade 1910-20.⁷

The inclusion of sterling tea companies would seem to make a material difference to our measurement of the degree of concentration. According to an estimate made by G.D. Hope, chief scientific officer, Indian Tea Association, out of a total nominal capital of 4.3 million of joint stock companies registered in India only scrutiny of the list of sterling tea companies registered by 1914, and operating in India, published by the Mincing Lane Tea and Rubber Shares Brokers' Association limited and the Indian Tea Share Exchange Limited, reveals that out of 124 companies so listed, 42 were controlled by George Williamson and Company, Octavia's Steel and Company, Walter Duncan and Company and R.G. Shaw and Company. These were the London correspondents of four firms appearing in our list of the top seven managing agency firms in Calcutta.⁸

Walter Duncan, a Scotsman from Glasgow sailed from Southampton for Calcutta in 1858 to start business in India. The firm was set up at 64; Clive Street with Patrick Playfair named Messrs Playfair Duncan and Company. The long story of Duncan Brothers began with the leadership of Walter Duncan who started their first venture in the cotton business from the year 1859. In the Clive Street office, Walter Duncan made acquaintance with Charles Stuart Leckie who had an office in the same building and ran a business which included the agency of two tea estates Doloo and Jalinga in Cachar, Assam.⁹ In 1860 – 61, Charles Leckie left India on health grounds making arrangements with Playfair, Duncan and Company to conduct his business. In the process, Walter Duncan bought some shares of Doloo and thus he put his step in the field of the tea plantation industry.¹⁰ In 1874, the partnership with Playfair was dissolved and the brothers Walter and William Duncan decided to start business on their own account. The new firm was then established in 1875 under the name of Duncan Brothers and Company in Calcutta, and Walter Duncan and

Company in Glasgow. From 1880 onwards, it became evident that the cotton business was declining and thus their focus was shifted to the tea industry.¹¹ Since then, the name of the Duncan Brothers in the tea plantation industry became prominent. In Darjeeling district, there were nearly twenty tea estates managed and controlled by the company such as Goomtee, Jungpana, Seeyok, Okayti in Darjeeling hill and Gayaganga, Gungaram, Hansqua, Marionbarrie, Putinbarrie in terai. In Duars, Newlands, Sankos, Gandrapara, Carron, Chulsa, Danguajhar, Ellenbarrie, Hope, Kilcott, Lankapara, Manabarrie were managed and controlled by the company.¹²

A significant portion of the early pioneers came from working or lower–middle–class backgrounds. Typical of such men were Andrew Yule. Yule came from a family of yeoman farmers on the estates of the Earl of Buchan in Scotland. He had already left the land to work as a warehouseman in Manchester before seeking his future in India. In 1855, he arrived in Calcutta with nothing but a spinning machine, on the basis of which he built a thriving local business. From this he branched out into tea and built up a financial empire managing gardens in Assam and North Bengal.¹³ In 1863, he founded the company namely Andrew Yule and Company as a managing agency house. By 1875, the company established substantial business interest in jute, tea, coal, cotton and insurance. The elegant “Yule House” at 8 Clive Row, Calcutta, the corporate centre of the Andrew Yule group since 1907 was built by David Yule, brother of Andrew Yule. In 1913, the company was the largest managing agency house in the country with 37 tea companies under its hold. In Darjeeling, Selim Hill tea estate, Atal tea estate, Mim tea estate, Dilaram Tea Company Limited, Singtom Tea Company Limited and in Dooars, Banarhat Tea Company Limited, Chunabhutti Tea Company Limited, Joybirpara Tea Company Limited, New Duars Tea Company Limited, Sarugaon Tea Company Limited were managed by the company.¹⁴

In 1750, James Finlay established the firm of James Finlay and Company in Glasgow. At first, it started its venture in the cotton textile industry. Since 1817, the firm had connections in India through their associations like Ritchie Stuart and Company in Bombay. In the 1870s, James Finlay and Company began to take interest in tea business in India.¹⁵ In Darjeeling district, a large number of tea estates were managed by the company like Moondakotee, Nagri, Chongtong, Lebong and Mineral Spring, Dooteriah, Phuguri, Kalej Valley. All were run under the name of the Amalgamated Tea Estates Company Limited. Consolidated Tea and Lands Company Limited had only one tea estate namely Bloomfield. It was also managed by the James Finlay Company. In 1976, Tata and Finlay joined forces to form Tata Finlay. This partnership opened up new frontiers of growth and business. Some years later, Finlay divested their share to the Tata group.¹⁶

Messrs Gillanders Arbuthnot and Company Limited was a big name in the history of the Indian tea industry. This company was established in England in 1885, which had its head office in London and in India it was in Calcutta. The main purpose behind its incorporation in India was of acquiring and developing the tea estates.¹⁷ In Darjeeling district, a large number of tea estates like Taipoo, Castleton, Selimbong and in Dooars, the Gairkhatta, Telipara, Bundapani were managed by the company. In 1881, the Darjeeling Himalayan Railway (DHR) was opened between Siliguri and Darjeeling under the aegis of Gillanders Arbuthnot and Company.¹⁸

Williamson Magor and Company, a big name in the Indian tea industry, had 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 serve the requirements of tea estates in Assam and Bengal under the flagship of McLeod Russel and Company.¹⁹ In India, the office was originally at 7 new China Bazar Street, Calcutta. In Darjeeling, the Chamong Tea Company, Lingia Tea Company, Nagri Firm Tea Company, Soom Tea Company, Tukvar Tea Company, Aibheel Tea Company – all were managed under the tutelage of the Company. It was renamed as Williamson Magor and Company limited when it changed its status to a limited company in 1954. Brijmohan Khaitan, an East Indian merchant who supplied fertilizers and tea chests to tea gardens, was asked to join the board of the company in 1963. He became the Managing Director of the Company in 1964. In 1967, the Guthrie family in U.K. sold all their 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 Private Limited on 5 May 1998. The company's tea is marketed under the registered Elephant trade mark.²⁰

The Octavious Steel and Company primarily dealt in engineering business. The introduction of 'Bengal – Duars Railway' (BDR) in the year 1891 by the Company undoubtedly ushered a new chapter in the atlas of transport system of the Duars region. This managing agency house had a large export and import business after they had entered the tea industry. In Duars, a large number of tea estates were managed and controlled by this agency house like Ethelbari, Needam, Dalgaon, Dalsinghpara, Dalmore and Looksan.²¹

The European tea companies, in order to establish an economic monopoly in the tea industry, petitioned the Government to relax tax payments. According to Waste Land Rules (1854), these companies were allowed to use government granted land to be free of revenue for twenty years. Furthermore, the Free Simple Rules of 1876 enabled the British planters to acquire large tracts of the most fertile land at highly concessional rates.²² These rules were applied also in the tea producing areas of North Bengal too and therefore, created interceptions for the indigenous Indian planters to show their keen interest in tea industry. Only Indian entrepreneurs with huge capital could take up tea – cultivation. Tea leases were granted to individuals who developed their gardens with their own money and small investments from other personalities including government officials, army officers, and doctors and so on.²³

The Immigration and Recruitment of labourers in Tea Gardens

Both the Jalpaiguri and Darjeeling saw the immigration of labourers in connection with tea – cultivation. Most of them migrated from Chhotanagpur and other districts of greater Bengal during the 1860s – 1900s.²⁴ The immigrant labourers coming from regions such as Bhagalpore, Chittagaong and Dacca were physically stronger than the weak Bengalis and were more capable of understaking hard work in the jungle areas. These labourers were referred to as hill coolies, *dhangar* and *boonah* (jungle – dwelling). They were easily exploited by the Companies who wanted to keep them illiterate and therefore, ignorant of their rights.²⁵

Total number of labourers recruited in tea gardens, 1918 - 1931

1918/19	254,893
1919/20	216,274
1920/21	190,263
1921/22	184,272
1922/23	196,008
1923/24	205,788
1924/25	205,690
1925/26	Not available
1926/27	217,528
1927/28	228,519
1928/29	253,319
1929/30	255,366
1930/31	257,288

(The figures have been collected from the D.P.A. reports of the respective years)

In Duars, Nepali labourers from Darjeeling were initially employed but as the industry was developing rapidly, the planters had to turn to Chhotanagpur and Santhal Parganas for further supply of labourers. Migration of the Santhals, Oraons and Mundas from these areas to Terai – Duars regions increased rapidly.

It is important to mention here why the labourers were imported from different neighbouring states or places, though there were ample numbers of indigenous people in North Bengal like Rajbanshis, Garos, Meches, Dhimals and so on. We know that the Rajbanshis constituted the most predominant section of Hindu population in northern districts of Bengal. Economically, agriculture was their basic occupation and their representation in other professions was not very significant. Due to the easy availability of land, the conditions of the poor Rajbanshi peasants were comparatively better than that of their counterparts in other areas of Bengal. They enjoyed much freedom by exercising their ancestral professions. Naturally, they did not show any interest to work in the tea industry as labourers. Moreover, with the expansion of the tea industry, the importance of the Meches and Garos, who practised shifting cultivation in the forest areas of the Duars region to grow cotton, declined and were replaced by new immigrants from Chhotanagpur. Finally, it can be said that the plantation was a labour intensive industry. Therefore, the planters were highly interested in recruiting migrant labourers rather than indigenous people as the migrant labourers had no alternative form of employment, and had to work on the plantation on whatever wage was offered. This phenomenon was also common in Srilanka where the British brought down labourers from South India, mainly from Tamil Nadu, to work in the plantations.²⁶

Both Jalpaiguri and Darjeeling districts saw the immigration of labourers in connection with tea cultivation. In the Sadar and Kumargram Police Station as well as Kalchini and Madarihat in the Jalpaiguri district, the opening up of new tea plantations or the extension of tea cultivation invited the migration of labourers from outside. Considerable improvements in road communication in the district facilitated the immigration. They were recruited mainly by licensed labour contractors

(*arkatis*). Later, labourers were also recruited directly by senior workers or *Sardars*. A noticeable feature of the migration of labourers of the Burdwan Division in the 19th century was that the labourers while wandering about in a district looking for some employment were picked up and registered by contractors, who used to despatch the major portion of such registered labourers to the tea districts of Assam, Cachar, Darjeeling, and Jalpaiguri; a smaller number being sent to Chittagong as well.

The British Government passed the Act III in 1863 which licensed and regulated the recruiting system of the labourers in tea gardens. Thus, the tea labourers transformed into virtual slaves. The plantation workers could not unite because people coming from distant and scattered areas were less powerful and therefore less cohesive. They were not allowed to leave the estates and the *Chowkidars* prevented them from setting up relations with outsiders.²⁷ The immigration of labourers into Jalpaiguri from other districts and also from Nepal continued till 1877 – 1880. The permanent immigrants were mainly those who were employed in the tea gardens of Darjeeling and Jalpaiguri, and those who came from Chhotanagpur and the Santhal Parganas to reclaim the waste lands. There was a constant influx of labourers from Nepal for employment in tea gardens of Darjeeling. Excepting the tea producing areas, large numbers of Duars workers were planned to be sent to work in Eastern frontier projects in Aizwal and Manipur roads.²⁸

The migration of labour, undoubtedly, felt major impetus on local society. With the beginning of the tea plantation, the Meches migrated outside the district. In 1895, the Settlement officer found many Oraons of Ranchi district who had settled permanently as *Jotedars* in Mainaguri, Falakta and Alipur *tehsils*. In 1910, immigrants constituted 40 to 55 per cent of the population of some of the *thanas* of the district. In 1890, a group of 500 Santhals were brought from Godda in the Santhal Parganas in collaboration with Rev. A.J. Shields of the Church Mission Society and settled in Alipur *tehsil*. It paved the way for establishing Christianity among the tea garden labourers of the *Duars* region. However, labour migration brought contagious diseases like malaria and cholera to the Duars, and added to the increasing miseries of the labour force.²⁹

European Planters and their Associations

Ownership and management of tea plantations rested overwhelmingly in the hands of the Europeans. The tea planters of Darjeeling hill from the very beginning were individualistic and showed little interest to such organisations than those of Cachar and Sylhet. The incessant request of the Indian Tea Association, Calcutta to Darjeeling tea planters to form organisation fetched no result. Finally, Darjeeling – Duars sub – committee was formed in 1892 and the tea planters of Darjeeling district formed their own association ‘Darjeeling Planters Association’ (DPA) in the same year. All superintendents, managers, divisional managers and assistants employed in gardens were its members. Its first President was K. Devenport, Singtom Tea Estate and Vice-President was M.M. Betten, Tukver Tea Estate. The first general meeting of the Association was held in 1893 to discuss the problems of tea estates in Darjeeling district. This Association finally got its affiliation to the Indian Tea Association, Calcutta in 1908 under the tutelage of Mr. Irwin, the then president of ‘Darjeeling Planters Association’. It was decided that prior to informing the

Government on any matter relating to the tea industry, the Darjeeling planters at first would communicate with Indian Tea Association and 'endeavour to attain co – operation as possible'. In this context, the main credit went to the chairman of the Indian Tea Association who always endeavoured to set up a cordial relation with the 'Darjeeling Planters Association'.

The Indian Tea Association, Calcutta made an attempt to strengthen the relation with the tea districts of North Bengal. This resulted in the formation of a sub – committee to deal with the matters of the Jalpaiguri Duars and the Darjeeling district. Proposal was further assumed to appoint a European barrister as the branch secretary of Indian Tea Association in tea districts of North Bengal. Unfortunately, the proposal did not work as the per month salary for this post was comprehensively low (Rs 200 a month). As a consequence, this post was fulfilled by such a personage who was formerly a tea planter. In 1915, the committee of the Indian Tea Association made an attempt to convert the district associations of Darjeeling and Duars into branches of the Indian Tea Association. Attempt was made to introduce uniform constitutions for all branches and associations, but the attempt did not work properly. In August 1941, the 'Darjeeling Planters Association' recommended that the time had arrived for action to be taken to compensate the labour forces of the tea gardens in Darjeeling district, on account of the increase in the cost of living. This was accepted unanimously by the General Committee of Indian Tea Association, Calcutta. The committee also expressed their proposal that compensation should be given to the supervisory staff of gardens in Darjeeling district on account of the increase in the cost of living. Towards the end of the year, the Duars Planters' Association also accepted the same proposal to grant compensation for the increased cost of living to the workers of tea gardens in the Duars. 30 The 'Terai planters' Association'(TPA), a purely European managed body and branch of the 'Darjeeling Planters Association' (DPA) was set up at Bengdubi in order to run the European managed tea gardens in Terai. This association has grown up to safeguard their own interests and sometime to assist the employers in time of need. The 'Terai planters' Association', under the chairmanship of Mr. G.P. Mepherston in 1935, approached the other four associations of North Bengal to bring uniformity in labour rules.³¹ Mr. Robertson and Mr. Cox were among the few eminent presidents of the Association who ruled the tea industry of the Terai region for long years.

The Duars Planters' Association (DPA) was formed in 1878, just four years after the beginning of tea cultivation in the district. Till 1917, the Association was purely controlled by the Europeans. Mr. A. Johnson, Baradighi Tea Estate was the President and Mr. E.W. Hughes of New Glenco Tea Estate was the Vice – President of the Association. Without membership of this body, it was totally impossible for the Indian planters to survive in tea industry.

Growth of Economic Nationalism and the Bengali Entrepreneurs

An interesting feature of this growing industry was the early involvement of Indian planters. As early as 1870, Bhagaban Chandra Bose, the father of the eminent scientist Jagadish Chandra Bose, first floated the idea of forming an Indian – owned tea company. The year 1879 was a watermark in the entrepreneurial history of the Jalpaiguri district. In this year, the first Indian

joint – stock public limited company was set up namely Jalpaiguri Tea Company Limited at Jalpaiguri town by a few lawyers and clerks.³²

The high watermark of Indian entrepreneurship in Duars was a period which roughly stretched from 1910 till about 1930. Most of the Indian owned tea companies had their offices in Jalpaiguri town. A few had offices outside Jalpaiguri like Alipurduar Tea Company Limited, Sreenathpur Tea Company Limited and Radharani Tea Company Limited in Alipurduar; Ambari Tea Company Limited in Calcutta and Rungpur Tea Company Limited in Rungpur (presently Bangladesh).

In between 1879 to 1900, the Bengali entrepreneurs of Jalpaiguri town had established nine Joint – Stock Companies such as Needam, Gurjanghora, Anjuman, Chamurchi, Kathalguri and Ramjhora, Rahimabad, Chuniajhora and Nuxalbari Tea Company Limited. By 1907 – 08, no more waste lands were available in the Duars region. It compelled the Bengali entrepreneurs to search for arable or *Jote* lands suitable for tea cultivation. This search sent them across the boundary of the Duars that is the Terai region as well as in the lower province of Assam.³³

It was not till the second decade of the twentieth century that the Indian planters came to have any say in the tea industry. The European tea planters, under the banner of Duars Planters' Association (DPA), established their full sway in the tea industry. The socio – political and economic environment was not suitable for the growth of Indian entrepreneurship. In the contemporary period, the whole of India was then under the flame of the independence movement. Now the Indian planters began to be intimately associated with the Indian independence movement at Jalpaiguri district. They felt a strong desire to be identified with their own social exclusiveness blended with Indian heritage, nationalistic ethos. The 'Divide and Rule Policy' of the British Raj always endeavoured to frustrate the Indian planters. It resulted in the formation of various Associations owned by the Indian planters during the British – Raj. The Indian Tea Planters' Association (ITPA) was an organisation of Indian section for the growers of tea in North – East India. With the establishment of ITPA as a trade umbrella, the Indian planters received a formidable momentum both in terms of bargaining power, group cohesion on the one hand and growth of the tea industry with rapidity on the other.³⁴

The next purely Indian Association to be established in the tea districts was the Terai Indian Planters' Association (TIPA). The career and the personality of the Association have been unique since its inception on 21 February, 1928. Bijay Basanta Bose, Tarapada Banarjee, Saradindu Bose, Jitendra Mohan Dutta, Abdul Bari Khandakar, Ila Pal Choudhury and Kusum Dutta started an association at first with only eight gardens (Thanjhora, Bijoynagar, Fulbari, Naxalbari, Atal, Ashapur, Domohoni, Chandmoni) as its members in the year 1928, but more and more Indian managers joined the Association. Its first chairman was Bijoy Basanta Bose, manager of Thanjhora Tea Estate. T.P. Banarjee was its second chairman until 1949. It was essentially an Association of tea garden managers. The patrons of the Association were Ila Pal Chaudhury of Mohorgaong Gulma tea estate, Biren Chandra Ghosh popularly known as B.C. Ghosh, Member of Indian Tea Association (London). The first participating planters of the association were Bijoy Basanta Bose of Thanjhora tea estate, Gopal Lal Sanyal of Bijoynagar tea estate, Braja Gopal Sinha of Fulbari tea estate, Abdul Bari Khandakar of Naxalbari tea estate, Jitendra Mohan Dutta of Atal tea estate,

Aswini Lahiri of Ashapur tea estate, Saradhindhu Bose of Domohoni tea estate and Sarat Chandra Bose of Chandmoni tea estate. They were determined, however, to overcome all the difficulties and to march ahead side by side with British tea planters.³⁵

Impact on the local market and indigenous people

With the introduction of tea gardens and the congenial growth of the number of wage earning population, a great demand for agricultural produce was created. But it could not be met without the opening of railway lines. The bad road condition in western Duars was a cause of headache for the planters. Therefore, to cater to the needs of tea gardens, the colonial Government felt the necessity to connect tea garden areas with railways. This resulted in the opening of North Bengal State Railway (NBSR) and the Bengal Duars Railway (BDR).

The opening of railway lines brought about migrant people like the Marwaris, Biharis and a few Bengalis, who mainly dealt in daily necessities for tea garden labourers and other staff. They also supplied tea chests to various tea gardens. The local indigenous people did not show any interest in such business except working in tea gardens. With the introduction of railways, the Marwaris took up the courage to spread their activities across the district. The most interesting feature of the new development was that the majority of the population was composed of immigrants.

The plantation system helped urbanisation in remote corners of North Bengal. In the Duars area, the railway lines of the Bengal – Assam railways went by the side or even through the tea gardens. The big railway stations or junctions had around them several gardens and the lowest railway workers – the unionised gang men and points men came into frequent contact with the sprawling labour population. Railway station, cluster of gardens, hats/markets – all taken together, gave rise to a number of garden towns in the Duars and the Terai regions like Malbazar, Birpara, Kalchini, Banarhat, Madarihat, Hamiltanganj and so on. A few garden towns also grew up in the hilly region of Darjeeling. Markets were mainly controlled by the migrant people because all these places, at first, were covered with jungles. But with the introduction of tea gardens, these areas were fulfilled by the migrant people.³⁶

The inauguration of the tea industry had much adverse effect on the local indigenous people. The new system led to the redundancy of some indigenous groups like the Meches, Dhimals under pressure from tea gardens and the reserved forests. The Meches found them redundant with the demise of cotton cultivation and migrated outside the district. They were replaced by the new immigrants from Chhotanagpur. The migrant labourers took up the land vacated by the Meches. Expansion of cultivation in northern parts of the Duars bordering on the tea gardens was also carried out by the migrants.

Partition of India and the Decline of European Managing Agencies

After 1947, the tea industry entered a new phase. 1947 witnessed a much greater divide in business history than in reality. The Great Depression had already weakened many European firms in India. It is true that the colonial firms maintained an oligopolistic position in eastern India up to

1947. But the partition of India in 1947 was further a blow to many European groups. Shipping lines could not ply between India and Pakistan. For river steamers in Bengal, the new border was disastrous. As a consequence, the majority of the European tea companies decided that the easy days were over and the time had come to return home. Although some British managing agencies packed up after 1947, many others remained. Even in 1960 Calcutta, Andrew Yule, Gillanders and others were still under British control.³⁷

The biggest adverse factor was the government policy. 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 would 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 difficulties in declaring bonuses and getting permission for capital issues. Under this situation, some of the tea estates owned by foreign companies transferred their ownership to Indian hands.³⁸

The changes in structural development of the tea industry received further momentum when the Foreign Exchange Regulation Act, 1947 and Export Import Control Act, 1947 were implemented. The European 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 European companies faced difficulties in expanding tea cultivation and thereby production and desired to sell their tea estates to the Indian nationals. Henceforth, they came under the management of mainly Indian agency houses, board of directors, managing partners and individuals.

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 the 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 European 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 it unprofitable to run business in India after meeting all the expenditure.³⁹ Moreover, incessant interceptions like protest, *gheraos* and the slogan “*Bilati Malik London Bhago*” (white tea planters go back London) by the tea – garden labourers along with the railway workers union, sharecroppers (*Bhag Chasi*) during the *Tebhaga* movement (demanding two – third share instead of the customary one – half of their produced crops) in Duars region, compelled the European planters to think whether they would retain their business in India or not?⁴⁰ As a result, the Europeans sold their firms or lost control of

them - shifted their business in South Africa, Uganda, and Rhodesia. They sold their gardens to the Indians and among them the non – Bengalis especially the Marwaris ranked first.⁴¹

Conclusion

Thus, we may sum up the discussion that the ownership and management of tea industry in North Bengal was overwhelmingly in the hands of the European tea companies, strongly managed by their agency houses like Andrew Yule and Company, Shaw, Wallace and Company, Williamson Magor and Company, Duncan Brothers, Octavius Steel and Company, and others under the guidance of the monopolistic tea associations like Darjeeling Planters' Association, Duars Planters' Association, Terai Planters' Association. An interesting feature of this economic venture during the period was the involvement of Indian entrepreneurs of Jalpaiguri town. They had to set up a number of tea estates confronting the challenges from their European counterparts. They also established tea associations like Indian Tea Planters' Association, Terai Indian Planters' Association to safeguard their own interests.

The year 1947 was a much greater divide in Indian tea industry. The partition resulted in a major dislocation of the European companies and consequently most of them left from India. At this juncture, the Indian capitalists, mostly the Marwaris, came forward to seize the opportunity. In this process, the ownership of the European tea companies was transferred to the Indians. The Marwari business community has emerged as the dominant owner- capitalist class in tea industry of the region. Shedding off their European fervour, the European managed tea associations became Indianised like Duars Planters' Association (DPA) to Duars Branch Indian Tea Association (DBITA) and Terai Planters' Association (TPA) to Terai Branch Indian Tea Association (TBITA). Departing European planters were replaced by a new cadre of Indian management.

Today the colonial legacy of the tea plantation still lives on. The Indian plantation owners and managers retain the tools and techniques of the colonial model. The legacy of the colonial days is cherished and nourished consciously in the gardens even seven decades after the end of the British rule.

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