

CHAPTER - IV

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4.1. Globalization: Meaning and Concept.

The Second National Commission on Labour, while quoting the Human Development Report of South Asia, 2001 has defined globalization as:

“The free movement of goods, services, people and information across national boundaries, it creates and in turn is driven by an integrated global economy, which influences both economic as well as social relations within and across countries. The opening up of the economy increases competition internationally as well as externally, leads to structural changes in the economy, alters consumers’ preferences, life styles and demand of citizens.” (NCL, 2002).

So, globalization can be stated, as the process of integrating various economics of the world without creating any hindrances in the free flow of goods and services, technology, capital and even labour or human capital¹.

Globalization is a perfect blend of economic and non-economic factors. The European Commission expressed globalization from the economic context as the process by which the production and markets of different countries have an increasing trend of inter-dependence because of free flow of goods, services, capital and technology. The non-economic domain of globalization is more complex than its economic counterpart because in this sense, globalization has been defined as the intensification of worldwide social relations which make a link of distant locality in such a way that local happenings are shaped by the events many miles away and vice versa

The main purpose of globalization is to achieve maximum competitive efficiency to get optimum utilization of natural and human resources. To fulfill this objective trade barriers are withdrawn, tariffs are usually lowered down and loosening of restrictions on flow of resources across national levels are necessary. The process of globalization can not be considered as the panacea for the developing countries to achieve growth and development at a quicker pace to

improve the economical and social status of the poor, because the concept of globalization has not ensured the even distribution of benefits amongst nations and within nations².

In one aspect, globalization has brought some positive potential, such as development in the field of science and technology, mainly in the field of information technology. These developments have opened various avenues for the people to improve their skills and knowledge, better scope for high levels of education and entrepreneurial traits. On the other hand it has grown a fear of unemployment, job insecurity, and increased instability of output due to inability of the smaller units of business houses to compete with the well organized multinationals and big corporate sectors. As globalization refers erasing all the barriers and restrictions and uniting the world into a single, lucrative but brutally competitive market and rampant labours privatization, there is little scope of guaranteed employment all over the world³.

4.1.1. The year 1991: Adaptation of New Economic Policy:-

India adapted the policies of globalization, liberalization and privatization to overcome the economic crisis in the year 1991 under the leadership of then finance minister and present Prime Minister Dr. Manmohan Singh of Congress led Central Government. The main reason for that crisis was due to collapse of Soviet Union and East European Socialist economy and the gulf war which resulted in tremendous imbalance in global economic power.

The then Indian Government framed a policy that was directed towards stabilization and structural reforms to dilute the philosophy of the planned economy. A modified socialistic pattern so far followed since 1950 based on Mahalanobis model for bringing all round economic development in India. The main objective of this newly introduced economic policy was to integrate the Indian economy with the rest of the world. The important instruments of this policy were to remove all kinds of government restrictions and trade barriers. The prime focus of this policy was to dismantle public sector units through disinvestment and

denationalization and to provide encouragement so that our private sector units can flourish. The target of the new economic policy was to make the Indian products globally competitive through quality production and cost efficiency through optimum and effective utilization of factors of production. For this, India not only had to make serious efforts to explore the export markets, but she will have to open up her own market so that foreign goods can be transacted effectively and efficiently. India has already traveled the way of new economic policy for 20 years (1991-2010) crossing many hurdles and facing a number of obstacles. But India has not been able to achieve a viable economy where the benefits, if any, of economic globalization percolates down to the financially weaker person in the village and of the town. The agricultural growth rate is simply poor, being 1.7 per cent during 1999-2005 and non-agricultural growth rate hovered around 8 per cent. The employment growth rate is more or less stagnant and most unfortunate fact is the growth in industrial sector has been at the cost of social sector like education, health, shelter, food and medical care.

In the name of globalization India has opened the door to enter foreign capital in labour intensive industrial sectors and also in consumer goods and retail sectors raising a question of existence of a large section of working class of Indian population⁴.

4.1.2. New Economic Policy and Crisis in the Plantation Sector:

The protracted crisis had entangled the plantation sector in India since the late 1990s. The crisis was observed in the shape of growing market uncertainties or depressed farm gate prices of four major plantation crops such as, natural rubber, coffee, cardamom and tea. It is observed that the fall in the annual average farm gate price of tea and rubber varied from 25 per cent and in case of coffee it was 57 per cent except for cardamom for which the price depression was marginal during the year 2003 compared to the peak trends attained in the 1990s. To get rid of the crisis the survival strategies adopted by the plantation owners mainly confined to cost savings and labour displacing measures such as dilution and even abandonment

of prescribed agro-management practices, labour retrenchment, lock-outs and violation of wage agreement settled through tripartite agreement between planters, trade unions and government⁵.

4.1.3. New Economic Policy and Its Influence in Indian Tea Sector:

The open market economy with the essence of globalization which is considered a buzzword for any economy has been spreading its influence directly or indirectly on all kinds of trade and business. The extent of international trade relations is getting enlarged and globalization's ideology has been trying to bring the whole world as one nation by removing a number of trade barriers and imposing a lot of stringent international norms and practices.

Thereafter, the Indian Tea Industry has also been affected by these practices and some problems have been developed in industrial relations in this industry. Indian economy has been experiencing a paradigm shift in its policy since 1991. Its growing integration with the world economy has been bringing with it a sharp intensity of market competition, cheaper inputs and capital as well as better technology. The waves of liberalization and privatization accompanying with globalization has been releasing competitive forces also from within the economy. There is no doubt liberalization; privatization and globalization (the so-called LPG policy) have put Indian Industries under severe competitive pressure. The tea industry is no exception to this, the effect of globalization which has released sharp competition in the different sectors of Indian economy, including plantation economy mainly in the tea sector. In the context of India's on going policies on globalization and liberalization, however the tea industry of India has been encountering several problems from various corners. On the whole there are mounting pressures of competition on it both from the global and domestic markets. The tea growing countries, mainly Sri Lanka, Kenya, China and Indonesia etc. have been waging severe competition to Indian tea both in the global and India's domestic market. As a result export of tea has been declined due to emergence of new competitors, fall in quality and higher cost of production. Mainly the cheap tea from Sri Lanka, Kenya and China in the international market is a potential danger

for the tea industry of Assam and West Bengal. Since both the markets, domestic and international demand quality control at all production level so Indian Tea started to face a declining trend. The tea price has been declining since 1999, though the market experienced a marginal improvement in the year 2004. But the level was still below in comparison. The entry of duty free cheaper but inferior quality Sri Lankan tea is partly responsible for the general fall in tea prices and exports⁶. The marketing prospect of Indian tea has been seriously affected specially in the collapse of USSR and other East European countries in the global market. This incident had caused serious impact not only in the export market of Indian tea but in the domestic market also⁷.

As the globalization can be expressed in a simple sense as expansion of economic activities across political boundaries of a nation, so it is a process of increasing interdependence between countries in the world economy. The free movement of goods, services, ideas and people around the globe have made the trade and business more competitive by withdrawing major obstacles between the countries, on the other side it has opened the scope and opportunities to expand the economic activities within the countries and abroad, increasing economic openness, growing economic interdependence and deepening economic integration between the countries in the modern world economic scenario. In the light of this context let us see the scenario of Indian tea industry as well as the tea industry of West Bengal in the era of globalization⁸.

4.2 Growth and Development of Tea Industry in the Era of Globalization

4.2.1. Area of Production of Tea:

In the year 1991 the area under tea in India was recorded as 420470 hectare and in West Bengal the area under tea was 101922 hectare. In the year 1999 in West Bengal the plantation area had been expanded to 107430 hectare and in all India level the total area covered under tea had been registered as 490200 hectare. In respect of West Bengal the area under was expanded by 5508 hectare between

the periods 1991 to 1999, as percentage increase of 5.4 per cent (Table No. 4.1). Thereafter area under production of tea has been showing an increasing trend in all India level as well as in West Bengal. However, in respect of yearly average growth rate of area under tea, it is found the growth rate between the period 1991-1999 and 2000-2007. The growth rate in West Bengal is simply negligible which is below one per cent, whereas the all India growth rate has been accounted for nearly 2 per cent in both the phases. During the 20 years span the all India growth rate has been recorded as 1.60 and in respect of West Bengal it is as feeble as 0.609 per cent only (Table No. 4.2).

So area under tea has not been expanded considerably in West Bengal as well as in India. In West Bengal, the area under tea has been expanded in maximum in Terai region in the age of globalization.

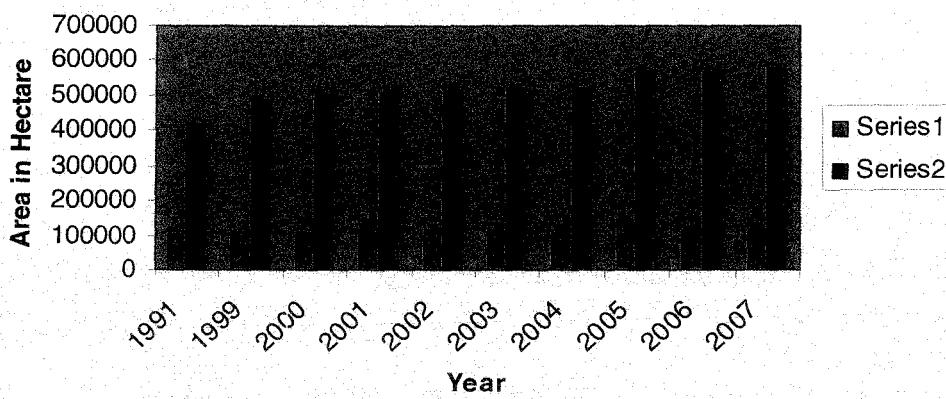
Fig No 1 shows a comparison of expansion of area under tea between West Bengal and all India level.

Table No. 4.1
Area under production of Tea during the period 1991-2007.

ion/ es	1991	1999	2000	2001	2002	2003	2004	2005	2006	2007
eeeling	20055	17604	17228	17453	17463	17580	17522	17539	17542	17818
i	13783	20118	205548	21258	22858	22971	235598	24313	24340	24359
ars	68054	69708	69703	72109	72792	72800	72883	722673	72906	72918
t al	101922	107430	107479	110820	113113	113351	114003	114525	114788	115095
1	345182	382130	390906	395113	401118	404884	406190	435788	447371	458718
1	175288	108070	113460	114693	114714	114714	115213	119823	119649	119740
dia	420470	490200	504366	509806	515832	519598	521403	555611	567020	578458

Source: Tea Statistics, 2005-06, and 2003-04, Pub. by Tea Board of India and 2006-07.

Fig No4.1 Area Under Tea in west Bengal And All IndiaLevel



Source: Tea Statistics, 2005-06, and 2003-04, Pub. by Tea Board of India and 2006-07.

Table No. 4.2
Average Annual Growth rate of area under Tea.

States/Region	1991-1999	200-2007	1991-2007
Darjeeling	(-) 1.45	0.42	(-) 0.58
Terai	4.29	2.14	2.88
Dooars	0.26	0.56	0.345
West Bengal	0.58	0.85	0.609
North India	1.13	2.01	1.43
South India	4.09	0.67	2.34
All India	1.71	1.67	1.60

$$\text{Annual Average Growth rate} = \left(\sqrt[n]{A/P} - 1 \right) \times 100$$

A= value of variable in final year

P=value of variable in initial year

n= No. of years

4.2.2. Quantity of Production:

At present India is the second largest producer of tea in the world. Till the year 2005, India had been regarded as the chief tea producing country before losing its position to China in the year 2006 (Tea Board of India Tea Statistics, 2005-06).

It is evident from the Table No. 4.3, that there had been a continuous upward trend in the production of tea in India till the year 2006. After then, Indian tea sector had been registered a slight downfall since the year 2007. In case of West Bengal similar trend of production scenario has been registered. During the 3-year period 2008 to 2010, Terai region experienced a little set back but its counterpart Dooars region used to maintain a consistency in respect of production of made tea. But ironically the production of famous Darjeeling brand which earn a premium value in the world market had dropped considerably from 11.58 million Kg. in 2008 to 8.86 million Kg. in 2010.

Table No. 4.3

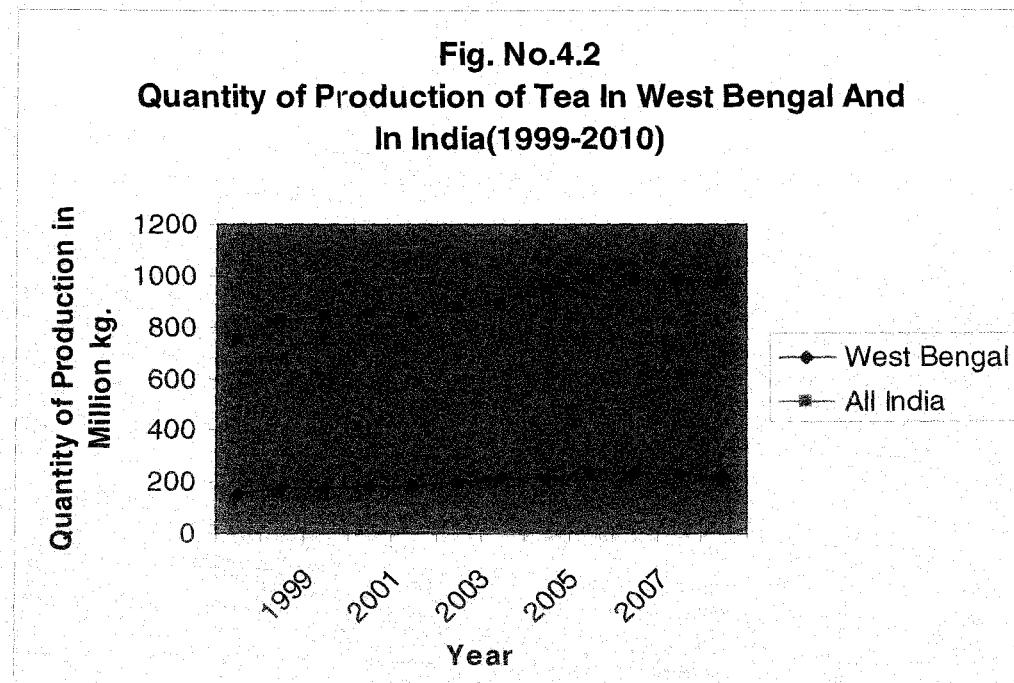
Quantity of Production of Tea in West Bengal and in All India (Production in million Kg)

States/Region	1991	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Darjeeling	13.93	8.05	9.28	9.84	9.18	9.58	10.06	11.31	10.85	10.00	11.58	10.74	8.86
Terai	23.39	42.52	43.29	49.39	53.60	59.78	69.24	77.07	87.06	87.50	79.51	74.04	76.35
Dooars	117.89	124.80	128.96	127.61	125.23	131.26	135.23	129.15	139.18	138.83	142.03	136.79	144.57
West Bengal	155.21	175.97	181.53	186.84	188.02	200.63	214.54	217.54	237.10	236.34	233.13	221.57	229.78
North India	562.92	623.26	640.75	650.80	631.74	648.27	662.18	718.42	753.24	751.62	733.92	734.87	723.02
South India	191.26	202.67	206.16	203.11	206.72	229.85	230.78	227.55	228.56	229.80	246.90	244.13	243.37
All India	754.19	825.93	846.92	853.92	838.47	878.12	892.96	945.97	981.80	986.42	980.82	978.99	966.40

Source: Tea Statistics, 2005-06, 2003-04 and Report of Indian Tea Association 2010.

Fig no. 4.2 presents the trend of production of tea in West Bengal as well as in India.

Line Chart showing trend of production of tea in West Bengal and in India.



[Source: Tea Statistics, 2005-06, 2008-09 and report from Tea Board of India, (Siliguri Branch)]

4.3 Scenario of Production of Tea in India and in the world

At present tea is produced in more or less 34 countries in the world.

From the Table No. 4.4, we come to know the trend of world production of tea and share of Indian production in the world context. The table shows between the periods 1991 to 1995 there has been a clear view of stagnancy in production of tea in India as well as in the world. Thereafter, since 1996 there has been a clear picture of upward trend in production except the year 1999. This trend indicates all the major tea producing countries have increased their level of production as well as the new countries. (Tea Statistics 2005-2006).

Table No. 4.4

World Tea Production and Share of Indian Tea in World Production since 1991-

2006.

(Quantity Million Kg)

Year	World Production (Million Kg.)	Production in India (Million Kg.)	Percentage of production of Indian tea in World.
1991	2631	754	28.66
1992	2438	732	30.02
1993	2553	761	29.80
1994	2523	753	29.84
1995	2525	756	29.94
1996	2654	780	29.38
1997	2743	810	29.53
1998	2991	874	29.22
1999	2908	826	28.40
2000	2914	847	29.06
2001	3060	854	27.90
2002	3085	838	27.16
2003	3517	878	27.29
2004	3334	893	26.78
2005	3457	946	27.36
2006	3573	982	27.48

Source: Tea Statistics 2003-04 & 2005-06

World scenario currently indicates that Asia and Africa are the prime growers and suppliers of tea world wide. More than 20 Asian and 15 African countries and others in South America, Oceania and Central America export the quantity excess over their internal consumption. The main importers of tea are European, North American. Australia and New Zealand import 90% of their requirements. Tea cultivation has become popular mainly due to its economical value in South America. Presently Argentina has emerged as an important producer producing tea in nearly 39,000 hectare. The country produced 88 million Kg. of tea in the year 2006 (Tea Statistics, 2005-2006). Brazil and Peru also have registered their names as tea producing countries. In Central America, Mexico has also small

area under tea. The people of temperate countries use tea and coffee as common beverage. Tea has been gaining its popularity because tea drinking allows lesser Caffeine intake than coffee and has greater medicinal value as a health drink⁹.

Table No. 4.5 gives an idea about the quantity of tea produced by the major Tea producing countries of the world.

Table No. 4.5
Scenario of World Tea Production
(Contribution by major tea producing countries).

Countries	2001	2002	2003	2004	2005	2006
India	854	838	878	893	946	982
China	701	745	768	835	935	1028
SriLanka	296	310	303	308	317	311
Kenya	294	287	294	324	323	310
Indonesia	167	162	170	165	156	140
Vietnam	80	88	107	119	133	142
Turkey	143	142	155	165	135	142
World Production	3035	3085	3217	3334	3457	3573

Source: Tea Statistics (2003-04 and 2005-06), Published by Tea Board of India.

It is evident from the above table, that there has been an increasing trend in the world tea production. Besides, India , China, Sri Lanka, Kenya ,countries like Indonesia and Vietnam have emerged as important tea producing countries in the world as their quantity of production have been contributing considerable quantity in the global level.

4.4 Trend of Domestic Consumption in India.

Being one of the major tea producers of the world India is considered as the highest consumer of tea. Being the cheapest beverage amongst the beverages available in India it has become the most popular drink in India. In India it has become the most popular drink in India. In India the domestic market has been expanded rapidly. Indian tea industry enjoys a preference due to steady internal market which

other producing countries except China do not. These countries like, Sri Lanka, Kenya, Indonesia, Malawi have no option but to sell their produce into the world market. On the other hand the habit of drinking tea is not only prevalent in Indian society, but it has also been spreading overtime. At the time of independence Indian domestic consumption was only 79 million Kg or nearly 13% of the total production of 255 million Kg. And this consumption jumped up to 597 million Kg or 74% of the total production of 780 million Kg in 1996¹⁰.

From the Table No. 4.6 the trend of domestic consumption in India can be known.

Table No. 4.6.
Trend of Domestic Consumption of Tea in India

Year	Domestic consumption	Quantity of production	% of share of domestic consumption
1971	221	435	51.00
1981	360	560	64.28
1991	511	754	67.77
1992	524	732	71.58
1993	537	761	70.56
1994	550	753	73.04
1995	562	756	74.33
1996	580	780	74.35
1997	597	810	73.70
1998	615	874	70.36
1999	633	826	76.63
2000	653	847	77.09
2001	673	854	78.80
2002	693	838	82.69
2003	714	878	81.32
2004	735	893	82.30
2005	757	946	80.02
2006	771	982	78.51
2007	786	986	79.71
2008	802	981	81.75
2009	819	979	83.65
2010	837	966	86.64

Source: Compiled from various issues of Tea Statistics, Pub. By Tea Board of India 2004-05, 2005-06 and 2009-2010

From the Table No. 4.6 it is evident that domestic consumption in India has been recorded an upwards trend since long before 1971. During the 90s the share of domestic consumption of India's total production hovers around between 70-80%. From the year 2002 and onwards this share of consumption crossed the 80% level and in the year 2010 the percentage of domestic consumption of India's total production of tea was nearly 87%. This result indicates India has a strong domestic market that helps the Indian tea industry to sustain and develop.

4.5 Globalization and its impact on the tea industry of India

Although India adopted the New Economic Policy with the process of liberalization in the year 1991, the participation of India in the process of globalization was however reaffirmed with the establishment of World Trade Organization in the year 1995. Since then, being the founder member of WTO, India has opened its economy for the private and foreign participants to operate into the Indian market¹¹.

4.5.1 Export Scenario of Indian Tea in the era of Globalization.

Tea as a beverage has been able to gain popularity among the consumers of more than 140 countries of the world. Out of this vast global market Indian tea reaches to the tea lovers of around 80 countries. For a long time India had been secured the first place as an exporter in the world tea market. But due to emergence of other exporting countries, such as Kenya and Sri Lanka, whose domestic consumption is simply negligible and China the highest tea producing country of the world has pushed India down from the first position to the fourth. China exports mainly green tea to the world tea market¹².

Till the end of the sixties United Kingdom was the largest importer of Indian tea. However, since eighties, a sea change has been witnessed in the direction of Indian tea export. The former USSR became the prime importer of Indian tea replacing the UK, due to existence of the bilateral trade agreement on Rupee payment basis. Due to this agreement Indian tea exporters enjoyed the advantage of exporting tea to USSR and other East European countries viz. Czechoslovakia, East

Germany, Poland, Hungary, Romania and Bulgaria. Over the years these countries switched over to the free trade and on convertible currency.

Moreover implementation of FERA (Foreign Exchange Regulation Act) Act, most of the Sterling Tea Companies turned their attention to start tea cultivation in Kenya. Kenya registered as the largest supplier of tea to UK since eighties. UK has substantial interests in tea cultivation in Kenya¹³. The export market in UK was so strong that in 1947 United Kingdom's share of Indian exports accounted for 66 per cent and in the year 2004 it declined to a meager 12 per cent only Till 70s U.K. was the major buyer of Indian tea. Since 80's USSR became the prime importer due to existence of trade agreement and till the year 1999 it accounted for more than 50 per cent of the total export of Indian tea. Till today, the former USSR has a preference for Indian orthodox varieties and accounted for nearly 45 per cent of Indian exports in 2004¹⁴.

4.5.2. Export Destination of Indian Tea

Countries like Poland, Yugoslavia, Afghanistan, Japan, Tunisia and Germany used to buy no teas from India in 1947, but today they have become important purchasers of Indian produce. Iraq, Iran, Gulf, Arab Republican Emirates (ARE) also have been purchasing sizeable quantity at present. But the USA, Canada, Australia, New Zealand and the U.K. have reduced their demand of Indian tea substantially. Since 1947, African countries, mainly Kenya have been putting stiff competition to Indian C.T.C. teas on the other hand Sri Lanka who produce mainly the Orthodox tea has been emerged as the main competitor in the field of orthodox variety. These two countries have been releasing serious threat in the global tea market against India¹⁵.

4.5.3. Trend of export volume of Tea since 1951 to recent period

In spite of becoming the second highest tea producer and the highest consumer in the world, India's international competitiveness in the global market has been on a declining trend. From being a pre-eminent supplier of the world tea market India has lost its strong export ground in virtually every export area. In the

year 2006 India accounted for nearly 14 per cent of world's tea export when its production share was around 27 per cent of world's production¹⁶. A scenario of Indian Tea export in comparison to world trade of tea can be stated by the following Table.

Table No. 4.7

Scenario of Tea export, trends in relative share of consumption and export in production and share of India tea in the world.

Year	World Tea Export (M.Kgs)	Export of tea from India (M. Kgs)	% share of Indian tea in the world.	% share of consumption in production.	% share of export in production.
1951	458	206	44.97	27.71	72.29
1961	546	206	37.72	41.80	58.20
1971	682	202	29.61	53.56	46.44
1981	853	242	28.37	56.78	43.21
1991	1078	203	18.83	55.17	20.92
1992	1017	175	17.20	76.09	23.90
1993	1156	175	15.13	77.00	22.99
1994	1036	151	14.57	79.94	20.05
1995	1095	168	15.34	77.78	22.22
1996	1129	162	13.34	79.23	20.77
1997	1206	203	16.83	74.93	25.07
1998	1307	210	16.06	75.97	24.03
1999	1264	192	15.18	76.76	23.25
2000	1331	207	15.55	75.56	24.44
2001	1392	182	13.07	78.68	21.32
2002	1443	201	13.92	76.01	23.99
2003	1401	174	12.41	80.18	19.82
2004	1541	198	12.84	77.82	22.17
2005	1570	199	12.67	78.96	21.04
2006	1581	219	13.85	77.69	22.31

Source: Compiled from varies issues of Tea Statistics Pub. By Tea Board of India ,2003-04,2004-05 and 2005-06

$$\text{Growth rate} = (\sqrt[n]{A/P} - 1) \times 100$$

A= value of variable in final year

P=value of variable in initial year

n= No. of years

CAGR (1991 - 1998) = 0.42%

1999-2006 = 1.65%

In 1951 India exported nearly 45% of the world's export of tea which came down nearly 19% in the year 1991 and in the year 2006 it touched nearly 14%. The share of export in production which recorded more than 72% in 1951 came down to 58% after 10 years and since 2001 it varied between 20-24%. If we segregate the whole period of 1991-2006 in two phases we find during the period 1991-1998, the yearly average growth rate of export almost stagnant (0.42) and in the next phase that is 1999-2006 the average growth rate improved to 1.65 per cent. During the whole period of 20 years (1991-2010) the Indian tea industry has been recorded a negative growth rate in the field of export (-0.25).

Table No. 4.8

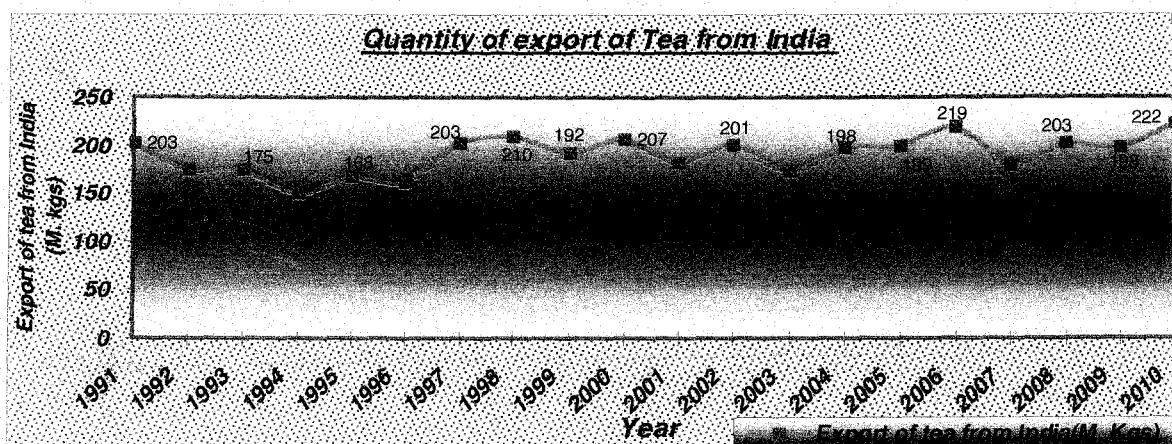
Recent Trend of export by the major tea exporting countries of the world.

Countries	2002	2004	2006	2008	2010
India	201	148	219	203	193
SriLanka	286	291	315	275(Jan.-Nov)	246 (Jan.-Nov)
Kenya	272	334	312	354 (Jan.-Nov)	406
China	252	280	287	273	274
Indonesia	100	99	95	75	65

[Source: Tea Board of India and Report of DBITA (Binnaguri). (Report Published)]

It is evident from the table No. 4.7 and 4.8 that after independence when India was the leader of the export market, its quantity of export was 206 million Kg in 1951 and after 60 years the export quantity accounted for 219 million Kg in the year 2006. The Table (4.8) shows there was a further reduction in the quantity of export in the year 2008 and in 2010. In the year 1991 India adopted the view of liberalized economic policy and in the year 1992, Indian export sector of tea witnessed a sharp decline accounting for 175 million kg in comparison to previous year total of 203 million Kg. The quantity declined to all time lowest in the year 1994 when India became able to export only 151 million Kg of tea.

Fig no. – 4.3



(Source: Tea Board of India and Report of DBITA(Binnaguri).

4.5.4. Disintegration of USSR and its effect on export of Indian Tea:

Till the end 1991, the erstwhile USSR (former Soviet Union) was the major importer of Indian tea accounting for more than 50 per cent of India's total quantity of export of tea. With the disintegration of USSR during the end of 1991 not only changed the world political situation, but it changed also the socio-economic conditions remarkably. The Rupee Trade Agreement between India and USSR abolished and, the Central Tea Buying Organization which was responsible for buying tea from India was replaced by a number of new Russian Importers. In India a large number of new entrants in export to Russia suddenly emerged. On the other hand Free Trade Economy paved the way for other tea producing countries and exporter to enter into the Russian market. As a result India lost ground in the export market of Russia and ultimately Indian tea industry suffered a loss.

Again, opening up of free economy in Poland and Foreign Exchange crisis in many of the major tea importing countries of the third world like Iran and ARE were regarded as other important factors for annual fluctuation of Indian tea exports¹⁷.

4.5.5. Reasons for declining export competitiveness of Indian tea:-

- i. After disintegration of former USSR in 1991, India lost a huge export market. In 1991 India exported 48.07 per cent of its total tea export to USSR. In the year 2001 it reduced to 24.36 per cent and in 2004 it further reduced to only 13.32 per cent¹⁸.
- ii. Indian tea lacks in quality compared to its competitors and one of the major reasons is mushrooming of small tea growers and Bought Leaf Factories in the era of liberalized economy. The growing share of poor quality of tea produced by these small producers not only affects the domestic price level but also damages the credential of export market of Indian tea. Another reason is change in consumer preference. Due to preference of other beverages like coffee, cold drinks etc, the consumption of tea in developed countries declined, especially in U. K.
- iii. Shift in production from Orthodox teas to CTC teas in India is another reason for losing export market. Orthodox teas have a larger demand worldwide, due to shifting of consumer taste from CTC to Orthodox variety. This resulted in Sri Lanka and Indonesia as major exporter because of their ability to supply good quality Orthodox tea. In respect of CTC variety India faces stiff competition from Kenya.
- iv. Emergence of new producers who are exporters also like East African and Latin American countries increased the world supply of tea. Naturally India has been gradually losing its supremacy in the export market.
- v. Depression of currencies in competing countries like Sri Lanka, Kenya and Indonesia increased their competitiveness of tea in the field of export.
- vi. Above all increasing trend of domestic demand in India improved the relative profitability of domestic sales against export¹⁹.

4.5.6 Globalization and Ethical Trade Partnership

Some of the developed countries have decided to import tea only from those countries who are the members of Ethical Trade Partnership (ETP). Some of the well established tea companies like Goodricke, Duncan's, etc have become the

members of ETP and they have the advantage to export tea to those advanced countries. On the other side, tea produced by the larger sectors is not able to export their produce easily and this incident has ultimately developed a declining trend on Indian total export on tea to a considerable extent.

Globalization has thus imposed a negative impact on the tea industry of India. Declining trend of export has inclined tremendous pressure on the tea price of India resulting to loss in profitability and loss in foreign exchange earnings.

As a consequence of this, the Indian tea industry experienced sickness, closure and abandonment and Dooars and Terai tea regions are not exception to this. In fact, the tea industry of Dooars has been the worst sufferers. At least 14 tea gardens have been either closed or abandoned according to the report of DBITA (Binnaguri).

Naturally, the tea workers have been in deep trouble and growing unrest among them has led towards unharmonious industrial relations in the tea gardens of West Bengal²⁰.

4.6. Globalization and Import of Tea in India.

When India adopted the new economic policy in the year 1991 it has to accept a lot of stringent international norms and practices in the sphere of international trade. The opening up of markets due to liberalized economic policy and as per the norms of World Trade Organization (WTO) which directs the free flow of goods and services between the member countries. It has resulted huge arrival of foreign tea in the domestic market of India²¹.

Being one of the signatories of WTO Government of India took the decision to reduce the import duty on a number of commodities and services that paved the way of easy entrance of foreign products in the Indian market, as the force of globalization has removed a number of trade barriers, the huge influx of cheaper quantity of tea in India internal market has imposed threat to the tea industry in India. This cheaper quality of tea is mixed with the better quality of Indian tea to develop a new blend to re-export. This act jeopardizes the image of Indian tea in the global market which has an adverse effect to expand the new export market, besides

this cheaper rate of tea affects the domestic tea price and as a result the profitability of the Indian tea industry suffers a set back.

The viability and success of the tea industry of Sri Lanka, Kenya, Indonesia, Vietnam etc. are highly dependent on export market as their domestic consumption is low. These countries have penetrated into the Indian domestic market utilizing the opportunity of globalization as the Government of India has removed quantitative restrictions on import²².

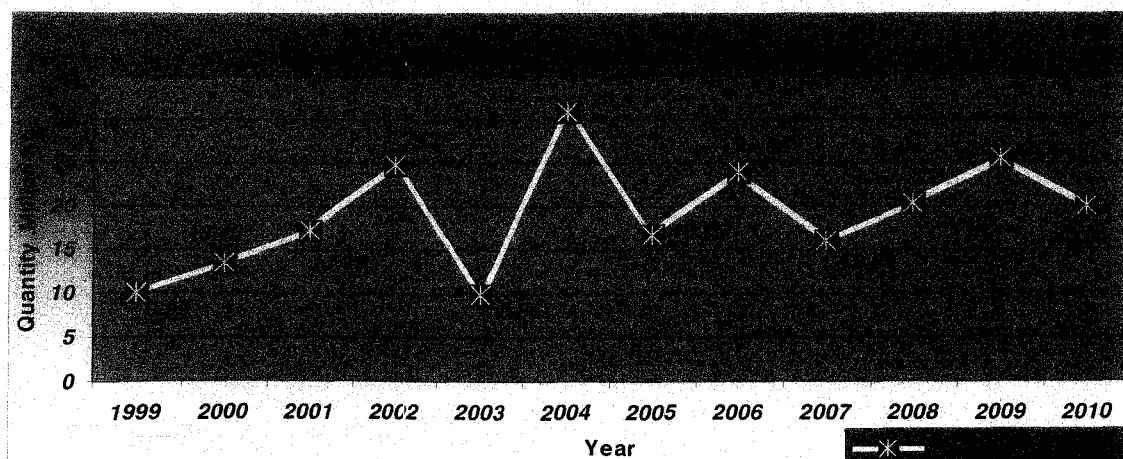
According to a proposal of the Ministry of Commerce, Government of India modified the export-import policy (1992-97) with a view to import teas for bulk re-export. But the Baron's of Indian Tea Industry opposed this government policy. They asserted, if low grade imported teas are re-exported after blending with better quality of Indian teas in the form of tea bags, packets and instant tea, India would suffer in the export market in the long run by loosing its credential. Another strong point the leaders of the tea industry raised, under the EXIM policy (1992-97) for tea, exporters were not allowed to sell any portion of the manufactured items in the domestic market. But once, huge quantity of tea was allowed to be imported, there would be a possibility of selling a part of such imported teas in the domestic market of India by a section of business houses particularly those face a stiff competition in the domestic market. So this type of liberalization, such as EXIM policy, agreement with ASEAN countries for lowering import tariff etc. may open the floodgates for import teas and would act against the growth and development of Indian tea industry²³.

The trend shows since 1999 the quantity of import has been increased till the year 2012 (Table4.9). In the year 2003 the quantity had declined by a huge of more than 60%. But in the following year again the import had hiked by a massive rate of more than 212%. In the following year again the quantity of import had reduced by nearly 46%. Since then there had been ups and down in the field of import of tea in India.

Table No. 4.9
Quantity of Import of Tea into India.

Year	Quantity (Million Kg.)
1999	9.99
2000	13.43
2001	17.18
2002	24.80
2003	9.86
2004	30.80
2005	16.76
2006	23.95
2007	15.99
2008	20.28
2009	25.46
2010	20.04

Source: Tea Scenario, Indian Tea Association, 2010 and 2012.



Source: Tea Scenario, Indian Tea Association, 2010 and 2012.

4.6.1 Free Trade Agreement between the ASEAN countries.

One important point is due to the effect of the Free Trade Agreement (FTA) between India and the 10 members of the Association of Southeast Asian Nations (ASEAN) would eventually eliminate duty on 80% of the goods traded at present. The Most Favoured Nations (MFN) tariff rates currently applied on products such as coffee, palm oil, peeper and tea will be brought down in step by step and in respect of tea the commitment is to reduce tariffs from 100% to 50% by 2019. It is apprehended if import tariff is reduced in this way on tea, it will adversely affect the health of the Indian Tea Industry, and through the Lenient Rules of Origin, Chinese cheaper tea may enter into the Indian market which may create trouble for the Indian tea producers. Indonesia and Vietnam are considered major tea exporters among the ASEAN countries and they both export nearly 12% of the world's tea. Tea production in major ASEAN countries has increased by 3.6% annually, which is higher than the annual growth rate of world tea production (3.06%) during 1991-2008. Among these four ASEAN countries Vietnam registered the highest annual growth rate of 10.97% which is much higher than its growth rate of domestic consumption from production of 3.70% per annum leading to an increase in exportable surplus. In case of Thailand and Malaysia, with the decline in domestic consumption for tea from production, they have registered higher export growth rate during the period (1991-2007)²⁴.

Table No.4.10
ASEAN Countries Tea Exports to India and World.
(Quantity in '000 tones)

Year	Malaysia		Thailand		Vietnam		Indonesia		India's total import	Total ASEAN export	
	India	World	India	World	India	World	India	World		India	World
2000	NA	0.65	0.01	0.59	2.46	55.66	6.01	105.58	NA	NA	NA
2005	0.17	1.16	-	-	0.80	32.79	2.17	102.29	18.65	3.14	137.7
2006	-	-	0.01	1.47	-	-	-	-	-	-	-
2008	0.02	1.61	0.01	2.36	-	-	3.80	96.21	23.20	5.09	215.9

Source: Estimation based on UN cemtrade, database, viewed on 28th January'10 (<http://cemtrde.un.org/db/>), presented by B. H. Nagoor & C. Natin Kumar, article:- Assuming the impact of the ASEAN-India FTA on the Tea Industry.

From the Table No.4.10 that since the year 2000 the two ASEAN countries Indonesia and Vietnam have emerged as important exporters of tea in the world as well as in India. Malaysia and Thailand, the other two countries are also trying to penetrate into the Indian market, though till the year 2008 they exported very little quantity of tea in India.

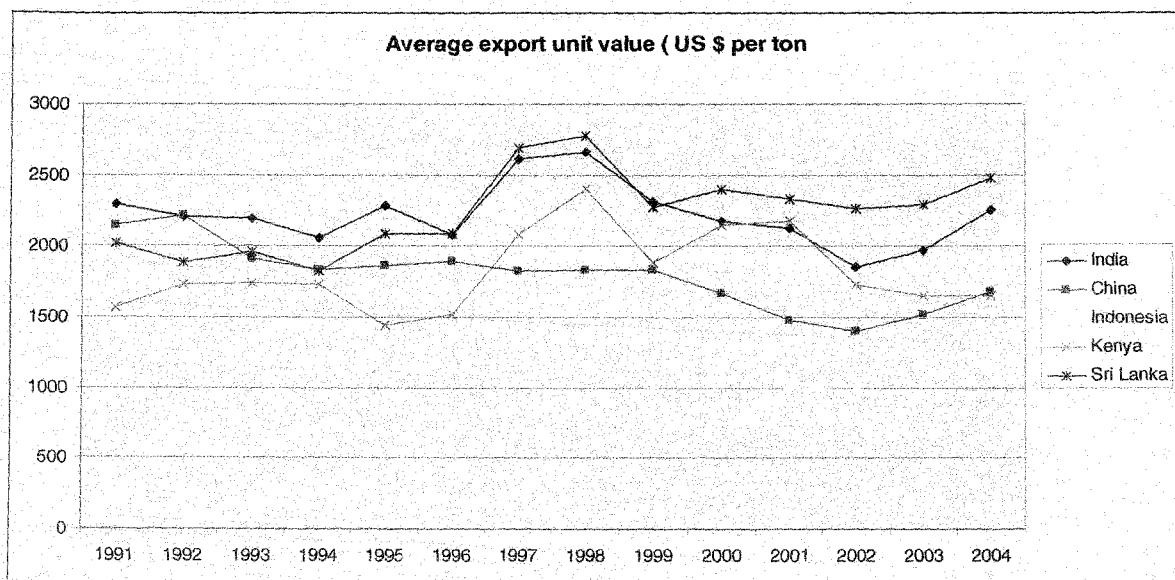
4.7 Argument in respect of selecting pre and post globalization period for the present study

We have already noticed that the process of globalization in India was initiated in the year 1991 in the wake of the unprecedented balance of payments problems and leading to a host of structural reforms. Our participation in the globalization process was however reaffirmed with the establishment of the World Trade Organization in 1995. Since then, India, being the founder member of WTO has come a long way in opening up the economy to private and foreign participation. Under the guidelines of WTO, India offered to reduce tariffs on capital goods, components, intermediate goods and industrial raw materials. However, India continued to maintain quantitative restrictions in the form of quotas, import and export licenses on 2700 agricultural commodities, textile and industrial products. United States along with Australia, New Zealand, Switzerland, European Economic Community and Canada had an objection to such quantitative restrictions as it went against the very norms of WTO. They made a complaint to the Dispute Settlement Machinery of WTO which gave its verdict against India. India decided to go for appeal, but the WTO panel on 23 August 1999 rejected India's appeal against quantitative restrictions. India was thus compelled to comply with the verdict of WTO Dispute Settlement Panel and thereby fully open its economy to rest of the world. This opened the floodgates for foreign consumer goods to enter the Indian market, thereby seriously damaging the Indian industry²⁵.

The price situation of agricultural commodities in the international market changed dramatically mostly from 1998 onwards. It started to fall down gradually, because of which Indian domestic price turned higher than international price, which motivated the exporters of other countries to export their agricultural

commodities in the Indian market. This situation resulted in a wide spread decline in agricultural export and had also created pressure on domestic prices are considered to be the root cause for the crisis most particularly felt in plantation industry in general and tea industry in particular.

Fig.4.5 Average Export unit value of major exporting countries

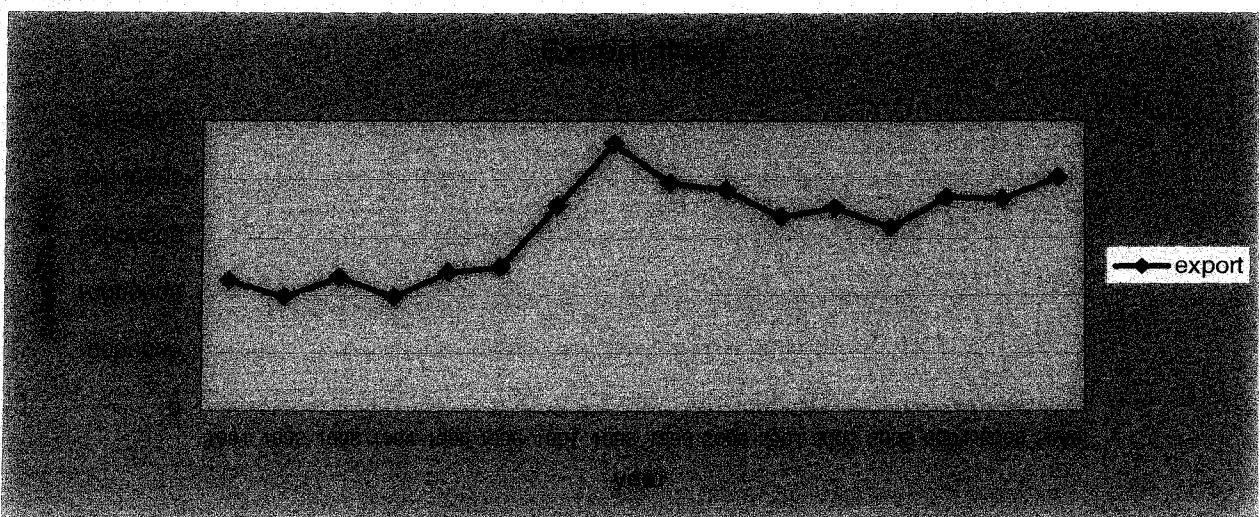


Source: Calculated from www.fao.org.

When we compare the Average Export unit value of major exporting countries (Fig.4.5) we find that from 1999 onwards there has been a declining tendency in the average value of tea exported. Because of global competition sparked by WTO, China, Sri Lanka, Indonesia and Kenya are seen to have cut down their prices to become more competitive. Indian tea price however remained far higher than those countries. As a result its export plunged down significantly²⁶. The export earnings from tea suffered mainly due to a sharp fall in international prices, as the quantum of exports in most cases did not drop. The cost of production of tea in India was comparatively higher than the other tea producing countries because of the huge social cost obligations. The Indian tea industry therefore could not stand in the highly competitive international market and lagged behind in global export potentiality From Fig.4.6 and Fig 4.7 we find that more specifically from 1998

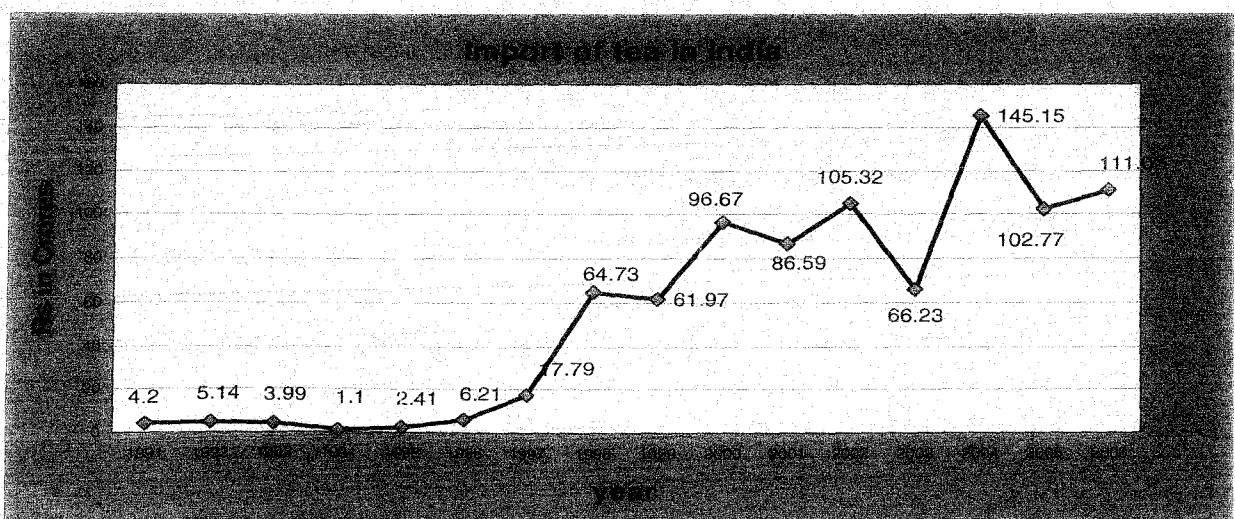
onwards, the import of tea into India increased phenomenally along with a sharp decline in the export growth.

Fig.4.6 Trends of Export of tea from India during the period 1991-2006



Source: Tea Digest 2006and 2007 Tea Board of India

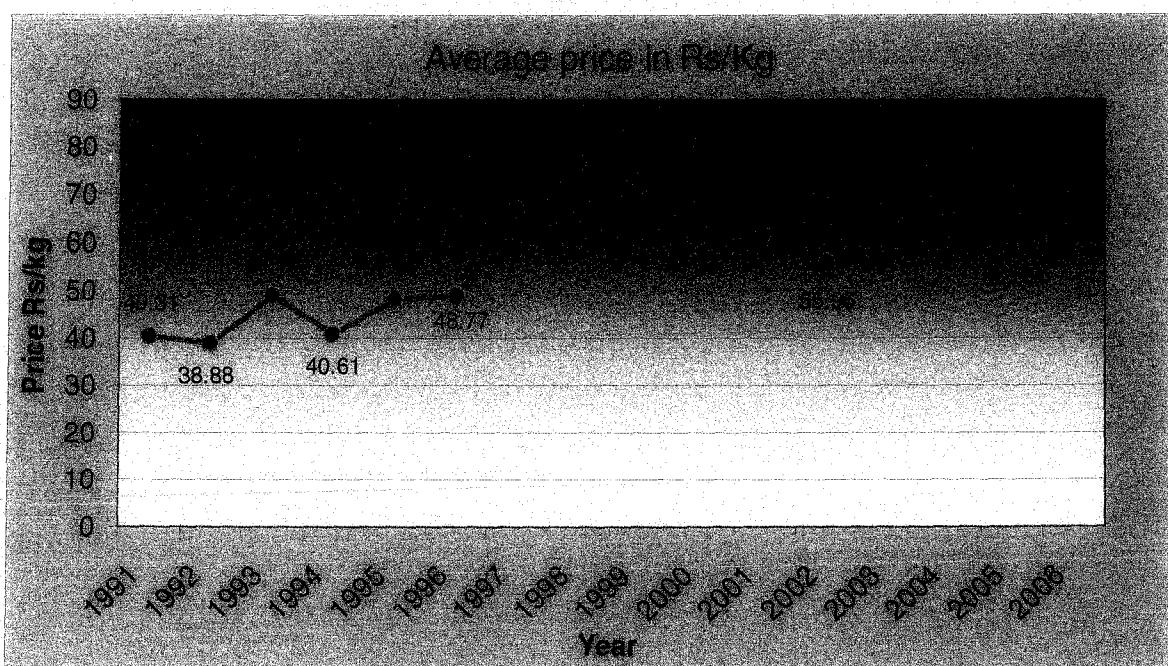
Fig.4.7 Import of tea in India during the period 1991-2006



Source: Tea Digest 2006and 2007 Tea Board of India

So far as all India average auction prices are concerned, it too started declining from the year 1999. With the opening up of the Indian economy, foreign tea had an easy access to Indian tea market. It led to a situation of oversupply in the domestic market and as such prices started to decline gradually. (Fig 4.8)

Fig.4.8 All India Average Auction Price in Rs/Kg



Source: Tea Digest 2006 and 2007 Tea Board of India

If we consider the trends of the above mentioned factors, viz, import, export and market prices of tea, it can be concluded that major fluctuations/changes have taken place from the year 1998 onwards. It is quite obvious that usually it takes a couple of years to get the full effect of any new policy/regulation so we have taken the years 1991 to 1998 as pre globalization period and 1999 onwards as post globalization period considering the changes in the above mentioned factors as discussed earlier.

4.8 Globalization and Its Impact on Tea Price.

Globalization is an inevitable and irreversible process of economic, technological, social and political integration of the world. In this process a single but large free market economy known as global market have been emerged. This phenomenon has dismantled social and economical barriers and as a result it has released huge competitive forces in the market which have tremendously affected the plantation economy and particularly the tea plantation industry of India. The

policies of World Trade Organization (WTO) have played a key role to develop the sense of globalization and the WTO agreement has great impact on the tea industry of the world. Presently the tea industry of India has been experiencing a crisis arising out of high degree of competition. On the whole, there is mounting pressure of competition on it both in the global and domestic markets. As a result India witnessed a sharp fall in tea price mainly between the period 2000 and 2005 and decline in profitability.

In this chapter an attempt is made to analyze the impact of globalization in the tea industry of India at macro level and at micro level, with special reference to the tea industry of Dooars and Terai region and its effects on the industrial relation on this industry. Firstly we would put our attention on the macro level the impacts of Globalization on the tea industry of India and then on the tea industry in Dooars and Terai.

4.8.1. Depressed Price: The Root Cause

The trend of price behavior of agricultural commodities in the international market started to exhibit a dramatic turn around mainly from 1998 onwards. Comparatively, Indian domestic price was higher than international price, which motivated the exporters of other countries to export their agricultural produce in the Indian market accepting the opportunities of free market economy. This situation developed a wide spread depression in agricultural export and had also created huge pressure in the domestic market resulting decline in prices which is considered to be the root cause for the crisis and which affected the plantation industry in general and tea industry in particular²⁷.

4.8.2. Causes for Declining Tea Price

The forces of globalization had also affected the tea industry of India by allowing several multinational companies, such as, Coca Cola, Pepsi, Thums Up etc. to expand their business in the Indian market. These multinationals with their tremendous economical strength and effective management functions have penetrated even to the remote places of India²⁸. This has resulted that younger generation is gradually shifting their preference from tea to soft drinks. This

definitely has an adverse effect to the growth of internal consumption of tea in India²⁹.

One of the important aspects for declining in tea price in global market is the export of poor quality of tea. In India some quantities of teas are imported from countries like Vietnam, Indonesia etc. for the purpose of re-export. This poor quality of tea is mixed with the better Indian quality and the new brand thus produced is re-exported. This inferior quality of tea affects the image of the Indian tea in the global market which is full of competitive. Consequently, the price of Indian tea in the international market has been accounted a declining trend.

Table no. 4.11
Estimated World Demand and Supply of Tea

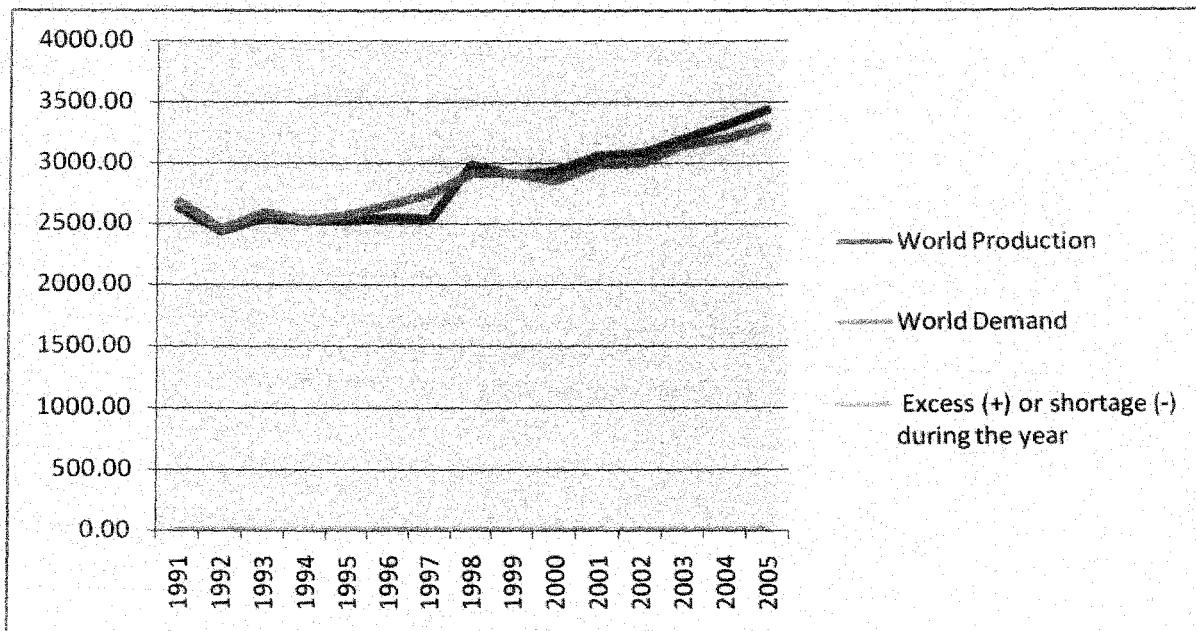
Year	World Production (Million Kgs)	World Demand (Million Kgs.)	Excess (+) or shortage (-) during the year.
1991	2631.05	2681.20	(+) 49.85
1992	2438.20	2450.05	(-) 11.85
1993	2553.24	2588.26	(-) 35.02
1994	2523.21	2522.46	(+) 00.75
1995	2525.02	2561.80	(-) 36.78
1996	2554.07	2645.35	(+) 8.72
1997	2543.31	2745.80	(-) 2.49
1998	299.00	2912.65	(+) 78.35
1999	2931.74	2913.67	(-) 5.22
2000	3960.53	2851.03	(+) 64.71
2001	3085.15	2982.92	(+) 77.61
2002	3201.81	2998.95	(+) 86.20
2003	3314.95	3147.95	(+) 54.86
2004	3435.65	3191.85	(+) 123.10
2005	3435.65	3301.91	(+) 133.74

Source: Tea Digest (2005-2006), Tea Board of India.

Another important factor for declining in tea price is a persistent situation of over supply of tea in the international market. The tea economies of some tea producing countries are dependent on export of tea, such as Kenya and Sri Lanka. Fierce competition is experienced between a numbers of such tea producing countries for market share by increasing production level. On the other side, a few numbers of multinationals controls the supply process from buying to retailing and enjoy the maximum profit. Interestingly when the auction price shows decreasing trend the retail maintains stability³⁰.

Fig. No. 4.9

Trend of Estimated World Demand and Supply of Tea.



Source: Tea Statistics 2005-06 ,Tea Board of India

Table No. 4.11 presents the situation of world demand and supply of tea during the period 1991-2006. It is evident from the Table that there has been a trend of oversupply to tea since the year 1998 in the global market and this situation was responsible to reduce the tea price world wide.

Hindustan Lever announced in the year 2004 that, “we have considerably improved the share of our food business with gross margin improvement.”

Our continuous focus on operational efficiencies and cost reduction has resulted in very good improvement in our operating margin.

International Labour Organization (ILO) released a report in 2005 stating that the big tea companies have been benefited from the fall of auction prices of tea and rise in retail prices of the same.”

A report published by the Government of Assam in 2004, stating, “*This widening gap between consumer and auction prices ... is cutting into the margins realized by the tea producers but is not being passed on to the consumer in the form of lowered tea price*”. “*Unfathomable that the retail price of tea has not come down with the fall of auction prices. Certainly, the margins of intermediaries are far too high.*”³¹

Table No. 4.12

The trend of retail price of tea in comparison to auction price (Kolkata Auction Centre).

Year	Kolkata	Delhi	Retail Tea Price		Kolkata Auction Price (per/Kg)
			Mumbai	Chennai	
1999	110	110	118	105	88.60
2000	114	115	120	105	81.09
2001	120	120	128	110	76.36
2002	120	120	130	115	69.06
2003	120	120	130	115	68.13
2004	120	120	130	115	80.40
2005	120	120	130	115	70.14
2006	120	120	130	115	79.76

Source: Tea Digest 2005-06, Tea Board of India.

One of the important factors for decreasing tea price is the market imperfection which is a typical evil of capitalism. One such imperfection that Indian Tea Industry experiences recently are the formation of **tacit cartel** among big buyers in the auction market which depresses the tea price, a report published by the

Indian Government in the year 2002 which reflected a merging of self-interest between brokers and buyers as well as co-operation among the buyers at auction centers deprived tea growers for earning a fair price by selling the output through auction sale³².

4.8.3 Factors Affecting Tea Price.

In India Tea Auction System plays a vital role for fixing tea selling price where fifty-five per cent of total production is sold through this system, the remaining quantity of tea is sold through private sales³³. Besides national and international influences, like other commodities tea prices are dependent on quality products, demand-supply situation and production level in other countries. On the other side, unlike other agriculture commodities tea price cycle has no linkage with the general economic cycles, but it is influenced by agro-climatic conditions. Tea price has less volatility than its major competitors Cocoa and Coffee because of the fact that tea production is less prone than Coffee and Cocoa due to the effect of weather and diseases³⁴.

The Indian tea industry has been passing through a period of depressed prices for a long time. This adverse economic condition of tea industry started from the year 1999 onwards. From the Table No. 4.13 the trends of fluctuation of auction prices of tea at all India level can be known. It is evident from the Table that the all India average auction prices for tea came down from Rs.76.43 per Kg. in 1998 to about Rs.56.03 per Kg. during 2003, indicating a price decline of nearly 26.69 per cent. In the following year there was an improvement by about 15 per cent but again in the year 2005, the tea price had declined to Rs.58.05 per Kg. However, from the year 2006 and onwards the tea prices at the all India level has been recording an upward trend, and this trend has been indicating a favourable time for the tea industry of India.

Table No. 4.13
All India Average Auction Price in Rs/Kg.

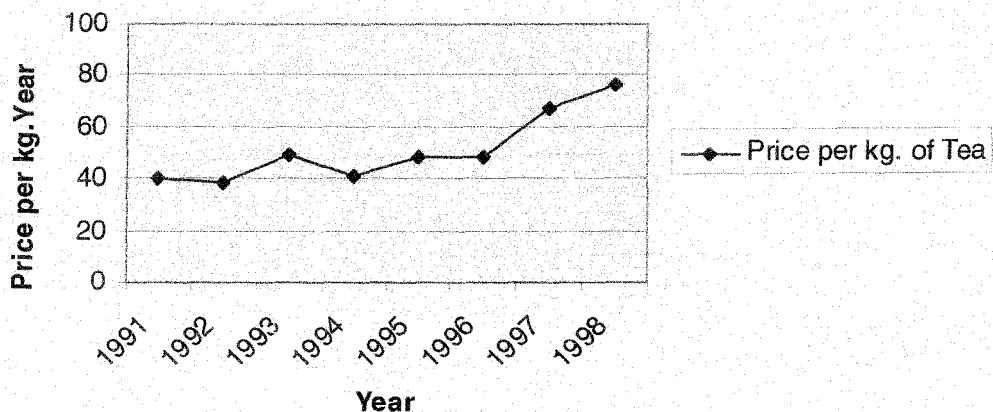
Pre-Globalization Period.

Year	1991	1992	1993	1994	1995	1996	1997	1998
Price (P/Kg.)	40.31	38.88	48.93	40.61	47.99	48.77	66.89	76.43

Source: Tea Digest 2006 & 2007, Tea Board of India, and Tea Association of India, Report 2010 and 2011

Fig no. -4.10

**Trends of Auction Price of Tea at all India Level in
The Pre- Globalization Period**

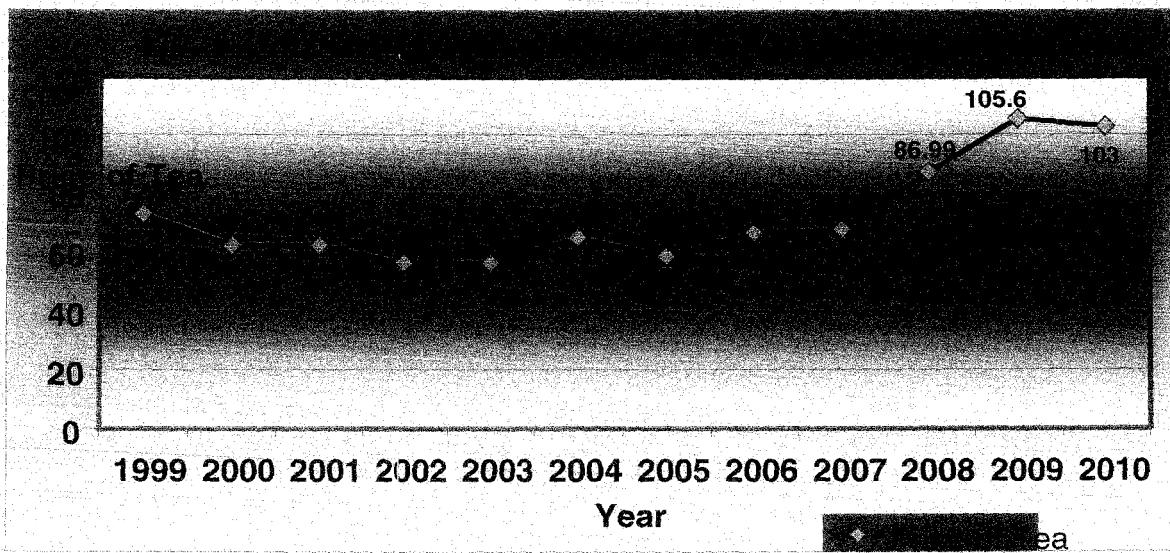


[Source: Tea Statistics 2005-2006, Tea Board of India]

Post Globalization Period.

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Average Kg.)	72.79	61.71	61.66	55.96	56.03	64.54	58.05	66.01	67.27	86.99	105.60	103.79

Source: Tea Digest 2006 & 2007, Tea Board of India, and Tea Association of India, Report 2010 and 2011.



[Source: Tea Digest 2006-2007 published by Tea Board of India and report of Indian Tea Association 2010-2012]

The Table also reveals in the pre-globalization period also the tea industry witnessed price fluctuations during the period 1991 to 1995. During the post globalization era, after a huge set back during the period 1999 to 2005, the situation started to improve since the year 2006, and from the year 2008 onwards the improvement in price has been remarkable as the price of per Kg. of tea increased from Rs.58.05 in 2005 to Rs.105.60 in 2009 indicating an increase of almost 82 per cent, though in the year 2010 a slight decrease in per Kg. of selling price has been recorded.

Kolkata Auction Price.

The auction selling price of per/Kg. of tea at the Kolkata Auction Centre and at the Siliguri Auction Centre witnessed the same trend as was recorded at the all India level in respect of selling of per Kg. of made tea. At Kolkata Auction Centre the price of per Kg. of tea in the year 1998 was Rs.87.83 and it reduced to Rs.68.13 in the year 2003, representing the downfall by around 22.42 per cent. The price level of Siliguri Auction Centre showed no difference. In the year 1998, the selling price of per Kg. of tea was Rs.74.66 and it came down to Rs.54.58 in the year 2003 recording a decline of 26.27 per cent. However from the year 2006, the tea price has been recorded an upward trend and particularly from the year 2008 tea auction price

has been experienced a huge increase in terms of percentage which has been reflected from both the tea auction centres of Kolkata and Siliguri. At Kolkata Auction Centre in the year 2010, the tea price has recorded an increase of 89.57 per cent over the year 2005. In case of Siliguri Auction Centre the percentage increase tea price as recorded for the same tenure is 78.89 per cent.

Table No. 4.14

The Trend of Selling Price of per Kg. of Tea at the Kolkata Auction Centre.

Pre-Globalization Period.

Year	1999	1992	1993	1994	1995	1996	1997	1998
Price(Rs, P/Kg.)	48.22	43.86	54.96	49.56	55.63	58.76	79.88	87.83

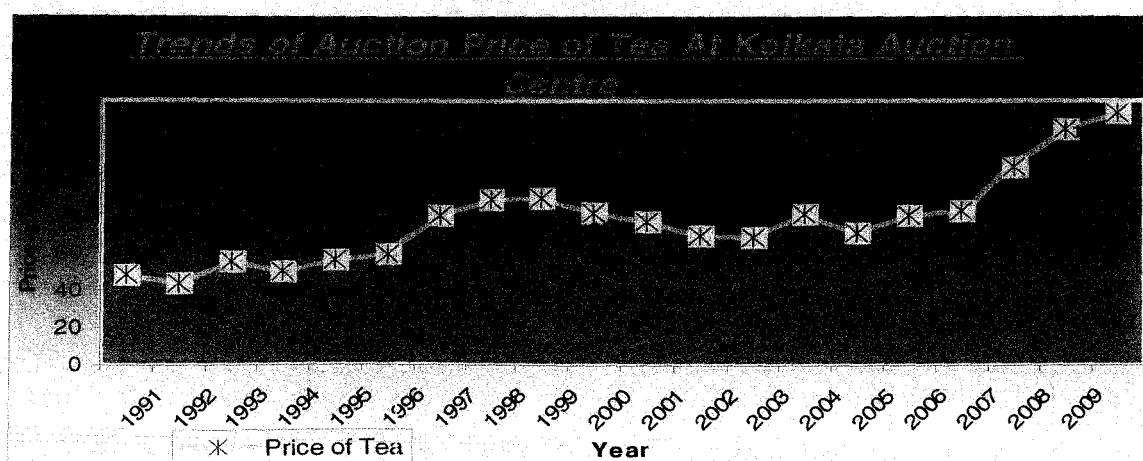
Post-Globalization Period

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Price Rs. P/Kg,	88.60	81.09	76.36	69.06	68.13	80.34	70.14	79.76	81.90	105.12	124.63	132.97

Source: Tea Digest, 2006 & 2007, Tea Board of India and India Tea Association, Report 2010 & 2011

Fig.No.4.12

Trend of Kolkata Auction Price of Tea.



Source: Tea Digest, 2006 & 2007, Tea Board of India, and Report of Indian Tea Association, 2010 and 2011.

Table No. 4.15
The Trend of Selling Price of Tea at Siliguri Auction Centre.

Pre-Globalization Period.

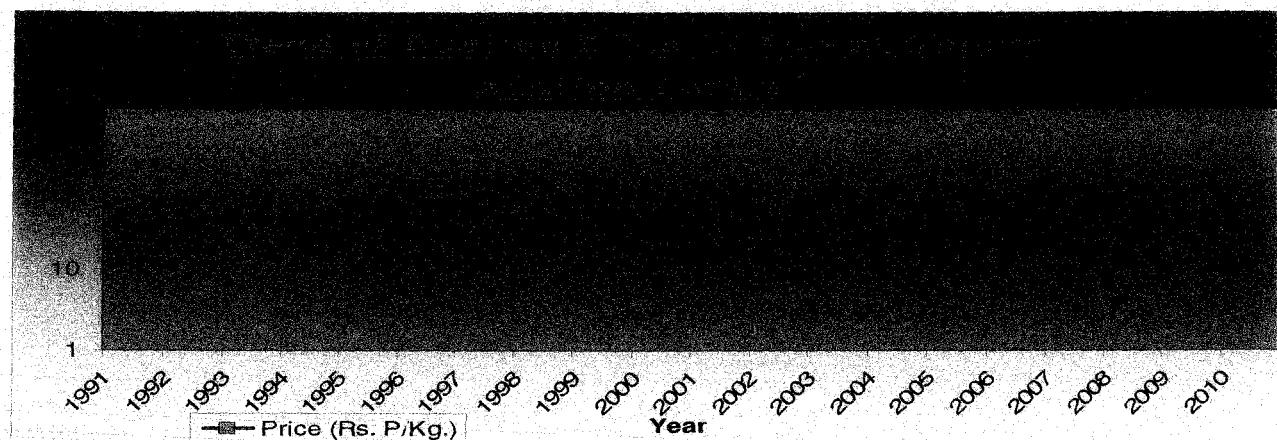
Year	1991	1992	1993	1994	1995	1996	1997	1998
Price (Rs, P/Kg).	37.79	37.25	47.82	38.18	47.72	47.73	65.47	74.66

Post-Globalization Period

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Price (Rs. P/Kg).	72.56	60.16	63.41	56.09	54.58	64.52	58.38	64.90	65.92	85.27	104.65	104.44

Source: Tea Digest, 2006 & 2007, Tea Board of India, and Report of Tea Association of India, 2010 & 2011.

Fig. No. - 4.13



Source: Tea Digest, 2006 & 2007, Tea Board of India and Report of Tea Association of India, 2010 & 2011.

From the Fig. 4.12 and 4.13, it has been revealed that in the pre-globalization period, there had been steady rise in tea price between the period 1996 and 1998. At Kolkata Auction Centre tea price jumped from Rs.58.76 in 1996 to Rs.87.83 in the year 1998, a massive increase of 49.47 per cent and at Siliguri Auction Centre this

increase was 56.42 per cent during the same period. It was the time when the tea industry of India experienced a boom period. During this time tea industry earned huge profits and the tea workers also enjoyed some sorts of benefits in the form of welfare measures, regular payment of wages, subsidized rations were given at a regular basis, timely payment of bonus, gratuity, provident funds etc. As a result a cordial industrial relation had been prevailed in the tea industry of West Bengal as a whole. However, these rosy days of tea industry did not last long. The process of globalization opened the avenues for the global operators to enter into the tea market of India. Ironically, Indian tea industry was not prepared enough to compete with these global competitors and to face the global challenges. With the old form of production process applying the older technology the Indian tea industry lagged behind in the race. The management did not think about the up gradation of technology, re-plantation scheme could not be followed properly and gradually the Indian tea industry has become weaker and less competitive. However, since the 2006 onwards situation has been turned in a favorable way by raising the tea price which was the root cause for the crisis in tea industry.

From the above discussion we found that the tea industry of India as well as the tea industry of West Bengal with special reference of Dooars and Terai regions have been affected badly mainly due to fall in tea price . The reasons behind this decrease in tea price are over supply of tea in the world market, stagnation or downward trend of export of tea from India increasing trend of import etc. This situation has declined the profitability of the tea industry.

4.9. Cost of Production of tea in the pre and post globalization period .

Cost of production has been regarded as the most determining factor of profitability of the tea industry with the mounting pressure of increasing stiff competition in the global tea market. The cost of production has become all the more important. There are different components of cost in tea industry like labour cost, input (raw material) costs, such as fertilizers, medicines etc. transportation cost, energy cost, various taxes to the government and so on.

Labour cost accounts for more than fifty per cent of the unit cost of production. High fuel cost, dilapidated infrastructure including transportation uprising trend of fertilizers and manure costs etc. result in high cost of production. This situation has made the Indian tea industry uncompetitive in the global market³⁵.

During the time span 1991 to 2010 the direct wages have increased by nearly 275 per cent, which definitely has inflated the total cost of production. On the other side huge burden of social costs in India has further swelled the cost of production. It is hardly necessary to mention that the tea industry of India bears the highest quantum of social costs as compared to its competitors. In India, overall labour costs accounts for as much as 60 per cent of total cost of production, while in Kenya and Sri Lanka it is recorded as 43 per cent and 54 percent respectively³⁶.

The social costs bear by the large and organized tea estates has a great impact on the total cost of production which is around 5-8 per cent of the total costs. As tea industry is labour intensive around 60 per cent of the total costs is incurred as labour costs. The cost which is born by the Indian tea industry for welfare measure of the workers is around Rs.3 billion per annum. In an industry with a total turnover of Rs.78 billion per annum, this burden is likely too high as feel by the tea estate owners. This cost implies an additional increase of Rs.4.12 per kg. in North East India and Rs.3.44 per kg. in South India and thus increases the price per kg of made tea. Lack of management activities high age of tea bush, high overhead costs, and poor agricultural practices etc. also play very vital role to push the cost of production of made tea³⁷.

4.9.1. Cost of Production of Small Tea Sector.

The cost of production of small tea sector BLFs combination production system, known as unorganized sector in the tea map of India is comparatively lower than the big tea estates, primarily because there are many hidden family labour costs, low wage rate of the workers and this sector does not bother to bear the social costs. Which the organized sectors are bound to bear it legally³⁸.

The small tea sector, which has a mushroom growth, has relatively lower cost of production than that of estate plantations, primarily there are many hidden

family labour costs and this sector do not follow the legislations or specific laws relating to plantation economy and so do not have to bear the social costs. So this sector functions at low cost parameters and enjoy the marketing edge.

From the following table the cost of production of per Kg. of green leaf of small growers is known.

Table No. 4.16

	West Bengal (Rs)	Assam (Rs)	Tripura (Rs)	Nilgiris (Rs)	Kerala (Rs)
Inputs- Fertilizers/Pesticides etc.	1.74	2.12	1.60	1.78	1.26
Wages	3.58	2.87	2.73	2.92	4.54
Direct expenses	0.15	0.69	0.32	0.11	0.19
Overheads	0.81	0.64	0.42	0.52	0.60
Total cost of per/Kg of green leaf	6.27	6.32	5.07	5.33	6.59
Average price realization	7.41	5.50	4.54	4.87	5.35

Source: Compiled report on small tea gardens (2005), Tea Board of India (Presented by SOMO, p. 73).

It is evident from the above Table that the cost of production of per Kg. of green leaf produced by the small growers in Kerala is the highest followed by West Bengal. Whereas the small tea sectors of Nilgiri Hills of Tamil Nadu has the lowest cost of production.

4.9.2. Cost of Production and Productivity.

Another important factor which influences the cost of production of Indian tea is the stagnation of productivity level in India in comparison to other global producers who play very important role in the world market.

Productivity is measured by yield (Kg/Hect.), which is affected by aspects such as, climate, soil condition, proper application of necessary inputs, age of the tea bushes and labour productivity³⁹.

Table No. 4.17 presents a clear picture of stagnation of productivity in Indian Tea Industry. On the other hand China and Sri Lanka have recorded a continuous increasing trend since 1995. Though Kenya has highest rate of productivity there has been a sign of downward trend since 2005.

Table No. 4.17

Productivity (yield Kg/Hect) of Four Major Tea Producing Countries.

Countries	1995	1996	2003	2004	2005	2006
India	1770	1809	1690	1713	1703	1732
China	528	538	636	662	692	718
Sri Lanka	1304	1349	1611	1638	1683	1648
Kenya	2136	2190	2235	2470	2289	2112

Source: Tea Statistics, 2005-06, Tea Board of India.

4.9.3 Cost of production of Made Tea in Dooars and Terai

The data collected from the selected tea gardens of Dooars and Terai reveals there has been a gradual increase in respect of cost of production of per Kg. of made tea since the year 1991 onwards.

The trend of cost of production of per Kg. of tea produced in the tea garden of Dooars and Terai is displayed by the Table No. 4.18.

Table No. 4.18

**Average cost of per Kg. of Made Tea on the basis of studied Tea Gardens of
Dooars and Terai Region.**

Pre-Globalization (Sample size – 30 gardens)

Year	1991	1992	1993	1994	1995	1996	1997	1998
Cost (Rs./Kg.)	32.66	34.68	36.32	37.58	39.53	41.38	43.85	47.84

Post-Globalization

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2019	2010
Cost (Rs. P/Kg.)	52.62	56.88	60.58	63.64	66.75	70.38	68.13	68.46	70.39	73.60	78.25	81.57

[Source: Individual Tea Garden records.]

The Table shows in both pre and post globalization period the production costs of tea has been recording an upward trend. But the average production cost of per Kg. of Made Tea during the post-globalization period b (Rs.67.66 per kg.) is greater than the cost of per Kg. of made tea during the pre-globalization period (Rs.39.10).

With the increasing tendency of cost of production of made tea and the decreasing trend of selling price of tea as revealed by the Tea Auction Centre, this dual effect had pushed the Indian tea industry as well as the tea industry of Dooars and Terai in a crisis zone mainly during the period 2000 to 2005. As a result profit earning capacity of the industry has greatly affected and it made an adverse impact in the industrial relations of the tea industry of North Bengal. The situation became so critical that during the period 2002 to 2007 the employer of the tea gardens of Dooars and Terai had to sell their produce below the production cost. This can be proved by the evidence of the following table.

Table No. 4.19

Comparison between Cost of Production of per Kg. of Tea and Auction selling

price.

Year	Cost of Production (Selected garden) (Rs)	Average selling price (Per Kg) (Siliguri Auction Centre)
2000	56.88	60.20
2001	60.59	63.41
2002	63.64	56.09
2003	66.75	54.58
2004	70.38	64.13
2005	68.13	58.38
2006	68.46	64.90
2007	70.39	65.92
2008	73.60	85.27
2009	78.65	104.65
2010	81.57	104.44

Source: Data collected from individual tea gardens and Tea Statistics, 2005-06, Tea Board of India.

It is evident from the above table that from the year 2002 onwards the auction selling price (Siliguri Auction Centre of, per Kg. of made Tea) had been accounted below the cost of production. This critical situation continued till the year 2007.

Analysts agreed the prices of tea was driven down by an over supply of tea in the Indian domestic market due to decrease in demand of Indian tea in the global market and for this tea companies are responsible for exporting low quality tea destroying the Indian credibility. In South India auction prices of tea had dropped by 33 per cent since 1998 from Rs.69 per Kg. to Rs.46 per Kg. in the 2004. In Northern India auction prices was fallen by 12 per cent during the same period. The situation turned towards critical when a number of plantations and tea growers used to sell their produce at a price less than cost of production. The Tea Board of India and Indian Tea Association estimated during this period the cost of production of per Kg. of tea procured varied between 65-75 rupees⁴⁰.

It is evident from the Table No. 4.19 that between the period 2002 to 2007 the tea estates of Dooars and Terai had to bear a huge loss as there was a big gap between the cost of production and auction selling price of per Kg. of Made Tea. Naturally during this period the management of the tea gardens of Dooars and Terai could not provide necessary amenities of life as per the PLA, 1951 and liabilities on different heads mounted up. In this situation the workers became the worst sufferer. A large amount of provident fund and gratuity money became due, arrear wages and rations of many gardens were not cleared by the management. There was delayed in wage hike and welfare costs either became stagnant or reduced. In spite of this situation the tea gardens of Dooars and Terai did not witness any strong and violent labour movement. It may be the union leaders as well as the general workers realized the weak financial conditions of the tea industry due to sharp fall of tea price and higher cost of production.

So, from the above discussion it is understood a crisis had been developed in the tea industry of West Bengal, mainly in Dooars and Terai region since 2000 onwards and the prime cause is decline in auction selling price of tea and increasing trend of cost of production. This situation has developed tremendous financial crisis in the tea industry of India and the tea industry of Dooars and Terai.

4.10 Emergence of Small Tea Sectors and Bought Leaf Factories in the Era of Globalization.

One of the very important facts that the Indian tea sector witnessed in the era of globalization is the emergence of small tea growers and establishment of Bought Leaf Factories (BLFs). Over the past 10-15 year time span the mushroom growth of small tea sectors had assumed a form of socio-economic movement and acted as a force for social transformation in the North-East region as well as North Bengal and Bihar. These small tea gardens have also opened up new avenues for generating employment opportunities, mainly in the rural areas by establishing tea factories in the small scale industry sector known as Bought Leaf Factories (BLFs). Presently this tiny sector is accounting for 26 per cent of the total production of tea in India. This sector operates at low cost parameter in comparison to age old organized sectors. Because the major strength of this sector lies in the young and most major strength of this sector lies in the young and most productive age of the plantations of reasonably high colonel composition, low cost of production and the young and energetic youth segment of the entrepreneurs powered by new and improved agro-techniques. The success story of the tea industry in both Kenya and Sri Lanka is intimately linked with this small tea sector over the past few decades. In India, the small tea growers have been established themselves as a major player for the growth and developments of Indian tea industry.

The output from the small tea sector has gone up by 160 million Kg from 97 million Kg. in 2000 to 257 million Kg. in 2009 that is the percentage share has increased from 11 per cent to 26 per cent during this period. The new planting carried out from mid 1990 onwards is the main architect for this bulk-production. On the other hand due to old age bushes and low productivity the contribution by the organized tea sector had declined by 53 million Kg. during the time span of 2000 to 2009⁴¹.

The tea growing regions of West Bengal underwent sea-change when from the mid-1980s onwards small tea plantations started to emerge mainly in the non-traditional areas of North Bengal region. The South Indian tea plantations had already marked their footsteps in the tea economy, but for the West Bengal tea

industry, this was a new phenomenon and there were several reasons for such development. Firstly, the state policy of land redistribution system available from surplus acres of land over scheduled ceiling since 1970 to landless farmers both for cultivation and residential purposes, leaving little land that could be granted for new tea leases. Tea production in West Bengal has remained confined to traditional tea growing regions of Darjeeling hills, Dooars of Jalpaiguri district and plain area of Darjeeling district, known as Terai, wherein the conversion of forest lands to revenue lands has reached at saturated point after independence. In any case, most of the larger tea estates in the region were established well before the 1930s.

Indian tea industry experienced a boom period from the mid-1980s. During that time, West Bengal tea sector eagerly sought the release of additional land for expansion to utilize the opportunity. But the existence of the Forest Conservation Act put a restriction on conversion of lands classified as forest for plantation purpose. Another important matter for growing small tea sector is, the vested lands acquired through land ceiling policy and redistributed to landless people were frequently found unsuitable for the cultivation of agricultural products, such as paddy, consequently, the idea of converting this land for the cultivation of tea by the small growers was conceived, in spite of existence of legal barriers.

In view of the land redistribution programme of the West Bengal government to the landless beneficiaries, the tea industry of West Bengal appreciated the step and they wished to settle this vested lands with small growers, preferably ex-tea workers and others living in the vicinity of the estates, who would sell the green tea leaves at the price determined on the quality of such green leaves to the small or nucleus factories. As a result a number of "project tea gardens" in the traditional and non-traditional tea-growing areas of West Bengal during late 1980s and early 1990s were established.

Although the conversion activities of farmlands to small tea gardens in West Bengal took place intermittently throughout 1990s, but the extent of transfer became visible only when the Tea Board published the statistical information regarding the operational works of small tea sectors from 1998 onwards.

In 1996, there were 162 BLFs and 29 co-operative factories in India and they jointly produced 67.01 million Kg. of made tea as a whole. At that period the BLFs of West Bengal and Assam together produced 5.09 million Kg. of made tea, representing just over 7.6 per cent of the total tea produced outside the traditional estate sector in India [Tea Board, 2002].

Since then within four years time span in the year 2000 Assam produced 37.68 million kg. of tea from 105 BLFs, and 46 BLFs in West Bengal produced 16.9 million kg. of tea, 11.88 million kg. or more than 70 per cent of the tea from BLFs in West Bengal was produced at 26 factories located in Terai region of Darjeeling district and 20 BLFs situated in Dooars of Jalpaiguri district produced the rest quantity, that is 5.02 million kg. Gradually the number of BLFs and production of tea from the small tea sectors started to increase in Assam and West Bengal⁴².

From 1990 onwards a tendency had been developed on the part of the small land owners to convert their small area of land into tea gardens. It was due to higher rate of price of tea motivated them to convert the land for the production of tea with a view to earn higher income. It was observed that many people who were the owners of small area of land mainly the cultivators and producers of pineapples, potatoes etc. had converted their gardens into small tea sector. As a process a large number of small tea growers were emerged between the periods 1990 to 2000. The upwards trend of auction tea price which reached at its peak in the year 1998 provided huge amount of profit to these small tea growers⁴³.

These small tea sectors have created tremendous challenges before the organized tea estates when from the later part of 1999 and onwards the auction price of tea started to experience sharp decline reducing the profit margin mainly of these big and organized tea estates⁴⁴.

In West Bengal the small tea gardens are scattered in three localities, such as Islampur Sub-division of Uttar Dinajpur District, Khoribari-Phansidewa Block of Darjeeling district and Raiganj Block of Jalpaiguri district. Mainly the cultivators of pineapple of these area resorted to tea cultivation due to lack of marketing facilities. In the absence of suitable market the pineapple growers had to face a lot of

problems to sell these perishable goods along with price fluctuations. All these hurdles led pineapple growers to shift from pineapple to tea.

As the small tea sectors have no factory of their own to produce made tea, a lot of Bought Leaf Factories have been established during this period of time. Small tea growers sell green leaf to these BLFs and in this process made tea is produced and sold in the market. So the two separate area of economic activities work for a common purpose creating employment opportunities mainly in the rural areas.

The small tea sectors generally employ casual labour. So the owners have little or no liability to follow the Plantation Labour Act, 1951 which has provided various welfare measures to protect and upgrade the living conditions of the workers. These labours are poorly paid and there is no question of paying provident fund or gratuity or like. This sector and BLFs do not bear the social costs which are one of the important components of cost of production of made tea. The cost of production of established tea estates becomes higher due to this social costs in comparison to un-organized small tea sectors⁴⁵.

4.10.1 Trend of Growth and Development of Small Tea Sectors and Bought Leaf Factories

From the Table No. 4.20 we can analyze the recent trend of growth and development of small tea sector and Bought Leaf Factories. In the year 2002 the total number of BLFs in India was 371 and they produced 157 million Kg. of tea contributing 18.78 per cent of total tea production in India of 838 million Kg. The contribution of small tea sector of North India in 2002 was 88.40 million Kg. or nearly 56 per cent. The BLFs of West Bengal produced 33.44 million Kg. from 56 factories. Terai produced 22.14 million Kg. from 36 BLFs, and Dooars produced 11.30 million Kg. from 20 BLFs.

In 2004, the number of BLFs increased to 466 and total production from this small sector accounted 214.13 million Kg. which is around 24 per cent of total tea production in India. In that year Terai region produced 33.49 million Kr and Dooars contributed 16.10 million Kg from 46 and 33 BLFs respectively. In the year 2006 the total number of BLFs in India recorded as 487 when the quantity of production

of tea was 239.96 million Kg. In that year West Bengal produced 59 million Kg of tea from 85 BLFs. Terai contributed 42.03 million Kg from 47 BLFs and 38 BLFs of Dooars produced 16.97 million Kg. So, since 2002 onwards increasing trend in respect of number of BFs and quantity of production has been experienced by the small tea sector in India as well as in West Bengal. Another important point when the number of factories in North India showed an increasing trend during the period 2002 to 2006, the trend of South India recorded a negative trend. In respect of production the same trend is observed, except in the year 2006 when the quantity of production witnessed a little increase over 2005.

The performance of small growers of Assam, the highest tea producing state of India is also encouraging. In the year 2002, Assam small tea sector produced 53.24 million kg from 139 BLFs. In 2006 the number of factories increased to 203 the production crossed the 100 million kg mark. So, the two prime tea producing states of India witnessed a positive trend of growth in respect of small tea sectors.

Table No. 4.20

No. of Bought Leaf Factories and Quantity of production (in Million Kgs.)

States	Bought Leaf Factories	2002		2003		2004		2005		2006	
		No	Prod								
Assam		139	53.24	151	65.28	162	77.60	191	91.47	203	101.41
West Bengal											
Terai		36	22.14	43	26.28	46	33.49	47	38.54	47	42.03
Dooars		20	11.30	26	11.46	33	16.10	38	16.68	38	16.97
Total West Bengal		56	33.44	69	37.74	79	49.59	85	55.22	85	59.00
Total North India		199	88.40	228	105.80	261	130.34	306	105.52	318	164.30
Tamil Nadu		159	67.43	182	75.80	185	80.72	150	69.76	150	72.44
Kerala		12	0.94	16	2.32	18	2.95	18	2.48	18	2.41
Karnataka		1	0.23	2	0.07	2	0.12	2	0.06	1	0.21
Total South India		172	68.60	200	78.19	205	83.79	170	72.30	169	75.06
All India		371	157.00	428	183.99	466	214.13	476	222.82	487	239.36

Source: Tea Statistics, 2003-04 and 2005-06, published by Tea Board of India (P.17).

From the same table it is found in West Bengal the small tea sector has grown steadily in North Bengal in a decade, when quantity of production from this sector accounted 70 million Kg. of tea a year – more than one-third of the total production of nearly 200 million Kg. annually as per the records presented by the Tea Board of India. This handsome growth of small tea sector in the four districts (table no. 4.21) of North Bengal such as, North Dinajpur, Jalpaiguri, Darjeeling and Cooch Behar employ around 70,000 people. Another one lakh workforce is dependent indirectly on this sector with its 20,000 plantations. A survey conducted by the State Land and Land Reform Department revealed this picture on the status of small tea growers. By the end 2009, the 20,000 plantations are spread over 63,498.90 acres. In 1998, when this sector was started to grow, there were 5675 plantations covering over 35,000 acres of plantation area.

Mr. Bijoygopal Chakraborty, the Vice-president of the United Forum of Small Tea Growers' Association remarked "hundreds of paddy cultivators have shifted to tea, the sole reason being the prices and the market. The rise in domestic consumption as well as exports has further added to change."

The following table presents the status of small tea sectors as on 31st December 2009.

Table No. 4.21
Status of Small Tea Sector.

District	No. of Plantations	Area (in acres)
North Dinajpur	10.397	27153.49
Jalpaiguri	5777	22196.31
Darjeeling	3637	10034.58
Cooch Behar	541	4114.52

Source: State Land and Land Reform Department. (The Telegraph, Friday, 15th January, 2010, p. 6).

Table No. 4.22
Performance of Small Tea Sector of West Bengal.

Year	Total Production in West Bengal (M. Kgs.)	Production in Small Tea Sector (M. Kgs.)	Percentage
2002	188.02	33.44	17.78
2003	200.63	37.74	18.81
2004	214.54	49.59	23.11
2005	217.54	55.22	25.38
2006	237.10	59.00	24.88

Source: Tea Statistics, 2005-06, Published by Tea Board.

The above table shows that the share of contribution of small tea sector in respect of total tea production in West Bengal has been increasing since 2002, though in the year 2006, quantity of production increased over 2005, but as a percentage share there is a slight reduction. Again in 2009 the production increased to 70 million Kg. (The Telegraph, dated 15th January, 2009, p. 6).

This indicates the small growers of North Bengal play significant role in the tea economy of West Bengal. The transformation of agricultural land into tea cultivation generally belonged to marginal farmers and other to use this land as economically viable and they became agree to accept the offer made by the nodal tea estates. The offer was cash compensation for the land transfer accompanied by assured wage labour employment at the rate of one labour for every acre (0.45 hectares) of land transferred. Against this the organized tea estates became able to improve their profitability by getting sufficient quantity of green tea leaves from these small tea gardens. The processing costs of such gardens were low because of higher productivity and low wages for plantation labour in comparison to organized tea sectors that are liable to pay statutory plantation wage and give welfare measure as per Plantation Labour Act 1951. However, had the farmer been assured of access to modern agricultural technology with necessary inputs and better irrigation facilities, multi-cropping on the same land would generate up to 200-240 man days of work per hectare and be definitely profitable for the marginal farmers? So at the beginning the operational functions of small growers were regulated by the

production pattern of made tea of the model tea estates. The small grower model also opened the avenues of greater economics of scale to the organized tea estates, since no longer they had to internalise the social costs of labour reproduction.

Casualisation of labour, lower labour costs and trend of price volatility in the auction houses made the Bought Leaf Factory sector as economically viable. Afterwards it became inevitable the rapid growth and development of BLFs in this region as they started to control over small tea sector. This development cleared the way for the small holder tea growing sector to establish units well outside the periphery of the traditional tea region. Then during the crisis period of tea industry due to continuous price fall in 2000-2005, the BLFs became able to put themselves in advantageous position in comparison to organized tea estates because of lower labour cost and other cost of production. So, the management of the tea estates covered by Plantation Labour Act, 1951 and other statutory matter such as labour laws and regulations like to re-organize the production process following the model of small tea sector. It is found through different literature and studies that the reasons for the higher cost of production in the organized tea sectors are the existence of permanent labour force, provisions for welfare measure of the workers in the form of social costs, high cost of supervision, low productivity due to old age of majority of tea bushes and a high interest burden. On the other hand BLFs and small holder combination are able to run the production activities at a much lower cost as they have no obligation to follow the above stated act or regulations. In the context of globalization and changing economic policy, the management of tea estates believes that one of the causes of crisis in the tea industry is due to present plantation mode of production for which production cost is high, mainly high labour costs and to overcome this situation management desires labour flexibility⁴⁶. It may appear a little strange that the small tea growers who have established tea gardens in non-traditional areas have been extending their production functions despite price volatility and market uncertainties. Since the cost of cultivating green leaf from the new plantations are low because of their higher productivity as well as the absence of statutory welfare costs for employing outside labours. Most of the workers are employed on casual basis in this un-organized small tea sector.

Interestingly, in the initial stage the proliferation of small tea growers was linked to the factories of the organized tea estates. By purchasing green leaf at a comparatively lower price from the small growers the organized sectors also enjoyed economical benefits. Because cost of production of green leaf is higher in the established tea estates as the estates have to bear statutory social costs besides higher rate of wage including rations at a subsidized rate.

Further higher margin of profits which is a result of reduced labour costs in combination with a uprising trend of auction price paved the way for better investment option by establishing Bought Leaf Factories. This development helped the small tea growers to be taken up well outside the periphery of the traditional tea growing region. In fact, it was inevitable that the BLFs would be low costs parameter and control over small tea growing operations would transfer from the organized estate sector to the BLFs⁴⁷. The ultimate result was the small holder tea sector and BLFs combination started to enjoy better economical benefits pushing the organized tea sectors in deep trouble. Due to low productivity and increasing trend of cost of production, mainly higher wage rate and other statutory benefits mainly as per the PLA 1951, the degree of crisis in the organized tea sectors increased. On the other side employing higher number of casual labour small holders BLFs combination enjoy the benefit of cost reduction and earn higher rate of profit. Most important matter is industrial dispute is minimum in this sector and peaceful and harmonious industrial relations prevail.

4.11 Closure and Abandonment of Tea Gardens.

Depressed price of tea and increasing trend of cost of production mainly from the later part of 1999 are the root causes of developing crisis in the tea industry of India. In the tea plantation of India there has been a story of poverty, hunger and a denial of workers' right. During this period of crisis at least 60,000 workers have lost their jobs due to the closure and amendment of plantations and another thousand of poor workers are threatened by further closures. Over 30 plantations in West Bengal, about 70 plantations in Assam, 19 plantations in Kerala and three or more plantations in Tamil Nadu have been closed since the late

1990s.⁴⁸ We were able to collect data from the Dooars Branch of Indian Tea Association (DBITA) regarding the causes of such closure and we had also talked with the trade union leaders regarding this situation and found the followings.

Information supplied by the DBITA

Closed Gardens

Sl. No. Gardens	Lock-out since	Causes of Closing
1. Katalguri	22.7.02	<ul style="list-style-type: none"> a) High land labour ratio. b) Non performance & low productivity. c) Gross indiscipline. d) Repetitive lawlessness. e) Huge un-recovered amount of electricity bills. f) Illegal tapping of electricity. g) Defiance of Management's lawful & reasonable orders. h) Menace of cattle trespassing in tea area. i) Considerable No. of sick/old workers. j) Pilferage of garden property shade trees, green leafs etc. k) Illegal occupation of Quarters. l) Threat & intimidation towards management personnel.
2. Chinchula	December, 2005	<ul style="list-style-type: none"> a) Repeated incidents of lawlessness allegedly due to failure of the management to meet its commitments. b) Non co-operation of workers towards management. c) Extreme financial constraints of the Company.
3. Raimatang	3.5.04	-
4. Kalchini	3.5.04	-
5. Ramjhora	10.08.02	-
6. Kheklapara	21.06.02	-
7. Bamandanga/Tondoo	16.9.03	-
8. Samsing	19.9.03	-
9. Chamurchi	2.4.04	-
10. Red Bank	July, 2003	-
11. Raipur	17.10.03	-
12. Dima	2.4.04	-
13. Shikarpur/Bhandapur	29.3.04	-

The reason the Association cited was economical and non-economical. Such as low productivity of the labours, high land labour ratio, huge un-recovered amount of electricity bills etc. in one side. On the other hand, defiance of management's order, non-cooperation with the management, mainly threat and intimidation towards management personnel were the main causes of closure. In case of Chinchula Tea Garden one of the causes of closure was extreme financial crisis of the tea estate.

But the views of the trade union leaders, such as Mr. Zia Ul Alam, General Secretary CBMU affiliated with CITU and Mr. Mani Kumar Damal, Joint General Secretary, NUPW affiliated with INTUC were completely different, admitting the overall crisis in the tea industry not only in West Bengal but throughout India also, since the year 2000 onwards. Both of them blamed the management for anti labour attitude. They told the intention of the management was to earn as much as profit from the gardens at the cost of the labour and by squeezing the tea estate itself. The management of these gardens is indifferent in maintenance work and re-plantation measure. They used to deprive the workers not providing the welfare measures and used to pay wages and rations on irregular manner. Their intention is to prove the gardens are non-viable. The workers of these gardens were not as undisciplined as the employers stated. Sometimes the workers used to show their anger for not having wages and other benefits as per Plantation Labour Act.

The workers of the closed and abandoned tea gardens had been passed through a difficult phase for a long time. A considerable number of workers were died of due to malnutrition and related diseases. The survivors of those workers' family have been living a miserable life. Struggle against hunger and poverty has been continuing as the Government Food and Work Programme and the activities of the Operating Management Committee proved insufficient to ensure minimum income of the workers of these closed and abandoned gardens. These measures have slowed down the procession of deaths to some extent but conditions are still miserable.

In one re-opened garden named Carron Tea Estate where we conducted our study found, people who managed to stay alive in spite of hunger during closure had

been suffering from the after effects of the closure period. A number of workers became too weak and lost their ability to work properly. The management of the gardens did not pay them full wages and ration and there was no 'badli' workers or replacement according to re-open condition. All these families were facing acute problem to arrange minimum requirements of living as 'badli' was not being allowed.

The tea workers are totally dependent on the tea estate for the essentials of life. The workers of this garden told they have been living in miserable conditions with poverty and hunger being the most common of problems and the management has been turning their backs on these problems continuously.

Mr. Alam and Mr. Darnal both also told a considerable number of workers and their family members used to engage themselves in other laborious job, like collection of stone chips from the river etc, as the tea workers have no better skill or knowledge to find job in other sectors of economy. Even the children of these families also have engaged themselves in such works to earn little amount of money to get rid of hunger. Some fathers had bound to send their daughters to other states or places to work as maid servants due to wretched conditions of the gardens. So, an environment of misery, sorrow ness, deprivation, fear of death due to hunger and malnutrition have been prevailing in the tea gardens of Dooars and Terai due to closure and abandonment of the tea estates and the relations between the management and workers are going to be unhealthy day by day.

The labour Minister of the previous Left Front Government of West Bengal and the then Commerce Minister of the BJP led Central Government declared in the assembly and in the parliament respectively in the year 2003 that no death was recorded in the tea gardens of West Bengal due to hunger. But the Chairman of the Co-ordination Committee of the Trade Unions of Tea gardens and the General Secretary of the CITUC, Mr. Chittabrata Mazumdar admitted that a number of workers must have died due to malnutrition and lack of medical care. This statement was published on the 5th December, 2003 in several daily newspapers including Uttar Banga Sambad.

The information published by the respective Government office that the infrastructure of the primary health centre of the gardens was so poor that the workers hardly get any treatment from there but no information of death of any worker was recorded. But the Commissioner appointed by the Supreme Court, conducted a study in the four closed tea estates, such as Maznai, Raimatong, Dheklapara and Ramjhora among 204 families of these gardens and found the rate of death of the workers increased by 241% after the closure.

The number of death as presented by the Primary Health Centre of the four gardens is presented here:-

Report by Primary Health Centre of four tea gardens of Dooars.

YEAR	Name of the Gardens				
	Muznai T.E.	Raimatang T.E.	Dheklapara T.E.	Ramjhora T.E.	Total
1998	29	53	24	24	130
1999	26	41	25	16	108
2000	11	30	32	22	95
2001	7	43	19	23	92
2002	41	63	24	41	169
2003	54	73	31	54	212
Average No. of death before closure	18	42	25	21	106
Average No. of death after closure	48	68	28	48	191
Rate of increase (Percentage)	62	39	9	55	44

Source: Uttar Banga Sambad (2nd April, 2009, page.3).

The picture we find from the above discussions that unprofitable condition of the tea gardens which have raised due to shrinkage of price of tea and higher cost of production and mounting pressure of liabilities due to arrears of wages, and other dues have led the management to declare closure or abandonment of work throwing thousands of workers in deep trouble.

4.11.1 Conditions of the Closed and Abandoned Tea Gardens of North Bengal.

The tea plantation sectors are isolated from the remaining part of the society as most of the tea gardens are situated in the remote places. Though with the passage of time and due to infrastructural development and advanced communication technology the situation have been improved considerably, still due to special character of the tea industry the life of the tea workers have no or very little relation with the other sections of working class, who live within the plantations area from birth to last day of life. They have no capacity or knowledge to find job outside the tea gardens as they could not get the opportunity to develop that skill or education since the days of inception of the tea cultivation. So if the gardens are closed these people have no option but to wait for death due to hunger and malnutrition. In the year 2003, A Onwards Asia Report claimed that more than 800 tea workers died of starvation over a period of three years in West Bengal due to closure of a number of plantations⁴⁹.

A report regarding this gloomy picture of the closed tea gardens was filed in the Supreme Court in the year 2004 by a study team named as 'Pashim Banga Khet Mojoor Samity and International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco, Plantation and Allied Workers' Association (IUF) as part of Writ Petition 196/2001 (a case on the right to food and work). On that basis the government took some specific measures to provide food and work to the workers in the closed plantations. To re-open these closed tea gardens the government wished to take effective measures also.

The study team visited the closed tea gardens of North Bengal in the year 2004 to monitor whether the government was actually implementing the schemes and programmes for the survival of the tea workers that it had promised to be implemented in the tea estates. At the same time the IUF's All India Tea Workers' Co-ordination Committee realized after visiting the re-opened tea gardens that the conditions of the tea workers seemed far from happy. The team conducted study in 22 tea gardens of Dooars regions which were being listed as closed or sick in December, 2003 as per the report of the District Magistrate of Jalpaiguri District.

According to report 15 or 68% of the gardens had re-opened, 3 plantations were still closed in September 2005, 2 plantations were abandoned and managed by union controlled operating and management committee and one was under liquidation. One plantation (Raipur) had closed down again after re-opening for a short period. The status of the closed tea estates as studied by the said committee was as follows:-

Present Status of Closed Tea Estates in Jalpaiguri District.

Name of Tea Estate	Status on 15 Sept. 2005	Date of Closure	Date of Re-opening	Period of closure
Looksan Tea Estate	Under Liquidation		Under liquidation	
Red Bank Tea Estate	Abandoned	March 2003	Managed by OMC	
Surendranagar Tea Estate	Abandoned	March 2003	Managed by OMC	
Chamurchi Tea Estate	Closed	April 2004	Closed	Closed for 1 year and 5 months.
Ramjhora Tea Plantation	Closed	10 th August 2002	Closed	Closed for 3 years and 1 month.
Katalguri Tea Estate	Closed	22 nd July 2002	Closed	Closed for 3 years and 2 months.
Dheklapara Tea Estates	Re-opened	22 nd August 2002	Closed	Closed for 3 years Re-opened recently
Carron Tea Estate	Re-opened	August 2003	11 th Feb. 2004	6 months
Dharanipur Tea Estate	Re-opened	March 2003	February 2005	1 year and 11 months
Raipur Tea Estate	Re-opened	17 th Oct. 2003	10 th March 2005	1 year and 5 months
Chinchula Tea Estate	Re-opened	20 th Nov. 2003	25 th June 2004	7 months
Bamandanga Tea Estate	Re-opened	16 th Sept. 2003	17 th June 2004	9 months
Majherdabri Tea Estate	Re-opened	19 th Jan. 2003	16 th January 2004	1 year
Samsing Tea Estate	Re-opened	25 th Nov. 2002	19 th March 2004	1 year and 4 months
Raimatng Tea Estate	Re-opened	1 st Oct. 2003	3 rd March 2004	5 months
Kalchini Tea Estate	Re-opened	1 st Oct. 2003	3 rd March 2004	6 months
Kohinoor Tea Plantation	Re-opened	10 th April 2003	7 th January 2004	9 months
Mujnai Tea Estate	Re-opened	14 th April 2004	11 th October 2004	6 months
Srinathpur Tea Plantation	Re-opened	31 st August 2002	11 January 2005	5 months
Rahimabad Tea Estate	Re-opened	17 th April 2002	4 th May 2004	2 years and 1 month
Jogesh Chandra Tea	Re-opened	22 nd April	8 th May 2005	2 years and 1 month

Estate		2003		
Toorsa Tea Estate	Re-opened	October 2001	8. 12. 2003	15 days.

- OMC stands for Operating and Management Committee that have been formed by all the unions together.

[Source : Report of The Study Team]

The study team observed in the closed gardens workers used to receive benefits but on irregular basis. Gardens managed by OMC (Operative Management Committee), paid Rs.40 per day to the workers. Some workers complained they did not get this wages as they were not politically affiliated to the then ruling party (Left Front Government) union. The OMC managed gardens due to proximity with the state government managed to receive subsidized rations for food grain and Rs.500 per month as family assistance under the FAWLOI scheme. But the conditions of the workers of other closed gardens which were not under the management of OMC found simply miserable. The workers were not receiving wages and other welfare measures as per government norms. Starvation malnutrition and other diseases became common in those tea gardens.

Therefore it is realized, due to closure and abandonment of the tea gardens located in the Dooars region has created tremendous problems on the life of the workers. This situation has developed a fearful situation in the tea gardens located in West Bengal, and there has been a negative impact on the industrial relation of the tea industry as a whole.

Globalization has affected the Indian Tea Industry to a great extent as well as the tea workers. Decreasing trend of export and increasing trend of import both has placed serious impact on the tea price in India. On the other hand cost of production of tea has shown an increasing trend during the period of post globalization. This situation has mounted up the financial crisis mainly in the tea industry of Dooars and Terai region of West Bengal. As a result, the tea workers became the worst sufferers. A number of tea gardens were either closed or abandoned and the emergence of small tea sector offered tremendous threat to the organized tea estates. Under this situation, it is important to reveal the labour-management relation in the era of globalization in the tea industry of India as well in the tea industry of Dooars and

Terai region. Our study has tried to find out the impact of globalization on the industrial parameters which are as follows.

4.12 Impact of Globalization on the Industrial Relation Parameters

Industrial relations are concerned with the relationship between management and workers. The act of regulatory mechanism has also a vital role to play to solve the industrial disputes which arise from time to time in the industrial sector. The term “Industrial Relations” commonly denotes employer and employee relations in both organized and unorganized sectors of economy, but the concept has a deep and wide meaning. It means collective relation between state, employer and employees.

4.12.1 Wages and Bonus Agreement in the Tea Industry

In the last chapter we have presented the wage agreement in the tea plantations of West Bengal. The last agreement continued for the financial year 1999-2000. The next agreement which was signed with a view to wage review of the tea workers of West Bengal on 25th July 2005 was a result of the history long industry wise strike which continued for 15 days and forced the management of the tea industry to review the wage rate for the tea plantation workers.

In the tea gardens of West Bengal, the workers are liable to pluck a fixed quantity of tea leaves which is known as “thika” or “task”. In the plain area of Terai of Darjeeling district and Dooars in Jalpaiguri district. The garden level task is dependent on climate, soil condition, age of tea bush, etc. and it varies from garden to garden from 21 Kg. to 27 Kg. This fixed quantity is well below 20 Kg. in Darjeeling hill.

According to agreement, the existing garden-task was redefined on the basis of peak-period (mid- May to October), early period (January to mid-May) and back period (November and December), considering the round of plucking which has an important role. A ‘round’ is the number of days which is considered since the last plucking in a section of tea bushes. The shorter the round, the higher value is realized by selling the made tea, such as 5 day-round, 8 day-round etc. In a 5 day-round, it is a difficult task, as the leaves are small and requires the plucking of many

bushes to fulfill the task. As a result it is difficult for a worker to earn higher amount of wages, if the quantity of 'thika' is not adjusted considering the 'round' of plucking.

In the 1980s the planters used to show more interest in quantity than quality of the product and unit value, but now the competition in the export market has forced the planters to think in a opposite direction. The most important part of the agreement is the wage cut which is scheduled at Clause 3 of the agreement where conditions and the rate of the wage cut has been clearly stated. The agreement prescribed the followings:

"For non-fulfillment of the task fixed and mentioned at clause 2, a monetary penalty for shortage of production will be imposed on a worker subject to the conditions hereunder:

The sick, old infirm (lata bura) and feeding mothers and pre and post-natal women will be treated as exempted categories and will remain outside the purview of penalty.

There will be no penalty if a worker fulfills 70 per cent of the daily fixed task everyday and if his/her total output in a week is equivalent to sum total of weekly output based on fixed daily task".

But if a worker become unable to fulfill that quota following the above mentioned agreement he/she would be penalized for such shortage of weekly production @ Re. 1 per Kg. for shortfalls up to 6 Kg. and @ Rs.1.50 per Kg. for shortfall exceeding 6 Kg.

On the other side, if a worker produces more than the weekly output quota then he/she would be remunerated by paying extra leaf price for the excess quantity of weekly output.

The leaders of the Trade Unions had tried their best to oppose this pro-rata deduction of wage but they were handicapped by three factors.

Firstly, the most of the leaders of the Unions of garden units are opportunists and are closed to managements and are least concerned to protect the workers' right.

Secondly, in Terai region a number of leaders consist of CITU and INTUC had already signed many garden level agreements for this pro-rata deduction in the wage rate.

And lastly, the political interference in the Trade Union activities by the political parties as most of the Unions is affiliated to these parties.

It is an irony that in West Bengal no minimum wage has been fixed by the Government for the tea garden workers since 1956-57. While in Assam of North India and in three South Indian states, Tamil Nadu, Kerala and Karnataka, the State Governments have already declared a minimum wage for the tea workers. So, the employers took the opportunity of deducting wage on pro-rata basis as this is not an illegal step.

During the negotiations in the year 2005, the Co-ordination Committee of Plantation Workers (CCPW) demanded a need based wage hike of more than Rs.40, but it was immediately turned down by the Planters' Association and with the intervention of the then Left Front Government of West Bengal, the daily wage rate was increased by a merge amount of Rs.2.50 per day for first two years and Rs.3 for the third year.

So, this productivity linked wage system which was forced by the management and the then Government of West Bengal, which led to the introduction of a pro-rata system of wages that entailed plantation workers to deliver a pre-agreed productivity level to earn their basic daily wage. In case of failure to achieve this target there is a cut in the daily wage, though extra productivity is also awarded with incentives. This productivity linked wage agreement in contingent on the collective bargaining power of negotiating; trade unions are always feared with the high possibility of huge losses in wage amount.⁵⁰

4.12.2 Latest Agreement in respect of determination of wage rate:-

After having expire the last agreement on 31st March 2011 the new agreement regarding the wage hike of the tea workers was signed in 5th November, 2011. The tripartite negotiation that began with the lapse of the previous industry wise wage agreement entered a dead lock after 6 rounds of negotiation when the Consultative Committee of Plantation Association (CCPA) turned down the demand

of the Co-ordination Committee of various trade unions to accept an increase in wage rate from Rs.67 to Rs.165 .The latest agreement was signed between 37 trade unions. 5 Planters' Association and the new Government of West Bengal led by Trinamul Congress.

According to agreement the daily wage rate has increased from Rs.67 to Rs.85 with effect from 1st April 2011. It also provides step-ups in daily wage rate to Rs.90 and Rs.95 in the second and third year respectively. Arrear wage of the workers be paid in two phases by this fiscal year. A large number of 2.5 lakh tea workers spreading in more than 278 tea estates of Dooars and Terai would be benefited by this agreement.

4.12.3 Views of the Owners and the Union Leaders:-

Though the demand of the trade unions was not fulfilled as they claimed wage hike to Rs.165 per day and then slide down to Rs.130. Finally the daily wage of the tea workers would be Rs.91 in the financial year 2013-2014.

Under NREGA (Mahatma Gandhi National Rural Employment Guarantee Act) minimum wage was Rs.100 pr ay on 1.1.09 and increased to Rs.130 on 1.1.10. This is known as Right to Life Wage.

In spite of that after finalization of the agreement all the concerns, the Government, the trade unions and the planters expressed a sigh of relief, though there were differences in opinion.

The trade union leader and Chairperson of Progressive Tea Workers Union, a wing of ABABP (Akhil Braratiya Adivasi Bikash Parisad) said, "We are happy with today's agreement".

The President of DTDPLU (Darjeeling Terai Dooars Plantation Labour Union), Terai Committee said, "The issue had been providing for sometime to be resolved. Now it has been resolved".

According to Indian Tea Association (ITA), an industry lately feels, under pressure from political parties and state administration the garden owners agreed to raise workers daily wage by Rs.18 for the first year, which is nearly 27% hike, followed by Rs.5 for the next two years.

This increased wage rate be paid on and from 1st April, 2011, and it was agreed fifty percent of the arrear wage were to be paid before 25th December 2011. The Planters' Association said at least one fifth of the Dooars' 220 odd tea estates were unable to pay the first installment of arrear wage within that specified period due to financial crunch as this industry had to travel through a crisis period between the year 2000 and 2007. The owners of 40 odd tea estates of Dooars region wished to sell their gardens as they were not able to cope with the increased cost of production.

West Bengal Tea Development Corporation (WBTDC) controlled by the State's Commerce and Industries Department (run Hilla Tea Estate in Dooars) was also not able to pay the first installment of arrear wage within dead line, said Ziaul Alanv, Secretary, Cha Bagan Mazdoor Union, affiliated to CITU.

The owners' association demand labour accounts for about 65% of the production costs. So the wage hike must increase the cost of production.

D.P. Maheswari, Managing Director Jayashree Tea said, due to this wage hike by Rs.18 and then Rs.5 by next two years, production costs would increase by Rs.10 per Kg of made tea at least.

Managing Director and Chief Executive of Goodricke Tea Co. told, costs would go up to Rs.15-18 a Kg. in the current year and Rs.18-21 in next year. He also said, "The future looks dark as we will incur a loss Rs.5 per Kg. at the garden level".

A key official at a tea brokerage said, this "wage hike will put estates under intense pressure and will force them to cut social benefits offered to workers"⁵¹.

View of Wage Agreement:

Date of Agreement	Rate of increment Adult labour Rs.	With Effect from	Extra leaf price (E.L.P)
3 rd February 2001	2.50	1.4.2000	
	2.50	1.4.2001	
	3.00	1.4.2002	
5 th July, 2005	2.50	1.4.2005	E.L.P. had increased in two phases. For the first 5 Kg. of leaves above the thika (24 Kg.) the E.L.P. would be Rs.1 P/Kg. Beyond a plucking of the specified quantity (thika). It would be Rs. 1.50 P/Kg.
	2.50	1.4.2006	
	3.00	1.4.2007	

[Tea: Industry Wise Agreement Book in West Bengal From 1956-2007 Compiled and Published by Murari Mitra]

Table No : 4.23
Daily wage rate of the tea workers of Dooars and Terai regions as per agreement:

Year	Rate of wage (Rs.)	Indexed value (Rs) (Base year- 2000=100) (Real Income = <u>Actual wage</u> X 100 Index No. of that Yr.
1999	34.80	35.97
2000	37.80	37.80
2001	41.80	40.64
2002	45.90	43.94
2003	45.90	42.96
2004	45.90	41.84
2005	48.40	42.67
2006	50.90	43.48
2007	53.90	44.76
2008	58.00	46.39
2009	58.00	46.555
2010	67.00	52.91
2011	85.00	65.00

Source:- As per Agreement (Supplied by DBITA).

The last agreement was signed between the employer and the employee on 4th November 2001 and it would remain in force till 31st March 2014. The workers would receive Rs.85 in 2012 and it would increase to Rs.90 in the third year.

According to the latest agreement wage rate has increased by 27% from Rs.67 in the year 2010 to Rs. 88 in the year 2011. But if we consider the value of the real wage or indexed value of wage, we find the rate of wage has actually increased by Rs. 12.09 or by nearly 23%. Therefore it can be stated that the workers will be less benefited even after increase in the daily wage by Rs.18. This may lead towards adverse industrial relations in the tea industry.

4.13 Bonus paid to the Plantation Workers: - History and Development

In the industrially advanced countries incentive system was introduced date back to the introduction of scientific management in 19th century to give financial benefits to the workers to recognize their efficiency. Since then numerous scheme have been evolved and introduced throughout the world. Besides regular wages, bonus is common in almost all plantation industries. Bonus means any payment over and above the stipulated rate of wages, and without having any consideration against it. Payment of bonus in its proper sense were first paid after the end of First World War following a series of strikes consequent upon the rise in prices and profits earned by the industry. However, it was treated as an ex- gratia payment by the employers. During the Second World War Bonus was treated as a payment made to the workers out of the extra-ordinary profits earned during the war due to rising prices of different essential commodities.

Though bonus was paid by a number of employers voluntarily, the claim for bonus was still not a legal right, but was accepted chiefly on the growth of broad principles of justice, equity and good conscience with a view to keeping the workers contented. This situation continued until the Bombay High Court made a verdict that payment of bonus could be demanded by the workers as a right. That means a

payment which should be made by the employer as extra remuneration for work done by the employees under a contract, express or implied.

Bonus paid to the tea Plantation Workers:- History and Development incentive system.

The Government of India appointed a committee to find out an appropriate system of device to calculate labourers' share of profits on the recommendation of the Indian Labour Conference held in April 1948. The Committee observed, in the tea industry profit sharing continued in the form of periodic bonuses either voluntary or as awarded by industrial courts and tribunals.

4.13.1 Bonus and Trade Union Movement.

In West Bengal the tea workers raised their demand for getting bonus in the year 1954, when they claimed sixty days' wages as bonus for the year 1953. Under the leadership of West Bengal Cha Sramik Union the workers threatened industrial strike, but their demand was rejected for the number of reasons. Such as, tea being essentially an agricultural enterprise dependent upon fluctuating world demands, and so is unsuited for the payment of bonus. Because due to variation in demand there is a possibility of decline in tea price, as it happened in the year 1955. The then tea industry owners thought, the profit earned in the year 1954 were required to make good the loss incurred in the year 1952 and earlier and to meet the huge amount of liabilities which were developed due to introduction of Plantation Labour Act, 1951, and also to meet the tax liabilities imposed by both Central and State Governments. And finally, it is experienced, in spite of increase of wage rate. Labourers did not derive any real benefit, because insufficient supply of goods required for the workers increased the inflationary pressure or the workers did expense more money to purchase liquor which is still a serious problem in the tea garden area.

But the Government did not accept these arguments of the employers and considered the owners wished to deprive the workers to get their share of profit. The tea industrialists offered to pay bonus on the basis of area prosperity for 1954 and subsequent years was not acceptable to the workers. The then Union Governments labour minister Sri Khandubhai Desai also became unwilling to face the long delay of a tribunal. So the tea industry of North East India had no choice but to pay the bonus to the workers.

After that, the government took initiative to frame up a guideline for payment of bonus to the workers and formed a committee under the chairmanship of Mr. P. Menon an I.C.S. Officer. Thus an industry wise agreement for bonus payment in the tea plantations of North East region came to in force through the intervention of Central Government in the year 1955 for the period 1953 to 1956 on the basis of an adjustment through the additional contribution to the Provident Fund in respect of those workers who were members of the said fund, and for others adjustment was made in the form of savings certificates. After the year 1956, the Government of India appointed a Bonus Sub-committee under the Chairmanship of the Regional Labour Commissioner. This step of the government opened a new avenue for the different labour unions in the country to make a demand of minimum bonus irrespective of profits. The employers rejected the proposals and through a series of arguments and counter-arguments between the employers and the workers the Committee could not reach to any agreement. During that period, the profit of the tea industry was not as handsome as it were in the year 1954 and the unions agreed to accept the rate which was calculated on the basis of average rate of the period 1953-56.

After the year 1960, a Bonus Commission was set up and it recommended issuing an ordinance for regulating payment of bonus in May, 1965. It was replaced by the Payment of Bonus Act, 1965. The act lay down that a minimum bonus irrespective of profits should be paid to daily rated workers, monthly paid staff and to executive staff drawing a monthly salary up to and including Rs.1600.

The Payment of Bonus Act, 1965 provided for the payment of minimum bonus at 4 per cent of wages and in the year 1973 the rate increased to 8.33 per cent of the total emoluments, besides including important provisions. To review the operation of the Bonus Act, 1965 and to suggest suitable modifications in the existing system of a Bonus Review Committee was set up in the year 1972 under the Chairmanship of Dr. B. K. Madan, a former Deputy Governor of the Reserve Bank of India. The Committee suggested the need for postponement for some time any ‘significant direct increases’ in the workers’ remuneration, including bonus, above a certain level. The Committee recommended to maintain a ‘status quo’ in respect of minimum rater of 8.33 per cent and suggested the maximum bonus be raised from 20 to 25 per cent.

After that with the changing situation an amendment was made in the year 1976, named as Payment of Bonus (Amendment) Act, 1976. The Act suggested the payment of bonus be related to profit, production and allocable surplus and the minimum rate be brought down to 4 per cent again. The law forced the workers to suffer a loss and due to imposition of emergency in the year 1975 the workers became bound to eschew strike and thus their bargaining power became weaker.

The Payment of Bonus Act 1965 was introduced as a measure of progressive labour legislation and its intention was to maintain a harmonious relationship between the employer and the labour. But the mission was not successful, at least in the industry and since its enactment not less than 10 per cent of industrial strikes were held due to issue of bonus⁵².

Bonus issue in the tea plantations has been a debatable issue since its application. There has been a series of conflicts between the employers and the workers in this regard. To find out a reasonable way of solution the government has been formulated laws and rules, set up different committees and with the passage of time amendments have been made to cope with the situation. The rate of bonus is fixed on the basis of profitability of the concern, and the differences in opinion are inserted in this point. It is largely felt among the employers that it is an anachronism that bonus as an instrument primarily for profit sharing should have a statutory minimum. Their argument is payment of bonus should be linked with the increase in the prosperity of the industry. Otherwise the plantation industry will be in crisis. On the other hand the workers put allegation against the management that the financial statements by which criterion the percentage of bonus is decided are manipulated and the loss or low amount of profit which is reflected through this calculation do not present the true result of the business. In this way the labourers are deprived from getting higher amount of bonus and the owners; enjoy the maximum benefit. So, conflict arises due to this which ultimately leads towards bad industrial relation⁵³.

4.13.2 Rate of Bonus Issues in the Tea Industry of West Bengal.

Bonus is paid to the tea workers as a monetary incentive which is a share of profit and it has always been a matter of controversy. It births arrogance among the workers; develop many unpleasant incidents which affect the industrial relations in the tea industry. Presently bonus is issued to the tea workers of Dooars, Terai and

Darjeeling hilly area through industry wise negotiations according to different rates specified for different categories of tea gardens.

Classification is made on the basis of profitability and other related factors of the gardens as explained by Mr. Prabir K. Bhattacharje, Secretary DBITA.

Before that the bonus in the tea gardens of West Bengal had been determined by collective bargaining between individual garden management and the trade unions.

Table No. 4.24 presents the rate of bonus issue to the tea workers of Dooars, Terai and Darjeeling Hilly area for the period 1986 to 2010.

Table No. 4.24
Industry wise Bonus Settlement and Percentage of Each Group.

Payable year	Dooars & Terai				Darjeeling Hills Gardens			
	A	B	C	D	A	B	C	D
1986	18.25	17%	15%	10%	17%	14%	12.50	10%
1987	18.25	17%	15%	10%	17%	14%	10%	8.33
1988	19.25	18%	16%	10%	17%	14%	12.50	10%
1989	20%	19%	17%	11%	19%	16%	14.50	10.33
1990	20%	20%	20%	13%	20%	18%	16%	12%
1991	20%	20%	20%	18%	20%	20%	18.50	14.50
1992	20%	20%	19%	18%	20%	20%	18.50	14.50
1993	20%	18.25	18.50	16%	19.25	18.25	17%	13%
1994	20%	19.50	18.50	16%	19.25	18.25	17%	13%
1995	19.50	18.50	17.50	14.50	19.25	18.45	16.25	12.25
1996	20%	19%	18%	15%	19.25	18.50	17%	13%
1997	20%	19.50	18.50	15.50	19.50	18.75	17.25	13.25
1998	20%	20%	20%	20%	20%	19.25	17.25	13.75
1999	20%	20%	20%	20%	20%	19.25	17.25	13.75
2000	20%	19.50	19%	18.50	20%	19.25	17.25	13.75
2001	16.66	15.66	14.66	13%	20%	Not Known	-	
2002	12%	11%	9.75	8.50	-	Not Known	-	
2003	10.50	9.25	8.50	8.50	11.10	10.50	9%	8.35
2004	11%	9.75	9.00	8.50	11.50	10.75	9.50	8.70
2005	11%	9.75	9.00	8.50	Not Known			
2006	11.25	10%	9.15	8.50	12.00	10.00	9.00	9.00
2007	11.90	10.50	9.50	8.50	12.60	10.60	9.25	9.25
2008	13.50%	12%	10.80%	9%	Not Known			
2009	20%	20%	20%	18%				
2010	20%	20%	20%	18%	17%	16%	15%	13%

Source: Up to 2007, Tea Industry wise Agreement Book in West Bengal (1956 to 2007).

Editor: Murari Mitra, General Secretary, Tea Employees Association, CITD.

From 2008 onwards supplied by DBITA

It is observed from the above table that the bonus paid to the workers working both at the Terai and Dooars Darjeeling hill gardens upto the year 2000 were almost the same from the previous couple of years. Even in spite of lack of profitability in the overall tea industry from 1999 onwards, but it had got no reflections in the bonus rate till the year 2000.

But from the year 2000 onwards, we started to observe a declining trend in the rate of bonus paid to the workers in the tea gardens located specifically in the Terai and Dooars regions. A lot of lock-outs, closure and abandonment of tea

garden took place mainly in the Dooars region, as a result of which, a large number of tea garden workers became unemployed which had got a cascading impact on the socio-economic conditions of this locality. The same sort of situations persisted up to the year 2008 and the tea gardens of this locality witnessed a lower rate of bonus declaration. The situations started to change from 2009 onwards and the tea workers used to receive higher rate of bonus.

Therefore it can be stated that lower rate of bonus makes the workers less benefited form the economic point of view. And this step definitely leads to the development of conflicts between the management and the workers.

This sort of situation encourages development of unhealthy industrial relation in the tea industry

4.13.3 Welfare measures taken by the Employers of Tea Gardens in the form of Social Costs incurred in the era of globalization:

It is already stated in the previous chapter that most of the Plantation workers belong to the weaker section of the society and more than 50 per cent of the workers are female which is a special feature of the tea plantation industry. However, the social security measures provided in the Plantation Labour Act, 1951, have definitely played a very important role in improving the working and living conditions of the workers. In the previous chapter we have already discussed the necessary provisions of the PLA, 1951 in respect of tea plantation workers and about the situation of implementation of such provisions in the tea industry of Dooars and Terai.

In the context of India's ongoing policies on globalization and liberalization however the tea industry of India has been encountering several problems from various corners. One of the major problems is the profitability had been decreased due to sharp fall in tea price globally and domestically, mainly during the period 2000 and 2005 and increasing cost of production. Social costs which are borne by the planters in the form of welfare measures as per PLA, 1951, has a huge impact for increasing cost of production of made tea in West Bengal as well as in India. The social costs borne by the planters in India is the highest as compared to any other tea producing countries of

the world. Now it has become a serious problem to meet the social costs by the planters due to decrease in profitability⁵⁴.

In the tea industry, mainly in West Bengal, the planters discharge the responsibility of social costs for the welfare of the tea workers, starting from the maternity benefits to the expecting mother to the cremation on the death of the workers.

The problem has again been compounded by the steps of the government as a huge amount of money being funded into the rural development scheme through Panchayat and other local bodies, bypasses plantation areas presumably because of presence of the Plantation Labour Acts which provides welfare measures for the plantation workers⁵⁵.

The other tea growing countries of the world like Sri Lanka, Kenya, China, Indonesia, Vietnam etc. have waging severe competition to Indian tea both in domestic and global market. But in these countries the Plantation Act are not as stringent as in India due to the planters of these countries are not bound by the law to provide welfare measures to the plantation labours compulsorily. Hence the cost of production of made tea is lower than that of India and is therefore more globally competitive⁵⁶.

Table No. 4.25

Average Amount of Social Costs incurred by the Tea Garden Management Dooars and Terai Region during the pre and past globalization era.

Year	Pre-Globalization		Year	Post Globalization	
	Rs.	Real value Rs.		Rs	Real value Rs.
1991	36,08,599	46,62,649	1999	54,21,274	56,04,543
1992	38,23,992	46,93,166	2000	53,20,728	53,20,728
1993	39,15,000	46,66,825	2001	52,53,437	51,08,856
1994	41,53,048	48,24,638	2002	51,57,215	49,37,024
1995	44,41,200	50,18,872	2003	50,74,785	47,50,337
1996	47,50,325	52,14,980	2004	48,98,580	44,65,840
1997	48,92,091	52,47,898	2005	46,78,919	41,25,667
1998	54,99,159	58,09,380	2006	52,01,034	44,42,670
.			2007	54,76,469	45,48,184

			2008	57,89,792	46,30,722
			2009	60,34,302	48,43,328
			2010	63,07,712	49,81,215

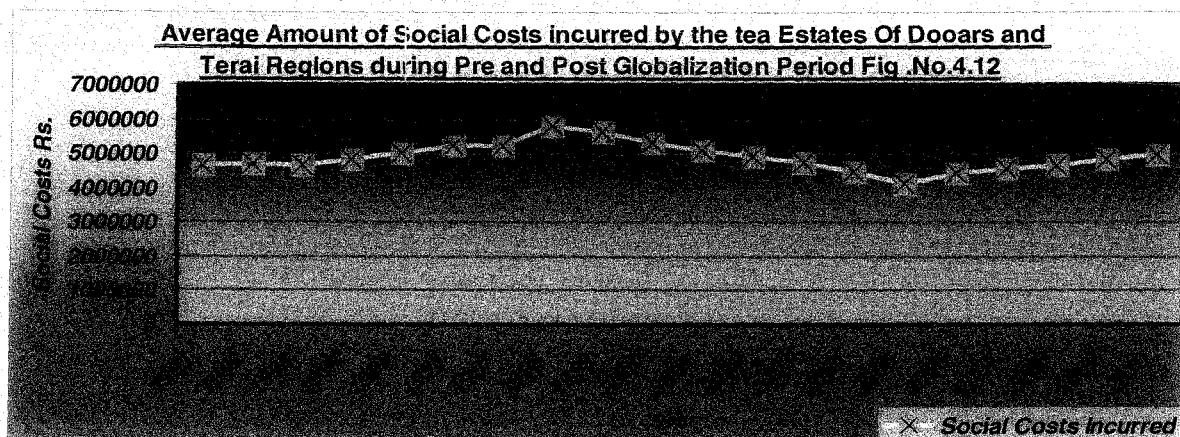
Source : Data collected from individual gardens.

Real Value=Actual Amount of Social Cost Incurred X 100

Index Number of The Year.
(Base Year = 2000)

(Base Year = 2000)

Figure 4.14



Source : Collected from Sampled Tea Gardens

It is revealed form the Figure No. 4.14 that the amount of social cost born by the tea garden employers as a measure of social welfare for the tea workers has been showing a decreasing trend since the year 1999 onwards which is regarded as the post-globalization period. We have already observed due to fall in export, influx of cheaper rate of tea from other countries rising cost of production etc. have developed tremendous crisis in the tea gardens caused the decreasing trend of the bearing of social cost on the part of the management of the tea gardens in post globalization period.

Test of Significance

From the Table No. 4.26, we found, the amount incurred by the management of the tea estates in terms of social cost have apparently been increased during the post globalization period. But in terms of real income (indexed value as calculated with the

help of cost of living index) it is evident that the social costs born by the tea estates for the welfare of the tea workers during the post globalization period has been decreased in comparison to pre-globalization regime. The statistical test in this regard is done with the help of 't' test from the said Table. To make the calculation easier we have taken the approximate value of social cost incurred during the pre and post globalization period(indexed value).

This is one tailed t test and the degree of freedom (d.f.) is (n-1) = 29.

Null Hypothesis (H_0) :- The average amount of social cost incurred by the tea garden management of Dooars and Terai during the pre-globalization period = The average amount of social costs born by the tea gardens in the post globalization period.

Alternative Hypothesis (H_1) :- The amount of social costs born by the tea estates of Dooars and Terai during the post-globalization period < The social costs born by the tea estates of Dooars and Terai during the pre-globalization period.

From the Table No. 4.26 we calculated.

$$\sum d/n = -2.686$$

$$\sum d^2/n = 10.5432$$

$$n = 30$$

$$\begin{aligned} S^2 (\text{variance}) &= \sum d^2/n - (\sum d/n)^2 \\ &= 10.5432 - (-2.686)^2 \\ &= 3.328604 \end{aligned}$$

$$S = \sqrt{3.328604} = 1.8244$$

$$\text{Then } t = \frac{d}{s/\sqrt{n-1}} = \frac{-2.686}{1.8244/\sqrt{29}} = (-) 7.9282$$

The table value of 't' at 1% level of significance and at 29 d.f. is:-

$$t_{0.01, 29} = 2.462$$

So the observed value of 't' > tabulated value of 't',

Hence it can be concluded that the amount of social costs incurred by the tea garden owners to perform welfare measures during the era of post-globalization is lower than the amount paid for that measure by the tea garden employers in the regime of pre-globalization.

So, the null hypothesis is rejected and alternative hypothesis is accepted.

Thus it can be concluded that the social cost incurred by the planters as per the Plantation Labour Act, 1951 has considerably declined in the post-globalization period. Consequently, the industrial relation in the tea gardens of Dooars and Terai region has been adversely affected.

Table No.4.26
Average amount of Social costs incurred by the tea gardens (Selected) of Dooars and Terai regions during pre and post globalization period.

Name of the gardens	Actual amt. incurred (Pre- globalization) Rs.	Actual amt. (Post- globalization) Rs.	Real Income Indexed value		Appx. Value		d $X_2 - X_1$	d^2
			Pre- globalizat ion Rs.	Post- globaliza tion Rs.	X_1 Rs. Inlakh	X_2 Rs. in lakh		
Dooars :-	1991-98	1999-10	1991-98	1999-10	1991-98	1999-10	1991-98	1999-10
Beach T. E	7402875.00	9341213.37	2977584.09	2187706.52	29.78	21.88	-7.90	62.4
Bata Bari T. E	1420258.50	5963319.75	1420854.81	1381884.33	14.21	13.82	-0.39	0.15
Baradighi T. E	4515020.62	6231876.00	1792256.08	1458069.64	17.92	14.58	-3.34	11.1
Bagrakote T. E	8792788.50	14357143.50	3465796.64	2926186.45	34.66	29.26	-5.54	29.1
Bandapani T. E	3854606.62	5402369.25	1382960.30	1259282.77	13.83	12.59	-1.24	1.5
Chalsa T. E	6393117.75	9205273.50	2526760.59	2163342.44	25.27	26.63	-3.64	13.2
Chaluni T. E	6651801.00	9262117.12	2634587.50	2144829.77	26.35	21.45	-4.90	24.0
Carron T. E	2698476.37	3154549.12	1084294.50	838370.08	10.84	8.38	-2.46	6.0
Dal Singh Para T. E	7350679.50	10339570.13	2923192.48	2412790.36	29.23	24.13	-5.10	26.0
Dim Dima T. E	9046173.75	15045916.88	3570419.94	3479801.12	35.71	34.80	-0.91	0.82
Denguaghara T. E	7516516.50	11859708.00	2947788.00	2760715.00	29.48	27.66	-1.82	3.3
Gandrapara T. E	7038891.75	10587785.63	2767766.08	2484547.77	27.68	24.85	-2.83	8
Kill Colt T. E	5763841.11	8460246.00	2273678.13	1966346.35	22.74	19.66	-3.08	7.4
Mech Para T. E	6260126.25	10141216.50	2469126.71	2345836.17	24.69	23.46	-1.23	1.2
Madhu T. E	3356857.87	4471137.00	1335633.16	1040323.54	13.36	10.40	-2.96	8
Mathura T. E	7111332.75	9664086.00	2554056.99	2263470.17	25.54	22.64	-2.90	8
Kumargram T. E	8475326.25	13752261.00	3332685.16	3183529.80	33.33	31.84	-1.49	2
Phaskawa T. E	1420258.50	2062931.25	558351.68	421586.21	5.58	42.16	-1.36	1
Raja T. E	326534.87	4649598.00	1312105.48	1092482.14	13.12	10.93	-2.19	4
Zurrantee T. E	6789547.00	11530568.63	2970927.30	2660688.74	29.71	26.60	-3.11	9
Terai :-								
Atol T. E	2546018.62	3072411.00	1003817.08	809787.61	10.04	8.10	-1.94	3
Bijoynagar T. E	2838891.00	3842875.50	1131093.34	898028.63	11.31	8.98	-2.33	5
Belgachi T. E	1980418.12	2650347.37	783749.52	617005.64	7.84	6.17	-1.67	2
Kiran Chandra T. E	1696317.00	2637733.50	664771.79	616558.87	6.65	6.17	-0.48	0
Kamalpur T. E	872258.50	1167770.25	332200.76	305442.45	3.32	3.05	-0.27	0
Mahorgaog & Gulma	7025274.00	11158184.25	2895331.56	2597766.93	28.95	25.98	-2.97	1
Naxalbari T. E	2739321.75	4054251.75	1080570.08	765567.90	10.81	9.66	-3.15	
Pahargumia T. E	5543196.37	6667911.75	2210962.17	1509461.92	22.11	15.10	-7.01	

Lohagarh T. E	1124072.62	1809844.87	516749.88	423094.54	5.17	4.23	-0.94	0.8
Ord erai T. E	3934782.12	5892114.75	1497454.04	1374936.11	14.97	13.75	-1.22	1.4
							$\Sigma d = 80.58$	$\Sigma d^2 = 6.2$

We collected data from the selected tea gardens of Dooars and Terai regarding social cost borne by the management of these tea gardens to discharge the responsibilities of welfare measures of the workers as per the PLA, 1951. It reveals from the Table No. 4.25, that during the period 1991 to 1998, which is classified as pre-globalization period, the average quantum of social costs incurred by the employers in the tea gardens of Dooars and Terai has been recorded an upward trends. But from the year 1999 onwards, the period classified as post-globalization, the amount of social cost borne by the management has been specifically decreased from the year 2000 onwards.

The amount of social costs incurred by the employers has been shown by the Fig. No 4.14. The figure clearly shows there has been an upward trend till the year 1998 and thereafter the declining trend started. The management started to allot more amount and gradually the quantum of money sanctioned regarding social expenditure increased. However, it should be taken into account that from the year 2006 onwards the price of tea in India started to improve after passing though a long depressed condition.

So, here we find the tea industry of West Bengal used to maintain a steady progress in incurring welfare expenditure to improve the working and living conditions of the tea workers till the year 1998. However, when the tea industry began to face critical situation mainly due to price depression, loss of export market, import threat etc. since 1999 onwards, the management of the tea estates found it easier to cut down welfare measures to remain competitive. Not only that, in this period the provident fund and gratuity dues in the various tea gardens have been increased and the employers resorted to paying labour wages lower than the minimum wages. The social costs therefore plunged down significantly during the post globalization period.

4.13.4 Provident Fund dues – impact on the life of the workers.

An amount @ 12% is deducted from the income of the workers and employees of the tea gardens as per the Provident Fund Act 1952 [See 2(38)], which is known as Recognized Provident Fund, for the benefit of the workers and

employers. The employer may also contribute to this fund. The total of such contribution is invested in the gilt-edged securities or remitted to Provident Fund Commissioner or deposit to Government Treasury. The total accumulated amount consisting of employee's contribution and the interest accrued on that contribution is normally paid to the employee or worker after his/her retirement or termination from service. In case of death of the employee the accumulated amount is paid to his or her legal heirs.

The management of the tea gardens of West Bengal deduct provident fund money from the wages and salaries of the workers and employees as per the rate specified by the Provident Fund Act, but from the various studies and information collected from the individual gardens it is evident that the amount so deducted by the management of a number of tea estates in respect of Provident Fund has not been deposited in the respective account. As a result huge amount have been due and the workers have become deprived.

According to a report published by the Indian Government that 43 per cent or 129 tea gardens out of 300 odds organized tea estates of West Bengal had not deposited provident fund money which was deducted from the wages of the workers since 1973. According to that report nearly Rs.81 crore had not deposited in the Provident Fund Account till the year 2002 by the various organizations including a number of tea estates⁵⁷. Another report which was published in the Uttar Banga Sambad, a daily news paper, the amount of arrear provident fund money in 125 tea gardens situated in the tea producing zone of North Bengal is around Rs.34 crore⁵⁸.

A detailed report about the trend of Provident Fund dues was published in Uttar Banga Sambad, dated 30th June, 2010, in respect of 52 tea gardens situated at Dooars, Terai and Darjeeling Hilly area up to 28th February, 2010. It is reflected by that report the arrears provident fund amount varies from Rs.10 lakh to Rs. 2.54 cores. This is a proof that how the workers have been deprived from getting their hard-earned money in one hand and on the other side the trade union movements have become weaker in the era of globalization. Interestingly a number of renowned and established tea estates are also responsible for doing such unethical and unlawful act and this attitude of the management has intensified for developing

unhealthy industrial relations in the tea industry. The 52 tea gardens on which such report was published, consists of 35 tea gardens of Dooars, 14 gardens of Terai region and three tea gardens of hilly region of Darjeeling district.

The report as published is as follows:-

Arrear Provident Fund money of different tea gardens of North Bengal.

Dooars.

Sl. No.	Name of the Gardens	Amount due (Rs)	Sl. No.	Name of the Gardens	Amt. due
1.	Killcott T.E	69.11 lakh	27.	Ramjhora T.E.	23.28 lakh
2.	Garganda T.E.	60.36 lakh	28.	Bhagatpur T.E.	15.45 lakh
3.	Dhumchipara T.E.	1.7 crore approx.)	29.	Danguajhar T.E.	25.42 lakh
4.	Lankapara T.E.	64.97 lakh	30.	Carron T.E.	84.81 lakh
5.	Nageswari T.E.	36.35 lakh	31.	Binnaguri T.E.	13.28 lakh
6.	Bagrokote T.E.	29.49 lakh	32.	Mogolkata T.E.	1.02 cr
7.	Mathura T.E.,	43.43 lakh	33.	Samsing T.E.	2.55 cr (approx)
8.	Dalsinghpara T.E.	98.90 lakh	34.	Mujnai T.E.	22.43 lakh
9.	Dima T.E.	98.63 lakh	35.	Nimtijhora T.E.	18.51 lakh
10.	RayMatang T.E.	1.43 cr.		<u>Terai</u>	
11.	Kalchini T.E.	78.48 lakh	36.	Belgachi T.E.	9.20 lakh
12.	Vernabari T.E.	64.97 lakh	37.	Potong T.E.	33.38 lakh
13.	Radharani T.E.	44.10 lakh	38.	Saidabad T.E.	11.51 lakh
14.	Luksan T.E.	35.28 lakh	39.	Singal T.E.	25.65 lakh
15.	Kohinoor T.E.	76.18 lakh	40.	Panighata T.E.	1.2 cr.
16.	Kadambini T.E.	1.53 cr.	41.	Gangaram T.E.	15.40 lakh
17.	Bamandanga T.E.	99.57 lakh	42.	Goyalgach T.E.	50.13 lakh
18.	Karbala T.E.	1.07 cr.	43.	Singhbuli T.E.	24.39 lakh
19.	Banarhat	73.78 lakh	44.	Kumai T.E.	39.70 lakh
20.	Chunabhati T.E.	63.44 lakh	45.	Selhim T.E.	25.04 lakh
21.	New Dooars T.E.	1.13 lakh	46.	Oox T.E.	20.67 lakh
22.	Chamurchi T.E.	15.85 lakh	47.	Laxmipur T.E.	10.86 lakh
23.	Madhu T.E.	1.98 cr.	48.	Potagoa T.E.	12.97 lakh
24.	Tunabari T.E.	19.94 lakh	49.	Gayaganga T.E.	13.69 lakh
25.	Dim Dima	39.78 lakh		<u>Darjeeling</u>	
26.	Bandapani T.E.	22.09 lakh	50.	Mim T.E..	42.10 lakh
			51.	Pubong T.E.	96.89 lakh
			52.	Siongtong T.E.	25.84 lakh

It is known from this report that Provident Fund authority has granted to deposit arrear dues of provident fund money on installment basis against the appeal made by some of the tea gardens, such as Killcott, Madarihar, Garaganda,

Dhumehipara, Nageswari, Lankapara, Bhagatpur, Goyalgach etc. arrest warrant was issued again the management of some of the tea gardens such as Dalsinghpura, Dolmore, Saili, Kadambini, Dheklapara, Chamurchi etc. for not depositing provident fund money in the Provident Fund Account.

Paschimbanga Khet Majoor Samity and International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco, Plantation and Allied Workers Association (IUF) made a study on closed and Re-opened Tea Gardens in North Bengal under the leadership of Anuradha Talwar, Debasish Chakraborty and Sarmishiha Biswas. They became able to collect the important information about huge amount of arrears and liabilities of 18 tea gardens.

This is presented as follows:-

Liabilities towards Workers:

Name of the Gardens	Provident Fund	Gratuity	Salary/Wages & others	Total
Looksan T.E.	7,704,792.00	1,198,614.79	19,889,644.96	28,791,051.75
Carron T.E.	6,998,633.00	834,240.15	9,184,551.46	17,017,424.61
Red Bank T.E.	9,524,000.00	5,757,300.00	20,048,700.00	35,330,000.00
Surendranagar T.E.	3,250,400.00	2,359,700.00	5,977,700.00	12,587,800.00
Dharanipur T.E.	3,321,500.00	1,687,600.00	6,680,200.00	11,689,300.00
Raipur T.E.	4,500,000.00	3,300,000.00	7,610,000.00	15,410,000.00
Chinchula T.E.	10,595,111.00	2,219,629.00	10,388,981.92	23,203,721.92
Ramjhora T.E.	6,827,667.00	1,385,147.00	3,817,934.00	12,030,748.00
Ramandanga Tondoo T.E	12,516,616.00	1,524,439.10	1,000,000.00	15,041,075.10
Chamurchi T.E.	9,214,317.00	4,234,260.06	24,729,215.30	38,177,792.30
Samsing T.E.	18,600,627.00	10,000,000.00	Not known	28,600,627.00
Raimatang T.E.	16,899,938.00	2,809,628.00	19,033,586.00	38,743,152.00
Dheklapara T.E.	8,100,000.00	1,100,000.00	1,455,000.00	10,655,000.00
Kalchini T.E.	15,616,564.00	2,685,093.25	31,249,112.21	49,550,769.46
Kohinoor T.E.	4,983,238.00	3,079,281.68	5,883,496.18	13,946,015.86
Mujnai	5,349,408.00	1,501,829.88	6,775,937.39	13,627,175.47
Srinathpur T.E.	800,000.00	500,000.00	320,000.00	1,620,000.00
Rahimabad T.E.,	40,000.00	30,000.00	150,000.00	220,000.00
Total	144,842,831.00	46,206,762.91	175,194,059.62	366,243,633.53
Dues per worker	8,439.74	2,692.39	10,208.25	21,340.38
No. of Months of Wages	6.56	2.09	7.93	16.58

The study team found the total liability towards workers as per the report was Rs.366 million. The 18 tea gardens for which this information was available 17162 permanent workers are employed. The liability is therefore of Rs.21, 340 per

worker. The industry wise wage rate was Rs.45.90 daily during the period 2002-2004, these amounts to about 17 months or more than a year and a half of wages.

Provident Fund money which was deducted from the wages of the workers and had not deposited with the Provident Fund Commissioner became due to the extent of Rs.8440 to each worker. This amounts to nearly seven months of wages of a worker. It was also found there had been wages and other dues amounting to Rs.10208 or 89 months of wages were due to the workers.

It is cleared from the above study that the crisis which the tea industry experienced particularly during the period 2000-2005, is not the only factor for mounting such huge amount of liabilities. The management's intention and attitude towards the workers is also responsible for such unhealthy condition of these tea estates. The exploitative nature of the employer has been continuing in some of the gardens and which has been deteriorating the overall industrial relations of the tea industry.

From the above study it is also felt that the government machinery has not been functioning with great care and responsibility to take action against the defaulters. The Provident Fund Commissioner has been authorized strong powers by the Employees Provident Funds and Miscellaneous Provisions Act, 1952 for recovery of the due amounts.

According to section 8B of the said Act, the authorized officer can:-

- (a) Attach and sell the moveable and immovable property of the establishment or employer.
- (b) Arrest and detain the employer in prison.
- (c) Appoint a receiver for the management of the movable and immovable property of the employer or establishment.

The study found one positive step for recovery of area provident fund money was in the case of Chinchula Tea Estate where a case had been filed by the Provident Fund Commissioner. The High Court had issued an order in March 2005 by instructing the owner of the garden to deposit the due amount of PF in 20 monthly installments.

Another step was noticed when a case was filed in the Kolkata High Court [Case No. WP No. 10085(w) of 2005] against the Auctavious Tea and Industries

Ltd. under which management of five tea gardens, such as Dalmore T.E., Dalsinghpura, Sali and New Sali had total dues in Provident Fund amounting to Rs.1,78,00426.

In respect of PF dues of Dalmore T.E. situated in Birpara of Jalpaiguri district, the Kolkata High Court gave an verdict that an amount of Rs.4,54,627 be deposited with the Provident Fund Commissioner within 29th July, 2005 and the remaining due balance in 45 installments of equal amount within 10th of every months. The High Court also issued an important order that the Tea Company was not allowed to sell any asset of the company except for the usual tea business of the company till the provident fund dues of the workers was not paid.

It is understand from the audit report of the Dalmore T.E. that no accounting entries was recorded in the Provident Fund Deduction and Deposit Account in respect of provident fund money which was deducted from the wages of the workers as their share and the share of the employer.

The Audit Report of the Auctavious Tea Industries Ltd. Dated 27.09.05 also published the same facts. The audit report also published another very important news that the life insurance premium money under Salary Savings Scheme of Rs.79744.80 in April 2005, Rs.60, 397.00 in May 2005 and Rs.59728.00 in June 2005, which was deducted from the wages of the workers had not deposited in the respective account of the Life Insurance Corporation.

It is a mandatory to deduct provident fund from the wages/salary of the workers/employees and deposit the same with the Provident Fund Commissioner as per Provident Fund Act and violate the same is a punishable offence as per rule. [Uttar Banga Sambad, 19th April, 2009, p. 3].

All the above facts prove a section of the tea garden owners have a tendency to exploit the labours and deprive them from getting their rights and their activities have thrown the workers as well as the tea industry in deep crisis. The ultimate result is the industrial relations in the tea industry are becoming worsening day by day as the management of some tea gardens is not paying the arrear money of wages and other income and not depositing the provident fund money which is deducted from the wage of the workers⁵⁹.

During our study we collected information regarding provident fund dues from 30 sampled tea gardens of Dooars and Terai. Through the data obtained from these tea gardens it is found that the quantum of provident fund dues has increased enormously during the post globalization period which is quite evident from the Table No. 4.27.

Table No. 4.27
Pre-Globalization Period.

Year	1991	1992	1993	1994	1995	1996	1997	1998
Amount of Provident Fund. Due (Rs. In lakh)	2.01	2.61	3.22	3.91	4.39	5.96	7.89	9.26

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
amt. of provident fund due.	14.66	12.56	15.62	19.01	22.01	25.25	27.57	28.63	27.30	26.24	29.48	26.86

Post-Globalization Period.

Source: Data collected from selected tea gardens of Dooars and Terai.

From the table 4.27 it is evident that the quantum of average provident fund dues from the year 1991 to 1998 did show an increasing trend and it increased by more than 360 per cent in the year 1998 in comparison to 1991. This increasing trend of Provident Fund dues began to pile up in huge quantum from 1999 onwards and continued till the year 2009. It climbed as high as Rs.29.48 lakh in the year 2009 and showed some respite by falling down to Rs.26.86 lakh in the next year. It is pretty clear from the table, that in the post globalization period, the amount of provident fund dues has increased enormously. A few number of tea estates are

responsible for such huge amount of dues in respect of provident funds which is reflected by the report of the Uttar Banga Sambad (dated 30th June, 2010).

As the average amount of provident fund dues have increased significantly it definitely has created an negative impact in the minds of the workers as it is a clear indication of exploitative attitude from the part of the management of the tea estates. This has led to develop unhealthy industrial relations in the tea industry of Dooars and Terai.

Test of Significance:

The data collected from the sampled tea gardens of Dooars and Terai in respect of provident fund dues during the pre and post globalization period is presented by the table no.4.28. It is found from the table that the amount due in respect of Provident Fund is higher in the post globalization era. The statistical test in this regard is also done with the help of the said table.

Table No. 4.28

Average amount of Provident Fund dues in the selected tea gardens of Dooars and Terai during the pre and post globalization period

SL No.	Name of the gardens	Actual Amount of Dues		Approximate Value of P.F. Dues		$d = X_2 - X_1$	$d^2 =$
		Pre-Globalization(X_1) (1991-1998)	Post Globalization(X_2) (1999-2010)	Pre-Globalization(X_1) (Rs. In lakh)	Post-globalization(X_2) (Rs. In lakh)		
1	Beach T.E	1495106	5818860	14.95	58.19	43.24	1869.69
2	Bata Bari T.E	189578	876310	1.89	8.76	6.87	47.19
3	Baradighi T.E	401105	4745413	4.01	47.45	43.44	1887.03
4	Bagrakote T.E	246287	1306569	2.46	13.06	10.6	112.36
5	Bandapani T.E	268032	4306345	2.68	43.06	40.38	1630.54
6	Chalsa T.E	150103	1089850	1.50	10.89	9.39	88.17
7	Chaluni T.E	384551	886689	3.84	8.87	5.03	25.30
8	Carron T.E	751455	4323127	7.51	43.23	35.72	1275.91
9	Dal Singh Para T.E	477720	3904082	4.78	39.04	34.26	1173.75
10	Dim Dima T.E	626544	2178577	6.26	21.78	15.52	240.87
11	Denguaghara T.E	691186	1906294	6.91	14.06	7.15	51.12
12	Gandrapara T.E	563377	1512599	5.63	15.12	9.57	91.58
13	Kill Colt T.E	357277	2502121	3.57	25.02	21.45	460.10
14	Mech Para T.E	173227	456792	1.73	4.57	2.84	8.06
15	Madhu T.E	1394637	8128952	13.45	81.29	75	5625
16	Mathura T.E	629228	2728652	6.29	27.28	20.99	440.58
17	Kumargram T.E	365494	936133	3.65	9.36	5.71	32.60
18	Phaskawa T.E	276484	665269	2.76	6.65	3.89	15.13
19	Raja T.E	225304	507098	2.25	5.07	2.82	7.95
20	Zurrantee T.E	732348	852344	7.32	8.52	1.2	1.44

21	Atal T.E	549631	1142931	5.49	11.43	5.94	35.28
22	BijoyNagar T.E	572322	3691959	5.72	36.92	31.2	973.44
23	Belgachi T.E	209132	868295	2.09	8.68	6.59	43.43
24	Kiran Chandra T.E	262632	360064	2.62	3.60	0.98	0.96
25	Kamalpur T.E	102297	752722	1.02	7.53	6.51	42.38
26	Mahorgaog & Gulma	532334	872342	5.32	8.72	3.4	11.56
27	Naxalbari T.E	232969	532540	2.32	5.32	3	9
28	Pahargumia T.E	499798	3487946	4.99	34.87	29.88	892.81
29	Lohagarh T.E	218653	846414	2.19	8.46	6.27	39.31
30	Ord Terai	216744	872111	2.17	8.72	6.55	42.90
						$\sum d=495.39$	$\sum d^2=17175.44$

The Null Hypothesis=H₀ and Alternative Hypothesis =H₁: the amount of Provident Fund dues in the tea gardens of Dooars and Terai in the pre-globalization period= the amount of provided fund dues in the tea gardens of those regions during the post-globalization period.

Alternative Hypothesis (H₁): the amount of provident fund dues during the post globalization period in the tea gardens of Dooars and Terai > the amount of provident fund dues in those gardens during the pre-globalization period

From the Table we found,

$$\sum d/n = 16.4216 \text{ and } \sum d^2/n = 539.3386$$

$$\text{And } S^2(\text{Variance}) = \sum d^2/n - (\sum d/n)^2 = 269.7222$$

$$S = 16.4232$$

$$T = d / \{s/(n-1)\}^{1/2} \text{ or } 5.3845$$

The table value of t at 1% level of significance and 29 d.f. are:-

$$t_{0.01, 29} = 2.462$$

Here the observed value of t is greater than the table value at 1% level of significance. Hence the null hypothesis is rejected and alternative hypothesis is accepted. Therefore, it can be concluded that in the post globalization era the amount of provident fund dues have been increased considerably in comparison to the pre-globalization period and this incidence has developed un-healthy industrial relations in the tea industry of Dooars and Terai.

4.13.5 Gratuity dues Impact on the life of the workers.

Gratuity serves as an instrument of social security. It is such a benefit which provides a financial support to an employee and his family members after retirement from the service. This retirement benefit is paid by the employer to an employee in consideration of his/her services rendered to the respective institution. It is a statutory right of the employee to have the gratuity who have rendered 5 years of continuous service and whose services stands terminated after coming into force

of the act on account of superannuation or retirement or resignation or death or disablement. In case of death, the amount of gratuity is paid to the nominee of that employee and if the nominee is a minor one or if no nomination is made to legal heirs of the dead employee the amount of gratuity should be deposited with the controlling authority who shall invest the same for the benefit of such minor in such banks or financial institutions as may be prescribed, until such minor attains majority.

According to see 7(2) of the gratuity, act, as soon as gratuity become payable, the employer shall, whether the application has been made or not, determine the amount of gratuity and give notice in writing to the person to whom the gratuity is payable and also to the controlling authority specifying the amount of gratuity so determined. See 7(3) of the act lays down that the employer should arrange to pay the amount of gratuity within thirty days from the date of its becoming payable to the respective employee to whom it is payable. But a large section of tea garden workers are deprived from getting the benefit of gratuity as a considerable number of tea gardens have not paid the gratuity money to the workers after their retirement. As a result a huge amount of money has been due in terms of payment of gratuity. It is already stated that huge amount of arrears and liabilities have been found in different tea gardens where a study was conducted by the Paschim Banga Khet Major Samity and IUF on closed and Re-opened tea gardens in North Bengal. During our visit in 20 (twenty) selected tea gardens in Dooars and 10 (ten) tea gardens in Terai we tried to find out the real picture in terms of payment of gratuity to the employee of those gardens.. From the information available, we find during the pre-globalization period that is during 1991-1998, the dues in respect of gratuity was much less than the post globalization period of 1999 to 2010. Like provident fund. Zurrantee T.E and Mohergam & Gulma T. E had no dues for gratuity and also Kamalpur T. E and Kiran Chandra T. E, the two gardens of Terai hard no dues during pre-globalization period in respect of gratuity.

From the Table No. 4.29 it is evident that the amount of gratuity due to the workers of the tea gardens of Dooars and Terai during the pot globalization regime

(1999-2010) is considerably higher than the amount of dues of gratuity of the pre-globalization period.

The test satisfies in this respect is conducted by 't' test. Null Hypothesis (H_0): The amount of gratuity due in the tea gardens of Dooars and Terai before globalization = the amount due in respect of gratuity in those tea gardens after the age of globalization.

Alternative Hypothesis (H_1): The amount of gratuity due in the tea gardens of Dooars and Terai in the post globalization period > The amount of gratuity due to the tea workers of those tea gardens in the pre-globalization period.

This is one tailed 't' test and the degree of freedom (d.f) is $(n-1) = 29$. From the Table No. 4.29 we find :-

$$\sum d/n = 62.56 \text{ and } \sum d^2/n = 143688.61 \text{ and } n = 30.$$

(For making the calculation easier we consider the approximate value of the average amount of gratuity due in the selected tea gardens).

$$\text{Then, } S^2 \text{ (variance)} = \sum d^2/n - (\sum d/n)^2 = 875.87$$

$$S = 29.59$$

$$\text{Therefore, } t = \frac{d}{S/\sqrt{n-1}} = 11.931$$

The Table value of 't' at 1% level of significance and at 29 d.f. are :-

$$t_{0.01,29} = 2.462$$

So, the observed value of t is greater than the table value 1% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted. Therefore it can be concluded that the amount of gratuity due in the tea gardens of Dooars and Terai in the age of globalization has been shown an increasing trend in comparison to pre-globalization period.

Table No. 4.29

Average amount of gratuity dues in the sampled tea gardens of Dooars and Terai during the period of pre and post globalization.

Sl. No .	Name of the gardens	Actual amount due		Approximate value (Rs. In thousand)		$d = X_2 - X_1$	$d^2 =$
		Pre- globalizat ion (1991- 1998)	Post- globalizat ion (1999- 2010)	(1991- 1998) X_1	(1999- 2010) X_2		
1.	Beach T. E	28.416	105568	28.41	105.56	77.15	5952.12
2.	Bata Bari T. E	35.658	98478	35.65	98.47	62.82	3946.35
3.	Baradighi T. E	37.536	91667	37.53	91.66	54.13	2930.05
4.	Bagrakote T. E	38.768	105319	38.76	105.31	66.55	4428.90
5.	Bandapani T. E	32.946	97836	32.94	97.83	64.89	4210.71
6.	Chalsa T. E	28.983	107629	28.98	107.62	78.64	6184.24
7.	Chaluni T. E	34.392	97509	34.39	97.50	63.11	3982.87
8.	Caron T. E	38.798	107861	38.79	107.86	69.07	4770.66
9.	Dal Singh Para T. E	37.668	106837	37.66	106.83	69.17	4784.48
10.	Dim Dima T. E	31.262	101933	31.26	101.93	70.67	4994.24
11.	Denguaghara T. E	35.545	115502	35.54	115.50	79.96	6393.60
12.	Gandrapara T. E	36005	99603	36.00	99.60	63.60	4044.96
13.	Kill Colt T. E	42801	105550	42.80	105.55	62.95	3937.56
14.	Mech Para T. E	29658	96784	29.65	96.78	67.13	4506.43
15.	Madhu T. E	39958	225409	39.95	225.40	185.45	34391.70
16.	Mathura T. E	30463	98343	30.46	98.34	67.88	4607.69
17.	Kumargram T. E	35669	103253	35.66	103.25	67.59	4568.40
18.	Phaskawa T. E	37.267	97946	37.26	97.94	60.68	3682.06
19.	Raja T. E	31536	94568	31.53	94.56	63.03	3972.78
20.	Zurrantee T. E	15328	21458	15.32	21.45	6.13	37.57
Terai :-							
21.	Atol T. E	21936	81693	21.93	81.69	59.76	3571.25
22.	Bijoynagar T. E	38306	100817	38.30	100.81	62.51	3907.50
23.	Belgachi T. E	32578	96913	32.57	96.91	64.34	4139.63
24.	Kiran Chandra T. E.	19216	37547	19.21	37.54	18.33	335.98
25.	Kamalpur T. E	13256	22618	13.25	22.61	9.36	87.60
26.	Mahorgaog & Gulma	21633	38952	21.63	38.95	17.32	299.98
27.	Naxalbari T. E	26178	88363	26.17	88.36	62.19	3867.59
28.	Pahargumia T. E	29785	93806	29.78	93.80	64.02	4098.56
29.	Lohaqarh T. E	27.561	86986	27.56	86.98	59.42	3530.73

30.	Ord erai T. E	20.187	79532	20.18	79.53	59.35	3522.42
						$\sum d = 1877$ $d(\sum d/n) = 62.5$ 6	$\sum d^2/n = 14368$ 8.61

4.13.6 Promotion of the workers in the tea industry of Dooars ad Terai.

In a tea estate there are mainly form categories of employees in the tea garden hierarchy. They are

- (a) Management
- (b) Staff
- (c) Sub.-staff and
- (d) Workers.

There is very little scope of promotion from one category to the next.

The manager of the tea garden occupies the highest place in the garden hierarchy who is placed at the top of the management. He is assisted by a number of assistant managers who are placed in the second rank of the management category. Then there are staff or "babus", who work in the office and also play the role of intermediaries between the assistant managers and the daily-rated workers. Also there is a staff that assists the factory manager to keep an account of the amount of tea produced. The next category, the sub-staff, comes below the staff and mainly known as supervisory staff. These people are promoted from the lower ranks and earn slightly higher wages and are paid on a monthly basis. The highest rank in this category is the field staff known as 'munshi' and in the factory, the factory 'sarder'. 'Chaparsi' is the rank comes next to munshi. The incumbents of these two posts perform similar work. They carry the orders from the top and look after the sub-staff below them.

The next one is the 'boider' in rank. His duty is to take the attendance of the workers and the sub-staff in the field. The next place in the hierarchy is the dafader who works as a linkman between the workers and management and guides the workers at every step explaining the nature and quantity of works to be performed

by the workers. The next two ranks are the chowkider and the paniwalla. Each garden has a number of chawkidars or guards to vigil the assets of the garden

The duty of the paniwalla is to carry water for the workers during the duty hearers. A paniwalla must belong to a tribe which is superior to others so that all workers can drink the water he carries.

Besides these ranks, there are other categories of sub-staff named as ‘davawalla’ (health assistant) who helps the doctor or pharmacist in dispensing medicines. Sometimes even the cook of the managers belongs to sub-staff.

The fourth and the final category in the hierarchy are the factory and daily rated workers and recognized as the most important part of the hierarchy. These people form the majority of the work force in the plantation and play a very important role in the production functions.

In the tea garden promotional opportunities from lower to upper level is limited and infrequent.. Promotion from staff to management level is a rare incident⁶⁰.

On our visit in the selected tea gardens we found a number of workers are promoted from workers to sub-staff. Through conversation with the workers we came to know the people who are closed to union leaders or management are generally get this opportunity, although the union leader and the management denied this grievance of the workers.

Realizing the importance of education the workers of the tea gardens send their children to schools and even to colleges to get required education to be employed in the higher posts of the organizational hierarchy in the tea gardens. The gradual spread of education has been generating higher expectations in the minds of the new generation of the garden people. As a result there has been a growing demand that the local boys should be employed in the category of staff or in the clerical posts. But in reality it is generally found that the outsiders are recruited in the category of staff when the vacancies arise. This kind of step no doubt, create arrogance and dissatisfaction in the minds of the workers and they become restless not only against the management but against the Union leaders also.

The incident that took place in the Dalgaon Tea Estate situated 70 Km. east of the headquarters of Jalpaiguri district in West Bengal in the year 2005, June 6th was an evidence of the unhealthy co-operation between management and union leaders. Resentment among the workers started when the unit leader of the Centre of India Trade Unions (CITU) affiliated, Chabagan Mazdoor Union, Tarakeswar Lohar with the support of his followers began accepting applications from the outsiders against the vacancies of three clerical posts as declared by the garden management. The rival group of workers became violent and the worst carnage took place in the tea plantations of the Dooars, when the laborers set ablaze the house of Tarakeswar Lohor and killed 19 people. Before this worst incident happened the union leader ordered his security men to open fire to disperse the mob. Although the 112 years-old tea estate has no record of this kind of violence in its history But this incident is definitely a sign of no reliance on the union leaders as well as on the management which leads towards unhealthy industrial relation.

[Uttar Banga Sambad 7th Sept.'2005, P-1]

Interviewing with the management we came to know that there are no specific criteria for promotion in the tea gardens. But generally the following factors are considered to select a worker to higher post, such as:-

- (a) Performance level of the worker
- (b) Educational qualification
- (c) Length of the service
- (d) Sincerity and responsibility towards duty etc.

But the workers told trade union's reference and loyalty towards management play an important role to get such promotion.

The picture about the promotion of the workers to higher posts during the pre and post globalization period and the statistical analysis in this respect in the sampled tea estates is presented in the following way.

Table 4.30

Average number of workers promoted to higher post during the pre and post globalization period in the sampled tea gardens of Dooars and Terai.

Sl. No.	Name of the gardens	Pre- globalization (1991-1998) X_1	Post globalization (1999-2010) X_2	$X_2 - X_1 = d$	d^2
1.	Beach T. E	2.88	1.92	- 0.96	0.9216
2.	Bata Bari T. E	2.14	1.75	- 0.39	0.1521
3.	Bagrakote T. E	2.78	1.96	- 0.82	0.6724
4.	Baradighi T. E	3.20	2.08	- 1.12	1.2544
5.	Bandapani T. E	3.16	2.15	- 1.01	1.0201
6.	Chalsa T. E	3.26	2.12	- 1.14	1.2996
7.	Chaluni T. E	3.50	2.36	- 1.14	1.2996
8.	Carron T. E	2.42	1.67	- 0.75	0.5625
9.	Dim Dima T. E	3.26	2.16	- 1.26	1.5876
10.	Denguaghara T. E	3.15	1.89	- 1.26	1.5876
11.	Dal Singh Para T. E	2.82	1.89	- 0.93	0.8649
12.	Gandrapara T. E	3.75	2.26	- 1.49	2.2201
13.	Phaskawa T. E	2.38	1.75	- 0.63	0.3969
14.	Mech Para T. E	2.42	1.88	- 0.54	0.2916
15.	Madhu T. E	1.75	1.12	- 0.63	0.3969
16.	Mathura T. E	2.66	1.92	- 0.74	0.5476
17.	Kill Colt T. E	2.03	1.53	- 0.50	0.2500
18.	Kumargram T. E	3.13	1.88	- 1.25	1.5625
19.	Raja T. E	3.12	1.78	- 1.34	1.7956
20.	Zurrantee T. E	4.25	3.15	- 1.10	1.2100
21.	Atal T. E	2.92	1.89	- 1.03	1.0609
22.	Belgachi T. E	3.15	1.75	- 1.40	1.9600
23.	Bijoynagar T. E	2.50	1.38	- 0.88	0.7744
24.	Kamalpur T. E	2.25	1.50	- 0.75	0.5625
25.	Kiran Chandra T. E	2.75	1.80	- 0.95	0.9025
26.	Lohaqarh T. E	2.25	1.65	- 0.60	0.3600
27.	Naxalbari T. E	2.14	1.55	- 0.59	0.3481
28.	Pahargumia T. E	2.50	1.46	- 1.04	1.0816
29.	Ord erai T. E	2.75	1.25	- 1.50	2.2500
30.	Mahorgaog & Gulma	3.50	2.20	- 1.00	1.000

$$\sum d = 27.71$$

$$\sum d/n = 0.9236$$

$$\sum d^2 = 30.47$$

$$\sum d^2/n = 1.0156$$

$$S^2(\text{variance}) = \sum d^2/n - (\sum d/n)^2 = 1.0156 - (-0.9236)^2$$

$$S^2 = 0.1625$$

$$S = 0.4031$$

$$t = \frac{d}{S/\sqrt{n-1}} = \frac{-0.9236}{0.4031/\sqrt{25}} = \frac{-0.9236 \times 5.3851}{0.4031} = -12.3385$$

We found calculated value of $t = 12.3385$ and degree of freedom (d.f.) is $(n-1)$ or 29

I n=30 I

This is one tailed test and the significance value at 1% level for 29 d.f.

$$t_{0.01,29} = 2.462$$

The Null hypothesis (H_0):- The average number of promotion of the workers in the pre globalization period in the tea gardens = the average number of promotion of the workers during the post globalization period.

The Alternative hypothesis (H_1):- The average number of promotion of the workers during the post globalization era in the tea gardens < The average number of promotion of the workers in the pre-globalization period.

As the calculated value of t is greater than the table value of ' t ' at 1% level of significance, then we can conclude that the promotional opportunity of the workers has been reduced considerably in the post globalization period. So, it can be said there has been an adverse effect on the industrial relation between the workers and the management in the tea estates of Dooars and Terai regions.

4.13.7 Strikes and Lock-outs in the Tea Industry

Tea Industry of West Bengal had witnessed aggressive labour movement when strikes and other form of violent agitation was a common feature of the labour movement and industrial relations were unhealthy. However, with the passage of time the trade unions discarded aggressive form of labour movement and since the beginning of the 90s they adopted the way of co-operation and helpful attitude. As a result, strikes, gheraos, confinement and assault of the managerial staff etc. became restricted. The data available from the sampled tea gardens of Dooars and Terai region in respect of strikes from the year 1991 to 2010 is

presented by the following Table No. 4.31. It is evident from the table that the number of strikes held in the tea industry of Dooars and Terai shows an erratic nature of industrial disputes. There is no uniform upward or downward trend in the number of strikes observed by the workers during this whole period of 1991 to 2010. Major fluctuation in this trend was recorded in the year 1999 and 2005 in the form of industry wise strikes for long 11 days and 15 days respectively for the demand of wage hike. Due to this the number of overall strikes increased in the post-globalization period. Otherwise there has not been any major difference in the number of strikes observed by the tea workers in Dooars and Terai. It is found from the data that on an average a tea garden witnessed maximum two days strike in the post-globalization period whereas in the pre-globalization this average number was more than two.

Table No. 4.31

Average number of strike held in the Tea Industry of Dooars and Terai during Pre and Pre-Globalization period.

Pre-Globalization

Year	1991	1992	1993	1994	1995	1996	1997	1998
Number of Strikes.	3.08	4.01	3.47	2.50	1.45	3.07	2.95	2.11

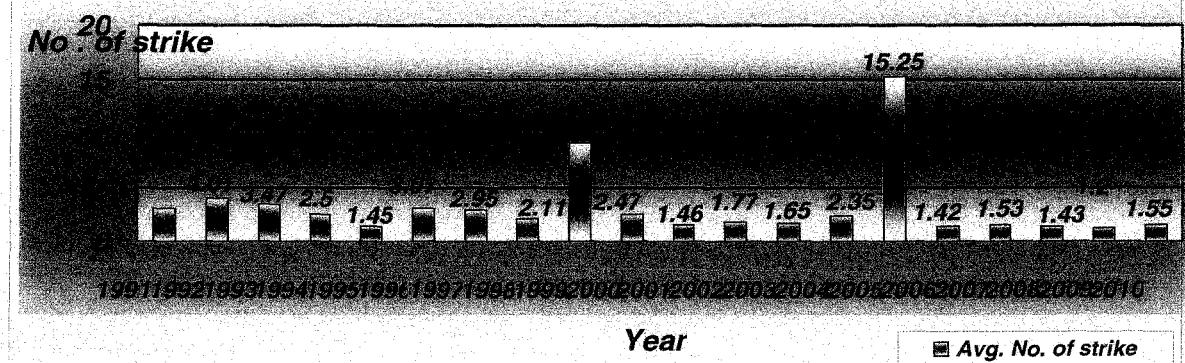
Post Globalization

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
No. of strikes	9.2	2.47	1.46	1.77	1.65	2.35	15.25	1.42	1.53	1.43	1.20	1.55

Source: Individual Tea Garden Records.

Fig No 4.15

Avg. No. of strike held in The tea Industry of Dooars and Terai Regions during Pre and Post - Globalization period Fig.No.4.15



Source: Data Collected from Individual Tea Gardens.

The data collected from the 30 tea gardens of North Bengal, 20 of Dooars and 10 of Terai regions in respect of workers' movement and managements' attitude. It is evident from the data and information that the tea industries of Dooars and Terai experienced labour agitations and labour unrest during the period 1991 to 2010, as the management are not cornered enough to follow the provisions of various acts which have been framed from time to time in favour of the tea plantations workers. Even some of the gardens do not pay the wages and rations according to agreement. Finding no alternative the workers go for strike to fulfill their demands and industrial relations deteriorate. Fig.4.15 shows the trend of strikes in the period of pre and post globalization period in the tea industry of Dooars and Terai.

The statistical test in this regard is calculated as follows by the Table No.4.32. **'Let the Null Hypothesis is H_0 and Alternative Hypothesis is H_1 Null Hypothesis (H_0) :** Average number of strike in the selected tea gardens during the per-globalization period = Average number of strike in those gardens in the post globalization period.

Alternative Hypothesis (H_1) : Average number of strike organized by the tea workers in the tea gardens during post-globalization period > Average number of strike called by the tea workers during the pre globalization period.

This is one-tailed 't' test with (n-1) degree of freedom (d 't').

$$T = \frac{d}{s/\sqrt{n-1}}, \text{ I n} = 30 \text{ I}$$

$$D = \sum d/n = 2.368$$

$$\sum d^2/n = 5.936$$

$$S^2 (\text{Variance}) = \sum d^2/n - (\sum d/n)^2 = 0.329$$

$$S = 0.5735$$

$$T = 38.7589.$$

The table value of t at 1% level of significance and at 29 d . f :-

$t_{0.01, 29} = 2.462$ and the observed value is 38.7589

The observed value of 't' is greater than the table value of 't' at 1% level of significance.

Hence, the null hypothesis is rejected and alternative hypothesis is accepted. Then it can be concluded that the number of strike in the tea industry of West Bengal have been increased in the post globalization period. It may also be concluded that the industrial disputes in the tea gardens have been prevailed and industrial relations in the tea industry is unsatisfactory.

Table 4.32

Average number of strike in the selected tea gardens of Dooars and Terai during pre and post globalization period.

Name of the gardens		Pre globalization (1991-1998) X ₁	Post globalization (1999-2010) X ₂	D = X ₂ - X ₁	D ² =
D O O A	Batabari	2.50	5.25	2.75	7.5625
	Bagrakote	2.12	4.86	2.74	7.5076
	Baradighi	2.92	5.16	2.24	5.0176
	Beach	2.36	5.87	3.51	12.3201
	Bandapani	2.58	5.25	2.67	7.1289

R S	Chalsa	2.50	4.38	1.88	3.5344
	Chaluni	2.25	5.25	3	9
	Carren	2.93	5.53	2.60	6.76
	Dal singh Para	2.32	4.65	2.33	5.4289
	Dim Dima	2.18	4.26	2.08	4.3264
	Denguajhora	2.25	4.15	1.90	3.61
	Gandrapara	2.25	4.25	1.75	3.0625
	Killcott	2.37	4.25	1.88	3.5344
	Mechpara	2.26	4.76	2.50	6.25
	Malduh	2.38	4.13	1.75	3.0625
	Mathura	2.66	5.26	2.6	6.76
	Kumargram	2.50	4.25	1.75	3.0625
	Phaskowa	2.32	4.66	2.34	5.4756
	Raja	2.39	4.76	2.37	5.6169
T E R A I	Zurrantee	1.88	2.50	0.62	0.3844
	Atal	1.75	4.37	2.62	6.8644
	Bijoynagar	2.78	5.18	2.40	5.76
	Belgachi	2.94	4.68	1.74	3.0276
	Kiranchandra	1.62	4.37	2.75	7.5625
	Kamalpur	1.12	3.87	2.75	7.5625
	Mohorgaij & Gulma	2.12	4.22	2.10	4.41
	Naxalbari	2.00	4.87	2.87	8.2369
	Pahargumia	2.37	4.75	2.38	5.6644
	Lahagarh	2.12	4.50	2.38	5.6644
				$\sum d = 71.06$	$\sum d^2 = 178.09$

It is found from the Table No. 4.32 that the number of strike observed by the tea workers in the tea industry of Dooars and Terai during the post globalization period is greater than the number of strike held in the pre-globalization period.

Trend of Lock-out in the tea industry of Dooars and Terai in the age of Globalization.

Going through the sampled tea gardens in Dooars and Terai during our study it is realized that in the age of liberalized economy the working class people of tea industry have been affected considerably due to fear of closure of the gardens and fear of loss of job. As a result workers' movement and agitation have been shown a downward trend. A big question has been arisen in the minds of the workers about the utility or success of such movement. Above all government's reluctance to support any kind of agitation that may lead to close down the organization is also responsible for such attitude of the workers. Talking with a number of workers we felt this and on the other hand increasing number of lock-outs in the tea gardens of both the regions of Dooars and Terai exhibits the aggressive attitude of the employers in the age of globalization.

The data available from the selected tea gardens of Dooars and Terai in respect of lock-outs from the year 1991 to 2010 shows a dominating nature of industrial relations in the tea industry of West Bengal by the employers.

Table No. 4.33

Average number of Lock-outs in sampled Tea Gardens of Dooars and Terai

Region during the period 1991-2010.

Pre-Globalization Period.

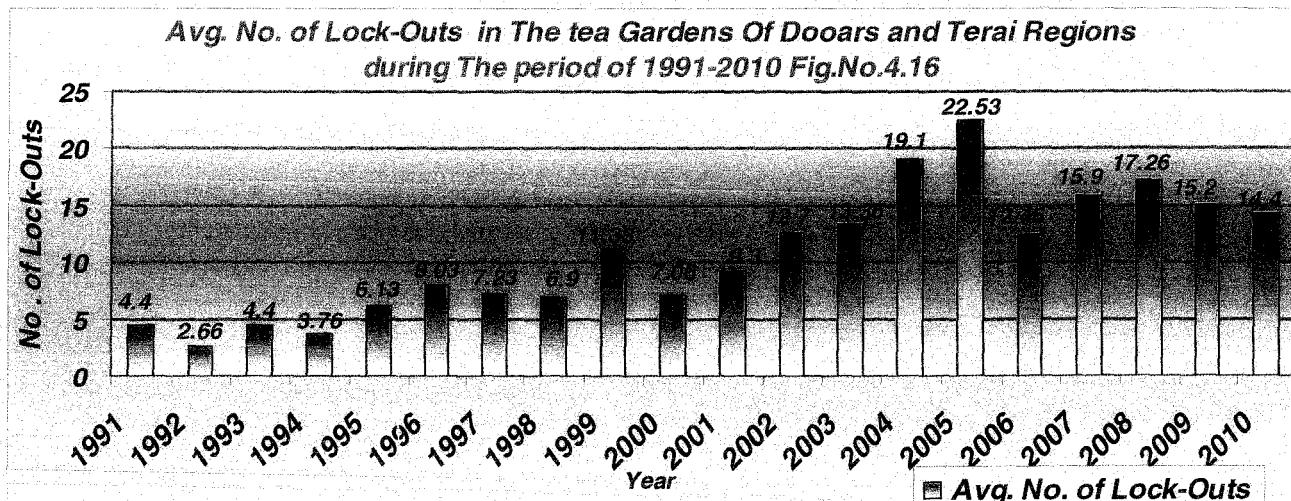
Year	1991	1992	1993	1994	1995	1996	1997	1998
No. of Lock-outs	4.40	2.66	4.40	3.76	6.13	8.03	7.23	6.90

Post-Globalization Period

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
No. of Lock-outs	11.33	7.06	9.30	12.70	13.36	19.10	22.53	12.46	15.90	17.26	15.20	14.40

Source: Data collected from selected tea gardens of Dooars and Terai region.

Fig No 4.16



Source: Data Collected from Individual Tea Gardens.

It is noticed from the table that there was no uniform upward or downward trend of lock-out during the pre-globalization or post-globalization period. However it is cleared from the table that the number of lock-outs in the post-globalization period is greater than the pre-globalization era.

Rather, during the pre-globalization period a fluctuating trend had been recorded. In the post-globalization period from the year 2000 to 2005 there had been a continuous upward trend and maximum number of lock-outs took place in the year 2005. It is already found that during this period of 2000-2005, the tea industry had passed through a crisis phase due to fall in auction tea price and when cost of production surpassed the auction selling price of tea. During this period a number of tea estates were either closed or abandoned throughout India including West Bengal, mainly in Dooars region. It may be due to that crisis that the management of the tea estates of these regions preferred to close the production activities to avoid losses and to reduce the costs mainly the labour costs. But this step had definitely developed an adverse impact in the industrial relations of the tea industry.

The situation started to improve from the year 2007 and in the year 2009 the auction price of per Kg. of tea increased considerably. The C.T.C. teas which are produced in Dooars and Terai fetched a price of Rs.111 per Kg in the year 2009 an

increase by Rs.21 per Kg in comparison to previous year, and quality brand tea was sold for Rs.150 per Kg. The price of which was recorded as Rs.120 per Kg in the year 2008. The best quality C.T.C., tea was sold at a fabulous price of Rs.172 per Kg. In North Bengal more or less 200 to 210 million Kg of tea is produced every year. So, this trend of steady market has injected financial strength to the tea industry and made the tea industrialists happy. [Uttar Banga Sambad, 5th December, p. 5].

But in spite of this improved situation the tea gardens of Dooars and Terai witnessed on an average 14 to 17 days lock-outs. This attitude of the management may be to deprive the workers from getting financial benefits, such as higher rate of bonus arrear pay, provident fund etc. and to stop any kind of labour agitation. Because for a very nominal incident management like to declare lock-out. Such as, the management of Phaskhawa Tea Estate declared lock-out for a very nominal reason. One of the workers, named Prem Sebayan used to cut bamboo tree adjacent to the labour quarter and Manager Mr. Sanjeeb Pramanik issued a show-cause letter against his name for such act, and after 3 days of issuing such letter the management retrenched that worker. This step of the management developed labour unrest. Realizing the situation the management re-employed Prem Sabyan as a worker on 1st January 2011. But on the very next day the management declared lock-out in the garden. The worker used to believe as the plucking of tea leaf is stopped during winter; the management never likes to pay wages and other benefits to the workers in this season and thus declared lock-out to gain extra profit at the cost of the labour. [Uttar Banga Sambad, 2nd January, 2011].

From the above it can be stated in the post-globalization period the attitude of the employers of the tea estates have become more aggressive and they prefer to keep the workers under pressure. This trend is definitely leads towards unhealthy industrial relations in the overall tea industry of West Bengal.

The statistical test in respect of trend of lock-out is stated below:

From the Table No.4.34, We can observe the trend of lock-out in the pre and post globalization era and the statistical analysis in this regard can be presented in the following way.

From the data as collected we are to use 't'-test. Null Hypothesis (H_0) : Average number of lock-out in the tea gardens of Dooars and Terai region in the pre-globalization period = Average number of lock-out in the tea gardens of the said region during the post globalization period.

Alternative Hypothesis (H_1): Average number of lock-out in the post globalization period in the tea estates of Dooars and Terai region > Average number of lock-out in the tea estates of the same regions during the pre globalization period.

From the Table No. 4.34 we calculated,

$$\sum d/n = 8.334 \text{ and } \sum d^2/n = 78.796$$

$$s^2 (\text{variance}) = \sum d^2/n - (d)^2 = 78.796 - (8.334)^2 = 9.341$$

$$s = \sqrt{9.341} = 3.0563$$

$$t = \frac{d}{s/\sqrt{n-1}} = \frac{8.334}{3.056/\sqrt{29}}$$

$$\text{or, } t = 14.685$$

The Table value of t . at 1% level of significance is, $t_{0.01, 29} = 2.462$

Therefore observed value of t (14.685) is greater than the table value of ' t ' at 1% level of significance.

$$t_{14.685} > t_{2.462} \text{ (at 1% level)}$$

Hence the null hypothesis is rejected and alternative hypothesis is accepted. So, it can be concluded that the average number of lock-out in the era of globalization has increased considerably than the number of lock-out took place before the age of globalization in the tea industry of West Bengal. From this analysis it may be concluded that the relation between the management and the tea workers is not a harmonious one and this is not a healthy sign for the growth and development of the tea industry of West Bengal.

Table No. – 4.34

Average number of lock-out in the selected tea gardens of Dooars and Terai regions during pre and post globalization period.

Sl. No.	Name of the Gardens	Pre globalization (1991-1998) X_1	Pre globalization (1999-2010) X_2	$d = X_2 - X_1$	d_2
1.	Beach T. E	4.87	14.00	9.13	83.3569
2.	Bata Bari T. E	6.50	14.25	7.75	60.0625
3.	Bagrakot T. E	6.00	17.62	11.62	135.0244
4.	Baradighi T. E	5.12	12.62	7.50	51.25
5.	Chalsa T. E	2.62	8.25	5.63	31.6969
6.	Chaluni T. E	5.00	14.12	9.12	83.1744
7.	Carron T. E	8.12	18.87	10.75	115.5625
8.	Dim Dima	5.62	14.75	9.13	83.3569
9.	Denguaghara T. E	6.25	15.25	9	81.00
10.	Dal Singh Para T. E	6.62	16.37	9.75	95.0625
11.	Gandrapara T. E	5.37	13.87	8.50	72.25
12.	Phaskawa T. E	5.75	12.50	6.75	45.5625
13.	Mech Para T. E	5.87	17.62	11.75	138.0625
14.	Maldah T. E	6.87	15.37	8.50	72.25
15.	Malhura T. E	6.00	16.37	10.37	107.5369
16.	Kill Colt T. E	6.12	12.62	6.50	42.25
17.	Kumargram T. E	6.62	14.00	7.38	54.4644
18.	Raja T. E	7.25	15.75	8.50	72.25
19.	Bandapani T. E	3.62	10.25	6.63	43.9569
20.	Zurrantee T. E	- 2.56	- 4.72	2.16	4.6656
21.	Mahorgaog & Gulma	- 2.62	4.52	1.90	3.61
22.	Belgachi T. E	5.50	20.25	14.75	217.5625
23.	Bijoynagar T. E	4.87	15.12	10.25	105.0625
24.	Kamalpur T. E	2.87	4.25	1.38	1.9044
25.	Kiran	2.00	5.75	3.75	14.0625

	Chandra T. E				
26.	Lohaqarh T. E	5.62	16.62	11	121
27.	Naxalbari T. E	4.75	16.00	11.25	126.5625
28.	Atal T. E	5.37	15.25	9.88	97.6144
29.	Pahargumia T. E	6.00	17.25	11.25	126.5625
30	Ord Terai T. E	6.12	14.62	8.50	72.25
			$\sum d = 250.33$	$\sum d^2 = 2358.9871$	
			$\sum d/n = d = 8.34433$	$\sum d^2/n = 78.796$	

When production functions are stopped due to strike or lock-outs it symbolizes unhealthy industrial relations are prevailing in the industry and on the other side huge quantum of loss is generated due to stoppage of production functions which ultimately turns the industry towards the path of sickness, this situation further deteriorates the industrial relations in the industry.

From the Table No. 4.35 and Table No. 4.37 the trend of man-days lost due to strike and lock-outs has been reflected. Table No. 4.35 shows in the pre-globalization period the number of man-days lost due to strike had not increased or decreased by a considerable number. It is due to number of strikes observed by the tea workers during that period 1991 to 1998 were on an average 3 days per year. From the other point of view it can be stated the workers preferred to discard the aggressive view of labour movement in the days of changed economic policy. From the same table we can find that man-days lost due to strike is excessively high in the year 1999 and 2005 in the post-globalization period due to the two major industrial strikes that continued for 11 days and 15 days respectively for the demand of wage increment in tea industry. Leaving aside these two years, the man-days lost due to strike hovered around 1000 to 2000 in the post-globalization period. In the year 2009 the number of man-days lost recorded below 1000, whereas during the pre-globalization period this number varied 2000 to 3000. However, if we consider the average of the two periods separately, i.e. pre and post-globalization era, we find that the average number of man-days lost due to strike is greater in the post-globalization period.

It is evident from Table No. 4.37 the average number of man-days lost due to lock-outs has been recorded an increasing trend till the year 2005 except for the year 1998 and 2000. Interestingly since the year 2007, the tea price started to increase after recording a set-back for a number of years since 2000. The number of man-days lost due to lock-out were also higher due to greater number of lock-outs happened in the tea industry after the crisis period is over.

Higher number of lock-outs means higher number of man-days lost and the industry suffers a loss of huge amount of profits. It is interesting to note the employers preferred to declare lock-out incurring a loss of huge amount of profits and that may be to suppress any kind of labour agitation and to make weaker the trade union movement. This situation indicates the employers have become more powerful in the post-globalization period and the industrial relation in the tea industry has become un-harmonious and un-healthy.

The success of tea industry highly depends on the performance of the workers as the greater part of the production function are labour intensive. So, if the labourers become unhappy or they are deprived from necessary economical and social benefits which have been provided by the provisions of the Plantation Labour Act, 1951, the tea industry will face tougher problems in the near future.

Table No. 4.35.
Average number of Man-days Lost due to Strike.

Pre-Globalization.

Year	1991	1992	1993	1994	1995	1996	1997	1998
Man-days Lost.	1923	2653	2560	2691	2662	2468	1935	1264

Post-Globalization Period.

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Man - days lost	12,197	1528	1839	2064	1932	2008	15363	1376	1224	1006	7426	1453

Source: Data collected from sampled tea estates of Dooars and Terai region of West Bengal.

Man days lost due to strike :-

From the Table No. 4.36 the average number of man days lost during the pre and post globalization period can be known and the statistical test in this regard is done with the help of 't' test.

Null Hypothesis (H_0):- Number of man days lost due to strike in the pre-globalization period = Number of man days lost due to strike in the post-globalization period.

Alternative Hypothesis (H_1):- Number of man days lost due to strike in the post-globalization period > Number of man days lost due to strike in the pre-globalization period.

$$\sum d/n = 71824.63/30 = 2394.154333$$

$$\sum d^2/n = 218328992.22/30 = 7277633.073$$

$$S^2 (\text{Variance}) = \sum d^2/n - (\sum d/n)^2 = 1545659.697$$

$$S = 1243.245$$

$$T = \frac{\bar{d}}{s/\sqrt{n-1}} = 10.37005$$

This is one-tailed test and the degree of freedom = $n - 1 = 29$. The table value of 't' at 1% level of significance at $(n-1)$ degree of freedom (d.f.) is 2.462 respectively, where as observed value of $t = 10.37005$

$$t_{10.37005} > t_{1.699} \text{ and } t_{2.462}$$

Hence the null hypothesis is rejected.

So, it can be concluded that the number of man-days lost due to strike during the post globalization period has increased considerably which proves the disputes have been prevailing in the tea gardens of North Bengal.

Average man-days lost due to strike in pre and post globalization period in selected tea gardens of Dooars and Terai.

Table4.36

Tea gardens	Average man-days lost			
	(1991-98) X ₁	(1999-2010) X ₂	d = (X ₂ - X ₁)	d ² =
Beach T. E	4946.37	11406.00	6459.63	41726819.74
Bandapani T. E	5323.25	8712.65	3389.4	11488032.36
Bata Bari	1510.00	2645.50	1135.5	1289360.25
Chalsa T. E	2549.25	4673.63	2124.38	4512990.38
Dim Dima	5284.75	8318.65	3033.9	9204549.21
Denguajhar T. E	2904.00	8765.50	5861.5	34357182.25
Dal Singh Para	5324.00	8712.00	3388	11478544
Gandrapara	4287.50	7288.75	3001.25	9007501.563
Mechpara T. E	3593.35	6327.35	2734	7474756
Mathura T. E	2635.00	4479.50	1844.5	3402180.25
Mathu T. E	2052.00	3564.00	1512	2286144
Phas Kowa T. E	2616.25	5458.75	2842.5	8079806.25
Kill Cott T. E	2432.00	4352.00	1920	3686400
Raja T. E	2470.25	5121.25	2651.25	7029126.563
Carron T. E	5324.35	8712.75	3388.75	11483626.56
Kumargram	3525.00	4556.25	1031.25	1063476.563
Baradighi T. E	3305.00	5821.25	2516.25	6331514.063
Chaluni	2876.12	6735.75	3859.63	14896743.74
Zurrantee T. E	872.75	1525.75	653	426409
Bagrakote	2938.00	7215.00	4277	18292729
Mahurgang& Gulma	1298.75	2590.50	1291.25	1667326.563
Belgachi T. E	1136.80	2538.00	1401.2	1963361.44
Bijaynagar T. E	2257.50	4537.25	2279.75	5197260.06
Kamalpur T. E	190.25	658.50	468.25	219258.06
Lohagarh	703.00	1516.50	813.5	661782.25
Noxalbari	1222.87	2319.12	1096.25	1201764.06
Pahargumia	3178.25	6539.75	3361.5	11299682.25
Kiran Chandra	513.37	1454.87	941.5	886422.25
Atal T. E	869.25	2178.75	1309.5	1714790.25
Ord Terai T. E	1183.50	3559.50	2376	5645376

Table No. 4.37

Average Number of Man-days loss due to Lock-out in the tea gardens of Dooars and Terai during Pre and Post Globalization Period.

Pre-Globalization

Year	1991	1992	1993	1994	1995	1996	1997	1998
No. of Man-days lost	1346	2393	5040	4294	6719	7461	7235	4067

Post-Globalization

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1210
No. of Man-days	12568	6227	9199	11444	4382	18865	21592	13698	15227	16664	14992	15358

The data collected from the 30 tea gardens of North Bengal, 20 of Dooars and 10 of Terai regions in respect of overall conditions of the tea estates in the era of globalization. It is evident from the data and information as collected from those sampled tea gardens that the tea industries of Dooars and Terai experienced labour agitations and labour unrest from time during the period 1991 to 2010, and also the violation of business ethics on the part of the management. As a result the tea estates of these regions witnessed a considerable number of strike, lock-outs, gate meetings and a large number of man days lost due to those steps taken by the workers as well as the employers during the pre and post globalization period.

Man days lost due to lock-out has been on increasing trend which is evident from the above table. The test of significance in this respect is done with the help of the Table No. 4.38.

The statistical test in this regard is presented as follows. Say, the Null Hypothesis is H_0 , and Alternative Hypothesis is H_1 , Null Hypothesis (H_0) : The number of man days lost due to lock-out in the pre-globalization period in the tea gardens of Dooars and Terai = The number of man days lost due to that reason in the tea gardens during the post-globalization period.

Alternative Hypothesis (H_1) : The number of man days lost due to lock-out during the post-globalization period in the tea gardens of Dooars and Terai > The number of man days lost due to that reason in the tea gardens during the pre-globalization period.

$$\sum d = 253439.21$$

$$\sum d_2 = 2861787638.10$$

$$d = \sum d/n = 8447.97$$

$$\text{and } \sum d^2/n = 95392921.27$$

$$S^2 = \sum d^2/n - (\sum d/n)^2 = 24024723.82$$

$$S = 4901.5022$$

$$\text{and } n = 30$$

We is one tailed test and the degree of freedom is $(n - 1) = (30-1) = 29$.

The table value of t at 1% level of significance at $(n-1)$ or 29 degree of freedom (d.f) are as :-

$$t_{0.01,29} = 2.462$$

So, the observed value of t (9.2813) is greater than the value of 1% level significance. Hence, it may be concluded that the Null hypothesis is rejected and Alternative hypothesis is accepted.

So, it can be said that the number of man days lost during the post-globalization period is higher than the number of man days lost in the pre-globalization period.

Table No. – 4.38

Average number of man days lost in the selected tea gardens in Dooars and Terai region of North Bengal due to lock-out.

Sl. No.	Name of the Gardens	Average number of man days lost (1991-98) Per-globalization (X ₁)	Post globalization (1999-2010) (X ₂)	D = X ₂ – X ₁	d ² =
1.	Beach T. E	9637.12	27.755	18117.88	328257575.70
2.	Bata Bri T. E	3925.06	8703.18	4778.12	22830430.73
3.	Bagrakot T. E	8814	20205.57	11391.57	129767867.10
4.	Baradighi T. E	5965.38	14901.06	8935.68	79846377.06
5.	Chalsa T. E	2368.45	9227.71	5959.26	35512779.75
6.	Chalmuni T. E	6393.75	18108.90	11715.15	137244739.50
7.	Carron T. E	5111.54	13882.80	8771.26	76935001.99
8.	Dim Dima T. E	6970.42	22447.65	15477.23	239544648.50
9.	Denguajhora T. E	7843.75	19186.40	11342.65	128655709.00
10.	Dal Singh Para T. E	12692.19	32079.06	19386.87	375850728.40
11.	Gandrapara	7177.67	19601.77	12424.10	154358260.80
12.	Phaskawa T. E	1558.96	3406.25	1847.29	3412480.344
13.	Mechpara T. E	6062.24	18368.85	12306.61	151452649.70
14.	MAduh T. E	5934.82	13364.21	7429.39	55195835.77
15.	Mathura T. E	8349.00	22860.70	14511.70	210589436.90
16.	Kill Colt T. E	5859.08	12208.27	6349.19	40312213.66
17.	Kumargram T. E	9354.06	19811.75	10457.69	109363280.10
18.	Raja T. E	4623.68	10186.31	5562.63	30972852.52
19.	Bandapani	3458.00	9857.93	6399.93	40959104
20.	Zurrantee T. E	2794.24	5711.31	2917.07	8509297.385
21.	Terai:- Mohorgnj &	3305.78	6318.15	3012.37	9074373.017

	Gulma				
22.	Belgachi T. E	2851.06	10537.43	7686.37	59080283.78
23.	Bijoynagar T. E	3604.40	11225.46	7621.06	58080555.52
24.	Kamalpur T. E	474.26	754.37	280.11	78461.6121
25.	Kiranchandra T. E	635.50	1957.87	1322.37	1748662.417
26.	Lohagarh T. E	1859.51	5590.55	3731.04	13920659.48
27.	Naxalbari T. E	2584.00	8742.00	6158.00	37920964
28.	Atal T. E	2666.20	7586.87	4920.67	24212993.25
29.	Pahargumia	8472.00	24376.34	15904.34	252948030.80
30.	Ord Terai	4831.74	11553.45	6721.71	45181385.32
			$\sum d = 253439.31$	$\sum d^2 = 2861817638.1051$	

4.13.8 Man days lost due to Gate Meeting:-

Besides strike and lock-out, gate meeting is considered as one of the most decisive factors in measuring the industrial relations in the tea industry. The workers organize gate-meeting as a part of the worker movement to raise their demands under the leadership of the respective trade unions. Through gate-meeting the workers convey their grievances to the management.

The gate-meeting is generally organized in the morning shift at the working hours and is continued for a minimum of half an hour to a maximum of two hours depending on the gravity of the issues of the agitation. The workers are assembled at the factory gate or in front of the staff room and raise their slogans in support of their demands.

The workers take part in the gate-meeting generally for the following issues:-

- For delay in wage payment and for getting arrear wages
- For construction of new houses and for repairing the existing houses

- c) For having fringe benefits such as supply of slippers, umbrella, tarpaulin etc.
- d) Additional employment and appointment of Badh workers and force decasualization of labour
- e) Electricity facilities
- f) Protection from wild animals such as leopards and elephants etc.

During our study in the sampled tea gardens in Dooars and Terai region, we find the occurrence of gate-meeting in these gardens have been a regular feature to bring their demands in the notice of the management.

The data collected from the sampled tea gardens of the Dooars and Terai region, it is evident that the man-days lost due to gate meeting has been showing an increasing trend in the post-globalization period in comparison to pre-globalization era.

Table No:- 4.39

Average no. of Man-days lost due to Gate meetings in the Tea Gardens of Dooars and Terai Region.

YEAR	Pre-Globalization Period							
	1991	1992	1993	1994	1995	1996	1997	1998
No. of Man-days lost	204	267	365	437	578	691	706	843

Post-Globalization Period

YEAR	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
No. of Man-days lost	1041	1052	1240	1327	1219	1253	1509	1337	1103	917	940	1098

Source: Individual Tea Garden records (various years)

From the Table No 4.39, it is evident that there has been a clear record of increasing trend in the average man-days lost due to gate meeting in the post

globalization period. The average number of man days lost during the period 1991 to 1998 is accounted for nearly 511 days whereas during the period of 1999 to 2010 the number of man days lost is recorded as an average 1099 days. This is a clear indication that the tea industry of Dooars and Terai has been experiencing unhealthy industrial relations in the post-globalization era due to higher number of man-days lost due to gate-meeting.

Though gate-meeting is organized for a shorter period of time in comparison to strike but as it is taken place frequently it leads to the loss of considerable number of man-days at the end of the year and ultimately production is hampered due to plucking of less quantity of green leaf than the scheduled quota of the workers per working day. Mainly during the peak flush season the loss incurred due to gate meeting increases many-fold.

This trend of gate meeting in the tea gardens of Dooars and Terai conveys an important message to the managements concern for fulfilling the benefits of the tea-workers which are legislated by PLA 1951.

The workers are feeling they are deprived of getting necessary benefits and have been trying hard to avail themselves those facilities by raising their demands in this form of agitation which is less aggressive in nature in the age of liberalized economy when the employers have become more powerful. But as a whole the labour management relations in these gardens have been indicated a worsening situation.

From the Table No 4.40 we find the average man days lost due to gate meeting during the pre and post globalization era in the sampled tea gardens of Dooars and Terai. We find from our study that the number of man days lost due to gate meeting has been showing an upward trend in the post globalization regime in the industry of Dooars and Terai. We adopted ‘t’ statistical test as test of significance and found the following result.

This is one tailed test and the degree of freedom is $(n - 1)$ or 29.

Here $\sum d/n = 706.164$

$$\sum d^2/n = 767421.02$$

$$S^2 (\text{variance}) = \sum d^2/n - (\sum d/n)^2 = 268759.07$$

$$S = 518.41$$

Null Hypothesis (H_0) : Number of man days lost due to gate meeting in the sampled tea gardens in the pre-globalization period = Number of man days lost to gate meeting in the post-globalization period in the tea gardens. Alternative Hypothesis (H_1) : Number of man days lost in the post-globalization period in the tea gardens > Number of man days lost during pre-globalization period.

$$t = \frac{d}{S\sqrt{n-1}} = 7.3352 \text{ (observed value)}$$

The Table value of t at 1% level of significance and at 29 degree of freedom are:-

$$t_{0.01,29} = 2.462$$

So, the observed value of t is greater than the table value at 1% level of significance. Hence, the null hypothesis is rejected and alternative hypothesis is accepted.

Man days lost due to gate meeting in the selected tea gardens of Dooars and Terai during the pre and post globalization period.

Table – 4.40

Sl. No.	Name of the Tea Estate	(1991-98) Pre-globalization.	(1999-2010) Post Globalization	$d = X_2 - X_1$	d^2
1.	Beach T. E	1487.00	3749.00	2262.00	5116644.00
2.	Bandapani T. E	453.00	1472.87	1019.87	1040134.817
3.	Bata Bari T. E	346.12	759.75	413.63	171089.7769
4.	Chalsa T. E	792.50	1098.73	306.23	93776.8129
5.	Dim Dima T. E	505.75	1373.00	867.25	752122.5625
6.	Denguaghara T. E	285.00	537.62	252.62	63816.8644
7.	Dal Singh Para T. E	778.25	2299.00	1520.75	2312680.563
8.	Gandrapara T. E	579.87	1078.37	498.50	248502.25
9.	Mech Para T. E	314.75	825.75	511.00	261121.00
10.	Mathura T. E	628.10	712.87	84.77	7185.9529
11.	Madhu T. E	547.75	1137.87	590.12	348241.6144
12.	Phaskawa T. E	209.87	443.50	233.63	54582.9769

13.	Kill Colt T. E	168.50	700.50	532.00	283024.00
14.	Raja T. E	556.75	1157.87	601.12	361345.2544
15.	Carron T. E	491.00	1386.00	895.00	801025.00
16.	Kumargram T. E	614.37	1799.75	1185.38	1405125.744
17.	Baradighi T. E	569.37	1927.00	1357.63	1843159.217
18.	Chaluni T. E	529.00	1195.62	666.62	444382.2244
19.	Zurrantee T. E	573.25	859.12	285.87	81721.6569
20.	Bagrakote T. E	586.10	1384.50	798.40	637442.56
21.	Mahorgaog & Gulma T. E	790.87	723.75	- 67.12	4505.0944
22.	Belgachi T. E	279.87	883.25	603.38	364067.4244
23.	Bijoynagar T. E	403.62	1962.25	1558.63	2429327.477
24.	Kamalpur T. E	278.75	371.87	93.12	8671.3344
25.	Lohaqarh T. E	252.87	622.50	369.63	136626.3369
26.	Naxalbari T. E	337.87	854.50	516.63	266906.5569
27.	Pahargumia T. E	631.87	2960.25	2328.38	5421353.424
28.	Kiran Chandra T. E	239.37	339.50	100.13	10026.0169
29.	Atal T. E	206.00	498.12	292.12	85334.0944
30.	Ord erai T. E	666.62	1174.25	507.63	257688.2169
				$\Sigma d =$ 21184.92	$\Sigma d^2 =$ 23022630

4.13.9 Amount of Capital invested by the management of tea industries for up gradation of technology.

Globalization has released competitive forces in the field of trade, industry and commerce by withdrawing barriers of borders between the states and by bringing the knowledge of advanced technology from one country to another and by capital inflows and many more of this kind. Introduction of advanced technology in the production functions reduces the cost of production; improve the quality of the product and helps better utilization of resources or inputs as well as human resources. So, on one hand globalization has thrown challenges to the industries throughout the world, on the other hand it has opened many avenues of opportunities for the betterment of the economy.

Most of the tea gardens situated in Dooars and Terai regions were established by the British Government. Since then more than 160 years have been

passed, but it is unfortunate that most of the tea gardens of North Bengal, has been using more or less the same technological knowledge which the British introduced in the days of inception of the tea industry. No proper step was taken and sufficient amount of capital was not invested to install better technological equipments to produce better quality of tea at a less cost.. Advanced technology ensures higher productivity that leads to higher rate of profit. During our study in the selected tea gardens of Doors and Terai we interviewed a number of managerial staff and unit leaders of different trade unions regarding technological advancement in the tea industry of these regions. Most of them agreed sufficient steps have not taken to introduce better technology in most of the gardens particularly in the financially weak gardens. On our visit in the selected tea gardens of Dooars and Terai we observed the following technological up gradation and modification measures taken by the management such as :-

- (a) Instruction of monorail system in the factory which has reduced the use of manual labour to a considerable extent.
- (b) New VFBD drier instead of conventional one.
- (c) New milling machine.
- (d) Introduction of viroo serene in place of Hobrow system used for sorting tea in the factory.
- (e) Introduction of new withering trough shed **and**
- (f) Installation computer mainly for official use.

The amount of money spent for the up gradation of technology in the sampled tea estate can be presented by the fallowing chart.

Table No. – 4.41

Average amount of money spent for up gradation of technology in the selected tea gardens of Dooars and Terai regions during pre and post globalization era.

Sl. No.	Name of the gardens	Amount spent Pre-globalization (1991-1998)	Amount spent Post globalization (1999-2006)	$d = X_2 - X_1$	$d^2 =$
1.	Beach T. E	38.192	18.547	- 19645	385926025
2.	Bata Bari T. E	41.665	22.528	- 19137	366224769
3.	Bagrakote T. E	42.529	23.225	- 19304	372644416
4.	Baradighi T. E	32.885	20.513	- 12372	153066384
5.	Bandapani T. E	28.876	14.112	- 14764	217975696
6.	Chalsa T. E	45.936	22.181	- 23755	564300025
7.	Chaluni T. E	41.106	25.215	- 15891	252523881
8.	Caron T. E	27.716	12.824	- 14892	221771664
9.	Dim Dima	33.878	19.416	- 14462	209149444
10.	Denguaghara T. E	41.776	23.782	- 17994	323784036
11.	Dal Singh Para T. E	34.625	14.519	- 20106	404251236
12.	Phaskawa T. E	43.267	21.346	- 21921	480530241
13.	Mech Para T. E	39.127	19.857	- 19270	371332900
14.	Maldah T. E	33.852	13.458	- 20394	415915236
15.	Mathura T. E	40.263	18.538	- 21725	471975625
16.	Kill Colt T. E	50.236	16.726	- 33510	1122920100
17.	Kumargram T. E	47.612	20.102	- 27510	156800100
18.	Raja T. E	48826	21.674	- 27152	737231104
19.	Gandrapara T. E	58.286	18.228	- 40058	1604643364
20.	Zurrantee T. E	51.725	23.145	- 28580	816816400
21.	Atal T. E	34.485	14.288	- 20197	407918809
22.	Belgachi T. E	24.275	12.476	- 11799	139216401
23.	Bijoynagar T. E	22.516	13.675	- 8841	78163281
24.	Kamalpur T. E	21.678	11.116	- 10562	111555844
25.	Kiran Chandra T. E	27.248	12.933	- 14315	204919225
26.	Lohaqarh T. E	29.215	14.216	- 14999	224970001
27.	Naxalbari T. E	20.936	12.348	- 8588	73753744
28.	Pahargumia T. E	33.742	13.468	- 20274	411035076
29.	Ord erai T. E	35.872	14.958	- 20914	437395396
30.	Mahorgaog & Gulma	37.858	16.672	- 21188	448846596

The statistical analysis in this regard can be presented with the help of 't' test

Null Hypothesis (H_0) :- Quantum of money spent for up gradation of technology in the tea estates during the pre-globalization period = Amount of money spent in that regard in the post globalization era.

Alternative Hypothesis (H_1) :- Amount of money spent for up gradation of technology in the tea estates in the pre globalization > Quantum of money spent in that respect in the tea estates during the post globalization era.

This is one tailed test and the degree of freedom is $(n - 1) = 29$.

$$t = \frac{d}{s/\sqrt{n-1}} = \frac{-18326.9}{2402.9477/5.3851}$$

$$t = (-) 41.0713$$

The level of significance at 1% and at 29 d.f.

$$t_{0.01,29} = 2.462$$

Calculated value of $t = 41.0713$

As the observed value of t is greater than the table value at 1% level of significance hence the null hypothesis is rejected.

$$\sum d = -54807$$

$$\sum d/n = -18326.9$$

$$\begin{aligned}\sum d^2/n &= 10249482646/30 \\ &= 341649421.0\end{aligned}$$

$$S^2 (\text{variance}) = \sum d^2/n - (\sum d/n)^2$$

$$= 5774157.7$$

$$S = 2402.9477$$

Therefore it is proved in the era of post globalization the tea industries of Dooars and Terai had spent less amount of money in comparison to pre globalization period for up gradation of technology.

This situation has curtailed the growth industry and ultimately the workers have become less-benefited and industrial relations have worsened.

Analyzing the significance of the important parameters of Industrial relations of Tea Industry located in Dooars and Terai region, it is found out that during the post globalization period the benefits the workers were entitled to have decreased considerably as compared to the pre-globalization period. Due to this

outcome the industrial relations in the tea industry has become unhealthy and has started to lack harmony.

During our visit in the sampled tea gardens we interviewed the leaders of different trade unions and got their views about the condition of relations between the workers and management. Most of the union leaders agreed between the period 2000 to 2005 the overall tea industry of India had been passed through a critical stage and this situation had affected the tea industry of North Bengal also. Realizing the situation they did not organize any strong labour movement till the year 2004 though the workers had been deprived from getting economical and social benefits, particularly the welfare measures as specified by the Plantation Labour Act, 1951. Besides that the management did not show any positive intention to increase the daily wage rate of the workers for a long period of time. This continuous deprivation made the living and working conditions of the workers miserable which forced the trade unions to held continuous long fifteen days strike; that made a history in the tea plantation economy.

One of the eminent union leaders of Cha Bagan Mazdoor Union (affiliated to CITU), who is the Secretary of the said union Mr. Jiaur Alam claimed, though a number of laws have been framed by the Union and State Governments after independence from time to time to protect the plantation workers in respect of working and living conditions, but ironically the management of the tea industry use to violate these rules and laws and exploit the workers and industrial disputes develop. He also admitted that the process of Globalization have made the employers of the tea gardens more powerful as the government has liberalized its control over industrial policy. As a result if the workers raise their voice against the anti-labour policy of the management. The employers either abandon or lock-out the garden blaming the workers are undisciplined and violate the law and order situation. This situation has made the trade union movement weaker and the industrial relations have become unhealthy.

Mr. Mani Kumar Darnal, one of the trade union leaders of INTUC demanded new economic policy which the Union Government initiated in 1991 has been responsible for the miserable conditions of the workers as the removal of

various trade barriers and free trade agreement under the instruction of the World Trade Organization have released stiff competition in the world tea market and the Indian Tea Industry has become uncompetitive. As a result there has been cut in welfare measure, arrear in wage and huge amount of dues in provident fund and gratuity. A number of gardens had either been closed or abandoned. He stated the example of Ramjhora Tea Estate of Dooars region where 1103 permanent workers had been employed. The life of these workers turned to a miserable condition when the management abandoned the garden without paying Rs. 20.48 lakh of wages, Rs.6.87 lakh on account of ration and Rs.68.30 lakh in the Provident Fund Account. Before transferring the ownership in the hand of Hanuman Tea Company in the year 1993-94, the garden had produced 9 lakh Kg. of made tea in the financial year 1991-92. But after that for an unknown reason the quantity of production started to decline and the garden was declared as unprofitable one. Ultimately the owner closed the production and more than thousands workers became helpless. This type of incidence has become a common matter in the tea gardens of North Bengal, mainly in Dooars region. This situation has forced the trade unions abstain from organizing any aggressive movement to raise the demands of the workers.

Mr. Alok Chakraborty, President INTUC, Darjeeling District also said workers are deprived from having necessary amenities of life. Even wages are not paid as per bipartite or tripartite agreements in some gardens. The provisions of the Plantation Labour Act, 1951 are not followed by the employers in many gardens. If the workers raise their voice against these steps, the management becomes dissatisfied about the attitude of the workers. They put blame against the workers saying, workers are indiscipline, irresponsible and do not obey the management. Even for any simple reason and to avoid the responsibilities, such as to pay arrear wages or provident fund dues, they either abandon the garden or lock it out without following the legal steps. He also cited example stating the incident of Turturi Tea Estate.

Turturi Tea Estate situated in Alipurduar of Jalpaiguri suspended work and left the garden without clearing arrears of wages which became due for wage hike of more than 500 workers. The tea garden workers had been paid a daily wage

of Rs.67 till March 2011 as per the previous agreement. According to recent agreement signed on 5th November, 2011 between the workers and the management the daily wage rate increased to Rs.85 from the 1st April 2011 with retrospective effect. The management of Turturi Tea Estate had promised to clear the dues in two installments – before Christmas and Holi festival of 2012. But the management did not keep their word and when the workers placed their demands before the management about the arrear wages, the management blamed the workers had threatened the staff of the management, used abusive language and tried to damage company's properties. They claimed all the operating trade unions instigated and provoked the garden workers. On the other side the workers and the unions denied the charges. It is important to consider that more than 40 per cent of the workers of this garden are of Christian community and without having the money they could not celebrate the Christmas with full of joy which is very important part of their social and cultural life. [Telegraph, 24th December, 2001, p. 6].

We had conversation with the general workers of the sampled tea garden of both the region. Most of the workers feel they have been passing through a miserable condition since long time. Their working and living conditions have been deteriorated. When we talked with the labourers of Carron Tea Estate and Madhu Tea Estate of Dooars region and Belgachi Tea Estate of Terai region, the workers said they are not paid wages and rations regularly. But they are not in a state to raise their voice for their rights. Because they fear if the gardens are abandoned or locked-out, where they would go and what they would do. They know they have no better skill and knowledge to be employed in other sectors of economy outside the tea gardens. Interestingly, they also said though they are members of respective trade unions, but gradually they have been losing faith in trade union movement.

We got the opportunity to have a conversation with Mr. N. K. Basu, Chief Advisor, Indian Tea Planters' Association, North Bengal, through prior appointment dated 11th March, 2009, at his office in Jalpaiguri. According to him globalization has not affected the Indian Tea Industry in a vast way, like Information Technology or other service sectors. However, the Government of India has taken steps in respect of free trade agreement as per the instructions of

World Trade Organization (WTO), still quantity of tea imported from Kenya, SriLanka, Indonesia and Vietnam etc. has been accounted for within the limit till today and export quantity of Indian tea has been hovers around 200 million Kg. since long back, and above all India has a very strong domestic market. He made a comment that one of the most important impacts of globalization is emergence of large number of small tea gardens throughout India and establishment of Bought Leaf Factory (BLF). These two sectors are highly dependent on each other. It proves, still tea is a profitable sector and the degree of crisis is not as high as it is said by a number of tea garden owners. There are some evil forces that use to play a crucial role for such crisis which has developed in the tea industry in this present time. As per his opinion one of the causes of crisis is constant changes of ownership. These people have no knowledge about plantation economy. In real sense they are not planters but traders. Neither they have taken any step to plough back the profit, nor have they taken any initiative of proper maintenance of the gardens, such as re-plantation of new tea bushes uprooting the older bushes etc. As a result productivity of the gardens has declined, profitability has reduced and correspondingly liabilities have increased. And when they realize the garden is unable to give expected rate of return, they either abandon the work or declare lock-out. In this process the crisis has developed and the relation between the management and the workers has become worsen.

Another reason, according to him, multiplicity of unions, more than thirty trade unions have been working in the tea industry of North Bengal. The trade union leaders are generally urban people. The urbanized leadership does not pay proper attention to protect the interest of the workers as well as the tea industry. Rather they act as middleman and what they do or think that is for political gain.

He explained out of 276 organized tea estates only 17 gardens have been closed (till the date of interview) and another 20 to 22 gardens were either sick or financially weak. Therefore it can be stated there has not been negative impact in the overall tea industry in India, particularly in the tea industry of West Bengal in the age of globalization. Mr. Basu realized to overcome the problem and to revive the tea gardens some important steps should be taken. The growth rate of area under

tea is negligible and the production rate has not increased sufficiently. Above all productivity has declined for many reasons. In this situation labour force should be decreased, at least for a specified period. The trade unions should realize the matter from practical point of view. In this process the sick or unprofitable gardens would be able to shed their financial liabilities and would be profitable in the near future and new employment opportunities would be emerged. The Union and State Governments, Tea Board of India, Employers' Associations and the Trade Unions should come forward in a co-operative manner to make it rational for the greater interest of the workers, employers and the tea industry as well. The Secretary of Dooars Branch of Indian Tea Association (DBITA) Mr. Prabir Kumar Bhattacharya had a good deal of conversation with us in respect of the present situation of the tea industry of North Bengal and the condition of the industrial relations in the present state of affairs. His views were that due to recent financial crunch mainly because of price fluctuations it became impossible for some tea gardens to provide sufficient welfare measures following PLA, 1951. He feels that the trade union leaders failed to understand these reasons and reacted to the situation in the wrong fashion. And it is due to these industrial disputes that the healthy relations in the tea industry have been hampered.

In this chapter we have thoroughly studied the impact of globalization and liberalization on the tea industry of Doors and Terai and its impact on the industrial relation. Increasing cost and decreasing price situation have adversely affected the tea industry from various sides. The overall effects of globalization have made the Indian tea industry uncompetitive in the world market. India has a strong domestic market if it can increase its productivity then it can prevent the threat of other exporting countries and can increase the quantity of export. This can help to improve the financial health of the industry. This study establishes the conditions of the workers have been miserable in the post-globalization era. It has affected badly the industrial relations. The situation is alarming. Proper and effective steps should be taken by the owners, workers, trade unions, governments etc for the development and future growth of this industry and to regain its past glory.

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