

## **Chapter 2**

### **A Brief Discourse on Origin, Growth and Consolidation of Smallholder Tea Sector in North Bengal**

#### **2.1 Introduction**

The Tea industry in West Bengal is about 150 years old. The foundation of the present tea industry in West Bengal was laid down by the middle of the nineteenth century in the North Bengal region of the state which is comprised of six districts. The first private tea estate was opened up in this region in 1840 in Darjeeling. This was followed by the establishment of plantations in the Terai region during the tea boom in 1865. Later on tea plantations were spread in the Dooars region since 1874. The spread of plantations in this region was driven by the state initiative of parceling out the jungles or so-called “wastelands” among potential tea entrepreneurs in the form of virtually-free land grants under the Wasteland Rules of 1854, 1875 and 1888, and by accompanying mobilization of private financial capital for plantation development on a vast scale from foreign and domestic money markets (Roy Mukherjee, 2007). The process of opening up of forest lands for the production of tea continued till Independence. The post-Independence period had witnessed the closing of conversion of forest lands for plantation development.

Traditionally, the organization of production of tea industry had remained estate-oriented since its inception in all the tea growing regions of the state, namely Darjeeling, Terai and Dooars. However, this traditional image of tea as an estate enterprise had started undergoing a significant shift from 1980s onwards with the surfacing of an alternative production structure which is now known as the ‘smallholder tea sector’ in this region. This sector is comprised of factory-less tea gardens and garden-less bought leaf factories (BLFs) specializing solely in manufacturing of tea. Thus, this alternative model of production can be differentiated from the older estate model of production in terms of separation of plantation agriculture from factory operation. As this disintegrated production structure of new gardens-BLFs arrangement does not have the distinct industrial identity, it might be called the unorganized sector in the tea plantation industry.

In the context of regional tea economy of North Bengal, two important features of tea smallholder sector need to be mentioned. In the first place, the establishment of such gardens has

taken place not in the designated land areas for tea cultivation but rather into non-traditional areas comprising mostly farm lands of different descriptions— high lands, low lands, fallow and unsuitable land etc. Secondly, these gardens had made their appearance in large numbers in the non-tea districts of the region like Uttar Dinajpur and Coochbehar. Following this development, the tea growing region of North Bengal has extended its periphery from Darjeeling hills, Terai (the foothills of Darjeeling) and Dooars (the northern part of Jalpaiguri district) to Uttar Dinajpur and Coochbehar. There is little doubt now that the smallholder- bought leaf sector has become a tremendous force to reckon with within the contour of tea industry because of their commendable contribution to total production of tea. With the increase in tea acreage within the domain of this sector, the share of production has been rising at an increasing rate over time. This sector has been recognized by the Tea Board as a major stakeholder of the tea industry in West Bengal.

## **2.2 Changing Tea Market Situation since Early 1980s**

The possible reasons for this restructuring of tea industry leading to introduction of the smallholder tea growing model could be traced from both the demand and supply side changes observed in the tea market in India since early 1980s. The principal demand side changes that concerned the tea industry vis-à-vis the Tea Board was the accelerated growth of consumption demand for tea in the domestic market as well as the possible enhancement of export demand for tea due to re-opening of market in USSR under a liberal trade regime. The changing scenario of the internal market was manifested by the sustained rise of share of domestic retention in total production of tea. For instance, while in 1980, the internal consumption of tea in India was 56 per cent of total production, by 1995, nearly 77 percent of the tea produced was consumed within the country. At present, the domestic consumption is figured out to be more than 80 percent of total production. The future growth of domestic consumption had been projected to be about 5 per cent per annum in the early 1980 by the Tea Board. Likewise, it was also envisaged that a considerable share of total production had to be retained to meet the rising export demand in the international market. The inclusion of tea in the list of products eligible for export to the then USSR under a liberal trade agreement in early eighties was expected to create huge additional export demand. Given this scenario, the apprehension that had taken deep root by this time was that if this rising trends of both internal and external demand growth is not matched by the corresponding rise in production, the country may have to import tea in the near future in order

to maintain the balance between demand and supply. The principal supply side factor, on the other hand, was identified to be the decelerating trend of growth of production of tea relative to consumption. As for evidence, during the period 1980-1995, tea production in India increased at a compounded annual growth rate (CAGR) of 1.91 percent while consumption rose at a CAGR of 4.10 percent. It is indeed a sizeable gap between demand and supply. The price behaviour in the retail market for tea amply exemplifies this demand and supply imbalance problem. In fact, due to excess of demand over supply, we observed that tea prices started to increase substantially since early eighties and continued till 1992.

The explanation for such slower pace of growth of production could be given in terms of productivity crisis facing century old tea estates in West Bengal over several decades. The major factor contributing to declining productivity is the older age of tea bushes. In ageing plantations, the productivity of tea gradually diminishes which enforces production of tea to fall perpetually. Generally, bushes over 50 years of age are considered as exceeding economic threshold age limit and tend to be commercially unproductive. In most of the older and larger tea estates located in this region, the share of tea bushes ageing 50 years or more continues to remain high. This causes diminishing returns. This productivity downturn problem could have been averted had there been willingness on the part of plantations management to make capital investment at an adequate level on plantation development activities like uprooting/ replanting and rejuvenation so as to replace the older bushes with the younger ones. However, as the provision of capital expenditure on plantation development is far from optimal necessity, the problem of lower yield realization could not be circumvented significantly. On the contrary, the problem of declining productivity of tea has increased substantially over the years because of the half-hearted effort made to replace older tea bushes with younger ones. This problem has become so critical and acute that it is brought into notice of the Government by Indian Tea Association (ITA). In its pre-budget memorandum for the period 2012-13, it has been pointed out that “50 percent of the standing tea bushes are over the 50 years age bracket compared with an all India average of 38 percent. The same concern has been expressed in a report of Parliamentary Standing Committee (2012). The proportion of unproductive bushes has been estimated to be 37 per cent at the all India level in this report. Moreover, it is also mentioned in the report that old age profile of bushes put tea production of India to a disadvantage in comparison to other major tea producing countries like Kenya, Sri Lanka, Vietnam and China. This kind of situation would underline the

urgent necessity of invoking an alternative sector of production such as the emerging small grower-bought leaf sector. Additional output of tea coming from this sector will help to meet the national demand for tea and also support in maintaining exportable surplus which will help in earning foreign exchange for the country. Thus, the demand and supply disequilibrium problem making domestic tea market destabilized from time to time is probably a major pull factor driving the smallholder tea sector in West Bengal to flourish to an unprecedented order.

### **2.3 Phase-Wise Expansion of Tea Smallholder Sector**

At the outset, it may be mentioned that, under the nomenclature small tea growers (STGs) sector, three kinds of plantation have come into existence— project gardens, medium-sized proprietary gardens and small tea plantations. The whole process of development and growth of this sector did not happen concurrently but rather in phased manner over several decades. An inquiry into the expansion of tea plantation areas since early 1980s would reveal that the process had undergone three distinct phases: the first phase covered a period from early 1980s to late 1980s, the second phase from late 1980s to mid-1990s, and the third phase covered the rest of the period till date. Without referring to this three-phase analysis of changing structure of West Bengal tea sector since early 1980s, it is hardly possible to identify the economic push and pull factors that have contributed to the transfers of land from other uses to tea vis-à-vis the proliferation process of the emerging smallholder tea sector. It is to be mentioned here that these three phases of expansion often overlaps with each other as the transfer of farmland to different modes of tea growing operation including the small tea growing mode of operation had occurred intermittently throughout the period of post 1980s. A brief discourse of phase-wise development and growth of the sector has been made as under.

#### **2.3.1 The First Phase**

During the first phase, the expansion of tea plantations was undertaken mostly by the management of traditional tea estates. The pattern of expansion of tea acreage could be identified as the establishment of “project gardens” or “new divisions” by existing estate gardens either utilizing unused estate land or through acquisition of farm land. It is to mention here that the “project gardens” or “new divisions” schemes were implemented as part of the Tea Development Plan launched by the Tea Board in the early 1980s. The basic objective for the introduction of Tea Development Plan was to ease out the production shortfall crisis that the tea industry had

been anticipating to occur by that time. Under this plan, the tea board had identified the need for substantial expansion of the area under tea outside the traditional peripheries of the estate sector. As part of this plan, the Tea Board had recommended the 'project garden' programme which allowed for the spread of tea plantation in non-traditional areas by the large tea estates. This has given a big impetus to the big tea producers to establish tea plantations in farm lands in this region. The two large corporate tea companies who took the leadership role towards this endeavor include Duncans Industries of the Goenka group and Jayasree Tea Company of the Birla group of industries. Initially, the estate authority had tried to acquire land in village areas surrounding the estate periphery. As these land areas gradually became scarce, the reach of such new tea plantations had extended in areas where there was no existence of tea plantations prior to their establishments. The land held by rural peasant folk of these regions were not particularly averse to selling out their land to estate authority due to the fact that these land tracts were unsuitable for paddy cultivation due to unfavourable soil condition poor irrigational infrastructure.

The proposed establishment of new plantations had initially been succeeded in creating an atmosphere of optimism among the villagers about the prospective economic benefits they are capable of deriving from such changeovers. The process of acquisition of land by the estate sector has gone along with such arrangements as cash compensation for transfer of land rights and assured wage employment at the rate of one permanent labour job and one casual labour job for every hectare of land transferred. Thus, the land transfer process has had important implications for the rural labour market outcome. The sellers of land now have opportunity of earning gainful employment by working in newly established tea gardens either as permanent or as casual workers. Other than earning comparatively higher wages, they can now be assured of having more workdays during a year, and probably more secure form of employment than that the traditional agriculture is capable of delivering them. These anticipated benefits have plausibly left the process of land transfer to proceed without any interruption.

There are some important characteristics of labour employment created in new gardens during the first phase. In the first place, with the creation of new job opportunities in project gardens, a significant change has occurred in women work participation in the rural areas. Before the inception of such gardens, women were subsidiary income earners and mainly performed the function of housekeeping. They were being occasionally involved in major types of traditional

agricultural operation activities which were usually found to be unsuitable for them. The new tea plantations opened up sufficient job opportunities for them as they are more competent in plucking and other field works than the men. This seems to have positive bearings on their employability status and economic power than before. Secondly, another characteristic of labour employment in newly created jobs is that women are largely engaged as permanent workers while their male counterparts as casual workers. The possible explanation for this kind of decision making may be that the family looks for subsidiary income sources in the informal sector available at nearby urban areas. Since it is more convenient for male members to commute to those areas, they have preferred to work as casual labourers.

Despite all hue and cries, the economic benefits to the rural populous may not have enhanced to the desired level following the extension of tea plantation periphery. This observation is corroborated by the fact that there are plenty of evidences of disparities between the plantation workers of the big estate gardens and the project gardens. For all categories of workers, we can observe substantial wage differential between set gardens and project gardens. The factor causing such wage differential problem is that the customary non-wage fringe benefits under the provision of Plantation Labour Act are either totally absent or far less generous for the labourers in the new tea plantations in comparison to their counterparts in the old established gardens. Thus, the initial euphoria of about new plantations among the villagers tends to be cut back gradually.

### **2.3.2 The Second Phase**

During the second phase, the pattern of expansion of tea area could be principally traced out into the establishment of medium-sized proprietary gardens of size more than 25 acres by the people of urban origin. In some instances, they have played the role of intermediaries on behalf of the big estate gardens in the process of procurement of land areas for the establishment of “project gardens” or “new divisions” in the first phase. These gardens were initially established without any tea processing factory. Later on, some of these gardens had managed to set up their own tea processing units. The owner of these gardens were mostly financially well-off urban people with their close connectivity with tea business for a long time in different capacity such as supplier of fertilizers, pesticides, ration articles etc. They had the good opportunity to observe closely the whole process of expansion of tea acreage being carried out by large tea estates in the initial stage. The high rate of return that this sector is capable to fetch with relatively less amount of

investment for both procurement of land and formation of nursery for the preparation of tea saplings had attracted them to initiate tea plantation under their own proprietorship in place of simply doing the intermediary jobs in tea business. Subsequently, they identified a vast tract of uncultivable fallow land in different parts of Uttar Dinajpur, Darjeeling and Jalpaiguri districts and started establishing their own plantations with the course of time. It has been observed in the field survey that two categories of fallow land had been brought under the cultivation of tea: (i) fallow land owned by villagers and, (ii) vested fallow land occupied by the villagers, which had subsequently been converted into lease-hold land for a period of 30 years. Through persuasion along with money, they occupied the land from the local village people and started tea plantation.

Apart from high rate of return on tea yield and low investment for initiating plantations, there were some other corroborative factors that had facilitated the growth of medium-sized proprietary gardens in this region. First, being closely connected with tea business as part of their business activity, these urban people had the opportunity to gather knowledge of technological know-how of growing tea which had helped them a lot in initiating their own gardens. Second, for the large estate gardens, it was more profitable to purchase green leaf from these new gardens rather than to produce it in their own estate periphery simply because of high cost of production that they had to incur for it. This gave these newly emerging gardens a huge incentive in the form of assured market for selling off green leaf. Finally, this class of growers could manage to get hold of vast tracts of land with relative ease mainly due to political influence they could wield due to their close association with the influential peasant leaders of the then political force in power in West Bengal. A number of such people were found to hold important positions in the ruling party. This provided them the opportunity of using political power in a coercive manner to secure land from local people on their own terms and conditions. The local people under political pressure were being enforced to sell out their land to this political class of people despite their unwillingness to do so. Though this second category of plantations were predominantly emerged out of peasantry land, in some regions, as for instance in some parts of the district of Uttar Dinajpur, the proprietors of medium-sized gardens were the erstwhile pineapple growers who started switching over to tea cultivation in their holdings due to long term market crisis confronting them as well as the absence of processing technology for the pineapple in the region.

The pineapple growers earned handsome profits from tea cultivation, which also attracted a good number of urban people to take up tea cultivation as a profitable business activity.

It may be noted contextually that, at the initial stage, the process of extension of tea acreage in the form of establishment of medium-sized gardens was unaccompanied with any critical land issues. This was mainly because the lands transferred to tea during this time were largely uncultivable fallow land and consequently, the land-holders were not particularly averse to the land transfer arrangements. Gradually, as fallow land became scarce, this segment of growers had attempted to expand tea cultivation in cultivable agricultural land. When villagers did not want to surrender their cultivable lands, they tried to acquire them through either employing fraudulent means or establishing rapport with local political forces. This unfair means of land acquisition had been largely responsible for giving birth to social tension in villages. One factor that also contributed much to this growing social tension is the lesser number of employment generation than what was fixed under land transfer arrangements. Besides this, in gross violation of land transfer agreement between land-holders and tea planters, most of the jobs created were casual in nature and only a few numbers of permanent jobs were created. Moreover, the people employed in jobs were paid out a miserably low wages and practically no non-wage benefits despite the substantially large size of the garden. These violations of conditions relating to land transfer arrangements had been major sources of discontent among the people who were alienated from their land on the assurance of getting gainful employment opportunity so as to earn economic security, income stability and sustainable livelihood. Thus, the initial euphoria of second phase land-use transformation in the form of new job creation vis-à-vis monetary compensation was far outweighed by the growing discontent among local people consequent upon incidence of plenty of deprivation of them in the new growers' gardens. In fact, these deprivations of the workers at different levels probably account for low cost of production of green leaf in new growers gardens.

Besides deprivation of tea garden workers in terms of desolately low wage payment and a very narrow range of fringe benefits paid out to them, the process of land-use transformation had imposed a large amount of social costs on the paddy cultivators of the district in terms of degradation of productivity of paddy land situated surrounding the plantation area. It is already noted that, with the exhaustion of uncultivable fallow land, the tract of cultivable land was targeted by the middle growers segment to expand tea cultivation. This had rendered all land



situated adjacent to the plantations unsuitable for paddy cultivation. The reason for this is that as tea plantation requires draining off excess water from the land, digging up high drainage trenches is absolutely necessary for tea plantation. But, it causes draining off water from adjacent land too making these tracts unproductive for traditional crop cultivation. Thus, the deep trenches that were cut to drain water on new plantations lowered the water table in surrounding farmlands, forcing other farmers to sell or transfer their holdings. In a chain reaction, the switch over from farming to tea gradually affected a large number of farmers across the district. It was these adverse events that had made local people enormously aggrieved and had led them to start agitation against establishment of tea plantations in rice producing areas of this region. In many places, e.g., Jaharu Talma village, social conflicts and tension had been aggravated to such an extent that some obnoxious incidents like uprooting of tea plants or setting of fire in tea gardens took place.

Faced with such a weird situation, the Land and Land Reforms Department of Government of West Bengal had to take steps to prevent further transfer of farmland to tea as well as to check the unregulated expansion of “medium-sized proprietary gardens” by the absentee growers of predominantly urban origin. Accordingly, the Government articulated a policy regulating the conversion of farm land to tea, which barred such transfers from taking place on prime agricultural land, on lands under forest and tribal lands, and on lands falling within the command area of the Teesta Project. This policy had been mandated 30<sup>th</sup> June, 2001 as the cut-off date for the establishment of tea nursery and tea plantations in farmlands. It had been stated that any attempt to expand tea cultivation or tea nursery in new area beyond the cut-off date will be viewed very seriously and legal action will be taken against the offender. Moreover, under the policy, issuance of a No-Objection Certificate [NOC] by the State Government became compulsory before undertaking new tea plantation. The imposition of this institutional constraint has been acted only partially as an impediment for checking the unregulated expansion of “medium-sized proprietary gardens”. Notwithstanding the policy in place, many growers had initiated plantations even after the cut-off date by flouting the law by showing the official date of inception of the garden well before the cut-off date stipulated under the law.

### **2.3.3 The Third Phase**

The second phase of land transfer was followed by third phase in which the expansion of tea acreage is mostly taken on through the establishment of small tea plantations under the control of

local village entrepreneurs with a peasantry background. The trend started sometime around 1995 and picked up from 2004 as tea prices started climbing. The trend has been continuing unbrokenly till date. This phase could appropriately be characterized by the growth and consolidation of smallholder tea growers in this region. Prior to tea growing, they were largely small-holder subsistence farmers producing paddy, jute or other types of traditional crops for earning their livelihoods. There are both economic push and pull factors that have contributed to the proliferation process of this emerging sector. In the first place, with the emergence of “project gardens” as well as the “medium-sized proprietary gardens”, the local people belonging to the peasant community have come to gather knowledge and experience about tea cultivation on account of their direct involvement in plantation work in their capacities of permanent and casual wage labour in these two categories of gardens. Gradually, these local people have come to know that tea cultivation does not require much investment and can be established on small plots of land because of the fact density of tea bushes per bigha of land is unvarying across gardens of different size category. Thus, tea small growing operation is equally viable with tea growing on large holdings. Subsequently, these local people had started taking up tea cultivation on their own small plots of land. A large segment of these people, in fact, were the marginal farmers who were unable to bring their holdings into economic and remunerative cultivation of traditional crops due to a multitude of factors affecting crop production adversely. The land under their possession of this class of farmers could be classified into two categories— highlands with low moisture-retaining capabilities, and all land located at the estate peripheries. The land use for the cultivation of traditional crops could have become remunerative for this group of peasants had a large amount of investment been made by them on land. However, in the absence of any alternative profession other than the traditional farming activity, no option has been left to them other than converting themselves into tea growers. Besides, the economically non-viable size of holding coupled with the lack of irrigation facilities, the rising input prices and stagnant agricultural crop prices, the lack of access to institutional credit and other supply side assistance to be provided by the government have prevented them from continuing traditional farming activity. High population density and extreme demographic pressure further aggravated the problem. Because of such multitude of adversities, the land areas under their occupancy were virtually left fallow for several years. Some farmers might have been opted for rain-fed paddy cultivation, but most of the time they were unable to cover up the cost of production. More

importantly, they would have to be remained indebted perpetually due to the loss they have had to incur. A case in point in this regard is the Jahari Talma village of Jalpaiguri Sadar block. It has been observed during the field survey that farmers who have access to Teesta canal irrigation water have not converted their crop land to tea plantation. However, those without having access to irrigation water have decided to switch over from traditional crops to tea. With the establishment of small tea plantations, these lands could effectively be brought under more profitable use. With the rapid growth of BLFs, the proliferation process of small growers has got further momentum in terms of an expansion of the size of market for green leaf output. It is to be noted that the small growers either sell the plucked tea leaves to the large tea estates for processing or take them to one of the many bought leaf factories (BLFs) located in proximity to the plantation area. The STGs only grows, whereas the BLFs only manufactures.

Besides the above factors, there are some other important factors that have pushed up the proliferation process of this emerging sector as analyzed below. One such important factor is the declining productivity of farm land due to the lowering of water table following the digging up of high drainage trenches in nearby tea plantations. It is perhaps the middle growers' gardens of earlier phase that might have been responsible for the occurrence of this sort of land degradation problem. This adverse event could have forced many peasants to convert their farmland to tea. Hence, a significant number of small tea growers might be appropriately categorized as 'forced growers' as they were being forced to move from traditional crop cultivation to tea. As this involuntary process of switching over from farming to tea has got momentum, many other paddy farmers were affected subsequently in a chain reaction. This is possibly one of the awesome pull factors that have contributed to the conversion of a higher proportion of crop land to tea plantation. It is important to mention in this connection that this segment of farmers previously was left with no option but being forced to distress selling of their plots of land to the middle grower segment as they could not acquire skill and efficiency required for taking up tea plantation. Gradually, these people having skills in traditional agriculture have come to know about technological know-how for taking up tea plantation. With the attainment of skill and efficiency over a passage of time, they have eventually decided against selling out their land and started their own tea plantations. This is a phenomenal change in the entrepreneurial attitude of the rural people characterizing the third phase of land transfer to tea. However, this phenomenon was grossly absent during the second phase of land-use transformation. This probably explains

why the setting up of tea plantations was totally monopolized by the middle grower segment during the second phase. The non-attainment of technical and entrepreneurial skills by the local people had worked to the advantage of the urban people to the fullest extent. Taking advantage of such skill and efficiency gaps, they have initiated tea plantation in a planned manner to reap maximum possible benefits.

#### **2.4 Land under Tea Production and Proliferation of Small Tea Gardens: Present Scenario**

A re-survey of block wise status of new tea gardens of West Bengal conducted by the Land and Land Revenue department of the Government of West Bengal gives a glimpse of the present scenario of the land area extension under tea cultivation as well as the growth of new tea gardens. The survey data are presented in tables 1 and 2 as follows.

Table2.1. Extent of New Tea Gardens (Up to 10.12 Hectare and Above) in West Bengal between 2001-2009 (Area in Acres)

Tea Districts	Area Under Tea (in acre)		
	Before 30.06.2001	Up to 31.12.2009	Area-wise Percentage Change between 2001-2009
Darjeeling Hills (% share)	987.27 (1.70%)	1147.63 (1.29%)	16.2%
Terai (% share)	4147.54 (7.13%)	8200.9 (9.22%)	97.7%
Uttar Dinajpur (% share)	34116.09 (58.66%)	51979.37 (58.43%)	52.4%
Jalpaiguri (% share)	17506.28 (30.10%)	23948.54 (26.92%)	36.8%
Coochbehar (% share)	1397.74 (2.40%)	3686.89 (4.14%)	163.8%
North Bengal (% share)	58154.85 (100%)	88963.33 (100%)	53.0%

Source: Re-survey of Block Wise Status of New Tea Gardens of West Bengal, TBI

Table 2.2. Extent of New Tea Gardens (Up to 10.12 Hectare and Above) in West Bengal between 2001–2009 (No of Gardens)

Tea Districts	No of Gardens		
	Before 30.06.2001	Up to 31.12.2009	Area-wise Percentage Change between 2001-2009
Darjeeling Hills (% share)	637 (8.52%)	783 (3.66%)	22.9
Terai (% share)	1172 (15.68%)	2618 (12.24%)	123.4
Uttar Dinajpur (% share)	3642 (48.72%)	11386 (53.23%)	212.6
Jalpaiguri (% share)	1894 (25.33%)	6047 (28.27%)	219.3
Coochbehar (% share)	131 (1.75%)	556 (2.60%)	324.4
North Bengal (% share)	7476 (100%)	21390 (100%)	186.1

Source: *Re-survey of Block Wise Status of New Tea Gardens of West Bengal, TBI*

Tables 2.1 and 2.2 show, respectively, the growth of area and the number of tea gardens during the period 2001-2009 in the region of North Bengal. As table 2.1 shows, the tea sector of this region has brought a large proportion of land under its ambit during this period. This expansion of area under tea is accompanied by the growth of number of gardens across the tea districts of the region in this period (as shown in table 2.2). It is important to mention in this context that there is a sharp contrast between land transformation pattern that was observed in the 1970s and early part of 1980s and that is being witnessed now. In earlier periods, it was primarily non-agricultural unused lease-hold land under the possession of big estates that had made addition to the tea acreage. However, in recent periods, it is predominantly agricultural land of different categories under different traditional crop cultivation that had come within the territory of tea cultivation. The tea districts in which such a change in land utilisation pattern is most prominently visible are the Coochbehar (324 percent), Terai (97.7 percent) and Uttar Dinajpur (52.4 percent). Among these three areas, Coochbehar and Uttar Dinajpur have had only an insignificant number of big estate gardens until recently. Thus, the new addition to land under tea

plantation has predominantly contributed by agricultural land. The tea districts of Jalpaiguri and Terai, where the big estate gardens of the region are mostly concentrated, have also undergone a huge conversion of agricultural land into tea plantation in recent time. This is evidently supported by data presented in table 2 showing the huge jump in the number of tea gardens. This increase in number of gardens seems to be due to the inclusion of new form of tea cultivation under small holding. As these newly added lands to the existing tea acreage mostly belong to the peasantry of this region, there is perhaps a huge jump in the number STGs which holds the majority share among the newly established tea gardens. In terms of growth of number of tea gardens, Coochbehar ranks first (324.4 percent) followed by Jalpaiguri (219.3 percent), Uttar Dinajpur (212.6 percent, Terai (123.4 percent) and Darjeeling Hills (22.9 percent). It is to be noted that Darjeeling Hills has the lowest rank among the tea districts either in terms area (16.2 percent) or the number of gardens (22.9 percent). This is not unexpected as the region has so far left out of the ambit of the process of conversion of agricultural land into tea cultivation.

## **2.5 Conclusion**

Tea cultivation on small holding is of recent origin in North Bengal. The sector is now scattered in both traditional and non-traditional tea growing zones of the region. It has developed as a decentralized system consisting of independent small tea farmers and independent factories. Under this system, production of green leaf is separated from manufacturing of tea. The knowledge that this disintegrated system has been able to disseminate to the local people with the passage of time is that tea cultivation does not require much initial investment and can be established on small plots of land. Thus, even though the smallholding tea cultivation has taken root with the initiative of the class of growers who happen to be owners of business capital, its outreach has gradually extended to the peasantry class who constitute the backbone of the smallholder agriculture sector in the region. Over time, the sector has gradually become smallholder oriented in true sense of the term with larger participation of the peasant cultivators for whom this alternative activity seems to become a stable source of income and self-employment for a long period of time. Another explanation for taking up tea cultivation as an alternative livelihood option by the peasant community may be that there is an abundance of uncultivable land like fallow land, high land, waste land, etc under their possession. The opportunity cost of these lands seems to be negligible due to their unsuitability for cultivation of

traditional agricultural crops. However, this vast tract of land could have been found to be highly suitable for cultivation of tea given the meteorological vis-à-vis the soil suitability conditions prevailing in the region. Thus, the development of this sector has opened up huge opportunity for them to put their landholdings into more effective and profitable use like planting of tea bushes. The phenomenon of land-use transformation, therefore, is to be viewed to a considerable context from this perspective of land suitability. With the rapid growth of BLFs, the size of market for green leaf output has tended to be expanded to a considerable extent and this has given further impetus to the proliferation process of small tea growers. Whatever growth the tea industry in West Bengal has registered in recent time is primarily attributable to the contribution of the small tea growers sector both in terms of increases in tea acreage as well as tea production on a robust scale.