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Address for correspondence:
Priyanka Sharma
Research Scholar, Department of
Commerce, University of Calcutta
Email:
priyankasharma3551@gmail.com

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An Empirical Study of Socio-Economic Impact of Government Initiatives and Regulation on Workers of Selected Small Tea Growers in West Bengal

Priyanka Sharma¹, Dr. Amit Majumdar²

¹Research Scholar, Department of Commerce, University of Calcutta

²Principal, Maharaja Srischandra College, University of Calcutta

Abstract

West Bengal being primarily an agrarian economy depends heavily on the plantation sector particularly the tea industry. It employs the large section of workforce particularly women in the sector. The major tea producing area of West Bengal are Darjeeling, Dooars, Terai region. This paper focuses on Terai, the foothills of Darjeeling district with the objective to examine the socio-economic impact of Government initiatives on workers of selected tea gardens to highlight the major problems and challenges faced by tea garden workers in the selected area. The study is based on primary and secondary sources of date. The author discusses the Government initiatives, its implication and the current scenario. The study highlights the percentage of respondents aware and benefitted from Government initiatives. The author gives suggestions for better implementation of schemes and positive result in respect of welfare of the workers.

Key Words: Socio Economic Impact, Small Tea Growers, Government initiatives, Agriculture Based Industry, Small Tea Growers

Introduction

Tea (chai in India) originated in ancient China as medicinal drink before becoming cultural significance and daily ritual. It is the most popular beverage equaling all other drinks like coffee, soft drinks and alcohol. Beside taste color and aroma, it has potential health benefit as it contains antioxidant and other compounds which supports heart health, improves focus and promote relaxation and lowers cholesterol. India is world's second largest producer of tea with a production of 1.2 million tons. Assam is the largest tea producing state in India followed by second largest tea producing state West Bengal which includes Darjeeling, Terai and Jalpaiguri and Coochbehar district. It also includes Tamil Nadu, Kerala and Karnataka as major tea producing states of India.

West Bengal Tea industry was started with experimental cultivation of tea in Darjeeling in 1840s by Dr Archibald Campbell, followed by first commercial tea garden, Upper Takbar and Alubari Tea Garden. The number of tea gardens in Darjeeling increased rapidly which includes expansion in the Terai region in 1962 by opening first Terai tea garden Chamta, and Door's tea garden in 1874 making tea industry primary source of livelihood for major portion of population, especially in northern part of West Bengal.

Economic impact is the change in the economic activity or a boost which brings a change in the region due to the net financial change, caused by a project, an industry, or an event which can be measured by employment, income generated or losses, or the total contribution to the economy. Socio Economic impact (health, culture, community, education) is a broader term that includes the economic system (wages, job, income, business) the financial aspects.

Tea industry is one of the biggest sectors in India employing over 1.2 million workers, however this sector face multiple crisis. Key issue for workers is extremely low wage, poor housing and sanitation, limited access to medical care and food grain distribution. Government initiatives play a vital role in development of the economy.

Government Initiatives: Key provision for workers under various labour laws (Ministry of Labour and Employment)

- **The Factory Act, 1948** – it incorporates provision to ensure the welfare of workers. These includes the establishment of canteens, restroom, first aid boxes, crèches for women workers.
- **The building and other Construction workers Act, 1996:** It includes mandates comprehensive welfare measures for construction workers.

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- **The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA):** It has provision for children accompanying the women working under MGNREGA.
- **The Maternity Benefit Act, 1961:** It provides maternity leave to women employees from 12 to 26 weeks (act amended in 2017).
- **The Employee State Insurance (ESI) Act, 1948:** It is a comprehensive social security benefit to both men and women workers.
- **The Employees Provident Funds (EPF) and Miscellaneous Provision Act, 1952:** It ensures the establishment of a provident fund for social and financial security and retirement benefits for all eligible employees.
- **The Equal Remuneration Act, 1976-** The act prohibits gender- based discrimination in wage, salary, recruitment for the work of same nature.

West Bengal Government Initiatives for Tea Garden Workers:

- **Chaa Sundari Scheme:** Homeless Tea Garden workers are offered free housing and land (patta).
- **Plantation Welfare Fund Act, 2015:** It creates funds for soft loans for social welfare. It also provides scholarships for employee’s children.
- **Bonus and Ex-Gratia-** Bonus is to reward the employee for the achievement, it is performance based. Ex-Gratia is Voluntary, without any legal obligation onetime payment made out of goodwill, mostly not covered under bonus.

Tea industry and its production in India

Table 1. Tea Production for 2024-2025 (April-March)

Tea producing states in India	Quantity in M.KG		
	Organised sector	Small Grower	Total
Assam	342.59	324.23	666.82
West Bengal	138.81	248.7	387.51
North India	492.35	597.97	1090.32
South India	105.63	119.82	225.45

Source: Tea Board of India (2025)

Table 2. Tea production during 2024-2025(April-March) in North Bengal

Tea production in North Bengal	Quantity in M.KG		
	Organised Sector	Small Grower	Total
Dooars	101.48	115.55	217
Terai	31.68	133.05	164.7
Darjeeling	5.65	0.1	5.75
West Bengal	138.81	248.7	387.5

Source: Tea Board of India (2025)

Tea Cultivators:

Large Tea Grower: Large tea plantation land with their own processing factories. Few large tea growers are mentioned below :

- Samsing Tea Estate, covering 1256.60 hectares.
- Happy Valley Tea Estate, covering 177 hectares.
- Kamdambini Tea Estate
- Shikarpur & Bhandarpur Tea Estate
- Dooars Terai region

Small Tea Grower: Small Tea plantation grown on smaller holdings of land up to 10-12 hectares. Few small tea growers are mentioned below:

- North Bengal (particularly in North Bengal, Jalpaiguri)
- Cooch Behar
- North Dinajpur
- Foothills of Darjeeling

Literature Review

Ansari & Sheereen (2016) West Bengal is the second largest producer of tea in India contributing one fourth of India’s tea productions. The study reveals the wages given to tea garden worker are below the minimum wage of agriculture labour

and the condition worsens when tea garden are locked out or temporarily suspended, then the worker cannot even afford basic living.

Adhikari & Kumar (2025) Assam major state in Northeastern is acknowledged as the center of country’s Rs 1.5 billion tea industry where women make up majority of workforce. The study concludes primary issue in tea garden is low pay, which hampers the workers growth and causes them to lead pitiful lives.

Chatterjee & Majumdar (2019): The study covers two tea estate in West Bengal, Jiti tea estate and Dam dim tea estate and highlights economic activities performed by the tea garden. The paper has been structure to analyse how tea industry fulfills there task towards economic development for their workers and looked out to analyse their performance towards their contribution in the society.

Hoque & Hasmi(2023): The study highlights the major problem and challenges faced by the workers in the area to give valuable suggestion for better improvement of working profile and standard of living among the tea garden worker in Chopra block of Uttar Dinajpur district of West Bengal.The study

shows that 49.60 percent of respondents are earning Rs 6001-10000 monthly, majority of tea garden workers are facing various problem such as unable to bear children education, sexual harassment, delay in wage payment, low wage, unable to bear medical treatment.

Sharma & Barua (2017): In the Northeast Indian state of Assam, after independence many Indian entrepreneurs entered the plantation sector after departure of the British planters. It was difficult for Assamese entrepreneurs to emulate this due to lack of capital. Since 1970's, a significant section of the local small and middle peasants, as a part of a conscious drive took to small tea plantation. The last two decades witnesses a dramatic growth in number of small planters, which has brought about a major change in rural social landscape of Assam.

Chakraborti & Ramchandra (2022): The study was conducted to investigate the socio-economic condition of tea garden workers. The study concludes that workers are residing in depressing condition from the very beginning in India. It also shows the maximum ability labour of tea enterprise is women workers, which is 55% of total workers.

Rajak & Bose (2022): The study is conducted to find livelihood condition in six village of Jalpaiguri district having a tea garden. It was found that maximum number of respondent have a medium level of livelihood. The major restraint faced by respondents in the tea garden was lower wage.

Chhetri & Kasemi (2018): The tea industries in Doars are facing decreasing demand in international market due to poor quality of tea produced over the year, this eventually has hampered livelihood of tea garden workers. Some families are totally dependent on tea industry, sudden shut down of the industry significantly affects workers socio economic conditions. In this study worker of four closed tea garden has been interviewed and it has been found that immediate intervention by the government is required.

Chatterjee & Bansal (2023): The study conducted to get an overview of how tea industry fulfills task towards holistic development of women workers, in Jiti tea plantation under Goodricke Group Limited in West Bengal. It was found that tea industry is an eco-friendly industry, more than 50% workers are women and the industry has taken various initiatives to up-lift workers especially women.

Goowalla (2014): The author conducted study on corporate social responsibility for workers in three company-based tea estate of Assam. The study highlights that the tea garden has introduced many welfare activities, social development program, better working conditions, provide better medical and sanitation facilities, sports and cultural activities. The study also concludes that workers are unaware regarding the benefits which are available for them.

Objective of the study

- To study the awareness of the tea garden workers regarding various welfare facilities and government initiatives.
- To study about the legal provisions for the protection of the Tea Garden worker.
- To study the different government initiatives adopted by the management.
- To study how the tea industry contributes towards socio economic development of society.

Research Methodology

A. Data Source: The study is conducted through the collection of primary and secondary data.

Primary Data: The primary data has been collected through well-structured questionnaire, personal interview with the worker and management of the tea garden. The questionnaire has been designed as per the objective of the study.

Secondary Data: The secondary data are collected from website, journals, reports and newspapers.

B. POPULATION: The population consists of male and female residents of Tea Estate.

C. SAMPLE SIZE: The sample size comprises of 5 respondents from each Tea Estate.

D. SURVEY PERIOD: The data has been collected from public domain, published data as well as personal interview during end of October 2025.

Data Presentation and Analysis

The survey was conducted in seven tea estates in the foothills of Darjeeling District.

Ashapur Tea Estate

Ashapur Tea Estate is situated in the plains foothills of Darjeeling district, near Naxalbari. It was established in 1965. The Tea estate had faced temporary shutdown and was reopened in 2025.

Kamalpur Tea Estate

Kamalpur Tea Estate is one of the early proprietary established in 1850s. It is located in the Darjeeling-Terai region near Bagdogra

Tirrihannah Tea Estate

Tirrihannah Tea Estate situates in foothills of Darjeeling district. It was established in 1908 and is managed by Tirrihannah Company Limited.

Ord Terai Tea Garden

Ord Terai Tea Garden is situated near the Balason River of Darjeeling district. A 179.28 hectare estate established in 1862 which makes it one of the early tea plantation in Darjeeling-Terai region.

Panighatta Tea Estate

Panighatta Tea Estate is situated in the Darjeeling Terai region near Mirik, along the Balason River. It was established in

Marapur Tea Estate

Marapur Tea Estate is situated in Darjeeling Terai region near Naxalbari block.

Belgachi Tea Estate

Belgachi Tea Estate is situated in Darjeeling Terai region near Mirik. It was established in 1921

Table 3. Demographic Profile of workers:

Particulars	Category	No of respondent	Percentage of respondent
Age	Less than 20		
	21-31	8	22.8
	32-42	12	34.2
	43-53	9	25.7
	54-64	6	17.1
Gender	Female	30	85.7
	Male	5	14.28
Income Group	Less than 3000		0
	30000-50000		0
	51000-70000	30	85.73
	71000-80000		
	81000-100000		
	101000-120000		
	121000-140000	5	14.28
Religion	Hinduism	24	68.57
	Islam	0	0
	Christianity	11	31.42
	Buddhism	0	0
	Others	0	0
Educational Qualification	Illiterate	17	48.57
	I-X	10	28.57
	X- Above	8	22.86

Source: Collected and compiled by authors.

From the above table shows that the majority of respondents lies between 32-42. The authors surveyed total thirty five workers, where thirty are female workers and five are male workers. The majority of workers lie between income of Rs 51000-70000. The survey area consists of Hindu majority 68.57% Hindu work and 31.42 Christian workers. It was also found that majority of respondents 48.57% are illiterate and 22.86 have completed their higher secondary examination.

Table 4. Awareness about the Government Regulation, Initiatives and Schemes:

Regulation/Initiatives/Schemes	No. Of Respondent		Percentage		Total No. Of Respondent
	Aware	Not Aware	Aware	Not Aware	
Plantation Labour Act,1951	5	30	14.28	85.7	35
Maternity Benefit Act,1961	35	0	100	0	35
Equal pay regulation for Men and Women	35	0	100	0	35
Chaa Sundari Scheme	5	30	85.7	14.28	35
Land Patta Distribution	35	0	100	0	35

West Bengal Tea Plantation Employees Welfare Fund(2015)	3	32	8.57	91.4	35
Pradhan Mantri Cha Shramik Protsahan Yojana (PMCSFY)	3	32	8.57	91.4	35

Source: Collected and compiled by authors

The table above reveals that 85.7% of the respondents who are workers from all seven-tea estates were not aware and other 14.28 who are office staff of the tea garden were aware regarding the Plantation Labour Act,1951. 100% respondents were aware about Maternity Benefit Act,1961 and equal pay regulation and Land and patta distribution. Only 8.57% respondent were aware about West Bengal Tea Plantation Welfare Fund (2015) and Pradhan Mantri Cha Shramik Protsahan Yojna (PMCSFY). The major reason for this is illiteracy along with management failing to properly guide and educate workers regarding Government initiatives and schemes.

Table 5. Benefited from any Government Welfare Scheme

Government Welfare Schemes	No. Of Respondent		Percentage		Total No Of Respondent
	Scheme Beneficiaries	Scheme Non-Beneficiaries	Scheme Beneficiaries	Scheme Non-Beneficiaries	
Maternity Benefit	30	5	86	14	35
Health Scheme(Swasthya Sathi)	32	3	91.42	8.57	35
Education Scholarship for Children	2	33	6	94	35
Housing	35	0	100	0	35
Festival Bonus	30	5	86	14	35
Khadya Sathi Scheme	35	0	100	0	35
Good Performance Benefit	0	35	0	100	35

Source: Collected and compiled by authors

The table above reveals that 86% respondent are benefited from maternity benefit, 91.42% are benefited from health scheme (Swasthya Sathi) of West Bengal government, rest 8.57% have not made the card yet. Most worker and unaware and not a beneficiary of education scholarship to the children. Housing is provided to all the respondent in the area near the tea garden. Every year Festival bonus is provided but Panighatta tea estate didn't provide festival bonus to the workers reason being it had just started functioning after years of shut down. Food grains are provided to the workers as a part of government scheme and 100% respondent are benefited. Earlier tea garden used to provide food grains to the workers. Good performance benefited like umbrella, blanket, tiral or temporary protective gear worn by tea garden worker in rainy season are not provided in the tea garden.

Findings of the study:

- Fair wage and Benefit: Equal and fair wages are provided to the workers of the tea estate.
- Health and safety: Health center is set up in the tea estate and primary healthcare is provided in the facility. Worker make use of Swasthya Sathi, a West Bengal Government health scheme. It was also found that the workers are compensated for private hospital expenses.
- Housing and Sanitation: Pacca housing structure is provided to the workers in the tea estate. It was

found that seasonal and casual workers are not provided housing facility.

- Education: The workers children in the tea estate have the facility of attending government primary school but worker are not satisfied by the standard of education provided by the government school, they want their children to study in English school but because of their modest income they are unable to make such choices. Tea Board of India provides educational scholarship to children of tea garden worker, which covers primary to post-graduate levels but as per the survey only 2 out of 35 were aware and were benefited by the scholarship.
- Recreational facility: All the tea garden mentioned above have the crèche house facility for children of women workers in the tea estate.
- Khadya Sathi Scheme: With the initiative of Khadya Sathi Scheme the tea garden workers have been able to take the benefit of heavily subsidized food grains per month.

Conclusion and suggestion:

Tea industry is a labour-intensive industry, which makes labour essential component in the tea industry, so providing a comprehensive benefit brings efficiency and productivity which in the long run eventually benefits the industry. Wage rate can be increased for the worker as it is only Rs 250 per day and it is not sufficient to support a family. As per health and safety regular health checkups can be

provided to the workers in the tea estate. Few respondents mentioned the health facility provided by the garden are not enough as it lacks proper infrastructure, qualified staff. Financial assistance should be provided for the maintenance of the residential housing, as some workers mentioned their roof leaks during the rainy season. Management should give special attention on educating the workers, massive awareness campaigns can be organized to educate them and their children on higher education and scholarship facilities. Steps should be taken by government authorities to inspect the tea garden on compliance of the Plantation Labour Act, 1951 and implementation of all the government initiatives because after all the scheme provided for welfare of the worker it is evident that it has made very little difference in workers life. Furthermore, there should be extended welfare schemes for the worker.

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Conflicts of interest

The authors declare that there are no conflicts of interest regarding the publication of this paper

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