

Rajendra Nath Mookherjee and Business Enterprise in Bengal

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Abstract

Sir Rajendra Nath Mookherjee is remembered as a leading industrialist of the first half of the twentieth century in Bengal. Unlike many a worthy son of Bengal of his time, he did not belong to the affluent middle class. Starting from the year 1855, Presidency College offered for almost half a century a course for training subordinates and overseers for Public Works Department. This was the only technical education he received. But the firm of Martin and Co. that he founded became very famous. He took a European, Thomas Acquin Martin, as his business partner. At the same time he maintained relation with the early nationalists during the Swadeshi era. The present paper highlights the versatile character of Sir Rajendra Nath Mookherjee, and his business entrepreneurship in colonial Bengal. It also flaps light on the economic development of Bengal during the period concerned.

Key Words: *Technical and Scientific Education, Self-Made Railway Lines, Entrepreneurial Skill, European, Partnership, Business.*

Sir Rajendra Nath Mookherjee's career (13.06.1854-15.05.1936) was unique in many ways. Unlike many a worthy son of Bengal, he did not come from the monied middle class. It was a story of rags to riches. He was a self-made man. From the time of the Permanent Settlement, most of the private property in Bengal had been made on the basis of earnings from land. For the educated middle class, the liberal professions – government service, education, law, medicine and journalism- were the chief sources of employment. Rajendra Nath chose a different course. He made his fortune in the cut-throat world of commerce and industry, where he had to face stiff competition from unscrupulous foreign companies. The only formal education was that given at the Presidency College for training subordinates and overseers in the Public Works Department from 1855. Even he could not complete. He enrolled for the course in the late 1880s and studied for three years before ill health forced him to discontinue his studies.

The race factor also went against him. It was not an encouraging prospect at the beginning of his career. Available figures indicate that the number of students studying medicine in Bengal decreased by more than a half in the period between 1874 to 1878, on the one hand, and 1884 to 1888, on the other. It stood at 426 at the beginning of the period and came down to 163 towards the end. Those

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studying engineering were even fewer in number: 34 between 1874-78 and 21, a decade later,² the example that Dwarkanath Tagore (1794-1846) had set by his entrepreneurial skill in the early days of the Empire was a thing of the past. Even then he had shown out as an exception. The Bengali middle class at the end of the nineteenth century was, as a leading historian of our period, observes, 'hardly bourgeoisie in the precise sense of the term. British capital in the meantime had consolidated its position in Bengal, dominating the structure of overseas and wholesale trade and finance, and establishing through the managing agency system a firm grip over the new lines of business – jute, tea and coal'.³

Starting with Dadabhai Naoroji, Indian nationalist economists held the administration responsible for the decay of the Indian economy. They pointed out how the country was being bled white by Home Charges and the drain of wealth. They deplored the process of de-industrialization and urged the government to lend all possible encouragement to the development of Indian industry. In Bengal, Pramatha Nath Bose in a pamphlet published in 1886 under the title *Technical and Scientific Education in Bengal*, drew attention to the need for including a proper scientific curriculum in the university syllabus and for setting up an institution for the promotion of science and technology. The Bengal Provincial Conference at its meeting in 1906 set up an Indian Industrial Association. But, it was "never anything more than a small club of intellectuals with industrial inclination".⁴ The government was restricted by its imperial interest and could not provide effective leadership in matters pertaining to trade and industry. Sir P.C. Ray had set an example which he wanted others to emulate by establishing the Bengal Chemicals in 1893. But indigenous enterprise did not really make much of headway till the Swadeshi movement of 1905.

Sir Rajen realized the value of European partnership but it needed to be a partnership of equals. The firm of Martin and Co., which he formed with Sir Thomas Acquin Martin as his partner was based on this understanding. Beneath the European attire in which he dressed himself, the dignity of the man was unmistakable. This was not easy to maintain at a time when India was a part of the British Empire. He extended his hand in support to his countrymen. Those who worked with him acknowledged this as well as members of the society at large. It is strange that scholars have not found time to discuss in detail his contributions. Our chief source of information so far has been a biography about him written by K.C. Mahindra, who knew him personally. The book, first published in 1933 under the title *Sir Rajendra Nath Mookerjee, A Personal Study*, was reprinted in 1962 (with additional material) by Martin Burn and Co., but has long remained out of print. It forms the basis of our discussion here. It is unfortunate that, while discussing the climate for industrial growth in this province, we do not have the time to recollect past achievements of those who had once won reputation for Bengal in the economic sphere.

2. Amalesh Tripathi, *Swadhinata Sangrame Bharater Jatiya Congress*, Calcutta, 1990, P. 30

3. Sumit Sarkar, *The Swadeshi Movement in Bengal, 1903-1908*, New Delhi, 1973, PP. 94-95

4. *Ibid.* P.113.

Sir Rajen was not born with a silver spoon in his mouth. On the contrary, he rose from humble ranks. His father Bhagavan Chandra Mookherjee was a flourishing lawyer (*mookteer*) in the muffsil town of Barasat, Rajendra Nath, his only son, was born on 23 June 1854 at his ancestral house in the village of Bhabla, twenty-six miles away from his place of work. Bhagavan Chandra died when Rajendra Nath was only six years of age. The child had, therefore, to be brought up by his mother, who had the perspicacity to realize the value of English education. After completing his studies at the village school, Rajendra Nath had to leave his house at an early age to pick up the English language. His studies were affected by ill health. Malaria had then assumed an epidemic form in rural Bengal. So, Rajendra Nath's mother sent him away to Agra, where he studied for a few years at the St. John's Collegiate School. In keeping with the social practice of the time, Rajendra Nath was given in marriage when he was only seventeen. He passed the Matriculation Examination from the London Missionary Society Institution at Bhowanipore and then enrolled himself for the engineering course at the Presidency College, which however he had to leave midway. As he himself stated later;

“When I was married I was only seventeen years old and my wife about twelve; she became a young woman before I finished my education. This early marriage was entirely due to my being the only son of a widow in a Hindu family, my father having died when I was only six years of age. My guardian or the *Karta* of the family, in order to show that he was very loyal to the memory of my father, got me married at this early age. This marriage of a child to another child was duly celebrated according to tradition with great pomp and *eclat*. During the time when I was a student, I felt obliged to save from my pocket money a few annas every month in order to enable my wife to write to me; she wanted to write every second day but I could not afford the expense. My allowance was only Rs. 5 a month given to me to cover my gharry-hire from Beltala to my college. I could not therefore buy enough post-cards for my wife to write to me every other day, not to speak of the other little necessities which a young married woman needs, This want of hers so painfully pressed upon me and seared my sentiments so deeply that, I must candidly admit, it greatly interfered with my education.”⁵

The real turning point in Rajendra Nath's career came in 1891, when he accidentally came in contact with Bradford Leslie, the then chief engineer of the Calcutta Corporation. Already Rajendra Nath had turned down an offer (which, his biographer admits, was exceptional considering that he was relatively young of age and did not hold a diploma) to act as the surveyor for the construction of a large *bil* by the government. The offer had been secured by a family friend, who was Head Clerk to the Chief Engineer of the Government of Bengal. Rajendra Nath's reasons for declining the offer have thus been explained by his biographer, “Partly because of his bad health which would not permit him to take up an arduous work like that of a survey of marshy lands, but chiefly, because of his subconscious dislike of serving under a master, Rajendra Nath decided to refuse the post...”.

5. K.C. Mahindra, *Sir Rajendranath Mookerjee, A Personal Study*, p. 48

The meeting with Leslie was fortuitous. The Alipore Zoological Gardens were being laid out and Rambrahma Sanyal, who was later to gain fame as a wild-life specialist, had been appointed there as superintendent of conservation. He was a friend of Rajendra Nath and the two would often stroll round the Gardens. It was on one such occasion that Sir Rajen saw an Englishman trying to explain something to the Indian workers. Sir Rajen easily grasped the point and, with his permission, conveyed the same to the men in question in the language which they understood. The Englishman was none other than Leslie and, after assessing Rajendra Nath's worth, he appointed him in charge of the work of extending filters, settling tanks and other subsidiary construction that were being carried on at the Palta Waterworks. With a sum of Rs. 1000 which he had borrowed from a friend on condition of sharing half the profits, Rajendra Nath started his business career. Half the money was spent on furnishing his quarters and the rest used as seed money for his business. Rajendra acquitted himself well. So that, upon completion of the work, he was asked to stay and supervise the maintenance of the filter and settling tanks. This he did for a few years. With an assured job on his hand, he also undertook small construction works under the PWD at Calcutta and Chinsurah.

Things were going well until, after altercation with the authorities, Rajendra Nath severed his connection with the Corporation for a time and devoted himself wholly to construction works of various kinds under the PWD in different parts of the province, like Kusthia, Ranaghat and other growing centers. However, the differences were soon made up as both sides realized the need for each other. Rajendra Nath however refused to be limited by his work at the Corporation. He found a financier in Bhutnath Mookherjee, a man who had made a large fortune by supplying food and provisions to those who followed in the train of the Indian prince who came to plead their case in Calcutta, which was then the capital of British India. The result was the establishment of the firm of T.C. Mookerjee & Co. The initials were borrowed from the name of Bhutnath's elder brother, since none of the contracting parties was prepared to include the other man's name in the Company's masthead. However, it was agreed that Bhutnath's brother would have a share in it.

A second lucky break in Rajendra Nath's career came soon after, the first being his chance meeting with Leslie, who had also since that time left the Corporation and taken up service as chief engineer of the East Indian Railway. The Calcutta Corporation had sanctioned a plan for laying a 40-inch main pipe from Palta to Calcutta. Tenders were called for pipes and laying them out accordingly. Six European firms responded. Two were interested only in supplying the pipes but the other four were eager to do the whole work, for which they quoted a lump sum. Rajendra Nath's help was sought in scrutinizing the tenders. He concluded that an amount of four to five lakhs could be saved if the Corporation purchased the pipes and provided them to some private contractor. Rajendra Nath was entrusted with the task which he performed to the satisfaction of the Corporation authorities. The firm of T.C. Mookerjee & Co. came into the limelight as a result. Consequently, it was no surprise when it secured most of the contracts for supplying the filters and settling tanks at Palta within a few years.

Having made his mark on the local scene, Rajendra Nath aspired for things bigger. The Government of the United Provinces had decided to install waterworks at the main cities within the province.

Agra was the first to issue the call for tenders. Rajendra Nath's application was backed by a recommendation from Sir Stuart Hogg, then the chairman of the Calcutta Corporation. But the bid was not ultimately accepted by the UP Government, in spite of the terms quoted being the lowest. His biographer attributes this to two reasons; first, racial prejudice and next the displeasure that had already been roused in the official mind by the political agitations that were then being carried on in Bengal. Rajendra Nath's talents were however recognized by A. J. Hughes, the chief engineer of the Agra waterworks project, particularly because some of the defects in the government's plan of installation were detected by the young Bengal engineer.

When tenders for the Allahabad waterworks scheme were advertised next, Hughes advised Rajendra Nath to tie up with some European firm and submit the tender in its name. He did not stop by merely advising Rajendra Nath on his future course of action. Hughes informed Acquin Martin, resident partner of Walsh, Lovett and Co, about Rajendra Nath's, merits. So the latter contacted Rajendra Nath and a deal was made whereby Martin took upon himself the responsibility of financing the purchasing material from England, while Rajendra Nath was to devote himself to the actual task of construction. In keeping with the expenses incurred, Rajendra Nath was to receive one-third of the profits gained and the rest was to go to Martin. It was more than a business partnership. The two men struck up a bond of friendship that was to last for all their lives. Together they secured the contract, first for the construction of the Allahabad waterworks and then for that of Kanpur. Lovett, the senior partner in the firm of Walsh, Lovett and Co., however thought that the terms accorded by Martin, who was his junior, were unduly favourable to Rajendra Nath. So Martin was left with no other option but to sever his connection with the firm of Walsh, Lovett and Co., which he did. Together with Rajendra Nath he set up in 1892 a firm called after himself "Martin & Co." Rajendra Nath wanted it to be so, because already his experience had showed him the usefulness of an English name for any business enterprise in colonial India. Gradually he severed his connection with the firm of T.C. Mookerjee. One by one, Martin & Co. carried out the installation of waterworks in the principal cities of North India like Meerut, Nainital, Benaras and Lucknow. At Benaras the firm also successfully executed a big drainage scheme.

The firm of Martin & Co. Found a new avenue of investment in the early twentieth century. Construction of railway lines in India had been a profitable source of income for British industrialists since the middle of the nineteenth century. No risks were involved since under the 'guarantee system' the government undertook to replay losses. There was much wasteful expenditure and the government undertook the responsibility of constructing railway lines for a time (1869-1882) on its own initiative. But the practice had to be discontinued for want of funds. The government then leased some of the rail lines that it had constructed to private companies. At the beginning of the twentieth century railways in India could be divided into the following categories: (1) those that were run and owned by the government (2) those owned by the government but let out to private companies and (3) those that operated under the 'guarantee system'. To avoid further wasteful expenditure, the administration under Lord Curzon set up a Rail Board in 1905 to regulate expenses. This was the time when Martin and Co. entered the field. Its first ventures were the construction of the Howrah – Amta Light Railway, and the Howrah – Sheakhala Light Railway, both two-foot

gauges, which covered a combined distance of some 63 miles. These lines were opened for traffic in 1897. After this came the Barasat – Basirhat Light Railway (1905), the Shahdara – Delhi – Saharanpur Light Railway (1907), the Arrah-Sasaram Light Railway (1911) and the Futwah-Islampur Light Railway (1922) covering a total distance of about 270 miles. Construction of the Ranaghat-Krishnanagar and Arakan Light Railways was also undertaken by Martin & Co., in the first quarter of the 20th Century. The Chaparmukh-Silghat Railway (metre gauge) was built in the year 1920 having a mileage of 50.81 miles. The light Railway Rolling Stock and Track came from the works of Robert Hudson (India) Ltd., situated in Calcutta. (The headquarters of this internationally famous organization were in London). From 1917 it had commenced operations in India under the managing Agency of Martin & Co.

The basis of Rajendra Nath's fortune was thus laid by the end of the first decade of the twentieth century. He had now time to attend to the social and economic problems that were affecting the country. Unerringly he put his finger on the need for imparting technical education to the students. As early as 1910, he had pleaded for the establishment of a Central Technical College. His experience of presiding over the Industrial Commission (1916-18), during the time that Sir Thomas Holland (the regular chairman) was on leave, made him more conscious of the need for such an institution. His dream became a reality when in 1921 the Institution of Engineers was established in Calcutta. Very appropriately, it chose him its first President. The Indian Science Congress elected him its President for the eighth session that same year. In course of his address, Rajendra Nath said:

“Science is stretching out a hand to industry, and it is for industry to appreciate the common need and to respond to the advances of science without stint or question. This alliance of the ideal and abstract with the practical and material activities of the human mind is not only a necessary condition of progress, but improves the mental outlook of every person who is affected by such a movement.”

The Indian Science Congress was at that time an auxiliary of the Asiatic Society of Bengal and the parent organization was not in a healthy state. Rajendra Nath's biographer observes. ‘The Asiatic Society apparently had fallen on evil days; its membership was declining at an alarming pace; the standard of its literary production was falling low. Lack of interest, laxity of administration, want of enthusiasm – these and sundry other causes were responsible for the neglect into which the Society's administration had fallen.’ Rajendra Nath had been a member of the Asiatic Society of Bengal since the 1890s and in 1924 he was elected its president. During the next years he did much for the welfare of the society. So that, when he left after the completion of his term (1924-25) the finances were in order and the stage set for further development. Sir Rajendra was also associated for long with the University of Calcutta. He was for more than twenty years a Fellow of the University and several times Dean of the Faculty of Engineering. Sir Rajen also took a keen interest in the cause of women's education and lent his support to the establishment of the Gokhale Memorial School.

Sir Rajen did not hanker for office. On more than one occasion he spurned the offer of Ministership. But at different times he served in many bodies that were set up by the government to enquire into different issues. His connection with the Industrial Commission of 1916 has already

been mentioned. He was a member of the Acworth Railway Committee (1921) and expressed himself strongly against the policy of nationalization. He presided over the Bengal Retrenchment Committee in 1923, which had been set up to enquire into the fall of employment in the years following the First World War, and was also a member of all-India Committee that was appointed to enquire into the situation the following year. He also lent his advice to the Indian Coal Committee (1924-25) and the Royal Commission of Indian Currency and Finance (1925-26). His comments were always practical in nature, being based on his experience and knowledge of the world. A firm advocate of free enterprise he however admitted the necessity of imposing temporary tariff walls for the protection of Indian industry.

Two of the landmarks of Calcutta are associated with Sir Rajen's name. Lord Curzon as Viceroy had decided to erect a memorial in honour of Queen Victoria, who had passed away in 1901. The foundation of the building upto plinth level was constructed by the firm of Marin & Co. The foundation stone was laid during King George V's his visit to India in 1910. But then cracks began to appear on the foundation walls due to of the weight imposed on them by the marble used for construction the building. Sir Rajen solved the problem by placing joists to support the walls. Also, he suggested improvements in the original plan of construction, most of which were accepted. At a later date Sir Rajen headed the Committee which was appointed by Lord Ronaldsheay as Governor of Bengal in 1922. The committee unanimously declared in favour of the cantilever bridge.

As the years passed, Sir Rajen was covered with honours. He was nominated as the Sheriff of Calcutta in 1909 and honoured with a K.C.I.E. two years later (a title higher than knighthood). He was admitted into the higher rank of K.C.V.O. in 1922. British administrators in India had unbounded faith in him. When Sir Auckland Colvin, the Governor of the United Provinces, was apprised of the establishment of the firm of Martin & Co., he said it did not matter in whose name the tender was submitted so long as Rajendra Nath's name was associated with it and he undertook to supervise it personally. That was in 1892. It helped Rajendra Nath to secure half the profits gained by the Company. Later Lord Willingdon, the Viceroy of India, also spoke highly of Rajendra Nath's abilities on the occasion of the ceremonial opening of the main building of the Institution of Engineers at Calcutta in December 1931. The University of Calcutta conferred the degree of D. Sc *honoris causa* on Sir Rajen that same year. The Institution of Mechanical Engineers of England had already received him as an honorary life member. He was till then the only non-Britisher to have been so honoured. There were only seven honorary life members of the Institution at the time.

But, though placed so high, Sir Rajen did not forget those who were below him. 'The Calcutta Orphanage', his biographer writes, 'owes its inception and growth entirely to his sustained efforts; the Society for Improvement of Backward Classes claims him as its chief benefactor'. Sir Rajen had since his early days a healthy love for outdoor sports. He was President of the Bengal Olympic Association almost from the time of its commencement and served as President of the Calcutta Boy Scouts Association for more than a decade. He tried to break the racial barrier between Indians and Europeans and took a leading part in the establishment of the Calcutta Club, where representatives of both communities could meet and exchange social pleasantries.

For all his European style of living, Sir Rajen did not cut himself off from the life of his society. Sir Edwin Montague of Montague – Chelmsford fame remarks in his *Indian Dairy* that Rajen was “an extraordinary nice fellow, full of social grace”. He had enough experience of racial prejudice in his early years. He counted among his close friends nationalist leaders like Surendranath Banerjee, W.C. Bonnerjee, Asutosh Chaudhuri, Lord S.P. Sinha and Nalini Ranjan Sircar. His preference for the Bengali language was well known. He retained a close contact with his ancestral village till the end of his life. In fact, the contacts increased because, while previously it took about thirty-six hours to reach the village from the city of Calcutta by boat, the journey could be performed in about a hours time after the Barasat-Basirhat rail-line was laid out by Martin & Co. In 1906 Speaking about Rajendra Nath Mookerjee’s contact with his ancestral village, a fellow-villager wrote in the Calcutta Municipal Gazette (8 July, 1933).

“His village is just half-a-mile in length and less than half-a-mile in breadth yet it has three very fine tanks, all Sir Rajendra’s gifts, and four tube-wells, three of which came from him.

“Sir Rajendra has constructed a fine pucca road from Basirhat to his village Bhabla and beyond. He has given his village a charitable dispensary, a girl’s free school, a free U.P. (Upper Primary) School for boys and a H.E. (Higher English) school....

“He makes everybody feel at ease, so much so that sometimes his attendants have to protect him from the importunities of his callers. He gives advice to all, money to those who require it, makes enquiries about everyone. There is not a touch of patronising attitude in him. He is the elder brother there or the uncle...

“For Sir Rajendra the love of his village is almost a passion, and has the intensity of religious fervour...

“About his charity in his village there is no limit. Perhaps there is not a single household then which has not taken a loan from him. If he liked he could buy up the whole village, for few have been able to repay him. He has released many from any payment and excused interest in all cases....

“I have not known any other Bengali with such a clannish feeling. He is almost a Scot in the respect.”

Towards the end of his life, Sir Rajen added to his business empire by purchasing in 1927 the firm of Burn & Co., which had already made its mark in construction business. With his guidance, the firm of Martin & Co. expanded to Martin, Burn & Co. Its activities were conducted from an imposing edifice, which was constructed in 1929 on Mission Row.⁶ On July 3, 1933 at the function at the Town Hall of Calcutta, representatives of the Calcutta Corporation and the European and Indian staff members of Martin, Burn & Co. felicitated Sir Rajen separately on the completion of the

6 . *The Martin Burn House Magazine*, Spring, 1953, PP. 5-6.

seventy-ninth year of his life. It was a grand finale to an eventful life. Sir Rajen died on 15th May, 1936.