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Dorab Tata (1859-1932): A Giant among Industrialists

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Abstract

Dorab Tata was the topmost industrialist of his times. After his initial stint with Gandhi and Gokhale, he was close to the government and attempted to form a party of capitalists. His place in history is based on his contribution to India's industrialization. His father conceived of a steel company and some other companies. Dorab brought them into fruition. Besides, he established some companies at his own. He was elected president of the Indian Industrial Conference and nominated as a member of the Indian Industrial Commission. He had a rich collection of art treasures and promoted games and sports. His charities too were praise-worthy.

Keywords: Dorab Tata, Industrialist

Dorab Tata

Dorab Tata was the topmost industrialist of his times. Although biographies of his predecessor (Jamsetji) and successor (JRD Tata) have been written, he has been neglected owing to the dearth of information. This paper seeks to fill this vacuum. He was born on August 27, 1859 and was the elder son of Jamsetji. He matriculated from Conville and Caius College in England and took his degree from St. Xavier's College, Bombay. In 1887 he became a partner of Tata & Sons. His father died on May 19, 1904 and he became the head of the House. In 1910 he was knighted by the Government.

His marriage to sixteen-year old Meherbai took place when Jamsetji sent him to Mysore. There he met her, becoming entangled in love in spite of a vast difference in age (over 20 years) between the two. At first her parents were diffident but finally agreed. The marriage took place on February 14, 1898. After the news reached Bombay, there was a general condemnation but finally the Parsi society accepted her.[1]

When Gandhi returned after his successful struggle in South Africa, he was felicitated in Bombay on January 12, 1915. Dorab was among the leading Indians present there.[2] He also gave donations to the Servants of India Society of Gopal Krishna Gokhale. However, the affiliation of industrialists with the Congress, a characteristic feature of national politics before the World War I, declined as the organization under Gandhi set off on confrontation with the government. Socially closer to the ruling race, they were suspicious of the Congress leadership and leaned more towards it. In 1920 the loyalist Indians decided under Dorab's inspiration to form an Anti-Non Cooperation Society in Bombay to counter the Congress.[3] In 1927 he became the Vice-President of the Western India Liberal Association and remained so till 1931. It opposed the agitationist approach of the Congress and supported a slow movement towards constitutional development which the British Government envisaged. In 1929 he and some other pro-government industrialists attempted to form a capitalist association in the Legislative Assembly in cooperation with the European interests.[4] There were a series of strikes in 1928 and 1929 in the mills of Bombay. There were strikes in Tata

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[1] Saraladebi Chaudhurani (2011). *The scattered leaves of my life An Indian nationalist remembers.* New Delhi: Women Unlimited & Kolkata: Stree, pp. 105-6.

[2] Gopalaswami, K. (1969). *Gandhi and Bombay.* Bombay: Gandhi Smarak Nidhi & Bharatiya Vidhya Bhavan. p. 22.

[3] Bhattacharya, S. (1976). Cotton mills and spinning wheels. *Economic and Political Weekly*, *2*(47), p. 503.

[4] Purshottamdas Thakurdas Papers, Nehru Memorial Museum and Library, File No. 42.

Iron & Steel Company, Jamshedpur too. The left dominance in the labour movement was also rising. Dorab's ill-fated move to form a party of the capitalists was provoked by these events.

I. Contribution to India's industrialization[5]

Dorab's principal contribution to nation-building was in the sphere of industrialization. Jamsetji had conceived the idea of establishing a steel plant but Dorab implemented the idea and piloted the company. The Tata Iron & Steel Company was registered on August 26, 1907 after the death of Jamsetji in 1904 and it first manufactured steel in 1912. In 1924 it faced a financial crisis. The Imperial Bank of India, its banker, insisted on additional security in respect of advances already made to the company. As the latter was not able to comply, Dorab pledged his personal fortune and his wife's jewellery. This was unprecedented that for a public limited company personal wealth was placed at stake. The Company survived the crisis and celebrated its Silver Jubilee in 1932-33.

Although Jamsetji mooted the generation of hydro-electricity, Tata Hydro–Electric Power Supply Company was floated on November 7, 1910 and Andhra Valley Power Supply Company in August 1916. Tata Power Company was incorporated on September 18, 1919. In 1923 the three companies made agreements with the Bombay Electric and Suburban Transport Undertaking and Great Indian Peninsula Railway Company for the supply of electricity to them. While opening the electrical works, Dorab said, "… in no other hydraulic scheme storage on such a gigantic scale has been attempted…. we shall ultimately pass through our pipes a quantity of water equal to the flow of the Thames for seven months of the year…."[6] Describing them before the Institution of Civil Engineers, London, J.B. Joyner pointed out that they were notable for several reasons. They were the largest of many similar hydro-electric works that have been constructed during the last ten or twenty years, taking into consideration the great head used combined with the large discharge of water. The former was equal to about five times the height of the cross of St. Paul's, and the latter is greater than the summer flow of the Thames during five months. The works were also the first to store water for power for use during about three-fourths of the year.[7] Jamsetji had dreamt of establishing a hotel comparable to the best in the world. The Taj Mahal Hotel was the result. He died on May 19 and the hotel was opened to the public on October 1, 1904. However, its history by Tata Economic Consultancy Services, Mumbai incorrectly states that the date of opening is not known. It continues to be one of the most luxurious hotels in the orient.

Apart from contributing to the success of these and other companies of Jamsetji, Dorab established companies at his own. One of them was Tata Mills which was the largest cotton mill company projected in Bombay. It was to be electrically driven throughout which was a pioneering endeavour. It was registered on February 24, 1913. *The Indian Textile Journal* reported, "All that is modern, up-to-date, and substantial" was to be introduced in the mill.[8] However, the outbreak of the World War I upset his calculations. Obtaining machinery was both difficult and expensive. There was a growing Japanese competition. The company became a fledgling enterprise. Tata Oil Mills was registered on December 10, 1917 with great fanfare. It introduced 'Hamam' soaps and '501' bar soaps. Though the market accepted them, the Company's prospects remained bleak. In sharp contrast to them, the New India Assurance Company was an impressive success. Registered on July 23, 1919, it became the largest insurance company in India. It began with fire underwriting and expanded its activities. It covered life insurance in 1929.

Dorabji launched the Tata Construction Company in 1920 for construction work. This undertaking was different from the regular activities of the Tatas. He hoped to obtain orders from the governments and municipalities. Since it was a boom time, he purchased machinery at high prices.

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[5] Unless otherwise stated, this section is based on N. Benjamin, *Chronology of the House of Tata* (unpublished).

[6] *The Indian Textile Journal*, July 1916, Vol. 26, No. 316, p. 147.

[7] "What water-power could do for India," *Ibid.*, April 1919, Vol. 29, No. 343, p. 104.

[8] "New cotton mills in Bombay," *Ibid.*, March 1913, Vol. 24, No. 270, p. 147.

The Company did not obtain the anticipated orders. Costly machinery remained idle and Walchand Hirachand, another industrialist, took it over.[9]

Dorab launched some other companies. Tata Industrial Bank failed and finally merged with the Central Bank of India. But a pioneering effort was made in 1930 when Tata Sons accepted the air mail scheme of linking Karachi to Bombay.

Overall, while Dorab steered Jamsetji's companies remarkably well, his own companies did not fare well and for reasons beyond his control. What is notable is that he sought to develop technical manpower which is a pre-requisite for industrial development. His eminence as an industrialist was recognized when he was elected the president of the Eleventh Indian Industrial Conference held in Bombay on December 24-25, 1915. In his presidential address he stressed the need for the spread of technical education and for mobilization of capital for investment. He said, "May I take this opportunity of appealing to the Indian public to pay more attention to industrial matters than it has done hitherto?" He exhorted the audience, "I strongly commend to this conference and all friends of industrial advancement, the great importance and utility of holding exhibitions and starting industrial museums in as many cities as possible, to demonstrate to the public the vast possibilities of a combination of science and industry." He concluded, "I have chosen the path of industrial development because I am passionately convinced that it is to our industrial progress that we must look for the future regeneration of India." He also presented a paper entitled "The Japanese industrial invasion" for discussion in the conference which dealt with the tough competition which the Indian industries faced by the Japanese imports.[10] The Conference passed some resolutions for the industrial development of India which dealt with the need to spread technical education, government's assistance for industry, need to provide industrial finance, etc.

An honour came to him in 1916 when the Government of India appointed the Indian Industrial Commission. He was its only Indian member. The Commission submitted its report in 1918. It dealt with the industrial economy of India and made recommendations for its growth.

II. Lover of games and sports

Presiding in a meeting at the Parsi Gymkhana in 1919, Dorab admitted, "I would assure you that I have always taken a greater pride in being called a sportsman than in anything else. Only the other day at Mahabaleshwar I was talking to a friend at Government House and I told him that I would much rather be the president of the Maylebone Cricket Club than be the Viceroy of India, and that I would much prefer to be on the managing Committee of the M.C.C. than in the Executive Council of the Governor. And that I value more highly the distinction of being an honorary member of the M.C.C. than any other honour." He added that sports had been a sort of a fetish with him all his life and that he well remembered the occasions years ago when his father asked him the number of bales of cotton that they had stripped. He was always at a loss to give the exact number from memory and would ask to be allowed to refer to the books. But when his father asked him how many centuries W.G. Grace had made and what was the year in which he last made a century, he was ready with figures from memory.[11]

He visualized the genesis of the Indian Olympic Movement. In 1893 he instituted the formation of an athletic association of high schools in Bombay with the help of the school principals. It was the first of its kind in India. He helped develop sports consciousness in the country. During his business travels abroad, he noticed the importance of sports in other countries and he wanted India to imbibe interest in sports. At his own initiative, he got together a squad of four athletes and two wrestlers to

[9] Khanolkar, G. D. (1969). *Walchand Hirachand: Man, his times and achievements.* Bombay: Walchand & Company.

[10] *Report of the eleventh Indian Industrial Conference held at Bombay on the 24th & 25th December 1915* (Amraoti: Indian Industrial Conference, 1916), pp. 16-35 & 1-22.

[11] Letter to the Editor by Rustam B. Paymaster, *The Bombay Chronicle*, June 6, 1932.

represent India in Antwerp Olympics in 1920. He paid for the expenses of their trip. His efforts led to the formation of an Indian Olympic Association. He helped to form Provincial Olympic Association and to conduct provincial level competitions. At his own expense, he sent Dr. A. Noehren, then Director of the YMCA, to visit every nook and corner of the country and generate enthusiasm for sports in general and athletics in particular. It was due to such pioneering efforts that I.O.A. was formed in India in 1920s. Dorab was unanimously elected its first President and remained so till his death. He paid for the expenses of the Indian contingent for the Eight Olympic Games in Paris in 1924.[12]

III. His other interests

In 1932 he endowed a fund for research on blood diseases which led to research projects in Copenhagen, New York and Paris. He established Lady Meherbai D. Tata Education Trust and Lady Tata Memorial Trust on April 9, and registered Sir Dorabji Tata Trust on March 11, 1932. It was then the largest private trust in India. He made donations to the Indian Institute of Science, Bangalore. Many institutions benefitted from his generosity.

He had an impressive collection of art treasures. They included curios like wedgewood pottery, porcelain and Bohemian vases, Chinese amber, jade, ivory, lacquer and cloisonne objects, jasper, turquoise, lapis lazuli, crystal and coral objects, Japanese porcelain, ivory, metalware and laquer objects, etc. At a time when most Indian art collectors were interested in western arts, he took interest in oriental arts. The dagger with horse hilt, steel blade with golden handle, seventeenth century Mughal objects, model of Raja Birbal's house (Mahal-i-Ilahi at Fatehpur Sikri), etc., were in his collection. Add to these, ritual objects like gilt bronze images of Buddhist deities, etc., from Nepal and Tibet.[13] He had oil paintings like Jamsetjee Tata by Edwin A. Ward (1889), Children's Party by H. Schwiering, The world and the cloister by E. Rau French, Hay-cart and oxen by S. Bisbing, Pets by Edward Merk, Perseus slaying the Gorgon Medusa by Luca Gicordana, Salome dancing before Herod by Gerard Hoet, Portrait of Meherbai by John Lavery, etc. Among the water colours mention may be made of Landscape by J. Constable, River scene at sunset by H. Harpignies, Sketches by J. Constable, Sea fight and Battle scene (both by Ercole Graziani). These lists are illustrative and not exhaustive. These are masterpieces of exceptional merit. Today his art treasures are a prized possession of Chhtrapati Shivaji Maharaj Vastu Sangrahalaya, Mumbai.

Dorab was the owner of the Jubilee diamond which is the sixth largest diamond of the world. Weighing about 239 carats, it is about twice the size of the Koh-i-nur. He purchased it in 1920 for Rs. eight lakhs. He gave it to Meherbai who became the owner of the largest privately owned diamond of the world. He also toyed with the idea of presenting it to King-Emperor George V (1910-36) on behalf of the British Empire. But this proposal did not find favour with most Indians. After his death it came into the possession of the Trust set up by him.[14]

IV. His passing away

With his health deteriorating, he left for Europe. He was keen that his funeral ceremony should not be ostentatious. He was considerate to his domestic helpers. He set aside Rs. 5000/- for the benefit of his servants and other employees in the Esplanade House, Mumbai where he lived and also his other houses and bungalows. Further, Rs. 1,500 were earmarked for Mrs. Baker who was his house-keeper.[15]

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[12] Nawaz B. Mody, *Enduring legacy: Parsis of the 20th century.* Vol. 4 (Mumbai: Author, 2005), p. 1048.

[13] Pratapaditya Poddar (ed.), Compiled from *East meets west: A selection of Asian and European art from the Tata collection in the Chhtrapati Shivaji Maharaj Vastu Sangrahalaya.* Mumbai: Marg Publications.

[14] For details of the diamond, see Benjamin, N. (2004). The Jubilee Diamond of Dorabji Jamsetji Tata. *The Bombay Explorer*, No. 43, December 2004, pp. 28-32.

[15] His will is dated Bombay, March 12, 1932 (Tata Central Archives, Pune).

He died at Bad Kissingen (Germany) on June 3, 1932 in a sanatorium and rich tributes were paid to him. *The Bombay Chronicle* dated June 4, 1932 described him as "India's Steel King." In its editorial entitled "Sir Dorab Tata," it wrote, "In the death of Sir Dorabji Tata India has lost one of her greatest industrialists and philanthropists. As a pioneer of industrial activity and a munificent donor to every deserving educational and philanthropic effort, Sir Dorab's father had achieved a unique distinction and his son carried on worthily the paternal tradition." It continued, "Sir Dorab's name will always stand out as a rare instance of a great capitalist and captain of industry who realized to the fullest extent that wealth, however accumulated, cannot be regarded as a selfish personal possession but is a trust to be used, so far as it is superfluous to the possessor's business and personal needs, for the benefit of the community."[16] *The Indian Review* lamented, "The death of Sir Dorabji Tata at the advanced age of seventy-three removes from our midst not only a great captain of industry but a philanthropist of rare discernment and humanity. Thus he continued the traditions of his house with singular energy and success and fulfilled the intentions of his illustrious father whose stupendous schemes marked an era in the economic history of the country. Now the three great achievements of which Sir Dorab's fame will permanently rest are: the iron and steel works, the hydro-electric power schemes, and the research institute at Bangalore. In all these he was guided by the instinct not only to make a fortune but to create new avenues for the development of the country's resources." It added, "Sir Dorab's fame, however, will not rest confined to his business achievement, great as they were, but rather on the splendid use he made of his enormous possessions…. His private charities were large and totalled about Rs. 25 lakhs. He gave his money mostly to deserving institutions, his benefactions being in the direction"[17] Bombay Municipal Corporation on June 20, 1932 passed a resolution of condolence expressing profound regret at his death. Moving it, Meyer Nissim said that he was a great captain of industry, a liberal patron of sports and an unrivalled philanthropist. Many councillors also paid tributes to him.[18]

A public meeting of the citizens of Jamshedpur was held on June 10, 1932. It resolved, inter alia, that the participants felt beholden to him for his uniform and continued interest and zeal for the welfare of the town which due to his generous lead and broad vision possessed "… the best amenities of a great city and claimed to rank as the best model of a proprietary industrial town."[19] In another public meeting at the Tisco Institute on the same day, tributes were paid to him. K.A.D. Naoroji spoke about his interest in Olympic games. He financed Olympic hockey teams until the Olympic Association was placed on its foot. He had great love for the poorer workmen of Jamshedpur for whose benefit he donated Rs. 25,000 on the occasion of the Silver Jubilee of Tisco.[20]

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[16] Editorial "Sir Dorab Tata," *The Bombay Chronicle*, June 6, 1932.

[17] "The late Sir Dorab Tata," *The Indian Review*, Vol. 33, No. 7, July 1932, p. 490.

[18] *The Bombay Chronicle*, June 21, 1932.

[19] *Ibid.*, June 14, 1932.

[20] *Ibid.*, June 13, 1932.