Chapter IV

RELATION WITH THE DANISH MERCHANTS

Danes first settled near Hughly in 1698 when Pr. 'Azimush-Shan granted them a Farman with liberty to trade. Jonbee informs us that the Danes paid Rs. 30,000 in ten instalments per annum for this Farman. We are informed by the author of Riyaz that the Danes had no factory in Bengal but they carried trade through the agency and advice of the French merchants. They offered nazār and applied for permission to Nawab Jāfar Khan to erect a factory at Bangi bazar.

Nawab Jāfar granted them a sanad for erecting factory. Capt. Hamilton when visited Chandannagar, saw the deserted the factory of the Danes in 1706.

The establishment of Dane Factory roused jealousy in the hearts of the English and Dutch merchants who along with the native merchants hatched a conspiracy for the closure of the Dane factory. To achieve their end, they petitioned to the Nawab to issue order to the Foujdar of Hughly; they also induced Ahsanullah, who was then Foujdar of Hughly to write to the Nawab. Ahsanullah sent his agent to close the Dane factory. But the Dane

2. Riyaz, p. 276.
refused to close their factory. On the contrary, they captured the Foujdar's agent Khwaja Muhammad Kamil with the secret help of French merchants. Khwaja Muhammad Kamil agreeing to pay a large ransom and along with the assurance of conciliation between the Nawab and the Danes, obtained release. The Foujdar's deputy Mir Ja'far soon captured this factory and the French merchants, dreading the Foujdar's hostility, deserted the Danes.

The Royal Danish Asiatic Company re-established their factory in 1755 at Chinsura. They got permission from the Nazim who was influenced by Jean Law Chief of the French factory at Kashim Bazar, to settle at Serampur. The Danish Company was permitted to occupy sixty bighas in all and took three bighas at Serampur itself and fifty-seven bighas at Akna.

5. Riyaz, p-276
6. History of European Commerce with India, Macferason, p.290
7. Brief history of Hughly, Craford, p-5.
8. Within Serampur municapality between the river Ganga and the Eastern railway.
because no ship could lay at Akna though a good factory might be built on a large open spot of ground. Next year when Siraj-u'd-Daula, the new Nawab was marching on Calcutta, he ordered Scotman, Chief of the Danes' factory to join his force with his troops and arms. In reply Scotman informed the Nawab that he has neither horse, foot nor guns; but he was living in a miserable mud huts with two or three servants. But the Nawab did not believe them and compelled the Danish Company to pay him Rs.25,000/- after his return from Calcutta in the same year.

\[9.\] Hist. of Portuguese in Bengal, Campos. p 193 (Calcutta, 1919)
Soon after the expulsion of the Portuguese from Huggly, the Dutch East India Company during the year 1633 A.D., received a mandate from the Subahdar 'Azam Khan (1632-35) to establish a factory at Huggly and to trade anywhere in the province. But when the Dutch ship Westzanen arrived, she was seized for non-payment of custom duty by some free Dutch merchants some time earlier. The ship was soon released without her goods.

In 1635, Governor Islam Khan (1635-39) granted the same permission and ordered restitution of the goods seized from Westzanen. On 1st August, 1635, they received Emperor's farman for their trade in Bengal.

Under the order of Subahdar 'Azam Khan, the rate of custom duty payable by the Dutch Company, was to be determined by one Haji Kalim-u'd-Din in consultation with other merchants. The exact role and status of Haji Kalim-u'd-Din could not be determined. Under Nawab

1. Portuguese settlement at Huggly was destroyed by the Governor Qasim Khan under the order of the Emperor Shahjahan in 1632.
2. Dutch East India Company and Economy of Bengal, Om Prakash - p. 37 (Princeton, New Jersey)
3. Ibid. p. 37.
4. Ibid. p. 37.
5. Ibid. p. 37.
Shaista Khan (1663 to 1678 and 1679 to 1688), the Dutch Company did not pay any tith for their flourishing trade, at least till the Mughal conquest of Chatgaon from the Portuguese – Magh pirates. As late as 1670 A.D., the rate of custom duty payable by the Dutch Company was 4% at Hooghly and in 1679 or later, it was changed to 3.5%\(^6\). Shri Om Prakash in his thesis, has opined that the change was made with a view to bring uniformity in custom duty with the rate charged at Surat where it was 2.5% prior to 1679 A.D., but it was later enhanced to 3.5% to include 1% in place of Jizia tax.\(^7\) In Bengal, Nawab Shaista Khan allowed the Dutch Company to escape payment of Jizia Tax on condition of an annual present of Persian horses.\(^8\) On 30.1.1709, Emperor Shah Alam (1707-1712) reduced the custom duty payable by the Dutch Company from 3.5% to 2.5% both at Surat and Hooghly.\(^9\) This rate was later confirmed by the Farman of the Emperor Jahandar Shah (killed in 1713 A.D.) in 1712.\(^10\)

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7. Dutch East India Company and Economy of Bengal, Omprakash, p. 42.

8. Dutch East India Company and Economy of Bengal, Omprakash, p. 42


10. Rate of 2.5% custom duty was charged upon the goods of the Dutch Company while Dutch free merchants used to pay 3.5%. Account of Shabb-u’d-Din Talish tr, Sarkar J.N. in "Conquest of Chatgaon", JASB, 1907.
Emperor Jahandar Shah also gave them the right for recovering runaway and deserter servants and also the privileges to rent villages of Baranagar, Mirzapur. By another Farman, the same Emperor confirmed the exemption from transit duty throughout the Empire granted to the Dutch Company, earlier. In Bengal, Nawab Ja'far Khan issued several parwanas in favour of the Dutch Company reducing the custom duty to 2.5% allowed by the Emperor Farrukhsiyar. This rate was later continued to be charged under Nawab Shuja-ud-Daula, as we find in this parwana granted by the same Nawab:

Parwana of Nawab Shuja-ud-Daula 21st Zehedge, in the 11th year of His present Majesty's reign:

To all Mutsuddies, and those who are entrusted with the affairs of the Government .......

"Be it known that the Imperial Mandates issued during the administration of the deceased Emperor and in different parwanas which have been granted by the Nazims and Diwans, it is ordered, the Agents of the General, on the part of the Dutch Company shall bring their ships to the port of Hugly,

11. Murshid Quli and his times, Karim, p. 198
12. Dutch E.I. Company, Omprakash, p-43
Balasore and Piply and Anchor them at whatever place they please that they shall pay the established duties of $2\frac{1}{2}$ at one place only at the port of Hughly that after paying duties on their merchandise they shall carry it to be disposed of whatever they please that they shall purchase of whatever merchandise they please, employ in their business, whatever Dells they please make purchases in the provinces and despatch their goods to the said ports; that no person shall impede or obstruct them for 'rahdari' duties, press their boats, or commit other acts, which have been prohibited at the Imperial Court ......."^{14}.

In 1729 the Dutch merchants along with the English Company entered into agreement with the Nawab to drive the Ostenders from Bengal, on condition of payment of certain amount^{15}.

Under Nawab 'Alivardi, the Dutch Company continued to pay $2\frac{1}{2}$% as Custom duty. The Nawab also reduced the same duty from $3\frac{1}{2}$% to $2\frac{1}{2}$% upon the private Dutch merchants^{16} with a view to increase the trade of this Country.

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15. E.E.I. Company and Economy of Bengal, Bhattacharyya C., p-45.

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From the aforesaid discussions, it reveals that the rate of custom duty payable by the Dutch Company was gradually reduced since the days of the Emperor Shahjahan. The Company was further given exemption from the payment of transit duty. Emperor Aurangzeb had granted them a farman for this purpose as early as October, 1662 A.D.\textsuperscript{17}, similarly, Emperor Jahandar Shah in later days, confirmed the exemption of transit duty granted earlier to this Company throughout the Empire\textsuperscript{18}. These concessions extended by the Imperial Governments or the local governments should be considered as acts of benevolence. Our Country Governments and their officers had their own interests in encouraging the Dutch trades. The Company had been paying nazr and gifts not only to the Nazims or Diwans but the priest of the provincial Diwan, the Qazi, the paroga and other officials also received gifts from the Company\textsuperscript{19}. It is to be noted also, gifts were often extorted from the Company after a heavy bargain. In 1716 Nawab Jafar Khan compelled them to pay a gift to the tune of Rs.40,000/- for himself and Rs.3000/- for his deputy\textsuperscript{20}.

\textsuperscript{17} Dutch E.I. Company and Economy of Bengal, Omprakash, p.41
\textsuperscript{18} Infra, p.144
\textsuperscript{19} Dutch E.I. Company and Economy of Bengal, Omprakash, pp.47
\textsuperscript{20} ibid, pp.47-48.
Moreover, the Dutch export trade was very much interlinked with the economy of this Country. Thus when the Dutch demand for silk goods decreased as the result of stoppage of their trades, we hear, people shifted their cultivation from murlbury to paddy and pulses which adversely affected revenue assessment. This was realised by Nawab Ja'far Khan who brought it to the notice of Imperial Government in his letters.

But we must remember that the exemptions granted by the Imperial Government, were enjoyed by the company uninterrupted. In fact, Royal Farmans were often violated and transit tolls were demanded because the local authorities knew that such violations were hardly punished. Thus, for instance, we find the Dutch salpetre boats were detained at Rajmahal in 1703 on their way from Patna to Hughly for the tolls and the same boats were released after 47 days on payment of 7 tons of salpetre and Rs.600/- in place of tolls. Somedays after, boats were again detained at Balaghat, near Kashimbazar, the Dutch Company was compelled pay tolls.

21. Kashim bazar factory was closed following the prevailing tension for Dutch Blockade of Surat over the issue of payment of Compensation for the plunder of ships belonging to Abdul Gaffur an Indian merchant. Imperial Court ordered for its closure.

22. Dutch E.I.Company and Economy of Bengal, Omprakash.

Towards the beginning of the 18th century, the Dutch merchants had flourishing trade at Chinsurah and Kashim Bazar. Dutch ships also anchored at Barranagar which was taken by the Dutch Company on lease but Chinsurah, which was also taken on lease, was the seat of Dutch emporium as noticed by Capt. Hamilton. But unlike the English Company, they had to depend on the Qazis of the local government for recovering the advances made to weavers, dyers and others as they were not empowered to administer justice. Naturally, the Dutch Company began to fall behind the English and even the French Company who could earn some sort of favours from the Country government. Mr. D.G. Caraford in his "brief history of the Hughly district", has also pointed to the extensive debauchery, practised by the Dutch Merchants for the decline of their trades in Bengal.

The Dutch Company had to pay 3.5% imperial seigniorage for sending their bullions to the provincial mint with a view to minting of coins. But they were some times required to pay additional charges to the tune of 0.62% in addition

26. Royal mint of Rajmahal was later transferred to Murshidabad and later a new mint at Dacca was also set up.
to the rate stated earlier. An appeal of the Dutch Company in 1681 against it to the Imperial Diwan Haji Safi Khan, resulted in the issue of a parwana instructing the mint master of Rajmahal not to impose such additional charges, was ignored on the plea that a charge instituted once could not be withdrawn. This additional charge was continued to be imposed at least till 1711. Nawab Shuja-u'd-Daula asked for Rs.12,000/- from the Dutch Company for their liberty to use the Nawab’s mint. It also appeared that the Dutch Company placed an amount of Rs.62,500/- with the local government for the use of the mint, which could be seized by them at any time.

As the Dutch Company maintained a well equipped force with them for the security of their goods and ships the local government sometimes sought their help, in times of its needs. Thus, we hear in 1664, Nawab Shasta Khan sought the help of Dutch fleet, in his expeditions against the Maghs and Arracanese and asked them to co-operate with the Imperial forces. The Captain of the Dutch ship, present at the Court of the Nawab, could not give any assurance in this matter as he needed the

27. Dutch E.I. Company & Economy of Bengal, Omprakash, p-91
28. English East India Company and Economy of Bengal, Bhattacharya, p-44.
instruction and advice from the Governor General of Dutch Indias. However, the Dutch assistance was not needed at all\textsuperscript{30}.

In fact, the Dutch merchants were observing neutrality towards civil strife (of whatever nature), because "if the Company takes sides and the side it favoured, loses, the Company would be subject to a lot of harm"\textsuperscript{31}. Thus the Dutch factors expressed their inability to actively participate in the campaign when they were approached to assist the provincial Administration in crushing the rebels\textsuperscript{32}. Similarly, following an offer by the rebels to leave them in peace, in return for help in their recapture of the fort at Hugli, the Dutch merchants replied in December 6, 1696, "we are unable to meet this demand since we are traders and would like to be neutral in your dispute with the Mughal authorities"\textsuperscript{33}.

The provincial Authorities could not provide due protection to the foreign merchants against the onslaughts of the rebels; on the contrary they were called upon to arrange not only their own protection but also the defence of the town of Hugli\textsuperscript{34}.

\textsuperscript{30} Shiahb-u'd-Din Talish's account, tr. Sarkar J.N. 'Conquest of Chatgaon,' J A S B 1907, p-406.

\textsuperscript{31} Letter dt. 28.7, 1697 from the Council at Bataric to the factors at Hugli, referred by Om Prakash in his article published in Bengal Past and Present Part-I, 1975, p-31.

\textsuperscript{32} The Sobha Singh Revolt: Dutch Policy and Response by Om Prakash p-31, January-June, 1975 Bengal Past and Present.
Early in 1696, the rebels occupied the tracts under the Bardwan Raj; the Dutch merchants were threatened with an attack on their factory at Hugli when they refused to handover a "gomosta" who owed Rs. 60,000 to the late Raja Kishen Ram of Burdwan. The Dutch merchants had also suffered a considerable loss for the rebels' actions in Rajmahal and Kashimbazar, in January, 1697\(^3\)\(^5\).

Considering the above situation and upon the request of Mirza Hasan Ali, Bakshi of the town of Hugli who had sought Dutch assistance to restore Mughal authority in the town, a contingent of Dutch soldiers, surrounded the fort and Dutch ship was stationed in the river Hugli. As the result, the rebels vacated the fort which was restored to the control of the Mughals\(^3\)\(^6\). The Mughal authority fully recognised the service rendered by the Dutch merchants and Nawab Ibrahim Khan sent a note of

34. Ibid, p. 33
35. Foot note, Ibid, p. 36.
36. Ibid p. 33. Dutch assistance for expelling the rebels was also confirmed in the letter from fort St. George to the Court of Directors, dt. 30.9.1696 contained in O.C. No. 6279.
thanks to the factors at Hughly and promised to repay them for this service.\footnote{37}

After the crushing of the revolt, early in 1698, Pr. 'Azimush-Shan granted īnīsham to the Dutch merchants assuring them of his favour and continued goodwill in return for the diligence and industry which you have employed against our enemies at the port of Hughli.\footnote{38}

But the measures taken by the Dutch Company during the course of rebellion to strengthen the defence of Hughli factory were largely undone and the additional soldiers requisitioned from Batavia were sent back soon after the suppression of the rebels. Om Prakash has also refuted that the Hughli fort Gustav was constructed by the Dutch Company after the suppression of the rebels.\footnote{39}

On the eve of the capture of Hughli by the Marathas during the rule of 'Alivardi, we hear that a number of Mughal noblemen and residents of the town took refuge in the houses of Dutch merchants at Chinsurah.\footnote{40}

\footnote{37} The Sobhia Singh Revolt: Dutch Policy and Response, Omprakash, Bengal Past-Present, Part-I, 1975, p. 33.
\footnote{38} Ibid., p. 33
\footnote{39} Ibid., pp. 33, 36
\footnote{40} Aiyaz, pp. 342 - 343
Under Nawab Siraj-ud-Daula, they have first received assurance of the Nawab's favour; but when the Nawab sought assistance of the Dutch Company in his campaign against the English settlement at Calcutta, the Dutch merchants expressed their inability to render any assistance on account of their insufficient force and arms.  

This partly true. The Dutch merchants were perhaps more afraid of the powerful English Navy as they had received a number of letters from Admiral Watson and others of the English Company, threatening them with dire consequence, in case any assistance was rendered to the Nawab. Thus, Admiral Watson writes, in one of his letter to Mr. Bisdon, Director of the Dutch Company at Chinsurah: he (The Nawab has demanded your assistance both of ships and men to act against the subject of my master (British Crown), my duty to whom obliges me to acquaint you that should you grant him the assistance he demands I shall regard any such act as an open declaration of war and act accordingly.  

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The Dutch merchants knew it well that any hostility with the British Company would be detrimental to their trade in the Ganges and in the Bay.

But at the same time they knew the wrath of young Nawab and could not dare to assist the British Company. In a pathetic reply to the demand for Dutch assistance with pilots and vessels, Mr. Bisdom writes to Admiral Watson; I beg your excellency not to ask us for an assistance which would expose us to the wrath of the Nawab ..........43.

The Dutch Company's Director at Chinsurah again expressed his inability to "supply with 500 head of cattle"44 as desired by Admiral Watson in his letter dt. 6.1.57, addressed to the former.

On his return from the successful Calcutta campaign the Nawab made it clear, in his parwana addressed to Adrian Bisdom, the Dutch Director that they would "have to act in accordance with what I (Siraj-u'd-Daula) caused to be made known to you through my friend Coja Fakhr-ul-Tujjar, chief merchants of the subah, resided at Hughly, but in contrary case, it will be all over with your trade in the Subah 45. The Nawab also demanded Rs.20 lakhs from them. But the financial position of the Dutch Company had deteriorated so much

44. Ibid, Letter dt. 7.1.1757.
that they were prepared to abandon their settlement at Chinsurah rather than making payment of Rs. 20 lakhs to the Nawab. The amount was then reduced to Rs. 4½ lakhs through the intercession of Khawja Waajid. But the Dutch Company was unable to pay this reduced amount also. They took loan from Jagat Seths at the rate of 9% interest to pay this to the Nawab who was in need of cash amount. Thereafter, the Dutch Director when visited the Nawab to render due salutation, he was cordially received and was given robes of honour and seropa. Nawab Siraj-u'd-Daula also assured him of a parwana for confirming the privileges of his company.

But the Dutch merchants were not friendly to the Nawab. They had earlier helped the English fugitives of Calcutta with provisions, shelter and necessary informations, contrary to the strict orders passed by the Nawab in this respect. The Dutch Council at Kashimbazar sent an arzi, petition of their Director through their Wakil in stead of sending the same through their Second in Council. This was considered as an abject insult to the Nawab. He sent a message to the Dutch Chief through his gold stick bearer that he had torn their Arzi into pieces.

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47. Ibid, p-55
49. Hill, Vol.-II, p-38
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The village of Chandannagar was ceded to the French traders by an edict of the Emperor Aurangzeb in 1688. In 1690 Nawab Ibrahim Khan permitted them to build houses and factories there and in 1693 they succeeded in obtaining a farman from the Emperor for their trade in Bengal on the same terms granted to the Dutch Company. But their prayer for fortification of their settlements were turned down until 1696. However, on the eve of the troubles created by the revolt of they were permitted to fortify their settlements like the British Company. Yet the French merchants at Chandannagar never attempted to be anything more than the traders. But their trade had been not only languishing as pointed out by all French Writers but in fact, it was suspended because of the involvement of France in European wars. In 1722 A.D., Monseigneur D' Ardan-court, Director of the French Company sent a wakil to the Court of the Nawab Ja'far Khan with his prayer for the grant of a parwana for the reduction of the earlier custom duty from 3½% to 2½% on the

same footing as the Dutch. For this, he had promised to pay Rs. 40,000/- to the Mughal Emperor and Rs. 10,000/- to the Nawab of Bengal. Having received the said Rs. 10,000/-, the Nawab granted a parawana on 9.1.22 to this effect: "Let none demand more than 2½% duty, nor stop their boats or merchandis".

As the Dane merchants had no factory in Bengal, prior to the period of Nawab Jafar Khan, they carried their trade through the agency and advice of the French merchants.

Jafar Khan's successor, Nawab Shuja'-u'd-Daula, kept the French merchants under awe and reverence. But in addition to the custom duty, Pir Khan enticed Shuja' Quli Khan under Nawab Shuja'-u'd-Daula levied 'Nazr' from the French merchants and sometimes he requisitioned troops from the Imperial Government, commenced hostility with them. In 1728 the resident

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2. E.E.I, Company and Economy of Bengal, Bhattacharya p.83. Nawab Ibrahim Khan permitted them export and import on payment of custom duty at the rate of 3½%.
5. Ibid, pp. 32-33.
7. ibid, parwana of Jafar Khan dt. 8.1.1722.
8. Infra, p.139.
9. Cash presents usually small amount, minimum one 'muhar' or some repees (minimum five). In 1700 A.D., Emperor Aurangzeb ordered all peskash offered in cash to be called nazr.
of the French Factory at Kashimbazar had been kept in confinement for some days and was later released on giving an obligation of good behaviours in future. But in 1731 the Nawab encouraged the French merchants to put pressure with the English Company and admitted them into his presence and honoured them with seropas. The Nawab thought that the French ships might be used in stead of the English ships, if necessary to take all the freight of the local merchants aboard. In 1737, the French Company was also granted a parawana which obtained for the clearance of the rupees. "They were further promised a sanad for having the use of mint to coin their Arcot rupees on the same terms as those of the Dutch, for which they had to pay Rs. 50,000/-."

Nawab Alivardi, successor of Nawab Sarfaraz, on his accession to the masnud demanded presents from the French Company and in case of their refusal, the Nawab threatened to stop their business. In 1743, the Nawab also levied war tax upon them in view of the Maratha inroads. Towards the closing years of Nawab 'Alivardi's rule, the French merchants must have cultivated cordial relation with the local Government.

12. Ibid, p-51
as we are informed that Mr. Jean Law, Chief of Kashimbazar factory had influenced the Nazim at Serampur. In 1752, Siraj-ud-Daula, the favourite grandson of the Nawab, was visited by the French Agents during his stay at Hughly and was given a present equal to his dignity. But the French Agent was not received with the equal distinction as that of the Agent of the English Company.

Under Alivardi's successor, Nawab Siraj-ud-Daula, a new chapter was opened in the history of administrative relation between the Government of Bengal and French merchants. On the eve of the Seven years Wars in Europe when both the French and the English Companies had undertaken fortifications of their settlements, the Nawab did not forbid repairing of the old works undertaken by the French Company; the Nawab merely forbade undertaking new works by them. The Nawab had sought assistance of the French Company in men and ammunition at the time of his Calcutta expedition and had sent a letter for the Governor of Pondicherry in which " he begged him to give us (the French merchants in Bengal ) necessary orders". But France was not at war with England.

16. A brief history of Hooghly, Craford D.G. (Calcutta, 1902)
18. Memoris of Jean Law, Chief of the Kashimbazar Quoted at p-70. Three French men. Holwell's letter 30.11.1756. Published
19. Memoris of J. Law, Three Frenchmen, p-72

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at this time. They on the otherhand, contrary, to the
desire of the Nawab assisted the distressed English
Merchants with clothes, linen, provisions, liquors and
cash when the latter were expelled from Calcutta. The
Nawab got his turn soon after the capture of Calcutta,
demanded Rs. 1,00,000/- and ultimately compelled the
Chandannagar Council to pay Rs. 45,000/- under the name of
a loan. Yet the Nawab was very well disposed of towards
us (The French), writes Me. Law, they "had received him
with a hundred times politeness than he deserved" as "it
being our interest" .... "we gave him presents from time
to time and this confirmed his friendship for us". But
the Nawab sacrificed friendship of the French merchants
and writes to Clive in reply to the latter's letter dated
29.3.1757, "If you want the French factory (to capture) it
well, whatever they paid into treasury, write to Mr. Watts
to make good and it is very well then you keep possess the
factory". On 26th March, 1757, when the French Factory
at Chandannagar was captured by the English Company, the

20. Holwell's letter dt. 28.2.1757
22. Law's Memoir, Three Frenchmen, Hill S.C.,
Nawab writes "your victory at Frankedongy which I had long been impatient to hear, gave me inexpressible pleasure ..........

It has pleased God to make you and your friend happy in this great victory." Nawab also intimates Watts: "for your satisfaction I have turned the French out of Muxudabad." To please the English Company, Chief of the Kashimbazar Factory was summoned at the Durbar on 12th April, 1757, and was told by the Nawab that "I (Jean Law) must either accept the proposal of Mr. Watts (i.e., surrender of the French Factory to the English) or must certainly leave his territories. Your nation is the cause, he said, of all the importunities, I now suffer from the English. I do not wish to put the whole country in trouble for your sake; you must remember that when I had need of your assistance you always refused it. You must remember that when I had need of your assistance, you always refused it. You must not expect any assistance from me." Yet the Nawab was not very happy in expelling the French as it is evident from the concluding part of the aforesaid interview between Jean Law and the Nawab. Ghulam Hussain, author of Siyar, also confirms this; he says that the Nawab was much

affected at parting with Jean Law but he did not dare to keep him in his service for fear of offending Clive and Watson. All these however could not mitigate the suspicion of the officers of the English Company as it is evident from the following part of the despatches of the Select Committee, Fort William to Secret Committee, London, 14.7.57.

The Nawab privately endeavouring to bring in the French with promises of joining them against us (The English Company) Admiral Watts gathered informations through Wajed that Nawab wrote to Mr. Laws (whose forces are in Nawab's pay at Rs.10000/- per month) directing him to stay where he is and prepare to return upon the first advice. This suspicion was not baseless as the Nawab summoned the French Officers to Murshidabad once again: "I have just received a letter from the Nawab", writes, Monseigneur Law to Monseigneur Bugros, "he orders me to return to Murshidabad. He wishes and he says to join us in order to fall upon the English".

Soon at the battle of Palassey, the French Officers espoused the cause of the Nawab which is known to all.

27. Betel when offered to a guest, it was a sign of welcome or dismissal; when sent by messenger, it was an assurance of self conduct.
30. Letter of Admiral Watson addressed to Clive dt. 23.5. 1757, ibid.
ADMINISTRATIVE RELATION BETWEEN THE ENGLISH EAST INDIA COMPANY AND THE GOVERNMENT OF BENGAL

In the year 1623 The English Company first obtained permission for free trade throughout the Empire including Bangala.

The Portuguese settlement of Bengal in the district of Hughly was destroyed in 1632 A.D., by Qasim Khan, Governor of Bengal, under the order of the Emperor Shah Jahan. The English East India Company obtained the permission for duty free trade in this province, in the very next year. Naturally, they hoped to get the flourishing trade of the Portuguese in their own hands. We hear in 1652 A.D., the English Company obtained freedom of trade in Bengal without payment of custom duty. The original Nishan was granted by Prince Shuja in the same year but lost in 1654.

1. Bengal under Akbar and Jahangir, Roychoudhury Tapan, p.60.
The Wakils or agents represented the Company at the Court of the Nazim of Bengal. The Wakils were usually Hindus who used to contact the Mutsuddies of the Nawab. Their highest level of access were to the Rai-Rayan or to the Naib of the provincial Government. The Wakils of the Company were sometimes honoured with seropas etc., but they were often ill treated, humiliated and even tortured the Provincial Court. As both the Wakils of the Company and the Mutsuddies of the Nawabs were Hindus, a good understanding existed between them and which benefitted both on reciprocal basis. The Nawabs granted personal interviews to the agents or Wakils of the Company only on important occasions. The foreign merchants were usually very submissive before the Nawabs and their officials in the interest of their trades. Usually the Language of the azzdasts (petitions with prayer) of the English merchants was excessively polite and submissive

5. Clerk

6. a Hindu minister, holding charge of the Revenue Department of the Nawab.

7. Later we see the Companies' merchants tried to conduct their "business at the durbar by our own servants without the intervention of the Wakeel who by experience we find are not to be depended upon and are always running us into extra vagant expenses in whatever they are employed" (para 2, letter dt. 29.11.1754) Fort William and India House Correspondance, Vol. I, Ed. K.K. Dutta.
in tune; one of the following arzdasts of the English Company reveals this point: "With humblest submission to your most august person laying at your feet that life wholly dedicated to your service Jhon Russel in the most submissive manner humbly presents this arzdast".

All these reveal that the English merchants were not treated in high esteem but they were surely regarded useful subjects, to be protected in the economic interests of the Country. Of course, some English merchants in the later days, earned respect of the Country Governments and were given Indian titles because of their command on both local politics and commercial activities.

The English merchants sometimes tried to obtain sympathy from the local officers professing the religion of Ahle Kitab.

8. B.P.C., August, 1711 Early Annals. Vol. I, Wilson C.R. During the rule of Nawab Siraj-ud-Daula, we notice the language used in the letters of English Company often became aggressive.

9. Clive was called Sabutjang (Firm in war), Major Kilpatrick was called Dilwar Jang (courageous in War); Admiral Watson was called Dilirjung (Firm in War).

10. Lit., it means, religions having heavenly books like the Tawrat the Injil or the Qur'an.
Now coming back to the administrative relation between the English Company and the Provincial Government, we hear that Prince Shuja' (1639-60) granted the English Company freedom of trade; this was confirmed by Nawab Shaista Khan in 1672. The Nawab ordered: "Not with standing I have lately by reason of a great outrage committed by the Dutch, absolutely forbidden them any trade in this Kingdoms aforesaid, so that Governors and other officers have taken occasion to stop and hinder the English trade, which I have not interdicted, with that of the Dutch which I have strictly forbidden, I do declare that the English never committed any offence of so high a nature that their trade should be hindered". But Nawab Fidai Khan, successor of Nawab Shaista Khan and Diwan Haji Safi altogether disregarded the privileges granted to the English Company by his predecessor. But fortunately for the English Company, Nawab Fidai Khan died in 1678 and Prince 'Azam (1678-1679) granted them a fasih.

11. Infra, p.163
12. He was brother of Empress Mumtaz Mahal, served two terms as Viceroy of Bengal
13. Hist. of Bengal, Stewart. Appendix-III From 1663 A.D. to 1678 A.D., a
order for freedom of trade. Yet the Company found it was very "expensive and trouble-some" to procure a fresh order from every succeeding Governor. That was why they desired for a mandate from the Emperor. In 1680 the English Company succeeded in obtaining a Farman from the Emperor Aurangzeb. Contrary to the interpretation of the English merchants, local officer demanded poll tax and 3½% on account of custom duty; interpretation of the local officers was confirmed in 1682 A.D., by the order of the Emperor. In 1682, when Hedges came to Bengal, he found that the Company's trade was at a stand still. He visited Nawab Shaista Khan at Dacca after much difficulties and prolonged negotiation, he came back satisfied yet the Mughal Government refused to waive its claims.

17. Early records of British India, Wheeler J. p. 163.

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It is clearly evident from the Diary of William Hedges that the English merchants were determined to avoid the payment of customs for their trade in Bengal. For this purpose, they were ready to quarrel with the Government of this province even at the risk of "losing one year's trade". In October 1686, the Foydar of Hughly had refused all necessities of trade to the English merchants. The Company's servants were maltreated on the street of the town which followed by a skirmish, resulted largely in favour of the Company's merchants. A few months later, they burnt the Fort of Thana. In February, 1687, the island of Hijli was captured from the Mughals. But the fortune did not always favour the English Company and soon they suffered a heavy loss.

The merchants of the English Company continued their efforts to patch up with the provincial government though they were fed up with continuous patch up. The Court of Directors also permitted them to capture Chittagong, so that some sort of pressure might be created upon the local Nawab and the English trade might be protected as well. But the attempts of the English merchants to

21. ibid, p.-106
22. ibid, p-108-9.
to capture Chittagong did not meet with success. Shri S. Choudhury has also shown that the establishment of British colony in India was one of the primary objectives of all these military activities of the English merchants in the last quarter of the Seventeenth Century.

In the meantime in 1690 A.D., Emperor Aurangzeb permitted the Company to resume its trade in Bengal when they tendered apology for their ill deeds. The English merchants also returned to Bengal on receiving invitation from the next Governor Ibrahim Khan. Job Charnok, in August 1690 built a new factory at Sutanautee under the Pargana Amirabad, to keep himself away from the influence of Fouladar of Hughly.

The English merchants continued their efforts in obtaining legal sanction from the administrative authorities of the Country but at the same time they realized that Imperial grants had not given them necessary protection to their interests as local officers paid little attention to the imperial orders. The Imperial Government at the same time had to consider two important points:


first, the foreign trade enriched Government treasuries, secondly, hostile English merchants might create problems for the Muslim pilgrims and also Mughal trades through Arabian Sea.

In 1691, the Diwan of Dacca, Kifayat Khan, received the order of the Emperor Aurangzeb to allow the English merchants to trade freely on an annual payment of Rs. 3,000/-.

The Company's affairs in this Province were going on without any serious impediment from the Native Government.

Soon the revolts of Sova Singh and Rahim Khan gave the English Company an opportunity to fortify its infant settlement at Calcutta. Such fortification had earlier been considered necessary by the merchants like Hedges, Charnok and Gifford so that they might put some resistance to the whimsical oppressions of the local officers to

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16. tr. of this Farman is published in Hist. of Bengal. Stewart C., Appendix-C.

27. Extracts from the letter of Fort St. George to the Court, dt. 30.9.1696 ( O.C. No. 6297), Old Fort William Vol. I Wilson C.R.

squeeze out money from them. The English merchants decided to spend money to strengthen their settlement for the protection of their trade rather than temporarily satisfying the local officers with presents and gifts. The question of fortification in the subsequent years, it will be seen, coloured the relation between the Company and the Provincial Government.

In 1698, the English East India Company, on payment of a suitable present to Prince Azimush-Shan, obtained the Zamindary of Sutanautee, Govindapur and Kalikata under Parganah Amirabad. Hedges informs us that Charnok had obtained an approval for this from the Emperor Aurangzeb in return to his aid with provisions extended to the Mughal army in the Decan.

We are however informed that Khawja Sarhad who was personally known to Prince Farrukhsiyar also helped the English Company in obtaining the grant of the Zamindary.

30. Hedge's diary II, pp. 106-107
32. Historical Fragments, Orme R., p. 283.
33. Extract from Sutanautee Diary - Consultation dt. 24th June, 1697, Old Fort William, Vol.1, Wilson C.R.

Khawja Israel Sarhad, leading Armenian merchants was nephew of Khawja Phanus Khalantha.

The Company paid an amount of Rs.1195/- to the Mughal treasury as an annual rent of these three villages. This amount of rent, payable by the Company, was equal to the same amount which had earlier been paid by the erstwhile Zamindars of these villages.

As the Zamindar of Calcutta, the status of the English Company was elevated in the eyes of the local Government and the people. The Company was now empowered to impose taxes upon the traders and inhabitants within its Zamindary like other Zamindars of this province. They could also administer justice even upon the natives living within the territorial limits of its Zamindary. The Zamindar's Court or the Court Cuthery was established in 1704 with civil and criminal jurisdiction over the native residents of Calcutta. An officer of the English Company presided over this Court which in theory derived its authority from the Mughal sovereign. However, the Charter of 1753 took away this Court's jurisdiction over the natives unless both parties submitted their case to it.

The Zamindary rights and privileges enjoyed by the English Company also facilitated its trade in

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34. Early Records of British India, Wheeler, p. 164
35. Infra, p. 94.
in Bengal. The price paid for it by the Company was considered very small in consideration to the privileges conferred upon the Company. But fortune had not always favoured the British merchants. Sm. Anjali Chatterjee has pointed to the competitions of the two English Companies for the trade in Bengal caused annoyance of the Emperor who issued proclamation in 1701 A.D., ordering the confinement of the Europeans and the seizure of all their effects. Nawab Ja'far Khan the new Diwan of Bengal acted vigorously to implement the Emperor's order. The servants of the Old English Company were arrested in February, 1702 at Rajmahal and Cossimbazar while other European merchants were arrested 30.3.1702.

But the seizure and arrests could not inflict much loss upon the old English Company as the bulk of its goods and wealth were safe at Calcutta but the New Company suffered a heavy loss to the tune of about Rs.62,000. Beard, the Chief of the English Factory at Calcutta was determined to resist any attempt of the Nawab for the seizure of the Company's factory at Calcutta. He raised additional forces and guns to strengthen the fortification.

37. Bengal under Aurangzeb, Chatterjee A., p.158
38. Pid., p.156.
This situation prevailed for the next three months; thereafter Prince 'Azimush-Shan interfered in favour of the English who gave him a present of Rs. 5000/-. Nawab Jafar Khan, the Diwan of Bengal also demanded Rs. 30,000/- for the renewal of the Parwana of the Kefayat Khan which the English was compelled to pay after much negotiations and bargains between the Wakil of the Company and the Mutsuddi of the Diwan. Towards the close of the year, 1702, the embargo on trade was lifted.

When Emperor Aurangzeb died in 1707, the English Company was carrying its prosperous trade in Bengal with the Zamindary of three villages of Calcutta and a fortified settlement, duly permitted by the local Government, the Emperor's Farman, Prince's Nishan with several Parwanas of the Nawab, for custom free trade in the three provinces of Bengal, Bihar and Orissa upon paying Rupees three thousand annually at Hugli into the King's treasury. The local officials were usually in cordial relation with the English merchants and exchanged courtesy visits on reciprocal basis. For instance, when a new Foujdar assumes his office at Hugli, it was customary for the English merchants first to visit the court of

40. Bengal under Aurangzeb, A. Chatterjee, p. 158
41. Ibid, p. 156
the Foujdar. The latter also paid a return visit to the
Company's factory at Calcutta. When ever, a new Diwan,
Nazim or Foujdar assumed office, the merchants of the
Company also used to visit them to pay their respect so
that favour could be obtained. The English Company also sent
present and nazr to them who in return gave seropa etc., to
the servants of the Company. Yet the Company's trade was often
stopped under one pretext or another so that more money could
be squeezed out of the purse of the English merchants. After
the death of the Emperor Aurangzeb, the heads of both the
Imperial Government and the Provincial Administration had
been changed, the question of the renewal of earlier parwana,
farmans and confirmations of previous facilities enjoyed by
the Company, came into surface. Now the days of the Great
Mughals were over and we see naked bargain by the Mughal
officials with the English merchants for the issue of new
farmans. We have the evidence to show that even the wording
of a farman could be made at the sweet will of its purchaser.

42. Extract from B.P.C. 5.11.1708, 5.6.1710, 10 & 11.9.1910.
Early Annals, Vol.I, Wilson C.P.
They showed some favourable gestures to the English
Company by handing over a dishonest collector of tax
of the Company's rent and expressed regret for prote­
ccting him against justice.
43. As per Mughal custom, privileges granted by one officer
extinguished with his removal from his office caused
either by his death or by his transfer.
44. Extract of Bengal Public Consultation, 26.5.1711,
Wilson.
If the English Company ever hesitated about the price of a sanad, its boats loaded with goods were stopped. Frequent stoppage of boats prevented the Company to sail its ships in time. They resolved to write to the Foujdar of Hughli and "acquaint him that if the boats of goods are not cleared, we will not let any of the Moor's ship pass".

The English merchants continued their efforts in obtaining farmans and sanads for their trades and always tried to keep the high officials in good humour but they abstained themselves in meddling with political complications of this country; thus they did not dare to send a reply to Farrukhshyari's request of arresting Nawab Ja'far Khan in case the latter sought asylum at Calcutta. They feared that such a reply might fall in the hands of the Diwan's guards who stopped cossids for enquiries.

In spite of their representations and efforts, the English merchants could not make any concerted move till 1713 in this regard, except Nawab Ja'far Khan was directed...

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   'Show of power' was the best way to keep English in India free from Native's In-sults and will most effectively keep off piscusses the consequence of most quarrels. Court's letter dt. 4.2.1709. Old Fort William, Vol.I. p-76. Wilson C.R.
not to interfere with the English Trade which was allowed to continue on existing terms. Thus in 1713, the Calcutta Council decided "to send an embassy to the new Emperor Farrukhsiyar who as a Prince had been friendly with the English in Bengal". The Embassy, led by Jhon Surman, a young factor of Calcutta, carried a costly present of £100,000. Emperor Farukhsiyar ordered the Embassy be escorted by the Governors of the Provinces through whose territories it might pass.

William Hamilton, a surgeon of the Embassy cured the Emperor of a dangerous disease. This also helped to foster a friendly atmosphere between the Mughal ruler and the members of the Embassy. The Embassy succeeded in obtaining three Farroans addressed to the Viceroy of Bengal, Ahmadabad and Hydrabad, conferring various grants-privileges to the English Company.

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47. Extract from BPC - June 1712. Early Annals Vol.II, p. 56. This request was sent by Farrukhsiyar when Rashid Khan was sent to subdue Nawab Jafar Khan.

48. Consultation 4, 1, 1714, referred by in E.E.I. Company and Economy of Bengal, Bhattacharya, p. 27.

49. The English merchants at that time unanimously held that "since Jafar Cawn and we are at present in Enmity it will be of great benefit to our Negotiations at the Mughul's Court" Fort William, April 1716. Early Annals...Vol.II, p. 243. Wilson C.R.

50. East India Company and the Economy of Bengal, Bhattacharya, p. 27.
For Bengal, the main provisions of the Farman 1717 A.D. 1129 A.H. granted by Emperor Farrukhsiyar as summarised by Shri Sukumar Bhattacharya are as follows: i) Duty free trade was to continue on a payment of Rs.3000/- as peshkosh to the royal exchequer at Hugly.

ii) The renting of the town of Calcutta comprising the three villages of Kalikata, Sutanuti and Govindapur were confirmed for an annual payment of Rs.1195 - 6 as. - 0 and the 38 villages adjacent to Calcutta were to be purchased from their respective owners with the permission of the Diwan of Bengal. The rent of these villages was Rs.8121 - 8 as. - 0, to be paid to the Mughal exchequer.

iii) That Madras rupees, provided they are as good as those coined at Surat, should pass in Bengal without discount.

iv) That all persons, whether they were Europeans or Indians should be handed over to the Chief of English Factory, if those persons were indebted or accountable to

51. Tr., with the text of this Farman is published in Appendix, Unpublished Records.— Long J. (Vol.I).

52. E.E.I. Company and Econ. of Bengal, Bhattacharya, pp. 28 - 29.

53. But the Imperial Nazir was against granting of duty free trade to the Company's officers. Hist. of Military transactions, Vol. II, R. Orme, London 1778 while the English merchants in Bengal claimed unrestricted duty free trade.
the English Company. "This clause surely gave extra-
territorial privilege upon the English Company and
correspondingly affected the sovereignty of the Mughal
Emperor".

v) That original sanads need not be demanded. A copy
attested under the Qazi's seal should be accepted.

In addition to the aforesaid provisions, certain
Imperial Orders in the form of hasb-ul hukum were noted
at the back of the Farman, conferring certain other pri-
vileges to the English Company. Some of these important
orders are as follows:

i) that a dastak or permit given by the Chief of the
factory, should exempt the good from being examined or
stopped by the officers of the Government.

ii) that Bengal Government should afford facilities
for the coining of the Company's gold and silver in
the mint at Murshidabad in the season of coining of
other merchants' money, if it was not against the
Emperor's interest. Thus, the very wordings of this
clause had made it discretionary for the provincial
Government who was supposed to implement it.

This Farman of the Emperor Farrukhsiyar was regar-
ded as the 'Magna Carta' of the English trade in India.

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54 famous Charter of liberty and political rights,
obtained from king John of English in 1215 A.D.
The merchants of the Company left no stone
untouched to exaggerate the "Respect we met and
received the king's favours" for this purpose
they gave rich presents to different local officers.
Fort William, November 1717. Early Annals...Vol.II.
But we must not forget that this Farman was granted at a time when the provincial Government was headed by Nawab Ja'far Khan who could not be dislodged by the Emperor Farrukhsiyar. Naturally the question of implementing the provisions of the Farman depended totally upon the sweet will of the Nawab. Thus Nawab Ja'far Khan promptly refused to allow the English Company to use the mint on the ground that the mutsuddi who operated the mint, was then sick. Jagat Seth, the banker had vital interest in the mint; it can easily be presumed that he played a key role in the Nawab's refusal to allow the mint to the Company. Again, the instruction directing the sale of the thirty-eight villages adjacent to Calcutta, was also ignored. Nawab Ja'far Khan prevailed over the Zamindars of those villages not to sell them to the Company.

English merchants at this time was received at Murshidabad with due honour.

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55. The merchants of the English Company lodged complaint to the Imperial Court against the Nawab but "their complaint to Court did them no good". Murshid Quli Khan and his times, Karim, p-171.

56. English East India Company and the Economy of Bengal, Bhattacharyya, p.31.

57. The Nawab also sent an order for the Deputy Nawab at Dacca not to molest the English merchants. Fort William 22.7.1717, Early Annals, Vol-II, Wilson C.R.
But soon a dispute arose regarding articles of trade. The English merchants claimed that the privileges covered all kinds of goods. The Nawab on the other hand interpreted the provisions of the Farman regarding dastaks to cover only such goods as were imported or purchased for export by sea. These divergent opinions regarding articles of trade embittered the subsequent relation between the English Company and the Provincial Government of Bengal.

However in 1723, Nawab Jafar Khan again granted a parwana for the Company's settlement at Dacca and the Naib Nawab received them with due honour, but the permission for Malda was withheld. The goods of the Company were often detained on the ground of breach of privileges and other pretexts so that money could be squeezed from the Company.

But the pressure tactics created by the Nawab upon the English Company sometimes became counter-productive. Thus, in 1726 when the Wakils and Gomostas of the Company were detained and peons were placed at Kashimbazar factory for realising Rs. 44,000/- as the due rent on account of Calcutta towns, the Company represented their grievances to the Nawab through the Fouladar of Hughly. They even

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59. Murshid Quli Khan and his times, Karim, p. 187.
60. East India Company and the Economy of Bengal. Bhattacharyya, p. 34.
threatened to obstruct Indian boats to sail through the river, in case, their Wakils and Gomostas were not released.
The Council at Calcutta also declared that in stead of submitting tamely and easily complying with every unjust demand, "they would rather put a stop to their investment and all other business". However Fatehchand intervened in the crisis and a settlement was reached with the payment of Rs. 20,000/- to the Nawab who in his turn granted a parwana confirming former grants and forbidding any like demands about the towns for the future.

The merchants of the English Company often tried to frustrate the policy of the Provincial Government by unfair means. The Company purchased the villages around Calcutta in the benam of its servants. Since the days of Nawab Jafar Khan they also tried to continue fortification against the desire of the Diwan and the Nazim of this province. A English merchants inform us, "The waccangeer and the Cotwall (of Hughly) cashiered, the former for his false writings to the nabob and the latter for his insolent behaviours to our people who had only orders to speak to our vacquil to forbear going on with the building".

61. East India Company - Econ. of Bengal. Bhattacharya S., p.35.
63. E.E.I. Company and Econ. of Bengal. p.31.
64. Murshid Quli Khan and his times, Karim, p.175. We were informed by Selimuddah that Swaroop Jafar Khan prohibited them fortification. Selimuddah, P.49.
Nawab Shuja'-ud-Daula, the successor of Nawab Ja'far Khan continued the same policy in dealing with the English Company for squeezing money under one pretext or another. The English merchants also never missed any opportunity to keep the Nawab in good humour. They made a present amounting to Rs. 13,787 - 11 - 6 to the Nawab who in his turn bestowed seropas on the English merchants and shawls to the Wakils of the English Company. The Nawab gave them repeated assurance of his favours and encouraged them to go on with their business with all cheerfulness. However, the Nawab did not accept the Company's claim of the dastaks of the Company to cover all goods custom free except in exports and imports.

The question of the English Company's trade in salt, again, embittered the relation between the Nawab and the Company. The Provincial Government looked upon the Company's large scale trade responsible for the decline of the trade of Indian merchants. It was also alleged that the English

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65. Letter Book VI. 21, p-677 referred in the foot note. 
66. Ibid - p. 41.
67. Ibid p-41.
Company defrauded the custom duty by issuing dastaks for the commodities sold to merchants other than the people of Calcutta. Thus, the Nawab ordered Indian merchants to abstain from any dealings with the English Company and instructed his officers to stop the transit of the Company's goods wherever found. The relation took more complex nature on account of the failure of Kantu, a broker of English Company at Kashimbazar to pay off his liabilities of over Rs. two lakhs to Fatehchand Jagath Seth, the Sheroff. Fatehchand presented a petition to the Nawab for the delay in making payment to him by the Company. The Nawab ordered Haji Ahmed to look into the complaint lodged by Fatehchand. Haji Ahmed advised the Company for a settlement with Jagat Seth. It was found that Kantu was indebted to Jagat Seth to the tune of Rs. 2,15,000/- and Rs. 30,000/- to other merchants. Jagat Seth held that he had lent his money to the English Company through Kantu who acted as Wakil of the Company. But Kantu threw the burden of responsibility upon the

68. E.E.I. Comp. & Econ. of Bengal, Bhattacharya S., P.45.
69. E.E.I. Company and Econ. of Bengal, Bhattacharya S., p.45.
70. ibid p-45
71. ibid p-46
72. ibid p-45
73. ibid pp.45-46.
Company especially upon Edward Stephenson, a former Chief of Kashimbazar Factory. The situation took serious turn when Nawab Shuja-u'd-Daula ordered to stop English Company's boats towards Patna until his orders to satisfy Jagat Seth was complied with. The Council of Calcutta advised the English merchants to quit Kashimbazar Factory. At this stage some Indian and Armenian merchants intervened to intermeditate into the dispute. At last, the Company on the advice of its Calcutta Council, agreed to pay Rs.1,30,000/- i.e., half of the due amount, to Jagat Seth. Jagat Seth also introduced the English merchants to the Nawab who received them cordially and assured them of his favours.

Influential officers of the Provincial Government often tried to squeeze out money from the European traders at one pretext or another. Thus we hear, Pir Khan, Foujdar of Highly requisitioned troops from Nawab Shuja-u'd-Daula and attacked the English factory. The Chief of the Kashimbazar factory was compelled to buy peace by agreeing to pay Rs. Three lakhs as Nazr to the Nawab.

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74. E.E.I. Company & Econ. of Bengal, Behle, obryan S., p.46.
75. Ibid., p-47
76. Ibid., p-47
77. Ibid., p-47
78. Riyaz, p.295
At Dacca, Naib Nazim Mir Habib demanded a parwana of the Nawab for the use of the local mint along with the following demands:

i) Rs. two thousand per annum for coining silver in the local mint.

ii) Rs. two thousand due on account of the promises made by the broker in the previous year.

iii) Rs. one thousand for the dustak of the Naib for the despatch of English goods.

iv) Rs. one thousand as the difference in price of 1000 maunds of copper.

v) Rs. two thousand for the friendship of the naib for that particular year.

The Council of Calcutta agreed to pay Rs. two thousand yearly for coining their silver in the mint and determined not to yield to the pressure of the Naib-Nazim.

Soon we hear that a party of Englishmen killed a person at a chowki near Malda; the deadbody was brought at Murshidabad and laid at the door of the Nawab for justice.

This again offered an opportunity to the Nawab to squeeze out money from the English Company and he did not miss it. The Nawab sent orders to stop the Company's trade at Berhampur, Katwa and other aurangs; guards were posted in many places.

79. E.E.I. Company and Economy of Bengal, Bhattacharya, p. 48
80. Ibid, p. 48
to intercept the Company's boats. Rai Alamchand's efforts to ease the tensions failed. The Nawab directed that the English Company had not "applied for confirmation of the Emperor's Farman, nor made him any present, they must pay customs on all their trade from the beginning of his reign (1719 A.D.) up to date". The Nawab also sent his four officers to the different places for enquiry and assessment of the volume of the English Company's trade and calculation of the custom duty payable by them. The Nawab further tightened his grip over the English trades by taking written undertakings from his Zamindars to the effect that no goods of the English Company would be allowed to pass through their territories. The Nawab took further initiatives by admitting the Wakils of the French Company in his darbar and honoured them with seropas with a view to utilize French ships to carry the goods of Indian merchants.

As the result of the aforesaid measures adopted by the Provincial Government under Nawab Shuja-ud-Daula, the trade of the English Company came to a standstill. The Calcutta Council of the English Company delegated the

81. *E.E.I. Company + Economy of Bengal*, Bhaṭṭācchargey S., p-49
82. Ibid p-49
power for negotiation with the Provincial Government upon the Factors of Kashimbazar but with a categorical direction to avoid monetary transaction in clandestine nature. The English merchants were afraid that such entry in the darbar register would give a right for the future demand from the Company. But the Nawab compelled Jhon Stack house, the Chief of the Kashinbazar Council to sign the following undertaking:

"I will not trade in any goods but what are proper for Europe and intermeddle with such part of trade as belong to the natives of Indostan either in Bengal, Orissa or Patna nor will I protect or give sanction to any goods either by land or water belonging to the Foreigners that the king may not be defrauded of his Customs, Nor will I trade for or provide any more goods than what is customary, that other traders may not make complaint against us, but provide their own goods themselves, Nor will I buy any of the natives either male or female for salves."

83. factors at Calcutta thought that Jhon Stock had acted unwarrentably by which the King's Forman and hasbul hakum were annulled.

The Nawab further demanded that the balance of the money due from the English and the Dutch on account of tripartite agreement in 1729 A.D., to drive away the Ostenders from Bengal should be paid before the restoration of normal relation.\(^{84}\)

By this time Jhon Stackhouse was personally by an agent of the Nawab who had to demanding an amount of Rs. 62,500/- payable on account of the said tripartite agreement. The Nawab's army surrounded the English factory at Kashimbaazar to compell the Company's merchants to make payments. The Calcutta Council despatched Rs. 5 lakhs for necessary payments under all heads, the investment of the Company. Fatchchand, the Chief Banker stood as guarrentor for the payment of the English Company. Thereafter, Stackhouse, Chief of the Kashimbaazar factory paid a visit to the durbar of the Nawab where he was kindly received and assured of favour in future.\(^{85}\) It is interesting to note that the Nawab's Foujdar at Hughly had remained friendly to the Company. But the relation between the Nawab and the English Company was not very easy, we are informed by the Agents of the English Company at Delhi Durbar, that Nawab Shuja'-u'd-Daula, while forwarding Rs.1 lakh to the Courts had written to the Emperor:

\(^{84}\) E.E.I. Company and Economy of Bengal, Bhattacharya S. p. 57.
\(^{85}\) Ibid p-58.
"The English depending so great on the valour of their soldiers under cover of the Company, carried on an extravagant trade and sunk vast customs; however that he had stopped their boats and business and taken this lack of rupees which he now sends in lieu of these customs the English had sunk ...... wherefore if their vakil seeks after an order for their becoming custom free, that your Majesty will not grant it. But that it may be a general of Instructions that the English be compelled to pay custom like the Dutch, the French and other Europeans.

In 1735, the Nawab demanded Rs.25,236 - 1 as - 0 (less Rs.4250 - las - 0, paid to the Collector) being the amount due to him on account of his jagir in Calcutta for eight years. The Nawab's argument was that the rent of this town was assessed during the early years of the Company when they used to bring four-five ships and now they laided a hundred; moreover the towns were now vastly enriched. Hugh Baker, the then Chief of the Kashimbazar Council was authorised by the Council in Calcutta to take necessary steps for peaceful settlement of the matter. But the Nawab's army stopped the boats of the Company at Hughly, Jalangi and other places and the Company's merchants then were compelled to use counter-force to get release

Consultation dt. 31.1.1732, referred in E.E.I.
Company and Economy of Bengal, Bhattacharya, p.60.
of their boats. The matter was at last settled when the Company paid an amount of ₹55,000/- to the Nawab towards 1736 A.D.87.

The merchants of the English Company along with other European merchants had often been carrying slave-trade in this country. Involvement of the English Company in this trade was not liked by the Nawab Suja-ud-Daula who had issued strict orders to all his Toujgars to take suitable steps against the English merchants found plundering and carrying natives to Europe for selling them as slaves.88.

The English merchants often mis-used the Company's dusta-ks for their private trade to deprive the local government. The English merchants had also given protection to Khawaja Nazar. The Nawab disliked it. They also interfered in the dispute between the two Indian subjects. In the quarrel between Gurubux and Umichand, the former was detained by the Company at Calcutta. Demand of the Nawab to surrender Umichand was also turned down. All these facts point to a conclusion that the authority of the Nawab and also the authority of the sovereign power, was being challenged by the English merchants by such explicit defiances. The Bengal Nawabs on the other hand had not altogether kept their eyes shut to all these acts of defiance but they were...

87 E.E.I.Comp. & Econ. of Bengal, Bhattacharya S., PP. 68-77

In fact we heard of a similar claim by the Nawab when increased rents for Calcutta as early as 1728 A.D., was demanded.
satisfied and ignored the offence, when considerable amounts were paid to them.

After the death of the Nawab Shuja'-u'd-Daula in 1739 A.D, the English merchants tried to cultivate good relations with Nawab Sarfaraz Khan and proposed to give the same amount of present to the new Nawab which was earlier given to his father on the eve of the later's assumption of office of the Nizamat. However, Haji Ahmed then a principal officer of the Nawab, demanded a proportion of extra expenses incurred for the defence of the province and security of the Company's trade in addition to the usual present.

Nawab 'Alivardi, the successor of the Nawab Sarfaraz Khan was satisfied with the presents given to him by the English Company on the eve of his assumption of office of the Nizamat. But in 1743, he forced the English Company along with the Dutch and French Companies to pay a nominal

23. Letter & Nawab Shuja'-u'd-Daula addressed to Khan Dauran referred in E.E.I. Company & Econ. of Bengal, Bhattacharya, p. 66.

89. Ibid p. 73

90. Ibid p. 74
war-tax to the tune of Rs.2,000/- only in view of the military expenses in the defence of the Country against Marathas.

But in the next year, he demanded Rs. three millions as the payment for his troops for two months and of their inability or refusal, they were ordered to refrain from their business. The Nawab also made necessary arrangements for stopping the English trade. The Wakils of the English Company were detained at the darbar for two days without eating. The English Company paid Rs. three lakhs and fifty thousands to the Nawab and Rs. thirty thousands and five hundred to his officers to re-open their business.

The English Company tried to keep good relation with the local Government because they knew that the Country Government has always shown more preferable favour to the English than other European nations, but they also realised that "no favours can be obtained from such mercenary government as that of Bengal without money".

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91 Fall of the Mughals, vol-I, Sarkar J.N., p.61

92 Bengal letter dt. 8.11.1744, referred by Sir J.N. Sarkar in Fall of the Mughals-I, p-61,62.

93 Para-5, letter dt. 29.11.1754 from Fort William to Court of Directors, Fort William and India House Correspondence, Ed. K.K.Dutta, Holwell and other merchants later expressed contrary opinion Holwell's letter to Court of Directors Bengal 1756-57, V-I, p-16 from Fort Williams.
The English merchants also cultivated good relation with the Nawab's most favourite grandson Siraj-u'd-Daula in order "to pay the Nawab (Siraj) the compliment required. Governor Roger Drake along with Messers Crutten-de and Becher visited Siraj-u'd-Daula at Hugli in the third week of September 1752. They were received with utmost politness and distinction. The Council in Calcutta wrote to the Court of Directors, "We have been on this occasion have procured you great Favour and will be the means of your Honour's business being conducted without any interruption from the Government from sometime to come."

The above observation of the Calcutta Council was proved true when 'Alivardi also granted for duty free trade.

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94. Para-2, letter dt. 29.11.1754 addressed to the Court of Directors Fort Williams and Ind. House Correspondence Vol I, K.K. Dutta.


96. *Alivardi & his Times*, Dutta K.K., p. 208
Attempts of the English merchants for the fortification of their settlement of Calcutta culminated in the second half of the 18th Century. The Court of Directors permitted the Council at Calcutta to spend up to Rs. one lakh for that purpose with Nawab's consent and also advised to seek for the same. The Country Government who was reluctant to grant any sanad for this as it knew the ill-consequence of such grant yet the English Company continued fortification. Reasons advanced for such fortification were expressed in the letter of the Court of Directors, "our only view in erecting any work is to protect our property against the attempt and designs of any European power which may be at the same time may be the means of preserving the tranquility in general."

Under 'Alivardi's successor Nawab Siraj-u'd-Daula, the English merchants were accused of abusing privileges of dustaks granted for carrying the goods of the Company.

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97. Para 2, Court of Directors' letter dt. 29.11.1754, Fort William and India House Correspondence.

as the merchants were carrying the goods of the local merchants with the help of those dustaks and thereby depriving the local Government from custom duty. The Nawab also claimed, he could prove that the forty years since 1717 A.D., the Company had defrauded Bengal Government £ 1875,000 in custom duties. The Court of Directors was against the abuse of dustaks & issued twenty five directives in this direction; but the English merchants were reluctant to pay much heed to such orders. The Nawab was very much annoyed with the behaviours of the English merchants and directed to return their presents sent to him; he categorically pointed his grievances in his letter addressed to Khwaja Wajed. Annoyance of the Nawab burst out when Krishnaballav was given shelter at Calcutta. Nawab was also informed of fortification at Calcutta.


100. Ibid, p. 13.


102. Muzaffarnamah, Karam Ali
The Nawab sent Narayan Singh as his emissary to Governor Drake at Calcutta with a letter demanding the extradition of Krishnaballav and demolishing the tower built for fortification. Umichand introduced Narayan Singh but he was unceremoniously dismissed on the ground that he had entered Calcutta like a thief or a spy.

Contemporary writer Karam Ali also opines that Narayan Singh behaved out of his folly, not in a manner proper for them. The English merchants sent an envoy informing him, "if we have built a tower, order us and we shall demolish its foundations. What ever amount is due to you from Kishen Das, order it and we shall pay it to your treasury; but we cannot surrender him as he has taken shelter with us".

Narayan Singh and some other courtiers instigated the Nawab to attack the English settlements at Calcutta while others held contradictory opinion. The Nawab attacked

103. Muzaffarnamah, p-63, tr. Sarkar J.N., in "Bengal Nawabs".
104. Ibid, p-62.
105. Ibid, pp. 63-64.
106. Ibid, pr. 63-64.
Calcutta and expelled the English merchants from Calcutta temporarily but soon after, he was compelled to sign a humiliating treaty, recognising several demands of the Company after the recapture of Calcutta by the English Company. Thereafter the English merchants started dictating the Nawab with threatening language to accept their terms. The Nawab also tried to please them, expelling the French from his Court but the English merchants preferred hatching a conspiracy to remove him from the masnud once for all.

107. Treaty I, dt. 7.2.1757, concluded at Alim Nagar, Fr. 6 of the Extract published in Appendix no. XI, Hist. of Bengal, Stewart

108. For instance, letter dt. 4.3.1757 of Admiral Watson addressed to the Nawab (Bengal 1756-57, II).