CHAPTER-II

COMMERCIALIZATION OF AGRARIAN ECONOMY,
INTERNAL TRADE AND SAIR ADMINISTRATION

Markets and trade are important aspects of state affairs particularly in the
domain of fiscal administration. Fiscal outlook of the pre-colonial state was directed
mainly to augment the public treasury and had been determined to a great extent by
the ideology and character of the state. This generally precluded any direct policy
addressing questions relating to general conduct of trade, but it emphasised
administrative aspects of a routine nature relating to markets, currency and levy of
duties. The role of fiscal administration in the process of commercialisation in a pre­
colonial economy had therefore been one of augmenting the exchequer, while such
fiscal regimes generally adopted policies beneficial to commerce. It was thus a two­
way process in which the state and mercantile groups stood as bipolar entities, and the
state’s engagement with the question of commerce per se was limited.

However in a predominantly agrarian economy, particularly one in which
forces of commercialization - i.e. sale of the produce in a market - emphatically
determined agrarian relations two important consideration marked the role of fiscal
policies of the state and its administration of markets and internal trade. First the
amount of agrarian surplus to be extracted or left with intermediary groups. It was
determined that 40% to 45% of the agricultural output was annually converted in to
cash.¹ The linkage between markets and the agrarian economy in general was
demonstrated by the fact that the collection from the ryots by the landholders was
made at the marketplace.² The zamindars, talukdars and chaudhuries represented

¹Rajat Datta, "Markets, Bullion and Bengal's Commercial Economy: An Eighteenth Century
Perspective" in Om Prakash and Denys Lombard (eds.), Commerce and Culture in the Bay of Bengal,
1500-1800, Delhi, 1999, p.3 (henceforth "Markets, Bullion"), cites Minute of John Shore, 18th June

²BRSP 13th May 1790, vol. I, part I.
before the government in 1790, that if *bazaars* and *haats* were resumed, they would be rendered incapable of paying revenues from their collections from the ryots and other renters. Collections were made at the time of sale of the produce of the land, such as paddy, rice and other commodities in the market, through the *gomastas* of the landholders. If it was not done at that time they pleaded that it would be impossible for them to collect at all and consequently government’s revenue would be lost. Secondly, relation between the state and proprietors of markets, which in Bengal was virtually coterminous with landholders. Thirdly, *sair* revenue formed a critical component of the *malguzari* arrangement between the state and the landholders, because its revenue return was fairly elastic at any time of the season, which was not so in case of *maal* or revenue from land. The resumption of it could thus interrupt the collection of land-revenue, and deprivation of profits from these sources could be the ground for withholding balances. Thomas Law, in his correspondences with John Shore did point to this fact, when he stated that control over *sair* would allow the state to tide over revenue uncertainties from land by obtaining a “portion” of every “improvers” profits by duties on articles of production. The critical nature of this relationship came into focus between 1772 - if not since 1770 - and 1791 when the early colonial state asserted its ultimate control over market places and internal trade through several twists and turns in its policies. Though state’s attitude as reflected in policies pursued towards merchants, traders, and associated social groups have always been of critical

---

3 Ibid.

4 Ibid.

5 BRP, 9th July, 1790, vol. 95 sayer proceedings: Petition from the zamindars of Mymensingh who claimed *bazaars* and *ganjes* to be their proprietary domain in the same sense as land.

6 BRP, 8th April, 1790, vol. 89, sayer proceedings: Lr. from collector Burdwan

7 BRSP, 13th May 1790, vol.1, part I Lr. from collector Dacca.

8 Thomas Law Esq., *Sketch of Some Late Arrangements and a view of Rising Resources in Bengal*, London, Printed for John Stockdale Piccadilly.

9 Rajat Datta, "Markets, Bullion", pp.3,7,10; BRSP, 28th May, 1790,Minute of Thomas Law, vol. 1, part I.
significance, particularly when new state systems had emerged, the implantation of colonial state in Bengal was especially marked by the critical importance of the new regime's engagement with questions regarding internal and external trade. This was so because the very process of establishment of the state was viewed from the perspective of a creating a domain for the metropolis, whose economic interests and ideologies - of divergent character - weighed heavily on the making of state policies. In this perspective the positions of the landholder and the trader were equivalent, as both operated within the framework of property relations an idea of crucial significance to early colonial rulers for laying out the framework of an administrative system. Recent studies have focussed on the question of settlement of marketplaces as an important aspect of the process of reordering social and economic institutions, which was a concomitant of the other important settlement which was coming about in the last decades of the eighteenth century, namely the permanent settlement of land-revenue payable by the landholders.

It is also an agreed view now that commercialisation of agriculture in Bengal was not restricted to any specific type of agricultural production but encompassed the general agrarian system which produced the surplus for state and society. This surplus being received through the channels of revenue system, reorganisation in the system of internal commerce became a necessary counterpart of the land settlements conducted in Bengal between 1765 and 1793. Commercialisation of Bengal's rice producing economy generally, or the role of markets in agricultural production was a process linked to the modes of revenue collection prevalent in the regions of Bengal. It was related to crucial factors like state-market linkage, growing demand for food and fortuitous cluster of dearth and famine, a framework within which the state policies

10 Richard Becher's letter of instructions to supervisors, SCP, 16th August, 1769.
12 Rajat Datta, Rural Bengal, p.7.
13 Ibid. factors highlighted by Datta. ibid. pp.14-15
regarding settlement of land-revenue with landed proprietors could have been envisaged.

Recently studies focusing on markets and trade routes have highlighted the aspect of patronage and also cultural particularities which defined market and its social relations. Markets were not "abstract state-run jurisdictions" or anonymous or generic sites, but sites whose prominence and repute rested on the close patronage of ruling families. It is undeniable that the site of the market had important connections with its social origin and conceptualizations regarding markets rests here rather than in classifications imposed by the state. But markets were, however something more than sites of patronage marked by the culture of its patron. Those were social entities in the sense that they evolved through a secular social process. Such a view does not explain the processes through which the markets were re-arranged or re-settled, and the twists and turns of colonial policy towards markets. Moreover, and very crucially, the typical rural market, dealing in the most typical products or necessities, would not escape generic anonymity, even if we presuppose collective memory to be a factor. This is virtually admitted even by such studies when it states that in the countryside, weekly marketplaces, - just like the roads and ferries were - subject to the authority of various zamindari and talukdari households. Such categories like zamindaris and talukdaris - whether households or agrarian units - did enjoy a certain degree of uniform generality as revenue collectors or controllers of agrarian matters since the Mughal period and hence lends itself to abstract generalization and classification methods. The identification of the market with a particular zamindari was due to its inclusion in its takseem jamabandi rather than the personal cultural attributes of the zamindari. Further, the periodic circulation of markets and revenue bearing lands amongst revenue farmers and the ancient proprietors, consequent alterations in the takseem, did

---

erase many of the personality attributes and identities that the ganjes and haats had carried along with it. 15

The rejection of state run jurisdictions along with other generic entities therefore renders impossible any classification and distinction of market types according to the nature of revenue assignment conferred on those types. This idea also conflates the distinction between state control and control by its agents, and, other forms of control which were rooted in the structure of civil society. Further change in patronage is generally explained as function of decline in status and power, but it does not sufficiently explain the process of the growth of markets during the early colonial period. The process itself engendered conflicts between state and its agents on the one hand and proprietors of markets and landholders who held the right to collect revenue. 16 Change in patronage needs to be distinguished from change of control over markets, too because in terms of reactions that it could provoke amongst petty retailers and wholesalers those were different. While in the rather urban or rurban environs of Murshidabad or Dacca change in patronage might not have provoked reactions amongst petty retailers and wholesalers - though succession of patrons might convey a sense of permeable and multiple rights - it was widely different from the impact made by change in policies and government decisions. 17 It has been pointed out that pre-colonial notions considered the physical construction of markets and its protection to be the privilege and duty of the local potentates and any intervention of the state was therefore contested. 18 The government of the subahs contented themselves with imposing regulations for the prevention of the undue exactions and

15 BRSP, 8th September, 1790, vol. 2 part 1, Lr. from collector to BR (sayer), transmitting a statement on the lakhiraj haats of the district.

16 BRP (sayer), 9th July, 1790, vol. 95, Lr. from Collector Mymensingh.

17 BRP (sayer), 8th April, 1790, vol. 89, Lr. from Collector Burdwan; BRSP, 2nd September 1791, vol. 4, Lr. from Collector Rajshahi.

occasionally interfered to modify or abolish particular imposts as they occurred or were discovered. State intervention was thus seen as an interference in their hereditary and ancient rights, though it considered it to be an intervention in the sphere of an economic institution, but which in reality was a distinct form of agrarian property.

It needs to agreed upon that early colonial regulations regarding internal and local trade were premised upon an abstract notion of market and hence geared to a more universalistic discourse; but that should not underrate the empirical experience of an emerging state through conflicts and contests which were a part of the process of creation of an integrated market in local produce. However a point which Sudipto Sen's thesis makes in a significant manner in the context of a reordered universe in the domain of marketplaces, is that the hand of the state was visible in this process of reordering. The perspective of the state was determined by points like monopolistic control of trade in high-value goods, unrestricted trade in agricultural produce and separation of rent and tax in the internal markets. But the most critical factor was assumption of the responsibilities which state had hitherto parcellized among the constituents and partners in the ruling group.

Objectives of this chapter can be stated thus: (a) to examine how crystallization of an integrated trade network, particularly for agrarian products took place by the late eighteenth century, marking a point of culmination in commercialization of the grain producing economy as well as a shift in the role of the state in the early colonial period. In this mainly the features of transition are to be stressed (b) to examine how a general idea regarding conduct of internal trade developed within the perspective of the Company, and its interaction with the Nizamat before its political ascendancy in 1757. (c) how was it translated into a policy of reformulation of the principles on which the operation of internal trade was based - whether this came about through experiences, or the perspectives gathered from land-revenue administration in the 1760s and early 1770s. (d) whether this was prompted by a policy to arrest a

---

perceived decline in the economy which featured so acutely in the pronouncement of personalities like Warren Hastings and Richard Becher. (e) Whether it amounted to a hegemonic control of the state finally over the sair collection structure, and what were the contested spaces, if any, within it.

II.1 Internal Trade Revenue System of Bengal : The Extant

The mode of collection of duties from internal trade involved the state and the zamindars, both, at different levels. Duties were levied on locally produced items for exchange and consumption within a small radius, as well as exportable items and imports. While the state received duties collected from exports and imports - a part of which was also received by the farmers of state revenue - the local landholders collected duties from the goods in transit, and goods on sale unless those were exempt from payment by virtue of possession of dastak. The Dewan had the right of making alterations in levying these duties on the same grounds could exercise it in the case of land-revenue. In fact the Committee of Secrecy of 1782 remarked that the constitution of the Mughal empire gave the zamindars no right to augment them of their own authority, though in practice matters might have been different. In fact their researches for the period between 1765 and 1773 could not establish how the government customs were collected or how they were accounted for²⁰.

The most remarkable feature of the mode of revenue administration operated by the state was the privilege of issuing and enjoying dastak, rowannah and parwana, which laid the basis of a system of patronage to merchants and other individuals close to the seat of power. This exempted them from payment of duties at numerous inferior chowkies, where collection was controlled by the zamindars, after the payment of usual duties at the Pachotrah cutcheriy, or the principal custom office of the subah under the Dewan.

---

The register of duties paid at the custom house of the *Pachotrah cutcherry* and the *Pachotrah* at Chunakhali shows that they were *Gentoos* and *Mussulmans* from Gujarat and *Bazee* Gujarat, Multan, Surat, Hyderabad, Gorakhpore, Mirzapore, Jangipore, Lahore, Madras, Kashmir, Malda, and, from Armenians and *Sannyasis*. Items of their trade were high in value, particularly silks of different sorts - *Puddapar* and *Goraghat* - and cotton piece-goods. However it can well be surmised from the list of standard appraisement of goods exported and imported that through the same channel a large quantity of goods of lesser value for a variety of uses passed in and out of Murshidabad and its adjoining region. These merchants enjoyed the *dastak* and *rowannah*, while they paid various types of dues like *rusoom daroga*, *abwab rusoom*, *mohurana*, *porunghee*, and *nazrana*, apart from the regular duties. The revenue from this category of *sair* collection, particularly the one known as *sair nekass*, went into the treasury of the state directly without the mediation of the landholders.

The administration of *sair* revenue for the state, conducted by the custom house of the *Pachotrah*, in and around the seat of power, also defined a geographical region within which the export and import of goods continued. Within it control was exercised by the state, though one finds that throughout the late eighteenth century, its authority to collect revenue was parcellized either among protégés of the Nizamat or, the farmers favoured by the Company’s government. Beyond it the region and its points of entry and exit were under the control of the traditional zamindars of the time, namely that of Nadia, Rajshahi and Burdwan. All items coming into the region were therefore imports and those going out were exports. For example betel-nut was

---

21 CCKa, 7th July-17th September, 1772, Appendix, vol. 9, Abstract of the Rate of Duties etc. paid at the Custom House of the Pachotrah Cutcherry.

22 Ibid. Appendix, vol. 9, Standard Appraisement of Sundry Goods Exported at Chunakhali and by which Rates the Duties are collected.

23 Ibid. Rates of Duties Paid at the Custom House of the Pachotrah at Chunakhali.

24 Similar instances are found amongst farmers under the Company’s regime too. Hazari Mal was re-letting his farms on the *khas taluks* - consequently the markets - to others who in turn re-let again to others, Provincial Council of Revenue, Murshidabad, vol. 1 13th January 1774.
exported to Patna, Hooghly, Malda and Dinajpur, while iron was exported to Patna, Dacca and Chittagong and timber to Katwa\textsuperscript{25}. Amongst imported items fine mats of Kasijora and flower oil of Bhagalpur were listed amongst various other goods reaching the city of Murshidabad from far and near.\textsuperscript{26} This trade and the receipts that it generated by way of revenue was protected by a system of \textit{chowkies}, superior and inferior, which actually described the limits of this region. The routes of entry and exit into this zone of commerce, with markets of the city and the \textit{khas} taluks, as the hub were also defined. Entry by way of Rajmahal through land as well as water, for the merchants from the west was marked.\textsuperscript{27} Another entry and exit was towards the north through Kasimbazar and Malda. The \textit{chowkies} stationed here protected trade and ensured revenue to the government by controlling the passages to the north and south. To the south it went beyond Plassey towards \textit{Tannah} Katwa, and in the north towards Jiaganj, Kasimbazar and Kagmari.\textsuperscript{28}

Within this zone the authority of customs administration of the state was extremely well marked. It was supported by a ring of \textit{chowkies} which exacted dues from all categories of traders and merchants. It was the focal point of conflict between the Company and the Nizamat administration especially its \textit{Pachotrah}. The nature of this conflict involved rights of the Subah vis-à-vis that of the Company which claimed immunity from the impositions by such powers on account of privileges and patronage it enjoyed from the sovereign power. Such claims became extensive and general as the importance of internal trade to the Company and its servants increased leading to far greater involvement in it than ever before\textsuperscript{29}. The right to privileges of \textit{dastak} and the \textit{rowannah}, and exactions by the \textit{chowkies} of the government and the zamindars,

\textsuperscript{25} CCKa, \textit{7th-17th} September, 1772, Appendix, vol. 9, List of imported and exported items.

\textsuperscript{26} ibid.

\textsuperscript{27} ibid. List of the Sundry Inferior \textit{Chowkies}.

\textsuperscript{28} Ibid.

dominated the proceedings of the Council which framed policies of the Company.\textsuperscript{30} The gradually increasing importance of internal trade and vigorous involvement of the Company servants in it - as the list of articles produced by Mir Kasim to Vansittart showed - broke the interface between the state customs and zamindari \textit{sair}.\textsuperscript{31} This happened as Bengal's centre of economic control shifted decisively from Murshidabad to Calcutta by the 1770s and market networks of the rural and rural areas were detached from zamindari control and placed under that of the state directly.

Beyond the immediate vicinity of the \textit{Sadar Pachotrah} at Chunakhali a large number of inferior \textit{chowkies} and some special ones known as the \textit{dedowanney chowkies} controlled passage of internal trade into other parts of the province\textsuperscript{32}. Located at 11 important points like Bhagwangola, Kumarkhali, Jalangi, Rampur Bauleah, Sydabad and other places it controlled trade through 33 land and water \textit{chowkies} including a \textit{sadar dedowanney}. There were 21 land \textit{chowkies}, 10 in land and water both, and 2 exclusively for water. These were meant to control trade at important junctions like Jalangi and at important marts like Bhagwangola\textsuperscript{33}. Apart from these there were 227 inferior \textit{chowkies} at 48 places including those at \textit{ganjes}, \textit{haats}, and for particular \textit{mahals}, stationed on land, water, and, land and water both. Referred to as sundry \textit{chowkies} they were engaged in collection of \textit{ganj} duties and \textit{sair chalanta} from traders who passed them or visited the \textit{ganjes}. These \textit{ganjes} and markets were located mainly in parganas given in the table below\textsuperscript{34}.

Several \textit{chowkies} in the \textit{khas} taluks of the Nizamat in Assadnagar - annexed to Murshidabad collectorship in 1786 - and other parganas of Chunakhali carried out

\textsuperscript{30} A.C. Banerjee ed. \textit{A Narrative of the Transactions in Bengal by Henry Vansittart}, pp. 241-245.

\textsuperscript{31} Henry Vansittart, \textit{op.cit.} Section IX.

\textsuperscript{32} CCKa, 7th - 17th September, 1772, Appendix, vol. 9, List of \textit{Dedowanney Chowkies}.

\textsuperscript{33} ibid. List of the Inferior \textit{Chowkies}.

\textsuperscript{34} App. to Committee of Circuit at Kasimbazar, 1st September 1772.
similar functions, but controlled trade in products which formed items of local and regional trade rather than trans-regional trade or export trade. A number of farms held by important farmers and merchants were located in many parganas including the khas taluks, especially since the settlement by the Committee of Circuit at Kasimbazar. Such farmers like Lokenath Nandi, Hazari Mal, and Fatehchand were collaborators in the Company’s enterprise for creation of an economic dominion. (Table-6) Thus in 1790, when the government abolished sair rights of the landholders, it found a large number of ganjes established in Murshidabad after the acquisition of Dewani by the Company in 1765.35 Most plausible explanation is, that, though the government had passed regulations prohibiting rahdari and chalanta and suppression of chowkies, the ganj duties were continued in their original form till 1774, when it was modified to mean a duty only on the actual sale of goods at the ganj.36 This allowed the farmers and landholders to augment the deficiency in revenue through sair collections, and establish ganjes to attract trade. In fact landholders generally argued that sair revenues from ganj duties and other sources helped them to tide over occasional crisis in revenue payments and covering deficiencies because land-revenue collection was seasonal while sair collection continued throughout the year37.

35 see Tables-7&8.

36 J.E.Colebrook, Digest, Consultations of the Revenue Department, Governor-General in Council, 1st March, 1774. p.428.

37 BRP, 8th April 1790 vol. 89,Ltr. from collector Burdwan.
Table-6
Revenue-Farmers and Zamindars of Murshidabad
possessing markets 1765-1791

<table>
<thead>
<tr>
<th>Revenue-Farmers</th>
<th>Parganas</th>
<th>Jama 1791</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Lokenath Nandi</td>
<td>Kantanagar</td>
<td>2576</td>
</tr>
<tr>
<td>2. Kalishankar Chaudhury</td>
<td>Dianagar</td>
<td>60</td>
</tr>
<tr>
<td>3. Fatehchand</td>
<td>Kutabpur</td>
<td>94</td>
</tr>
<tr>
<td>4. Parbaticharan</td>
<td>Chunakhali</td>
<td>1078</td>
</tr>
<tr>
<td>5. Seonarain</td>
<td>-do-</td>
<td>1080</td>
</tr>
<tr>
<td>6. Udaychand</td>
<td>-do-</td>
<td>900</td>
</tr>
<tr>
<td>7. Gulabram</td>
<td>-do-</td>
<td>639</td>
</tr>
<tr>
<td>8. Ramkishore</td>
<td>-do-</td>
<td>116</td>
</tr>
<tr>
<td>9. Jagat Seth</td>
<td>Beldangah</td>
<td>610</td>
</tr>
</tbody>
</table>

Zamindars

<table>
<thead>
<tr>
<th>Zamindars</th>
<th>Parganas</th>
<th>Jama 1791</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. Suryanarayan Roy</td>
<td>Rokunpore</td>
<td>22833</td>
</tr>
<tr>
<td>12. Satrajit</td>
<td>Chandloye</td>
<td>1263</td>
</tr>
<tr>
<td>13. Rani Parbati</td>
<td>Fatehsingh</td>
<td>1058</td>
</tr>
<tr>
<td>14. Nilkantha</td>
<td>Fatehsingh</td>
<td>687</td>
</tr>
<tr>
<td>15. Mahendranarain</td>
<td>Laskarpur</td>
<td>10772</td>
</tr>
</tbody>
</table>

Source: BRSP, 1st August 1791; BRSP, 2nd September 1791.
## Table-7
**Zamindars of Rangpur possessing *haats* Since 1765-1791**

<table>
<thead>
<tr>
<th>Zamindari</th>
<th>Date since when <em>haats</em> were established</th>
<th>Last date of establishment of <em>haats</em></th>
<th>Number of <em>haats</em></th>
<th>Amount collection as on 1791</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ramakant, zamindar of Fatehpur</td>
<td>1768</td>
<td>1770</td>
<td>2</td>
<td>46</td>
</tr>
<tr>
<td>Ramakant, zamindar of Karjahat 4as</td>
<td>1777</td>
<td>1784</td>
<td>2</td>
<td>101</td>
</tr>
<tr>
<td>Sreemanta, zamindar of Karjahat 4as</td>
<td>1771</td>
<td>1790</td>
<td>12</td>
<td>1410</td>
</tr>
<tr>
<td>Zamindaris of Kundi</td>
<td>1774</td>
<td>1787</td>
<td>3</td>
<td>277</td>
</tr>
<tr>
<td>Edrakpur</td>
<td>1766</td>
<td>1774</td>
<td>3</td>
<td>18</td>
</tr>
<tr>
<td>Baharband</td>
<td>1779</td>
<td></td>
<td>1</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: BRSP, 2\textsuperscript{nd} September 1791.
However a number of these ganjes located within the city of Murshidabad and adjacent areas were resumed by the new customs regime of the government represented by the custom collector who was appointed in March 1773\textsuperscript{38}. But many exceptions were also made, as Company allowed the prominent members of the erstwhile regime to retain their right to hold the ganjes within their khas taluks\textsuperscript{39}.

(Table-9) Regarding the ganjes in the city within the limits of Murshidabad, that was, between Saddacbaug and Sydabad the farmers were asked to relinquish their farms to the collector of customs, but for the rest of the ganjes in the khas taluks, it was ordered by the Council to be rented in farm amongst the farmers on the best of terms. In consequence the following ganjes and toll collection centres were handed over to the collector:

However the Council directed the Provincial Council of Murshidabad to make an exception regarding the order to farm ganjes in the khas taluks on best possible terms to farmers, and allow the ganjes belonging to Muhammad Reza Khan and Munnee Begum to be exempted from resumption by the collector of customs\textsuperscript{40}. A large number of ganjes exclusive of those in khas taluks were still in the hands of the erstwhile group of grantees and aristocrats.

\textsuperscript{38} J.E.Colebrook, Digest, Resolutions for the future establishment and regulation of the duties of the Country Government, 23\textsuperscript{rd} March 1773, p.425.

\textsuperscript{39} Appendix to Provincial Council of Revenue at Murshidabad, 31\textsuperscript{st} May 1774.

\textsuperscript{40} Provincial Council of Revenue at Murshidabad, 2\textsuperscript{nd} May, 1774.
Table 8
List of Ganjes delivered over to Collector of Customs, Murshidabad, 31st May 1774

<table>
<thead>
<tr>
<th>Pargana/Ganj</th>
<th>Revenue for 1763</th>
<th>Revenue for 1773</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assadnagar:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Naseeganj</td>
<td>3138</td>
<td>3108</td>
</tr>
<tr>
<td>Assadganj</td>
<td>9807</td>
<td>9807</td>
</tr>
<tr>
<td>Sharifganj</td>
<td>1784</td>
<td>1776</td>
</tr>
<tr>
<td>Amaniganj</td>
<td>887</td>
<td>824</td>
</tr>
<tr>
<td>Toll Mandvi Katra</td>
<td>923</td>
<td>923</td>
</tr>
<tr>
<td>Chacovae Mandvi</td>
<td>705</td>
<td>724</td>
</tr>
<tr>
<td><strong>Nawabganj:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nuzabutganj</td>
<td>5543</td>
<td>5543</td>
</tr>
<tr>
<td>Muzaffarganj</td>
<td>1526</td>
<td>1526</td>
</tr>
<tr>
<td>Ilahyganj</td>
<td>1803</td>
<td>1769</td>
</tr>
<tr>
<td>Shamsganj</td>
<td>2887</td>
<td>2887</td>
</tr>
<tr>
<td>Charunbaug</td>
<td>1328</td>
<td>1348</td>
</tr>
<tr>
<td>Mansurganj</td>
<td>3969</td>
<td>3296</td>
</tr>
<tr>
<td>Chooosbaug</td>
<td>607</td>
<td>682</td>
</tr>
<tr>
<td>Allee Ganj</td>
<td>984</td>
<td>1022</td>
</tr>
<tr>
<td><strong>Bandardah:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Azeemganj</td>
<td>1043</td>
<td>1023</td>
</tr>
<tr>
<td>Dahparah</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td><strong>Chunakhali:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Muradbaug Ganj</td>
<td></td>
<td>2122</td>
</tr>
<tr>
<td>Jiaganj</td>
<td></td>
<td>3567</td>
</tr>
</tbody>
</table>

Source: Appendix to PCR Murshidabad, 31st May 1774.
Names of the Ganj

<table>
<thead>
<tr>
<th>Names of the Ganj</th>
<th>Ganj Holder</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Himmat Ganj</td>
<td>Imrat Singh</td>
<td>Pays no revenue</td>
</tr>
<tr>
<td>Oodu Ganj</td>
<td>Oodu Maharaja</td>
<td>-do</td>
</tr>
<tr>
<td>Kharaj Ganj</td>
<td>Rajballabh</td>
<td>-do</td>
</tr>
<tr>
<td>Huree Ganj</td>
<td>Hari Singh</td>
<td>-do</td>
</tr>
<tr>
<td>Mahatab Ganj</td>
<td>Jagat Seth</td>
<td>-do</td>
</tr>
<tr>
<td>Jaffir Ganj</td>
<td>Munnee Begum</td>
<td></td>
</tr>
<tr>
<td>Sadoo Ganj</td>
<td>-do</td>
<td></td>
</tr>
<tr>
<td>Ganj Machera</td>
<td>-do</td>
<td></td>
</tr>
<tr>
<td>Bheeram Ganj</td>
<td>Nawab Muzaffar Jang</td>
<td></td>
</tr>
<tr>
<td>Deah Ganj</td>
<td>Kashininder Hota</td>
<td></td>
</tr>
<tr>
<td>Geerja Ganj</td>
<td>Khoja Petrus</td>
<td></td>
</tr>
<tr>
<td>Beebee-Ganj-at-Muradbaug</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Appendix to PCR, Murshidabad, 31st May 1774.

It shows that the general approach towards conducting internal trade was based on similar principles of patronage. While the pre-colonial regime based it exclusively on that principle, the colonial regime tried to accommodate and continue it selectively for the erstwhile members of the ruling class, and contracted for revenue more freely with revenue farmers who were relatively new entrants in the business of revenue administration. However, the institutionalisation of a body of regulation regarding sayer, made the situation a lot more inflexible than the previous regime. Regional and local commerce had to move within a set of restrictions imposed by administrative supervision. It was within this region of Murshidabad and Dacca - the two centres of territorial power in Bengal - that the concentration of haats and ganjes owned by members of the former ruling group and by the new class of revenue farmers most marked. Such revenue farmers had come through active patronage by the new ruling group of Bengal, the servants of the East India Company during 1760s and marked their presence very significantly at the time of settlements conducted by the Committee of Circuit in 1772-73. However the concentration is partly explained by the conjunction of the factors which defined the relation between the state, the
proprietor of the market and the revenue collecting intermediary farmer, that is, the downward devolution of authority and the upward transmission of resources.

Revenue collected from internal trade in the pre-colonial and early colonial regimes in Bengal, was known by the general term sair jihat, which included dues collected through the zamindars and also from internal trade by the government directly at designated government posts or custom houses. These were at the pachotrah of Murshidabad, the shahbandar of Dacca, the bakshbandar of Hugli and custom houses at Calcutta and Patna. Here, not only duties paid for export and import of different items or customs duties collected on behalf of the government, but also different categories of sair jihat duties which were typical of levies in the ordinary market by the landholders. The establishment though different from the ordinary customs posts of the province, indicated by the fact that lands and ganj separated from the general jama were placed under the collector of customs, collected duties of all types. This is indicated by the resumption proceedings at the time of the Decennial Settlement. Apart from these the Nizamat government also collected market and trade duties from the khas taluks of Murshidabad and the adjoining areas. The organization of collection, and principles on which such levies were based underwent

---

41 A summary of the Proceedings of the Court of Directors, the Supreme Council and the Board of Customs at Calcutta, in and since the year 1773, Home Misc. Series, vol. 216; refer also Sixth Report of the Select Committee, 1773, App. no. 5.

42 Board of Revenue Customs Proceedings, (BRCP) 1st August 1788, Lr. from Collector of Dacca, stating that by the orders of Governor-General in Council, Mr. William, the Collector of Government Customs at Dacca has delivered over to his charge the mahals, the collections from which should be included in the settlement of his division or district; also BRCP, 1st August, 1788, vol.1, Lr. from Collector of Dacca, regarding dues outstanding from the talukdars of Dacca, when they paid to the Collector of Customs; BRP, sayer proceedings, 9th January, 1789, vol.58. pt. I

Board of Revenue Sayer Proceedings 13th May, 1790,(BRSP), vol. 1, part I, Lr. from Collector of Nadia, transmits list of items and collections made at the haats and bazaars that were formerly dependent on the custom house at Hooghly.

43 BRCP 6th June 1788, vol. 1, part II Circular to Collectors of Government Customs; BRCP 1st August 1788, Lr. from Collector of Hugli.

44 BRSP 1st August 1791, vol. part II, Lr. from Collector of Murshidabad.
changes and modifications between 1769 and 1774, a period marked by Company’s attempt to assert its control over various aspects of the economy and its administration. However the structure and the nature of duties levied on transit trade and items of sale remained unchanged to a great extent, and the Company seems to have followed a hands-off policy at the first stage of its intervention. It was difficult for the Company to determine the nature of customs levy and collection at the early stages of their rule. In fact the Court of Directors desired an explanation in this regard in 1766, as the Board’s accounts included only land-revenue. The Board in reply explained the system of collection in general terms focusing mainly on the collection of duties upon goods in transit and the hindrances posed by that to their movement, and also stated the figure of collection in them. It expressed its inability to particularize duties collected on articles of “life and luxury” at the markets and bazaars “which being comprehended in the rents” - meaning land-rents - it was impossible to insert them. Thus it is clear that at this stage though the Company had been able to make some headway in its comprehension of the land-revenue system it was not able to do so regarding the system that prevailed in the bazaars, ganjes and haats. However it made as surmise based on realistic assessment, that between 1765 and 1773 the exaction of duties at the petty chowkies by the zamindars and renters of lands for their own use became a powerful instrument of extortion and oppression upon the ryots to the discouragement of trade and oppression of the country.

Though transit duties were prohibited by public regulations in 1772, and subsequently resolutions in the Council of the Governor-General for establishment and regulation of duties - dated 23rd March 1773 - suppressed all inferior chowkies and phandies, evidence suggest it was followed more in its violation throughout the


46 Ibid.
province than in its observance. However duties on markets required a comprehensive policy which came about with the evolution of a general policy towards landholders. Duties under sair jihat category came from sair malguzari or market sale of goods at the site of the market known as tehbazari and for the market site known as chandenah. Such duties arising from lakhiraj lands were exempt from payment to the government. The collection of these dues were the responsibility of zamindars and other landholders. They were also responsible for the collection of dues from goods in transit or sair or ghat chalanta and rakhari. The Company’s regime had committed itself to resist the payment, if not abolition of some of these items, particularly the sair chalanta long before it came to power. The principle of farming out revenue on the basis of which the state collected duties on internal trade were antithetical to the economic notions of a mercantile organization, to which it seemed a policy destined to ruin the commerce of country. It was viewed as hindrance to trade and an opportunity for unwarranted exactions.

---

47 Lr. from Collector Customs to Provincial Council of Revenue at Murshidabad, 23rd December, 1773; BRP, Sayer Proceedings 28th November 1786, vol. 6, The BR observed on being informed by Board of Trade that boats carrying Company’s investment were stopped at Ballatunghy, that sair chalanta though abolished throughout the province and proportional deduction of rent was given to zamindars, this collection had still existed in defiance of positive orders of the government.

48 BRSP, 8th September 1790, vol. part I, Lr. from Collector of Jessore, a statement of lakhiraj haats, stating that much of those were held by the sanads from the zamindars or the local controlling power and were in the vicinity of the malguzari haats; BRSP, 29th September 1790, vol. 2, Lr. from Collector Rajshahi, transmits same as above ; BRSP, 2nd September 1791, vol. 2, Lr. from Collector Rajshahi, transmits same as above.

49 J. E. Colebrook, Digest, Public Regulation for the Settlement and Collection of the Revenue, 14th May 1772, it stated that all zamindari chowkies shall be abolished and none but those dependent directly on the government shall be kept ; Lr. from Committee of Circuit at Krishnanagar to Fort William, 16th July 1772.

However the landholders and farmers reserved the right to collect ganj duties viz. Proceedings of the Revenue Board of the Whole Council, vol.3, 23rd March 1773,Resolutions for the Future Establishment and regulation of the Duties of the Country Government.

50 Public Proceedings, Home Department, (National Archives of India ), ( PP ), 10th June 1753, Holwell’s letter to the Board ; PP , Representation from Holwell, 12th August, 1754.

51 ibid.
Hence in the process of collection of *sair jihat* revenue, which seemed to be unauthorized exactions, the government and its functionaries, and local zamindars, both, participated to augment the fund of revenue. This was ultimately shared between the revenue collector and the state. Thus to the supervisors, who were sent to districts of Bengal in the year 1769-70, as the first measure of beginning the direct rule of the country by the East India Company, any attempt to collect revenue from goods in transit seemed to be an unwarranted action intended to cover the deficit in revenue payable to the state. 52 It has been argued however that the thrust of British policies in rationalizing the system of duties imposed on internal trade, and removing duties which were of the nature of arbitrary exactions was misplaced because it ended up in levying uniform rates of duties, particularly for those in transit, irrespective of the destination of the goods. Thus the bigger trader paid the same rate of duties which he carried to a bigger centre of trade, as the smaller one who carried his articles to local markets. 53 The establishment of *ganjes* and entrenchment of rights to collect duties was inevitably followed by conflict with the more traditionally entrenched rights. This was evident from the claims and counter-claims made by landholders and traders in a situation of developing conflict between them, after Company's government promulgated a number of measures to reorient internal trade on a basis, different to the one on which it had existed till then. Governments measures compelled the more traditionally entrenched right holders to enter into adjustments with new elements in order to protect their domain. Sometimes they could accept inferior or subordinate positions to achieve their objective. The activities of the agents of Raja of Nadia, and its proliferation contrary to well established regulation of the government in and around the *ghat* of Panchdarah in Assadnagar pargana of Murshidabad testifies to the

52 Proceedings of Select Committee, 16th August, 1769, the amount of the Revenues, the Cesses, or arbitrary taxes, and of all demands whatever which are made on the Ryot, either by Government, Zamindar or Collector, with the manner of collecting them, and the gradual rise of a new impost; see also pg. 6, footnote 11.

truth of it. Assadnagar, a khas taluk had a mahal or unit of revenue under the denomination of gushtee mahal which was established by the Nawab, while its adjacent area, as it appears was partly - the chowkies of Panchdarah and Gopeepur - within the traditional limits of zamindar of Nadia, at a high jama. After 1772, the entire khas taluk and the mahal was farmed by Rajballabh. The latter farmed it out to others, one being Ramsundar Hazra, who in total violation had exacted from the manjhis of the ghat a portion of their wages. He was ousted by the agents of the zamindar of Nadia. It appears from the report of the collector of Murshidabad that the Raja of Nadia became a sub-farmer or kutkinadar of Rajballabh who held the actual possession of the farm for a considerable period of time. The collector of Murshidabad disputed the claim of his counterpart in Nadia who reported that the Raja had stated that he had held that ghat in farm as the zamindar of this district for many years and cannot consent to relinquish it. But the Murshidabad collector argued that a kutkinadar by law could not have a longer tenure than the original farmer and hence was bound to relinquish it.

The real reason for holding on to the ghat was the opportunity it allowed to the farmer and the sub-farmer, - in this case the original zamindar - to avail of the illegal methods to enhance their sair revenue. As the collector of Nadia admitted that he or any other collector were aware even of the illegalities and that it had come to his knowledge only lately that the revenues were derived from taxes abolished so long ago by the government. It consisted of sair chalanta and gully mangan both abolished by the government. The collection of it was organized all over the local area. Panchdarah was the name of the ghat on the side of the Jalangi river, a crucial artery of trade between east and west Bengal, about 12 coss away from Krishnanagar where a chowky was established and a gomasta resided. He exacted taxes from the manjhis

54 BRP sayer proceedings 28th November 1786, vol. 6, Lr. from collector of Murshidabad and Nadia, and resolution of BR.

55 BRP 22nd January 1787, vol. 9.

56 BRP 28th November 1786, vol. 6, Lr. from Collector of Customs
of all boats with or without rowannahs and also from the beparries, a duty on all articles passing through it. Subordinate to it were five other chowkies at five different villages, all of which were located within the limits of the zamindari and district of Nadia and formed part of what was called the gushtee mahal. Along with the subordinate chowkies. Panchdarah controlled access to major grain trade routed from Bakharganj to Murshidabad which in former times was controlled within the khas taluks by Pachotrah daroga. The Board of Revenue admitted that the collections of sair on the Jalangi had erroneously or due to ignorance remained a part of the khas taluk collection and should be separated from it and all the orders since the beginning of regulations in 1772 should be reiterated.

Therefore it is apparent that there were gaps in knowledge and administrative vigilance of the state which allowed older forms of collection of sair revenue to persist and continue through a part of early colonial rule in Bengal. Such instances were in evidence in Jessore from where the collector reported that a "a source of opposition and grievance" called the goorchutty ghats or chowkies had continued, and sought direction from the Board of Revenue to suppress it. The revenue from this collection to the government was meagre - five thousand rupees in a collectorship of six lakhs - but to the zamindars it must have been profitable. The original purpose was to empower the zamindars to collect a duty upon the timbers and firewood cut and brought from jungles of the respective zamindaris. But under the cloak of it the zamindars established a goorchutty chowky at the entrance of every nullah or water channel, and exacted a duty or toll upon grain and some other articles of trade. The number of such chowkies were numerous, the collector reported.

Collection of transit duties under the head of sair chalanta thus directly infringed the very basis of the plan of customs formulated by Hastings in the early 1770s. Soon the question of this violation came to be treated together with the

57 PP, 30th August, 1753; PP, 24th May 1753, Holwell’s minutes; PP, 18th November 1754.
58 Gleig, Memoirs, Hasting’s letter to Sir George Colebrook, 3rd April, 1773, p. 307.
question of resumption of *ganj* and *bazaars*. Custom house officials stated that it would be impossible to protect trade from the oppression of *ghat manjhis* without the help of the Nawab’s *sepoys* in Murshidabad though it was the erstwhile ruling class which was most concerned about the protection of traditional privileges. They extorted two or three rupees from each boat that passed the 8 or 9 *chowkies* between Murshidabad and Calcutta. However some of the *ghat manjhis* represented before the authorities that the collections were authorised, as they had rented it out on farm from other principal farmers, like Gangaram Mitra, a *sadar ijaradar* of Burdwan. Issues tended to deepen and the government had to examine its legitimacy time and again in order to assert its right to initiate reforms. Such problems surfaced when *ganj* farmers of Hooghly demanded a right to collect agreeable to the usage of the country.

At Azimganj, in Hooghly, the duties on grain were traditionally regulated by a system called *beerbandi* by which the farmers collected duties on grain leaving the *ganj* for importation without *rowannahs* to other *beers* or markets of Hooghly and adjacent districts on either side of the river Hooghly. These were Chinsurah, Chandannagore Farashdangah Ghiretti, Hajinagore Kanchrapara Garibah, and Banjmullick. The grain *beparries* were exempted from payment of duties at the *bakshbandar* and *mirbahari ghat* on the strength of a *charchitty* or pass of Azimganj.

The articles of collection were under the head of *chandenah golah-salami, ban-salami, gaunny-salami* and *gorrgutty*, which were established at many of the neighbouring *ganjes* of Halishahar, Pownan, Ghughudangah and Aukerah. Articles including grain which arrived from Ranaghat, another important centre of local trade paid the usual *massols* or taxes at the *ganjes* and after obtaining a *charchitty* from Azimganj they were released by the *bakshbandar*. The traders were required to pay if they were without a *rowannah*, and, at the main *ganj* the *beparries* who brought grain

---

59 BRP(sayer), 28th November, 1786, Letter from Collector of Customs, Murshidabad

60 BRP(sayer), 28th November, 1786, Letter from Collector, Hooghly, Kanungo’s Report enclosed, vol.6

61 ibid.; PCCRM, 15th April, 1771, Lr. from Supervisor of Hooghly.
paid a duty called *panch gundy*, while those with *rowannah* paid *duloot*, while the tobacco dealer bringing it on *coolies* head paid the *ganj* duty. The Board of Revenue by an order of 28th June 1786 abolished the power of farmers to collect *beerbandi* dues at Azimganj, and later on 28th November 1786 re-examined its position by asking the Kanungo whether the farmers were authorised to collect the *beerbandi* according to their *kabuliyat*, or whether it was sanctioned by traditional rights and usage, or whether their were confined to collection within the *ganjes* only. Thus the Company wanted to regularise only those usage which were confirmed by tradition, and not invented in the course of years, but were not ready even in 1786 to effectively plug, the interstice of *ganj* and *haat* duty mechanism. This came about soon in the course of general evolution of a policy regarding land and property settlement.

Such tensions marked the transitional phase in the evolution of an integrated market for agricultural produce in Bengal. The most critical factor in determination of policy which led the course of transition was the growing recognition of grain trade as an item of great importance. The policies thus tried to chart a new course altogether in local and regional trade, departing from the time honoured state policy of treating *sair* revenues and monopoly on production and distribution of some commodities, as objects to be farmed, promoting revenue enclaves under faujdars and *subah* officials. The other aspect of Nizamat policy was settlement with zamindars for a definite quantum of *sair* revenues from *ganjes* and *bazaars* as well as *chowkies*, which formed a part of the *takseem* papers of the zamindars, and hence considered a part of their landed property. The system thus allowed thus scope for fetters and restrictions on the markets and prevented the growth of a regionally integrated market. The fetters were viewed by the Company and their servants as existing in two forms. One, in the existence of network of *chowkies* which seemed to proliferate at the will of the 

---

62 BRP(sayer), 15th September, 1786, vol. 4

63 PCCRM, 30th September, Lr. from Supervisor of Rangpur with enclosure on dispute between Mirza Lalbeg and Captain Mckenzie.

64 BRP, 9th July, 1790, vol. 95, Lr. from collector of Mymensingh
landholders. Two, in the authority of the revenue assignee to impose tolls and extend jurisdictions leading to disputes. It was the principle of farming out trade revenue collection amongst the royal favourites which attracted hostility and criticism from Company servants, in their official as well as their unofficial capacity. Farming was thus seen as the main aspect of Bengal's commercial system by which the dominant social strata centred around the seat of power, made its profits from trade. A few illustrations of the mode in which internal trade operated would clarify the points regarding the distinction made between the pre-colonial and colonial periods.

The connections between the state and its subordinate or delegated power thus placed in the hands of the latter virtual autonomy of control and regulation of trade within a region. Power in this sense was virtually absolute in the remote interiors of the countryside. This was evident to the future rulers of Bengal from the activities of Aga Bakhar, faujdar of Bakharganj. Perhaps no other situation illustrates better the mechanism of control over local trade exercised by the pachotrah in conjunction with the faujdars and other subordinate revenue farmers, in this period of growing tussles, than the Bakharganj - Calcutta trade in grain. This trade was conducted within the locus of power marked by the network of chowkies operated by the pachotrah Daroga and revenue farmers under him. It brings into relief the role played by different the agencies of state and intermediate bodies, and exhibits the mechanism of control exercised over internal trade. The tussle for control which went on in the mid 18th century between Calcutta authorities and Nizamat power based at Murshidabad also highlighted the fact that merchants could not have carried out their

---


67 CC Dacca, October 17th, 1772, Aga Bakhar is mentioned as Agabahar in the proceedings of the Home Public Department. Also mentioned as Aga Bakeer he was a powerful independent talukdar and later a zamindar of Buzurgomedpur in the district of Bakharganj. Rev.James Long who referred to him as Bakhar, and faujdar of Bakharganj, was of the opinion that Bakharganj derived its name from him. Home Public records suggest that he had absolute control over grain trade from Bakharganj. He died in the Bengal year 1161or 1755.

68 PP, Min of cons. 24th May 1753.
trade without a deference to the structure of authority defined by the Nizamat and the revenue farmers. In the mid-eighteenth century the main source of grain supply to Calcutta was from the south-eastern district of Bakharganj, which was under the charge of the naib subahdar of Dacca and the faujdar of Bakharganj. Grain reached Calcutta after crossing a number of channels and rivers like Bidyadhari and Jalangi. Bidyadhari channel linked Calcutta to the region just above the Sundarban districts from where a number of other smaller and bigger channels extended unto Bakharganj. Jalangi ran from Nadia to the east and joined the rivers flowing towards Bakharganj. Demand for grain in Calcutta was high and definitely drew a large amount of produce from the adjoining regions. About the years of 1751-53 there was a scarcity of grain all around the town of Calcutta and hence the increasing demand from this settlement had an impact on grain trade carried out by the rice merchants between Calcutta and Bakharganj. But any effort to ensure uninterrupted supply would have led to a scarcity in the neighbouring region and also would have to circumvent the network of revenue collection from internal trade.

The embargo laid on trade at Bakharganj in May 1753 made Holwell represent in full before the Board at Fort William on the nature of the impositions and sketch the whole network of chowkies that ran from one end to the other of the trade route. He also gave an account of the people at Murshidabad who were interested in this mode of farming revenue, which included Chhota Nawab, Dewan and the pachotrah Daroga. The trade in grain by the merchants stationed in Calcutta had injured a host of interests who held charge of revenue collection at chowkies. Principal amongst them was "Agabahar" and his dewan Kanks Narain stationed at Murshidabad. Below them two farmers of revenue named Jibbon Kour and Tilak Kour farmed transit duties.

---

69 ibid.,

70 PCCRM, Lr. from supervisor of Jessore, 6th May 1771.

71 PP, Lr. from Govindram Mitra, 20th November 1752.

72 ibid., Lr. from Holwell, 24th May, 1753.
between the river Hooghly and Bakharganj. Jibbon Kour held many other chowkies in farm from "Agabahar" two of these being Shacogunge and Rangryghat which were important points of transit for grain. These two farmers obviously had influence with important officials at Murshidabad as they succeeded in raising the rate of customs duty payable by grain traders through application and misrepresentation at Murshidabad. So important was the liaison between them and Murshidabad nobles that they laid an embargo on grain trade between Bakharganj and Calcutta for three months with the help of a Chubdar of the Nawab who accompanied Tilak Kour to Bakharganj to lay the siege on trade. They had also increased the rate of customs duty payable through 'application and misrepresentation' at Murshidabad. The Chubdar and Tilak Kour resided the previous season to collect the enhanced revenue. They urged the grain traders to divert their north-westwards to Azimgunje and Chandernagore, instead of driving it towards Calcutta. If they did not act according to their instructions and imported grain to Calcutta then they would have to indemnify "Agabahar" by paying fines conformable to the muchleka given. The matter was reported to Holwell by merchants who imported Doolea grain to Calcutta namely Kissen Buxey, Booleoon Tarrufdar, Saisoolram Biswas and Ramnat Gloose, who desired the intervention of the English. Negotiations at the other end through William Watts Chief of Kasimbazar factory, yielded some result but at a heavy price. Watts informed Calcutta that the final authority in these matters Hakimbeg had been contacted. He had demanded a nazar of Rs.2000 for the Chhota Nawab and Rs.1000 for the Dewan Rajballabh and other sums of money as payment to Aga Bakhar as the price for lifting the embargo at Bakharganj. He also informed that members of nobility like Meer Sejowdees chowkies

---

73 ibid., Min. of cons. 19th October 1753; Lt. from Holwell, 24th May, 1753.
74 Min. of Export Ware-House Keeper, 17th December, 1753.
75 ibid., 17th December 1753.
76 ibid., 17th December, 1753.
77 ibid., 17th December 1753.
collected through these means a sum of 12000 per annum. These chowkies particularly the ones between Buddal and Jalangi were controlled by Hakimbeg.

The situation which had developed in May 1753 into an acute crisis for the Company administration in Calcutta was in response to certain measures which the latter had adopted to ensure what can be called a fair trade policy. This was the policy of enforcing regulations regarding export and import of grain into the settlement, whereby the grain trader would have a choice of selling grain inside the town after paying a lessened rate of import duty. But in that case he would have to sign obligatory bonds of not selling the grain outside the settlement, and within the settlement below a certain price level. The measure was apparently directed to ensure that the grain trader got some competitive advantage by selling the grain in Calcutta instead of any gunje outside where he would have to face the capricious rate of duty imposed by the local authorities. Thus inflow of grain was controlled by lowering or raising customs duty at the entry points and the gunjes of Calcutta. Profits of the trader were however reinvested in Bakharganj for further trade in the next season.

Faujdaris under the Nizamat had developed into enclaves of monopoly trade under respective faujdars patronised by the Nawab. These faujdaris were located in the districts of Purnea, Rangpur, Sylhet, Chittagong and Dacca. The faujdars of Chittagong and Sylhet, enjoyed virtual monopoly control over the production and distribution of tobacco and chunam farms. Purnea had large markets for grain, timber and cattle which were of great importance to the faujdar, from the point of view of his pecuniary benefits. Dacca and Rangpur controlled the passage through important river routes in products of regional importance like salt, betel-nut and tobacco, coming

78 ibid., 18th April 1753; 31st May 1753; 19th October 1753.
79 ibid., 12th August 1754.
80 ibid.,
81 PCCRM, Lr. from supervisor of Purnea 31st December 1770
from Chittagong and Assam\textsuperscript{82}, while the faujdars of Hooghly\textsuperscript{83} and Rajmahal\textsuperscript{84} controlled trade through the main artery of the Ganges river and collected customs duties on high value goods, and salt, betel-nut and tobacco. For obvious reasons centres like Rajmahal had developed as one of royal patronage too, and in 1771, 225 persons and their families held small grants of revenue assignments which included collection from taxes imposed on trade, for over a period of one hundred and ten years\textsuperscript{85}. Thus very obvious reasons these faujdaris were distributed among the Nawab’s favourites, particularly since Shuja-ud-din’s time. Zain-ud-din Khan and Syed Ahmed Khan close relations of Alivardi were appointed faujdars of Rajmahal and Rangpur respectively. Ataullah Khan another close relation of Alivardi was appointed faujdar of Rajmahal later. Alivardi himself appointed his nephew Nowajis Muhammad Khan as faujdar of Jahangirnagar with jurisdictions extending till Sylhet and Chittagong.

II.2 The Company Perspectives and Doctrines

The administrative outlook of the East India Company towards the question of internal trade evolved with the general development of a policy towards their dominion in Bengal, over a period of time between 1746 and 1793. Initially the home authorities were concerned with the maintenance of sanctity of the farman of 1717 and guarding of its privileges derived therefrom, against interpretation of the Nawabs and their impositions.\textsuperscript{86} With this concern for the protection of its commercial interests there

\textsuperscript{82} W.Hastings to W.B.Sumner 12\textsuperscript{th} February 1758, Narratives of Transactions, for an account of wadasars interference in salt trade by private traders of the European companies, at Baharband.

\textsuperscript{83} PCCRM, 30\textsuperscript{th} April 1771, Lr. from supervisor of Hooghly 29\textsuperscript{th} April 1771, enclosing list of officials established by badshah and the Nawab for collection of customs duties.

\textsuperscript{84} CCKr, 10\textsuperscript{th} -28\textsuperscript{th} June 1772, Lr. from collector of Rajmahal, dated 24\textsuperscript{th} August 1772; PCCRM, 18\textsuperscript{th} April 1771, Lr. from supervisor of Rajmahal 12\textsuperscript{th} April 1771, account duties collected on betel-nut, salt and tobacco between 1765 and 1770, and, a list of servants employed for faujdari sair collection.

\textsuperscript{85} PCCRM, 28\textsuperscript{th} March 1771, Lr. from supervisor of Rajmahal dated 22\textsuperscript{nd} March 1771.

also went a general criticism of the mode of fiscal administration of the Nizamat, as well as comments on the principles on which the functioning of the country’s economy, especially commerce was based. Focus was on promotion of commercial interests of the Company avoiding heavy expenses and securing economy, securing protection of property, and above all securing for the proprietors of capital stock a modest dividend. Circumstances were straitened, and the Court of Directors in advertizing to the great pressure upon the financial means and the subservience of their commercial concerns to the supply of men and stores observed that they “looked back with wonder at the difficulties surmounted and with the contracted capital must have been impossible if the proprietors generously and without a murmur had not consented to reduce the dividend”. Under circumstances thus, when profits were low from external trade and much of private fortune was lost at sea, internal trade thus became an object of desire in itself for many of the Company servants. Also, the Company must have been concerned about keeping the cost of procurement of the items of export as low as possible.

Thus all interpretation regarding privileges of either the Company or the private traders, by the Nizamat, seemed to be of dubious intent, and any form of collection of duties by the Nizamat deemed an exaction, inimical to the interests of commerce. However official perceptions emerging from home, regarding the privileges of private traders and Company servants, to be protected through that of Company’s dastak was at variance with the demands made by a powerful group of Company servants in the Board at Fort William. It brought the whole question of conduct of internal trade in certain commodities to the fore, to be examined in the light

87 PP, Lr. from William Watts, 18th April 1753.

88 Extract of Robertson’s Historical Disquisition Concerning India, From the Extension of Commercial Privileges before noticed to the Acquisition of Dewani comprising a term of Twenty Years viz. from 1746 to 1765 inclusive, Home Misc., vol., vol. 43.


of changed political conditions when some of the monopolies preserved for the exclusive use of the Nawab were threatened.\textsuperscript{91} It is quite obvious that Company servants as private traders had been involved in trade of various commodities as Mir Kasim’s complaint against the trade of private traders referred to varied commodities which were transacted at the village mart or the \textit{ganj}, where the duty was collected by the landholder who had engaged for revenue payment.\textsuperscript{92}

Thus despite divergence of perceptions and demands, reflected more in the relation between private trader and Company interests in their home environment rather than in the context of their existence in Bengal, there was a perspective in common which viewed the innumerable points of collection of duties as general threat to profits. The common point was the complaint of oppression against duties on goods in transit known as \textit{sair chalanta}, which was collected as internal trade customs at zamindari \textit{chowkies}, and \textit{abwab rusoom}, \textit{rusoom daroga} and \textit{nazrana} collected at the different government custom posts.\textsuperscript{93}

Amongst high Company servants there were a few had tried to comprehend the nature and the mode of collection of duties on trade and the principles on which the governmental approach to commerce was based. One of them was John Zephania Holwell, zamindar of Calcutta in 1753 and Governor of the settlement after Clive’s departure in 1758, who through his own experience tried to assess the nature of power and authority which controlled trade in Bengal. Holwell appeared to be an outright pragmatist in his assessment of situation as it prevailed in 1753, when the Company

\textsuperscript{91} Henry Vansittart, \textit{A Narrative of the Transactions in Bengal,} (1766), p.79, Lr. from Mr. Hastings to the Governor, dated April 1762; Lr. from Governor to Hastings, 2\textsuperscript{nd} May 1762; Lr. from Nawab Mir Kasim to Governor, May, 1762.

\textsuperscript{92} Henry Vansittart, \textit{op.cit.} Section IX.

\textsuperscript{93} The \textit{sayer chalanta} is mentioned as zamindari \textit{ghat} duties or \textit{ghat chalanta} : Proceedings of Committee of Circuit at Kasimbazar, 16\textsuperscript{th} July, 1772, it stood abolished on that day.

\textit{Abwab rusoom etc.} were fees and perquisites formerly - under the Nizamat - appertaining to the \textit{daroga} now levied on account of the government, App. to Proceedings of Committee of Circuit at Kasimbazar.
decided on the question of changeover from the *dadni* mode of securing investment to a more centralized mode, that of securing through *gomasta*. His assessment followed the premise that there was no power based on a traditionally derived consensus and legitimized by it existing in Bengal. In this condition there was anarchy and antagonism and conflict between different levels of authority. His observations focused on the role which the Nizamat and the local Zamindars played in the flow of commerce within Bengal, and the nature of exercise of their power. He wrote about that "part of our Hon’ble Masters trade which has no connection without subordinates" in "these discouraging times", but wondered why "the Company would ever have run any risk by sending their estates to the aurungs, the plundering of which was a method never thought of by the Government nor I am persuaded ever will."\(^94\) He stated that he did not remember any instance of the Company and private trader's money and goods being plundered in the countryside though it has been annually sent to different aurung "under care frequently of one, two or three peons only". But he believed that the power of the Rajas, Faujdars, Zamindars and the government that "company's business has been and always will be as liable to be obstructed by government" then, as in any other time. He stated:

> When it (government) has been determined to exact a sum of money, an unjust pretext for obstructing your business has hitherto been sufficient without their taking a step at once so impolitic and needless - and any risk the company would run of being plundered by the Rajas, Faujdars or Zamindars is still more improbable, as they are very sure they would in that case be plundered ... by the Government who would want no better pretense for fleecing them.\(^95\)

The political ascendancy of the Company after 1757 was therefore a turning point in the situation, and advantages of that were sought by the private trader and the proprietor of joint stock, both. The straitened circumstances of the previous decades followed by political ascendancy therefore had a marked impact on the drive of the Company and private traders to keep the cost of procurement as low as possible in

\(^94\) PP, 10\(^{th}\) June, 1753.

\(^95\) Ibid.
internal as well as external trade. This largely explains the consensus which developed in Company circles regarding regulation of inland trade duties. But this was not translated into policy immediately. Years of bitter confrontation between the Nizamat and the Company resulted in a war in 1763, followed by regulations regarding the use of *dastak* after Robert Clive returned as the Governor and President of the Council in 1765. One had to wait for greater political and administrative developments, and centralisation of authority to see a policy in action. This came about in 1772-73, when under the Governorship of Warren Hastings the zamindari *chowkies* collecting *sair chalanta* was abolished by a public regulation, the privilege of *dastak* withdrawn from the Company servants, and, the duties levied by the country government was established through a new set of regulations leading to a reorganisation of the entire set-up of custom collection in Bengal.\(^96\) This was directed towards reforming the system within which goods moved from one place to another, and circulated all over the country through different markets. However there was hardly any attempt to restructure other categories of *sair* duties particularly those levied in the market on goods for sale. But the threshold point for this too was being reached as Company made steady progress in intervening to reorder rural administration.

Territorial acquisitions and assumption of responsibility to govern the country, greater association of the British governing institutions with the rule of Company’s domains, and, perspectives acquired from the experience of administering land-revenue in districts leading to an integrated approach, contributed to measures which went a way long way in the process of restructuring of *sair jihat* duties. One finds that during the years between the acquisition of Dewani in 1765 and the Regulating Act of 1773 a definite perspective emerging regarding duties collected from traders in internal commerce. The emphasis was on ascertaining in what particular part of the revenue paying domain the burden of exactions or excess collections had fallen and where the exemptions had been allowed; whether the collectors of revenue from the zamindar

---

\(^96\) J. E. Colebrook, *Digest, Public Regulation for the Settlement and Collection of Revenue, 14\(^{th}\) May, 1772*, p. 191.
and amil to the pyke imposed any authorised dues or not; and whether the multitude of agents were necessary or should be deemed as a source of extortion. At the beginning of the British interventionist phase in 1769-70, this was sought to be ascertained through the expense and arrangement of ghat and public markets, in which the daroga, kotwals, pyke etc. were considered to be instruments of oppression.

These being the objectives of enquiry of the new regime one needs to examine the assumptions on which such enquiries were based. The guiding assumption seems to be that the ryot or the producer and the trader, vital components of an economic structure in which a fair degree of trade was a necessary ingredient, were at the receiving end of the same system in which the levy of undue and illegal taxes - by the collectors of revenue in land, and daroga and kotwals at the market - was a normal feature. Thus the enquiry that the supervisors were required to make in forming the hast-o-bud of the sair revenue was no different from land-revenue. Thus a list of ghat and public market was to be procured from the zamindar along with a list of established duties ordered to be collected at each, and the persons who could produce the exact amount of goods they have themselves passed, or the trader, be applied to, to ascertain the duties that were paid in the past. This was to serve as a check on the accounts provided the daroga of the chowky. It is to be noted that the methods followed in the enquiry of sair was parallel to the enquiry made regarding alienation of excess exactions. However at the boundaries of the province an accurate amount of export and import specifying the amount, assortment and quality of each article with duties upon each was to be ascertained, to estimate the balance of trade between the province and other regions. The purpose of the two enquiries were different. With these enquiries protection of the ryot and the trader became stated objectives of state policy.

97 SCP, 16th August, 1769, Richard Becher to Supervisors.
98 Ibid.
99 Ibid. Comptrolling Committee of Revenue, 24th April, 1771, proceedings on abolition of gully mangan.
The transformation of the East India Company from a purely commercial organisation to a political power with administrative responsibilities came about rather soon after “the revolution of 1757” in Bengal. A school of historical thinkers attributed this transformation and assertion of Company’s political control and hegemony in Bengal to the military victory at Plassey and consequent assumption of administrative responsibilities, like that of Dewani in 1757, while other scholars believed that the deepening of its involvement in administration particularly its land-revenue branch gave it that power.\textsuperscript{100} Whatever might have been the cause and effect in this transformation there was a definite separation of the identity of the Company as a territorial power and a commercial power by the end of the 1770’s.

Along with this separation of identities came about another one of a necessary nature and significant importance within the organisational structure of administration significantly after the Company stood forth as Dewan in 1772, though the process had begun earlier under John Cartier’s administration.\textsuperscript{101} This was the separation of the administrative apparatus dealing with revenue, especially of land, from the commercial departments, and also separation of those branches of revenue administering internal trade, from those administering revenue and production from land. Customs was reorganised in 1773,\textsuperscript{102} while the other components of sair revenue, and collection of ganj duties continued under Revenue Board,\textsuperscript{103} and later under Revenue Department of the Governor-General and Council. Sair chalanta was abolished in 1772,\textsuperscript{104} but ganj duty collection was authorised, and it continued to be collected with duties like the tehbazari and the chandenah as other components of sair revenue. The final

\textsuperscript{100} Firminger, \textit{Introduction} pp. iii-iv.

\textsuperscript{101} Ibid.

\textsuperscript{102} Proceedings of the Revenue Board of the Whole Council, vol.3, 23\textsuperscript{rd} March 1773.

\textsuperscript{103} Ibid.

\textsuperscript{104} Lr. from Committee of Circuit to Fort William, 16\textsuperscript{th} July 1772.
separation came about in 1790 when the responsibility of collection of these duties were transferred from those who engaged for land-revenue to the government.\footnote{Governor - General in Council, Revenue Department, 11th June 1790, Regulations for the Guidance of the Board of Revenue and Collectors relative to Sayer or Internal Duties.}

In a sense the Company now treated agrarian production and trade as administratively distinct spheres of the economy. What underlay this administrative separation was a notion of an economy wherein the sphere of production was progressively commercialised and integrated with the general economic sphere defined by the market. There was a further principle which sought to redefine the relationship of the state with the economy in the Indian context. This related to the right to tax goods and commodities. The principle which underlay this separation also implied that the produce could be taxed only once, after the process of production had been completed, and for the value of the commodity. Subsequently, the commodity destined for sale could be taxed once more as goods for sale, but not as produce in different forms. Such was the case earlier when the produce was taxed as produce in different forms, on the road, on river, and at the market place. To put into effect this reformation of principle was required a change in the administrative systems and practices which had governed internal trade and was comprehended within the scope of “reformation” which the English authorities sought to bring about in the 1770s. Thus the two aspects of the policy were: (a) rationalisation of the economic principle behind internal duty, to bring it in line with it’s intended economic objectives; (b) separation of internal trade tax collection structure from the land-revenue collection structure to create a separate management for customs duty collection and markets.

The prospects of internal and external trade did not seem to be very bright for the Company during the period of the double government in Bengal. Investment was becoming dearer, specie was scarce, and bad and irrecoverable debts falsely increased the price of commodities leaving a balance in the accounts of the Company, but, actually a debt which the producer could not pay back\footnote{G.R.Gleig, Memoirs, vol. I, pp.304-305,}. Such were the observations.
of Warren Hastings the first Governor-General of Bengal who believed that existence of bottlenecks at various levels impeded the free circulation of commodities and specie. In that sense he intended a degree of freedom in the movement of trade to be restored, though we are not certain how far to agree with G.W. Forrest in his opinion that Hastings was putting into effect the principles propounded by Adam Smith.\textsuperscript{107} In his letter to Sir George Colebrook on 3rd April 1773 he put forward two plans remedy these problems. One was creation of a general bank, and the other was a complete change in the administration of customs. We will return to a discussion of Hastings’ measures and plans soon, and review the background of administrative policy and thinking before most of those plans were put into effect.

During the early days of Company’s dewani administration what pre-occupied authorities most was a general revenue policy, with emphasis on improvement in agricultural production, and it was automatically assumed that, that would lead to greater circulation of commodities and currencies. Discussion on revenue gathered from internal trade was not much in evidence at least in the first year of the existence of intermediate and supreme revenue authorities. There were no specific instructions regarding sair to the supervisors in the general set of first instructions sent to the Controlling Councils of Revenue by either the authorities at Calcutta or the Court of Directors\textsuperscript{108}. The first set of instructions regarding modifications in sair revenue collection and assessment appeared along with regulations on land-revenue, but distinctly separate from regulations related to commerce.\textsuperscript{109} The instructions sent by

\begin{flushright}
\end{flushright}

\begin{flushright}
\textsuperscript{108} On their appointment the supervisors were given a set of instructions of which the third related to Regulations of Commerce. It spoke generally about the ‘several species of impositions practised by the gomastas, pycars, dellols, and the whole chain of agents through whose hands the articles of merchandise pass’.
\end{flushright}

\begin{flushright}
\textsuperscript{109} Proceeding of Select Committee 16\textsuperscript{th} August 1769; see also pg 7.
\end{flushright}
Richard Becher to Lawrell, Reed and Graham addressed the question of improvement of revenue but hardly mentioned sair revenue or the problem of internal trade in general. These two sets of instructions were supposed to be the charter of action for supervisors in the districts during their appointment in 1769-72. However by the year 1770-71 the dewani administration under Company had to take cognisance of the problems of internal trade, and these can be called the first steps towards restructuring the sair administration in Bengal.

The imperative for reforming the sair branch of revenue came from an understanding that trade was stymied by lack of circulation of species and commodities, an impression which gained strong grounds under Hastings after 1772. This resulted in a number of measures as the setting up of a general bank, plan of new customs duty, and regulations for Company servants and their banians in internal trade who, as Hastings felt prevented the return of specie by investing whatever they collected as revenue in private trade. This understanding may be related to the experience which the supervisors had gained in the administration of internal trade and problems of regulating it’s revenue and commercial aspects, before the Committee of Circuit began their work.

These steps suggested by Hastings were measures to contain tensions developing within the official and administrative fold of the Company, and also to accommodate the reality unfolding before it in the wake of a famine and a rather elusive search for the value of land and resources of the province. However it produced results in two directions. First it made the government more sensitive to the fact that internal trade was an arena crucial for enhanced circulation of commodities and species to generate wealth, as well as for the routine functioning of the agrarian economy. Thus the government focussed on sair administration not only from the point of view ensuring greater circulation, but also for ensuring the movement of what
it categorised as "necessaries of life".\textsuperscript{110} Second these steps resulted in dislocations in the revenue system in general and brought to fore tensions inherent in relations within the agrarian structure, between landholders or farmers, traders of grain particularly, and the state. The quest for establishing an economic value for most productive resources and produces of the country\textsuperscript{111}, and the mode of providing for the necessities in a continuous and uninterrupted manner, were crucial points, but at variance with each other. The policy of farming out revenue resources - sair and maal both - introduced a commercial criteria in agrarian system which had become a very marked feature of the agrarian economy after the ascendancy of the English in Bengal’s politics and economy. An economy not adjusted to the processes of its movement or action - the mode in which revenue or agrarian surplus had to be paid, the traditional expectations by the surplus gatherer and surplus producer both and the manner in which it was to be distributed - was bound to witness some dislocations and tensions in the process of readjustment. This was most evident from certain cases relating to trade in grain and collection of sair revenue from markets in Bengal during the years 1770 to 1773.\textsuperscript{112} We will return to this point very soon.

Such instances of conflict were endemic in times when neither an agrarian settlement nor a proper integration of grain markets had been achieved. Therefore the

\textsuperscript{110} PCCRM, 25\textsuperscript{th} April, 1771, Lr. from Board at Fort William to CCR at Murshidabad; Comptrolling Committee of Revenue, 21\textsuperscript{st} April, 1771, the Committee resolved on measures to facilitate importation of rice from Hooghly and Hijli. Also correspondences with supervisors: PCCRM, 30\textsuperscript{th} April, 1771, Lr. from Board to Rous, supervisor of Rajshahi; PCCRM, 23\textsuperscript{rd} November, 1770, Lr. from Ducarel, supervisor of Purnea, stating that orders had been issued to remove all obstacles to the free exportation of grain; PCCRM, 20\textsuperscript{th} December, 1771, Ducarel to CCR, reporting that in spite of all efforts to promote free-trade in grain it is not pouring into Murshidabad owing to detention at certain chowkies; PCCRM, 6\textsuperscript{th} December, 1771, Lr. to supervisor of Rangpur, with instruction to free trade of grain.

\textsuperscript{111} Ranajit Guha, \textit{A Rule}, p.116, mentions that the operative rule of the farming system was equalisation of the amount of revenue and the value of land.

\textsuperscript{112} For instances relating dislocations in grain trade : PCCCRM 26\textsuperscript{th} September, 1771, \textit{Arzee} from the \textit{Vakil} of the Ijaradar of Sahebganj; PCCRM 18\textsuperscript{th} July.,1771, \textit{Arzee} from the Beparries of Nawabganj; For fall in revenue collection from sair : PCCRM, 19\textsuperscript{th} November, 1770, Lr. from supervisor of Rajmahal; PCCRM, 5\textsuperscript{th} December, 1770, Lr. from supervisor of Nadia; PCCRM, 24\textsuperscript{th} October, 1771, Lr. from supervisor of Nadia; PCCRM, 24\textsuperscript{th}, May, 1771, Lr. from Samuel Middleton to CCR.
old stance of the Company that fair trade should be ensured held good for ever. It ‘emphasised dissolution of the restraints not only of the type inherited from the Nizamat’ but also the type fostered by Company’s own officials. The major thrust in this direction came after the disastrous famine of 1769-70. However the makers of policy were still not in any position to enunciate a clear line of action even after the supervisors started acting under the direction of the Controlling Council in 1770. There was no central authority to guide the affairs of internal trade and it’s duties, giving rise to varied perceptions regarding direction and policy in different quarters. The Custom Master of Calcutta had been vested with powers to issue dastak and collect revenue on internal trade items for free transportation of commodities all over Bengal, and this was in line with the general policy of free trade followed by the Supreme Board at Fort William, as per the directions of the Court of Directors. The supervisors however required clearer instructions regarding the matter, and sought directions as to which items were to be exempted from duties at the chowkies. CWB Rous supervisor of Rajshahi wrote to the authorities on the subject of the exemption of duties on necessaries of life, like salt, grain and piece-goods, for which dastaks had been issued from the Custom House at Calcutta and solicited orders as to how far such dastaks were to be accepted. Bensley Deputy Custom House Master at Calcutta had already complained that their dastaks were not being accepted at Rajshahi, and that some ghatwals in his district had exacted duties on those articles. The matter being referred to the Supreme Board at Fort William they restated the orders of the Court of Directors, that the principle of free-trade or trade without any hindrance and illegal or exorbitant imposition of duties be allowed to carry on. But within a month they

---

113 Rajat Datta, “Markets, Bullion” p.7.

114 PCCRM, Lr. from CCRM to Board at Fort William, cons. 28th February 1771; Lr. from Board to CCRM, cons. 21st March 1771.

115 PCCRM, Lr. from supervisor of Rajshahi, dated 25th February 1771, cons. 28th February 1771.

116 PCCRM, Lr. from W. Bensley, Deputy Custom Master at Calcutta, to supervisor of Rajshahi, dated 29th January 1771, cons. 28th January 1771.
stated in a letter to the Controlling Council that the powers of the Custom Master to issue *dastak* for free importation of *necessaries of life* had been restrained.\(^\text{117}\) This shows a degree of uncertainty in policy pursued by the Supreme Board of the Presidency.

**II.3 Evolution of a Determinate Sair Regime: Merger of Government Customs with Sair Jihat**

Hindrances posed by ordinary *chowkies* and their exorbitant duties on necessities of life was one aspect of the problem in the regulation of internal trade. Hindrances to trade from the perspectives of the Company was always illegal, if the act was in violation of an agreement or calculated to extort from the trader. The "evil" of the system was perceived to have arisen due to the practice of farming revenue amongst zamindars and members of the ruling class.\(^\text{118}\) Such obstructions were also considered as not to be in conformity with the general principles of commerce at home. But for the Company before 1757 this was not the dominating idea which guided them in representing their point of view. The Company represented itself rather as a victim of attitudes and anti-commercial attitudes and pecuniary motives which marked the entire administration of *sair* under Nizamat, especially its *Sair Pachotrah*.\(^\text{119}\) It was only after its political ascendancy and prospects of enlarging a domain of economic and political control under it - referred to in the tracts of the times as England's "dominion" - that the guiding principles of commerce were articulated. But it could not take place unilaterally, abandoning the extant structure within which controlled trade. It was within the framework of this structure that the Company had agreed, in 1765, to raise revenue as the Dewan.

---

\(^{117}\) PCCRM, Lr. from Board to CCRM, dated 25th April 1771, cons.30th April 1771.

\(^{118}\) PP, Lr. from William Watts, 18\(^{\text{th}}\) April 1753, Watts told the Board that it would not be within his powers entirely to suppress this evil, "as they are fixed not upon our account alone".

\(^{119}\) PP, 10\(^{\text{th}}\) April, 1753
The other aspect of the problem thus was quite opposite in essence: that was to raise duties particularly those collected for the government from trade in salt, betel-nut and tobacco, referred to as "necessaries of life" by the Court of Directors. The conflict here was focused on the motives and ambitions of the Company servants trading in the capacity of private trader, but with privilege of the Company's dastak, and, the responsibility of the Company as a governing power. Since 1767 trade in salt, betel nut and tobacco was carried on by merchants of the country after the Directors said that 'a monopoly of the necessaries of life ..... especially in the hands of the English....is liable to the greatest abuses'. The duties on those articles was collected and a rowannah was granted at the place of purchase for onward transportation. Thus no further duties, mangan or any other custom, were to be levied. But this measure led to a deficiency in revenue because the servants of the Company continued to interfere in the business of the traders, and smuggled salt to such an extent as to defraud the government of duty to an aggregate amount more than 40 lakhs of rupees. Supreme Board at Fort William thus asked for the opinion of the Naib Subah and the Murshidabad Council as to the best mode of levying duties on these commodities with a view to increasing the Company's revenue without distressing the merchants. Supervisors of two principal salt producing region Dacca and Hooghly were also asked for their opinions on the subject.

Apart from salt, betel-nut and tobacco which involved the Company and the Nizamat in political confrontations in 1760s, other articles assumed importance in the new regulations that were being framed to control internal trade in 1770s. Initially there was no specific focus in enforcing regulations regarding the local and regional trade and many articles of trade engaged serious attention of the Company. This included timber and straw especially in, and from Purnea, passing through Rajmahal.

120 Home Misc. Series, vol.92, Extract of a Select Committees Cons. dated 29th December 1767.
121 PCCRM, Letter from the Board to CCRM, dated 14th March, cons. 25th March 1771.
122 PCCRM, Lr. to S.Middleton, Chief CCRM, on tour of Dacca, cons.25th March 1771.
chunam from Sylhet, passing through Rajshahi and the entire complex of trading stations located in the adjoining regions; pan or betel-leaf in Dacca. Salt and tobacco passed through an extensive network of trade conduits ranging from north to south and east to west. Passage of all these commodities and their sale in the markets or the ganjes and haat needed regulation according to the evolving doctrine of the Company regarding internal trade. However the government initially i.e. between 1769 and 1772 was more concerned with governing the duties imposed on its movement and free passage - the sair chalanta - rather than the question of its sale at the ganj.

Timber was an important item of trade in Purnea along with grain and straw for cattle. Duties on timber formed a separate item of sair assessment here, while duties collected on straw were levied along with that of cattle, trade in which was also quite important in the district. The supervisor of Purnea, G.G.Ducarel, noted in 1770 that there was much circulation of money before the famine in the district on account of it’s trade internally, and also because much of the land-revenue arising in the district used to be retained within it, and hence re-invested in trade. Ducarel suggested that a symbiotic relation had set up in Purnea before the famine between internal trade and land-revenue collection, which was broken on account of the factor of famine itself and also the high pitch of revenue demand and remittances to the city of Murshidabad. Alamganj was one of the largest market for grain trade in the district, and allowance for a separate charge of collection was made for it in the annual saranjami. Timber was a special item of the region because of its proximity to Morung forests, and probably the district figured as the major supplier to different parts of the province on account of this proximity. It was transported to places as far away as Calcutta in the 1750s, where new settlements were coming up, through the course of Ganges river and after paying a duty at Rajmahal. In 1754 one finds that the faujdars of Purnea and Rajmahal had decided to block the supply of salt-petre by the

123 PCCRM, 13th December, 1770, Lr. from supervisor of Purnea.

124 Appx.vol.3.PCCRM, Accounts referred to in the letter from supervisor of Purnea, cons.13th December 1770: General Abstract of charges collections in the Purnea District for the years 1172-1176.
Company to Calcutta as a retaliatory measure to Company’s decision of levying duties on timber and plank in Calcutta markets, exported by Mosuffir Hussein, a Purnea based trader.\(^\text{125}\) In the 1760s timber trade and evasion of duties by English private traders became a subject of conflict between the faujdar of Purnea and Nawab on the one hand and the English on the other. The faujdar of Purnea prevented the intrusion of private traders into the domain of his monopoly over this trade by confining the business of private traders to ready money purchases only, and forbidding them from making any advance payment to producers.\(^\text{126}\) The acquisition of Dewani powers by the English eroded considerably faujdar’s control on internal trade.\(^\text{127}\) In 1766 we find that Mr. Mirtle an Englishman was engaged in rampant cutting of fir timber trees in Purnea and transportation outside.\(^\text{128}\) Purnea declined during the days of famine, a fact much lamented by Ducarel.\(^\text{129}\) In pargana Alamganj alone there were 76 sayer revenue collection units which was the largest, followed by Suryapur which had 73. Most of the parganas had quite a few sayer revenue units, and also petty sayer mahals.

Sylhet was a monopoly enclave of the ruling power of Bengal for the production of chunam. However by the end of the decade of 1760s one finds that the Company had made inroads into chunam trade of Sylhet, arranging for transportation and storage chunam at Rajshahi under the supervisor. This was largely to avoid the obstructions by the faujdars to the designs of the private trader located at Rangpur and Rangamati. At Rangpur the private traders ambitions were sought to be contained by the power of the wadadars of Baharband particularly in salt trade.\(^\text{130}\)

\(^{125}\) PP, 21\(^{st}\) October, 1754, Lr. from William Watts.  

\(^{126}\) John Johnston’s letter, January 14th 1763, A Narrative of the Transactions in Bengal(1766).  

\(^{127}\) PCCRM, 18\(^{th}\) January, 1771, Supervisor of Rajmahal.  

\(^{128}\) Letter from Richard Barwell, Proceedings of the Select Committee, February 1766.  

\(^{129}\) PCCRM, Lr. from collector of Purnea, cons. 7th August 1772.  

\(^{130}\) Henry Vansittart, A Narrative of Transactions, Warren Hastings, Resident at Darbar to W.B.Sumner, December, 12th February 1758, Section I, pp. 26-27.
However very soon, i.e. during the course of Controlling Council’s administration of *sair* under Richard Becher, government was acquiring a definite perspective to regulate the trade in grain, the single most important item of internal trade, and a general regulation governing its movements in trade and sale at markets came about.\(^{131}\) Though the resolutions for the future establishment and regulation of the duties of the country government of, of the Revenue Board comprising the Whole Council, 23rd March 1773, decided that duties, tolls, fees or ground rents collected at the *ganjes* shall be continued as usual, until such new regulations established by the Board, all road duties, by land or water, or on importation of grain at the *ganjes* shall be entirely prohibited. The Revenue Board of the Whole Council in its resolution of 1st March 1774 stated that no duties of any denomination shall be levied at the *ganjes* excepting on goods actually there sold. Also goods passing through the *ganjes* for sale at another *ganj* were to be liable to no demand or hindrance whatsoever. In order to compensate for the duties given up the Governor and Council instructed the Board of Customs on 12th April 1774, to suspend the duty on grain shipped outwards from Calcutta when the price of common cargo is not dearer than 75 seers per rupee, and instructed collector of Murshidabad and the Collector of Government Customs Houses to collect 5% and 2.5% duties on grain entering the custom houses and the city.\(^{132}\) All these measures point to the growing importance of grain as an item in the scheme of Company’s *sair* administration plan.

The resolve of the Company to implement a definite *sair* plan was in evidence from the days the supervisors were appointed to regulate internal trade in the districts, and closer supervision over the *sair* administration centres in different located in different parts of the province to control trade in different directions.\(^{133}\) Though the

---


\(^{132}\) Provincial Council of Revenue at Murshidabad, Cons. 20th June 1774.

Controlling Council at Murshidabad had not begun its work under a general plan it was attempting to regulate internal trade keeping in mind the strict divisions in sair, between the revenues which appertained to the government directly and which came through the zamindari sair. The administration regarding the two overlapped because the mode of collecting the duties were universally the same. This was through the chowkies which to the Company was an old evil inimical to the interests of fair trade. But with the assumption of dewani responsibilities and concern for steady revenue collection it could not also be disregarded that these were the traditional instruments of governance and revenue raising for the state. In cases which involved the violation of government regulations regarding salt, betel-nut and tobacco trade, and, other trades where duties were paid to the sair pachotrah, bakshbandar or shahbandar, the Controlling Council acted with firmness directly. The role of the Controlling Council operating from Murshidabad was of critical importance to internal trade in all commodities as it was to land-revenue in general. The Council acted as the supervisory body over all the ancient sair establishments of the province directly under the control of the government, as well as that aspect of the sair which was related to the conduct of local trade under the zamindars.134

The ancient establishments were those centres of sair administration which had developed during the Mughal regime and thus were the traditional points of contact in inland trade. The establishments were controlled by the imperial officials directly on behalf of the Mughal emperor, though the offices were held by locally important notables like the banker Roy Dyalchand to serve as checks upon imperial officials.135 However along with Mughal decline, shift of subah capitals, and greater spread of the internal grain producing economy resulting in the growth of many other centres of internal trade, these ancient centres became the radiating point of different zones of internal trade, rather than mere points for receiving bakshbandar and shahbandar

134 Ibid., App. No. 5.

135 Ibid. Establishment etc. for the New or Government Customs House at Calcutta, App. No. 10
duties. In this sense the traditional custom centres were merged with structure of local trade.\textsuperscript{136} Rajmahal was an important point of transit for various goods coming down into southern Bengal from the markets of Purnea and Dinajpur, under the control of the faujdar. Though it might have declined as a centre of sair collection after the shift of Mughal capital to Dacca it maintained a large establishment for the collection of government sair, particularly from betel-nut, tobacco and salt exports and imports. The amount of collection from these items, as shown by the figure between 1764 and 1767 was declining, though figures of a slightly later period shows that collections from the zamindari sair was definitely higher, as the saranjami figures were higher than that of the faujdari establishment. This implies that the authority of the faujdar was relatively less than in the past, though the faujdari supported a large retinue of grant holders - 255 in number, dependent on grants inherited since the time of Aurangzeb down to Mir Kasim. Some of these grantees collected sair duties from merchants who purchased textiles from aurungs nearby - silk and piece-goods - and proceeded westwards.\textsuperscript{137} Such goods from which government revenue was collected

\textsuperscript{136} BRCP, 9th May, 1788, vol. 1, part I, Circular letter to Collectors of Government Customs, asking them to transmit to Governor-General in Council the account of lands and ganjes that are separated from the jama and placed under the authority of the Collector of Government Customs; 1st August 1788, vol. 1, part II, Lr. from collector Dacca.

\textsuperscript{137} PCCRM, 28th March, 1771, Lr. from supervisor of Rajmahal. A 1771 list with pachotrah authorities shows that about 255 persons and their families were dependant on grants from different rulers over a period of one hundred and ten years. It is very similar to the list of dependants on sayer revenue in the Murshidabad pachotrah. It included grants from Aurangzeb, Abdullah Khan the Wazir of Emperor Farrukhsiyar, his opponent Nizam-ul-mulk, Siraj-ud-dowlah, Mir Kasim and a large number of faujdars who were appointed there from time to time. The disproportion between the amount of collection and the number of dependants does suggest that all were not sayer grants, but the letter from the Collector of Rajmahal to the Committee of Circuit in 1772 said that, apart from the zamindari duties which were collected in the interiors of the district sayer duties were collected by certain grantees on silk goods and white piece goods of the black merchants, purchased from the neighbouring aurungs and proceeding to the westward of the district. For this it had been customary to issue roannahs from there under the public seal of the sayer pachotrah. Since sayer duties collected under the authority of the pachotrah had not come in for resumption in the regulations of the Committee of Circuit in 1772, the collector sought direction from superior authority. They replied that indeed the duties collected at sayer pachotrah at Rajmahal seemed to be distinct from those collected at the zamindari chowkies and should be continued till their final determination. It thus seems plausible to hold a large number of grantees did depend on the sayer collection for their income, though exact data is lacking in this case to give us a clear position.
were allowed to pass after the issue of rowannah under the public seal of the pachotrah.

In January 1771 Muhammad Hadi from Purnea complained that nine of his boats carrying 1500 maunds of tobacco bought at Rajgunge after paying the duties at sair pachotrah and obtaining a rowannah. The chowkidar of Bawra Gerrah dependent on Rajmahal had stopped them and sold the tobacco to realise the revenue which he otherwise would have lost. The Council ordered the supervisor to immediately secure the release of the boats and restore the tobacco which had been unlawfully seized, and inflict punishment on the chowkidar to 'deter in future the officers at the chowkies from being guilty of the like oppression and contempt of the rowannah of pachotrah'. Supervisor of Rajmahal reassured the authorities that since his residence there the practice of stopping boats for duties especially those having the rahdarry of Purnea faujdar had never occurred and timber or grain trade always had a smooth passage through his district.¹³⁸

The intervention of the Company in the form of supervisory administration in the early 1770s marked a change in authority. Since sair duties collected under the authority of the pachotrah had not come in for resumption in the regulations of the Committee of Circuit, the collector queried whether it should be distinguished from the zamindari sair and continued in its present form or not. He remarked that the basic nature of both were the same at that moment.

Government revenue from internal trade in Dacca was divided into two parts - mahalat huzoory and mahalat nizamat. In the former the revenue appertained to the government directly while in the latter it was farmed out to the wadadars. The sair shahbandar and sair outposts or phandies like Coolnea or Khulna, Kharibari and Jatrapur were under the mahalat huzoory.¹³⁹ Mahalat nizamat included items relevant as ganj duties or the general sair collections from trade and sale of goods. The

¹³⁸ PCCRM, January 18th 1771, Arzee from Mahomed Hady; Lr. to supervisor of Rajmahal.

¹³⁹ BRP (sayer), 28th March 1789, Lr. from Collector Jessore, sayer proceedings for Khulna.
Supervisor of Dacca kept an estimate of the revenues produced from such articles separate from the general estimate of revenue. However Council felt that the estimate was low compared to that of the other districts. Moreover the Council told the supervisor, a few months later that they had 'received innumerable complaints that the oppressive exaction at the inferior chowkies of galli mangan, etrafée and other imposts on the articles of salt, betel-nut and tobacco which always pay the duty affixed by government at the principal custom house and are in consequence furnished with rowannahs from thence or are provided with the Honorable Company's dastak. In either case the levying of a duty on these articles becomes a glaring insult on the regular authority of government and an insupportable grievance to the merchant.' The Council further told the supervisor that 'the regulations of the Presidency is fully meant to exempt those articles from every kind of duty to their ultimate place of vend within the provinces and we shall consider you are responsible for the conduct of the chokeydars in the observance of this order.....infringement of which will incur our severest displeasure.' The supervisor of Dacca enforced this order with utmost severity by taking a bond or muchleka from all the ghatwals and sending out party's of sepoys to release boats. He complained that a number of boats were regularly detained in adjacent Rajshahi district.

These commodities particularly salt, moved from Dacca to Rajshahi and Dinajpur, a route networked by ghat and chowkies of zamindars. Silk goods, salt, tobacco and betel-nut were granted rowannahs, while other goods like brass pots were given a daroga's dastak. Very often the local authorities under the Nizamat, particularly at Dacca, in order to bolster the claim to exemption at the innumerable

---

140 PCCRM, Lr. to the Comptrolling Committee of Revenue from CCRM, cons. 18th November 1771.

141 PCCRM, Lr. to supervisor of Dacca, cons. 26th August 1771.

142 ibid.

143 PCCRM, Lr. from supervisor of Dacca, cons. 14th November 1771.

144 PCCRM, Lr. to supervisor of Dinajpur from CCRM, cons. 21st October 1771.
chowkies which were spread over so large an expanse of territory, granted an additional rowannah to ensure smooth passage of the goods\textsuperscript{145}. But this practice directly contravened Company’s idea that too many transit duties tended to push up prices. Thus when supervisor of Dinajpur brought to the notice of the Council that his counterpart in Dacca, James Harriss had granted a \textit{dastak} authorising free passage of salt a lengthy discussion followed on the propriety of the action. While the Council reminded Harriss the regulations framed after the dissolution of Society of Trade regarding the trade of salt, tobacco and betel-nut and charged him with impropriety, Harriss argued back on the strength of tradition and custom which had governed internal trade for long. He said that it had been customary for time immemorial to grant the trader a \textit{dastak} from the \textit{shahbandar} for such salt imported to Dacca under Calcutta or Hooghly rowannah, and exported again in small quantity to the different parts of the country, because that salt was being exported out of the \textit{shahbandar} of Dacca after payment of a duty. This according to him could not be enforced on the trade of tobacco to Bakharganj from Dacca because the traders took cover under the rowannah issued from Hooghly or Murshidabad\textsuperscript{146}. The Council finally agreed with Harriss, but judged that the continuation of this practice was liable to abuse with respect to government revenue and also occasion impediments and delays to the merchants carrying out the trade\textsuperscript{147}.

New regulations pertaining to revenue collection from salt, tobacco and betel-nut trade had an altogether different impact on the \textit{sair} revenue of Birbhum. This district had traditionally collected \textit{sair} revenue from these goods as it was a peshkashi zamindari, beyond the purview of the Nizamat. Supervisor of Birbhum represented that a considerable part of the rents of the \textit{ghat} chowkeys, gunger, \textit{sair} etc. arose from

\textsuperscript{145} PCCRM, Lr. from supervisor of Dinajpur, cons. 16th September 1771.

\textsuperscript{146} PCCRM, Lr. from supervisor of Dinajpur, cons. 16th September 1771; Lr.to supervisor of Dinajpur 21st October 1771; Lr. from supervisor of Dacca, 14th November 1771; Lr. from supervisor of Dacca, 18th November 1771; Lr. to supervisor of Dacca 18th November 1771; Lr. to supervisor of Dacca from supervisor of Rajshahi, 18th August 1771.

\textsuperscript{147} PCCRM, Lr. to supervisor of Dacca, 18th November 1771.
the duties on these articles; and as those have been sold out as farms by public outcry
the farmers would naturally expect a deduction from their malguzary\(^\text{148}\). The Council
took a very strong stand against the demands made by farmers arguing that they must
have been well acquainted at the time of taking the farms with the nature and validity
of the deeds of the government. The Council send a note of warning to the supervisor
and farmer both that rowannah of the government ought not to be dishonoured.\(^\text{149}\)

We can now turn to examine the condition in southern parts of Bengal where
the network of chowkies maintained by large zamindaris controlled ordinary sair
collection as well as encroached on governments revenue. Internal trade of this region
was a crucial aspect of Bengal’s economy as it joined the outlets of external trade,
conducted within the vicinity of important metropolis like Calcutta and Hooghly and
also within the two most prosperous zamindaris of Bengal, Burdwan and Nadia. The
Hooghly faujdari was the point at which the bakshbandar duties were collected from
all items of trade and supervise the royal monopoly over trade items like salt, betel-nut
and tobacco.\(^\text{150}\) However this monopoly in practice was farmed amongst the favourite
merchants of the Nizamat and large revenues were earned out of it. Duties were
collected on every article except salt, and was called gerana, of which a certain
percentage was deducted as charges of collection and rusoom to the daroga, tavildar
and mahimny.\(^\text{151}\)

As to the general nature of collection of duties for the sair in this region one
finds that it was controlled by zamindari chowkies as well as those of the farmers, who
after the Company’s acquisition of dewani, had proliferated in the khas lands and the
sair units contained therein. In Hooghly many sair establishments for collection of
duties from internal trade in various kinds of produce were farmed by talookdars

\(^{148}\) PCCRM, Lr. from supervisor of Birbhum, 31st August, 1771.

\(^{149}\) PCCRM, Lr. to supervisor of Birbhum, 2nd September, 1771.

\(^{150}\) PCCRM, Lr. from supervisor of Hooghly, 30\(^\text{th}\) April, 1771; Home. Misc. Series, vol. 216.

\(^{151}\) ibid. App. to PCCRM, 30\(^\text{th}\) April, 1771.
dependent upon either the zamindari of Mahomedaminpore or huzuri talookdars.\textsuperscript{152} They were responsible for the collection of all duties except \textit{bakshbandar} gerana or duties collected upon various kinds of articles other than salt.\textsuperscript{153} Similarly in Nadia these \textit{chowkies} were controlled by farmers of revenue upon khas lands mainly who collected duties not only upon commodities destined to the \textit{haats} and \textit{ganj} of the region but also upon salt which had paid duties at one custom house or another\textsuperscript{154}. This salt duty was called \textit{galli mangan} collected by innumerable \textit{chowkies} of Nadia zamindari district. Several merchants engaged in the trade of salt between Hooghly and other places of southern and eastern Bengal - the Hooghly-Dacca route being an important one for salt trade\textsuperscript{155} - complained that they had to pay duties that were demanded by almost every \textit{chowky} upon the river Hooghly while transporting salt to the markets of the interior countryside\textsuperscript{156}. These merchants could not claim protection of the regulations of the Company but they also had ancient claims established on the exemption of payment, because they had the parwana from the Nawab which forbade the article of abwab and every other mode of taxation upon Bengal salt that had paid its established duty of 30 S.Rs\textsuperscript{maund} on Bengal salt and 10 S.Rs\textsuperscript{maund} upon Madras salt\textsuperscript{157}. This is an indication of the fact that these impositions were recent, arising mainly after the practice of farming through out-cry was introduced by the Company. Nadia zamindari had extensive \textit{sair} resources spread over 50 parganas a large number of which were farmed out. Three important markets of Nadia were

\begin{flushright}
\textsuperscript{152} PCCRM, Lr. from supervisor of Hooghly, 13th August, 1771.
\textsuperscript{153} ibid.
\textsuperscript{154} PCCRM, Lr. from supervisor of Hooghly, 14th February 1771.
\textsuperscript{155} PCCRM, Lr. from supervisor of Dinajpur, 16th September 1771.
\textsuperscript{156} PCCRM, Lr. from supervisor of Hooghly, 14th February 1771.
\textsuperscript{157} ibid.
\end{flushright}
renowned as khas *haats* for their location and *sair* yielding potential. These were Hutty Ghutta, Haut Chogda and Haut Gwarry.\textsuperscript{158}

These *chowkies* collected, according to the supervisor of Hooghly in 1771, no less than 35 Rs. per boat between Hooghly and a place called Deedwana in the Jelinghee, which amounted to on an average of 7% extra on boats which were carrying 500 maunds of salt\textsuperscript{159}. The supervisor said that collection could be reduced if the sizes of the boats were larger and able to carry more salt, because the duty was invariably levied on the number of boats carrying the commodity. The Council concurred with the suggestion of the supervisor regarding the stern measures to be taken.\textsuperscript{160}

Thus old *sair* regions of Bengal located around the *bakshbandar* and *shahbandars* and within enclaved faujdari districts tended to merge into a general pattern of *sair* administration. In the 1770s the nodal points of control were the government, which exercised control over internal trade through the collectors and Provincial Councils, and, the farmers and zamindars who were allowed to retain control over that part of *sair* which pertained to the general revenue settlement or the *malguzari*. The existing or, the extant, revenue collection structure under the supervision of the Nizamat was placed under the Collectors of Government Customs, but with important modifications in their ambits of control. The Collectors were required to transfer those *mahals* and other *sair* revenue collection units in the parganas to the *malguzari sair* and resume those ganjes which were proximate to the custom houses, or where the traders had to pay customs duties\textsuperscript{161}. Grain, probably the

\textsuperscript{158} PCCRM, Lr. from supervisor of Nadia, 14th November 1771.

\textsuperscript{159} PCCRM, Lr. from supervisor of Hooghly, 14th February 1771.

\textsuperscript{160} ibid.

\textsuperscript{161} BRCP, 1st September, vol. 2.
most important of commodities in all levels of trade, was exempt from duties in *ganjes*
and *haats*, but at the custom houses of the principal cities. 162

**II.4 Conflict and Adjustments in Ganjes and Grain Trade: Sair Regulations of 1771-73 and Revenue Farmers**

The revenue policies of the Company were taking shape in conditions when the extant principles or methods of revenue collection were in force, and had not been modified totally to suit the Company’s objectives. Such principles were the time tested methods which the zamindars and the farmers applied to fulfill revenue engagements with the government. But the government now sought a disengagement with such methods of fulfilling revenue demands particularly where it seemed to affect the circulation of commodities and the supply of what was termed in official parlance “necessaries of life”. However abjuring methods contributing to multiplication of levies, and those not based on any rational principle of taxation was possible only if the accent on fulfillment of revenue goal was removed. 163 But the operative principle of the farming system being equalisation of revenue realised with value of the produce, any resolution for a diminution of gross receipts could be practiced in half measure 164.

One of the important farmers of *sair* revenue in Nadia was the Calcutta merchant Joynarain Ghoshal, nephew of Gokul Ghoshal. He had farmed the markets of Hatta Ghutta, but had defaulted in paying the dues of the *sair* mahal 165. However the supervisor felt that the complaints of the farmers had the ‘appearance of great justice’ and were worthy of consideration, because till recently the *ghats* appertaining to the farms of Joynarain Ghoshal received a considerable duty from all boats passing and

---

162 J.E.Colebrook, *Digest*, Letter from Governor and Council to the Board of Customs, 12th April, 1774, p.428.

163 For a series of data on policies regarding evolution of grain duties, Home Misc. Series, vol. 216, correspondences of the Board of Customs with superior and subordinate authorities in Bengal.


165 PCCRM, Lr. to supervisor of Nadia, cons 12th August 1771; Lr. to supervisor of Nadia, cons. 12th August 1771; Lr. from supervisor of Nadia 24th October 1771.
later found excluded by almost all boats from which they could demand a duty, because almost all boats were accompanied by a dastak. As almost all the farms derived a substantial portion of their revenue from duties on boats, the rents were now considerably lessened and in consequence of the orders for totally abolition of galli mangan, most of the farmers had fallen in arrears. Thus the farmers who had ghat in the khas parganas expected to have deductions granted to them in proportion to the loss sustained by that abolition. Later that year the supervisor further explained the problems arising from abolishing sair duties and the general problem in the effort to create conditions for free trade.

At this point it seems the crucial question was regarding the establishment of central control over internal trade, dissolving barriers which hindered free movement of the trade, and the mode in which collections of revenue were to be made in future, which would be consistent with the general policy of agrarian settlement to be brought about. In general the supervisor agreed that the measures were necessary for the smooth conduct of trade, and gave assurance that he would keep a watchful eye on the conduct of those who were in a position to disturb trade. But then he felt that it was not without reason that the farmers did murmur. The reason that the supervisor assigned for the sair jama being likely to be much less this year was firstly, from the deadness of trade in general. Secondly he reasoned that what little trade had been carried out was under the sanction of the dastak, exempting the trader from all kind of duties. Dastaks issued immediately from the Custom House at Calcutta had tended to ruin the sair of the province of Nadia, according to the supervisor, because under the pretense of furnishing the Presidency (Calcutta) the necessaries of life those merchants had means to convey from the different parts of the district a variety of commodities that should have paid a considerable revenue to government. He requested that

166 PCCRM, Lr. from supervisor of Nadia, cons. 14th November 1771.
167 PCCRM, Lr. from supervisor of Nadia, cons. 3rd December 1771.
168 ibid.
particular attention be paid to the distribution of the dastak as any native merchant according to him could procure one for a trifle consideration\textsuperscript{169}.

This account does suggest that the Company had a plan to augment to its own sair revenue resources but absolutely no policy for the zamindars or the farmers. Diminution of revenue on account of salt and betel-nut at Dacca and Hooghly and large balances attracted the Company's concern and it was directed that supervisors of Hooghly and Dacca recover the balances as early as possible\textsuperscript{170}. At the end of the year 1771 the Council expressed satisfaction while intimating Fort William that the duties which they expect would be received from the articles of salt and betel-nut at Dacca, Hooghly and Coolnea (Khulna) bandar. The duties on betel-nut was included in sair shahbandar of Dacca\textsuperscript{171}.

The other item which could be included as necessaries of life was grain, and it assumed a greater importance after the disastrous famine of 1769-70. But much profiteering was also a feature during crises of subsistence of varying intensity\textsuperscript{172}. It has been argued that people starved because they were unable to buy food, and state intervention failed in the face of mercantile resistance\textsuperscript{173}. However the question of state intervention remains significant in the context of an overall development of rural administrative structure particularly to deal with famine and scarcity situations. This significance of this development was pointed out by W. W. Hunter through a

\begin{itemize}
  \item \textsuperscript{169} ibid.
  \item \textsuperscript{170} PCCRM, Lr. from CCRM to Comptrolling Committee of Revenue at Fort William, 18th November 1771.
  \item \textsuperscript{171} PCCRM, Lr. from supervisor of Jessore, cons. 6th May 1771.
  \item \textsuperscript{172} CCKr, 3rd August 1772, representation and complaints preferred by the zamindars and ryots of Purnea.; Rajat Datta, "Subsistence Crises, Markets and Merchants in Late Eighteenth Century Bengal", Studies in History, vol. 10. no. 1, 1994, pp. 81-104.
  \item \textsuperscript{173} Ibid. p. 83.
\end{itemize}
comparison of the British government’s role in dealing with the conditions of 1866 scarcity and the one that prevailed almost a century earlier.\textsuperscript{174}

The problems which engaged the attention of the recently appointed Company servants in the districts were, first, that of ensuring that trade, particularly grain, to the markets of the districts without any let or hindrance. Second, the question of farming out the \textit{sair} revenue of the market - \textit{haat} or the \textit{ganj} - was also related to this problem, because the person who was able to attract grain traders to the markets was most often continued as the farmer of revenue of the markets. Exactions at \textit{chowkies} were very an adjunct to this problem.

The beparis of Nawabgunje and Sayedgunje in the district of Rajshahi had carried on their trade without any demands or duties for long. But they complained in 1771 that their trade was being impeded at Bhettoriah, Luskerpore, Silberis and Dinajpur by 49 \textit{ghat} erected by the zamindars of these areas to collect duties on each bale and boat of goods at an arbitrary rate\textsuperscript{175}. Moreover the gomasta of Rani Bhowani, Bhowanicharan Ghosh had erected a new \textit{ganj} nearby, and forcibly carried the beparies of Nawabganj to his own. On the dismissal of Bhowanicharan the \textit{ganj} was farmed by one Kunjadhar Bose who agreed to farm it with a higher \textit{jama}\textsuperscript{176}. In order to realise the amount they seized upon all the boats of the beparries and prevented them from going to other established \textit{ganj}. They had obliged the beparries to give a muchleka that they would sell grain only at the \textit{haat} established by Kunjadhar, and threatened them that their houses would be plundered if they sold it at the \textit{haats} of khas talook\textsuperscript{177}. The interesting point about this episode is that apart from exhibiting the nature of coercive power behind internal trade, it also brought to the fore the


\textsuperscript{175} PCCRM, \textit{Arzee from the beparries of Nabobgunje}, 18th July, 1771.

\textsuperscript{176} ibid.

\textsuperscript{177} ibid.
various interests involved in times of transition in such conflicts. We will return to this point soon.

Such complications were in evidence in other places too. Most often interests clashed when one of the parties had an engagement to fulfill by way of payment of stipulated sum of revenue, while another staked its claim on the basis of rights derived since antiquity. The conflict between zamindar Lakshminarain Roy and Kalicharan ijaradar of Bauleah Nawabganj and Mangalbari *ganj* near Malda in the district of Rajmahal, touched upon similar issues. James Lawrell who investigated their complaints, accused both of them of irregular proceedings. In Lawrell’s judgement conflicts took place frequently between them because the collectors of revenue of both the *ganj* farmed out the *ganj* only to those who were able to send their agents or gomastas into the country to import as large a quantity of grain as possible to the *ganj*.

At Rangpur too the problem was of a very similar nature but complicated due to the involvement of Captain Mckenzie, the leader of troops in the frontier district. Mirza Lalbeg had taken a farm of the *haat* Bhowaniganj and talook Gourganj from Kunjabihari dewan of Rangpur at a *jama* of 25000 Rs. The *haat* and the talook had paid a revenue of 15000 Rs. in the previous year. The dewan and Captain Mckenzie, who were obviously in partnership directed him to purchase rice worth 20000 Rs. and deliver to the latter. He pleaded that he was employed in the collection of revenues at the *haat* and *bazaar* and thus he could not purchase rice to meet the Captain’s demands. Mckenzie’s demand would have imposed on him a burden of payment in addition to the *jama* already engaged. It was agreed that Mckenzie’s gomasta would accompany Lalbeg to the *bazaar* and he would assist him in providing grain. Lalbeg gave a muchleka, an obligatory bond promising to deliver the whole rice before the end of the month of Bhadon. He received three thousand rupees cash advance. He purchased rice and dispatched two boats from Bhowanigunj to Rajgunje where Mckenzie was stationed. Mckenzie for some reason refused to accept the rice and
demanded back the cash advance which ultimately Lalbeg had to pay and suffered considerable loss when he sold the rice at Bhagwangola\textsuperscript{178}.

The dispute at Nawabganj brought to the fore a confrontation between forces which had been in existence, and in opposition to each other, and were trying to readjust in the new political and economic environment. These were firstly, a zamindari, that of Rajshahi; secondly the traders and beparries of Nawbganj; thirdly proprietors of \textit{haats} and \textit{ganj} on the khas talooks surrounding Murshidabad; fourthly the Nizamat and the Naib Dewan; and finally an English supervisor who had has own prescription regarding the revival of an economy\textsuperscript{179}. Nawabganj and Sahebganj were flourishing marts in the khas talooks of Murshidabad, for 40 years and according to Reza Khan the Naib Dewan yielded a rent of 27000 rupees per annum. The traders and beparries had sold their goods in this mart without paying any duty on transit to the zamindar of Rajshahi through which they passed on their way to Nawabganj. They complained that for a few years past - probably since the time supervisor was appointed to Rajshahi - the Rani of Rajshahi exacted duties on transit from them. Moreover \textit{ganj} was erected nearby, at Hirganj - at a \textit{jama} of 1300 Rs.- and Bugdea, where they were forced to move their goods by the gomastas of Rani Bhowani and sell their goods there. Violence and threat accompanied such moves. The beparries were told that unless they sold their goods at Hirganj their boats would not be allowed to pass and their houses would be plundered. They complained to the supervisor of Rajshahi who referred the matter to the dewan of the zamindari.

Boughton Rous gave his opinion on the subject when the Council referred the matter to him. According to him the marts at Hirganj and Bugdea were old and considerable ones, ruined several years ago, and did not yield any rent the previous year. He had learnt from credible sources that the \textit{ganj} had yielded 10 to 15 thousand

\textsuperscript{178} PCCRM, Lr. from supervisor of Rangpur, 30th September 1771.

\textsuperscript{179} Documents consulted for the Nawabganj \textit{haat} episode are: PCCRM, Lr. to supervisor of Rajshahi, cons.18th July 1771; Lr. from supervisor of Rajshahi, cons.25th July 1771; Representation from Nawab Md. Reza Khan, cons.18th July; Lr. from the Nawab in answer to Rous's letter, cons. 18th July 1771.
rupees per annum in the time of Alivardi Khan's government, but had suffered an annual decline and was rated in the previous years hastabood at only 1200 rupees which amount he did not make good at the beginning of the current year, and was let out at out-cry with an increase of 500 rupees. As these were both “ancient establishments” and not newly formed, it came under the list of Tuckrary jama in the revenue records. From such jama not only an increase in rent could be expected, if re-established, but a deduction would have to be allowed for if those were abolished. Hence he saw the endeavours of the gomastas of Rajshahi zamindari as a positive step to benefit the revenue. Rous had to explain the situation by arguing that for years because of the feebleness of government in the districts the merchants had been able to disregard the regulations of the chowkies and eluded the payment of the just duties and the inferior beparries had hardly been a beneficiary of this, because they were not in a position to influence.

Reza Khan contested Rous' opinion. He held that existence of Nawabganj was jeopardised by the establishment of Hirganj. He emphasized two important points; first, that revenue from Nawabganj and Sahebganj, which were flourishing centres of trade, would fall, because of the methods practiced to draw away beparries from there to Bugdea and Hirganj. Secondly that contract with the farmer would be violated. The person who had now taken the responsibility to farm Nawabganj, did so on condition that it should be supported as before and receive every protection, so that if any thing is suffered to take place to its detriment it will be a deviation from the tenor of the agreement. He further complained that it was on the strength that the chowkies between Jalangi and Dinajpur had been reduced to nothing that some of the farmers had come forward at the out-cry and settled at an increased rate of revenue. Thus the farmer of Nawabganj complained of the chowkies of the ganj, while the lesser beparries did the same with regard to the chowkies in the district of Bhettoriah.

The decision of the Council was ultimately based on two important factors. One whether ultimately Company was to lose or gain revenue. In this they felt that the increase of revenue expected from the reestablishment of ganj at Bogdany and Hirganj
would be far less in proportion to the decrease of revenue, which would be the direct consequence of the reestablishment. Thus positive orders were given to abolish those ganj, and it was held that the ‘antiquity of the former could by no means be put in competition with the detriment their continuance may prove to the revenue’. Rous pleaded that the forcible removal of the merchants and inhabitants of Hirganj and Bugdea where the families have been established for many years occasion great discouragement to other merchants of the province. But this plea want unheeded. The second factor which weighed on the Council authorities was the nature of availability of necessaries of life at the nearby commercial complex in Laskarpur where a number of silk winders and other employees of the factory had to depend on the supply of grain to Sahebganj and availability at a reasonable price. Pickering Robinson to whom the matter was referred stated his opinion what was more or less in line with Reza Khan’s position. The importation of grain was scanty, assortments in general bad and prices immoderately high. Hence the condition was distressing for those who had to depend on purchases only to obtain their sustenance

By 1771-72 grain was thus displacing other items of necessity, as a matter of primary concern in internal trade policy. It was the most common item of consumption, and produced universally all over the region. Much of it was produced as subsistence item, but a very large quantity was traded too, inside and outside the province. The question of movement of grain from one place to another, became crucial for the economy after the famine of 1769-70. Thus internal trade required a far more general approach than could have been afforded by the policies in inland trade pursued hitherto. At this stage the various aspects of Company’s policy regarding administration, politics and reform became closely connected. The mode of revenue settlement in the sair branch was an important question which had to be taken care of while creating conditions for free internal trade. These ideas were clearly stated in

---

180 PCCRM, Min. and resolution of the Board regarding Hirganj and Bogdea, cons. 30th July 1771; Lr. to supervisor of Rajshahi, 30th July 1771.

181 PCCRM, Min. of the Board regarding Nabobgunje and Sahebgunjje, cons. 30th July 1771, Lr. from Rickering Robinson to Thomas Pattle, 30th July 1771.
Hastings' correspondences and minutes. It crystallised into regulations by the time Committee of Circuit proceeded to make revenue settlements in different parts of Bengal.

Hastings had definite ideas regarding the structure of polity and society of Bengal, which determined his plans regarding regulation of internal trade. He saw the whole country as divided into districts under zamindars who was the chief authority in each of these tracts\(^{182}\). According to Hastings though they possessed certain lands for the immediate support of themselves and family, they were rather in a position of contractors for land-revenue, and what is more significantly stated 'they were also contractors for general administration. They paid a certain sum by way of excise revenue, and managed the excess within these limits just as they pleased. They also handed over to government a certain sum as duties on internal trade and were allowed in turn to make almost any exactions they pleased on traders\(^{183}\). Hastings felt that the restoring the power of the merchant to trade freely, by allowing them the privileges which they earlier enjoyed would not necessarily ensure free trade in the country\(^{184}\). Trade of the country was not free according to him and consequently ruined because the magistrate of the country was concerned in it\(^{185}\). Hence he felt that the Company’s decisions in the commercial branch regarding it’s own investment and renewing the practice of trading through merchants might not have the desired in terms of greater freedom of trade or greater circulation of specie and commodities. Hastings’ plan as he himself put it was rather simple and calculated to answer one end. That was, goods after one payment of duty would be free to go wherever the owners pleased without molestation.\(^{186}\) He formed a Board of Customs to superintend the regulation, and


\(^{183}\) ibid.


\(^{185}\) ibid.

\(^{186}\) ibid., Hastings to Sir George Colebrook, 3rd April 1773, pp307-308.
withdrew all the inferior chowkies which reduced the expenses of collection. The dastak by the orders of the Directors were withdrawn on 12th April 1773, and Hastings said that, it would put an end to the distinction which protected those who enjoyed patronage and became the chief cause of oppression to the unprotected trader. He told Sir George Colebrook that these were according to him the 'first effectual step to that free trade which I know you have much at heart.' One of his chief objective was to restore the supply of specie and ensure circulation throughout the province. This he felt was due to the lack of internal trade which could return what was remitted as treasure from the districts to the capital. This had led to 'unequal and impeded circulation of specie'. Hence he planned a general bank to which revenue could be remitted by bills of exchange.\[187\]

The 1770s therefore witnessed the development of a regime of regulations that exercised enduring influence on local and regional trade till the major phase of reforms came up in 1830s and 1840s. This reform was in the domain of transit duties, but, by then significant changes in the agrarian economy had taken place, particularly extension in the area of cultivable land.

\[187\] ibid.