

Chapter II

The East India Company (Early Settlement)

2.1 Opening of the Malda Factory :

Since the mid-seventeenth century Kashimbazar was the general market of Bengal silk and a great quantity of silk goods used to be manufactured around Kashimbazar and Murshidabad. Accordingly, Kashimbazar factory became the chief mart for procurement of Bengal silk by the Company's servants. As Bengal trade of the Company expanded investment in the specific items of silk became very profitable. It is from this commercial urge of the Company that in 1676 the inception of a factory at Malda took its first shape. In this year, Streyntsham Master was appointed the Chief Representative of the Company in Bengal and was ordered to perform certain important duties.¹ Malda factory is believed to be the outcome of his efforts to increase Company's trade.

In the consultation of 14 October 1676 at Kashimbazar Master's commercial interest in Malda, about 15 miles from Rajmahal, was expressed; and he proposed investment in samples of goods to be procured at this place. In those days the Company's servants were sent to Rajmahal to superintend the coinage of English bar silver in the Mughal mint there; and they explored the neighbourhood during leisure. Some of them, like John Marshall, gave the opinion that Malda was a place eminently suitable for coarse goods for Europe. Master seized upon this information as a chance to carry out the

clause in his commission allowing him to purchase any goods suitable for the home market not hitherto imported to England. In persuasion of this consultation, Master ordered Richard Edwards who was bound for Rajmahal in charge of Company's bullions, to make a step over to Malda, to provide the samples, and at the same time to find out how the trade of that place was conducted, so that the Council might judge the advisability of making a settlement there. In accordance with the instructions, Edwards despatched some expensive samples which reached Master at Hoogly on 26 November 1676; and ten days later he received Edwards' account of Malda.² Edwards wrote in his report :

"The Towne is small, but conveniently seated on a branch of the Ganges and a small river from Morung³ which joyne a little above the Towne, which is of great resort being the staple of cloth etc. for that part of the country and comes in from all parts within thirty or forty myles. The chiefe trade driven there is by Factors of Agra, Guzzaratt⁴ and Benaras Merchants, who yearly send them from fifteen to twenty-five Pattelaes⁵ whose lading consists of Cossaes⁶ and Mullmulls⁷ from 1½ Rupees to 5 rupees per piece, and mun-deels and Elatches⁸ of all sorts valued at about one lakh each Pattella and about half that amount by landing said goods and raw silk.⁹ What goes by land is sent in April or May and that by water as soone as the river begins to fall, which is usually about the latter end of August and in September; and

Table IParcel of merchant from whom Edwards
purchased, 1676

<u>NÖ. of pieces</u>	<u>Item</u>	<u>Measure</u>	<u>Price in Rupees</u>
150	Cossaes	40 cubits x 3 cubits	13 to 14 per pc.
50	do	do	11½ to 12½ " "
25	do	do	10 to 11 " "
100	do	40 cubits x 2½ cubits	9 to 10 " "
50	do	do	7½ to 8½ " "
50	do	do	6¾ to 7½ " "
400	do	35 cubits x 1¾ cubits	5 to 7 " "
300	Mullmulls	36 cubits x 2 cubits	5 to 7 " "

Source : Richard Edwards' letter about Malda and the situation and trade thereof

- Richard C. Temple (ed.) : The Diaries of Streynsham Master

and, Walter K. Firminger (ed.) : Malda Diary and Consultations (1680-82).

about three Lack of Rupees yearly goes to Dacca and Elaches and course cloth and about the same value to petty merchants of Rajamull and Muxadabad¹⁰ and other places below. The weavers very willingly ingage in any new sort of worke, either of white cloth or silk of different Lengths breadths, fineness, colour, or stripe is bespoke."

Edwards also described in his report the Dutch mode of 'investment' which prevailed during the time. There were, of course, other merchants, e.g. the native merchants and the Armenians; and the factors of Agra or Surat had to procure Malda fabrics through these merchants at the cost of ready money. The Dutch had a factory at Malda and they used to carry on their investment throughout the year, but mainly from February to September; the greatest annual investment the Dutch had made there was Rs.50,000. Since river traffic started from end August and September, procurements had to be made ready by that time. On the other hand traffic by land were sent during the summer months. Hence, merchants' advances as well as ready purchases were made mainly during February-September. Edwards made a point in reporting that because of the Dutch monopoly in the area it was difficult to procure samples of good sort from the market. He purchased the musters from a merchant who had a quarrel with the Dutch and who was perhaps ready to sell them to the Englishman at a cheaper rate. The information regarding the parcel of this merchant has been described in Table I. Total value of the samples amounted to Rs.845, and the dearness of

the samples was accounted for by the fact that these were 'the sorts the Dutch buy' and not common to the market.

Edwards added that the goods would come to 8 to 10 per cent cheaper if money were advanced, and that there would be no difficulty in getting cloths of different dimensions if desired. Regarding imports of the area his comments were simple as saying, "The vend of imported goods is very inconsiderable, some small quantities of pepper, copper, Tynn, Tutenagg¹¹ may go off, but they usually supply themselves from Sudelapore,¹² which is about four five miles away."

However, the musters were sent to Kashmibazar for being sent to England; the report on Malda was found favourable and samples were satisfactory. On 12 December 1677 the Court of Directors wrote to Bengal, "Maulda goods ... wee finde the goods of which you sent us Musters are very well liked here, and therefore, we have ordered a large quantity thereof to be provided to which end wee order that you invest there, of the stock we now send you, in the goods we write for to the value of 80 or 100 thousand Rupees."¹³ On 13 December 1679 the consultation at Hugli marked the official commencement of Malda Factory.

According to the 'Malda Diary and Consultations (1680-82)',¹⁴ on Thursday 22 April 1680, at about noon Mathias Vincent, Chief of East India Company's affairs of the Bay of Bengal, Edward Littleton, Chief of Kashimbazar,

Fitche Nedham, designed Chief of this new factory and Jonathan Prickman, 3rd, along with other servants arrived at Mirzapur in 'Sight of Maulda'. They pitched tent on shore and went to hire a house at the town for the residence of the company's servants until the factory is built. They could hire a house only on 24 April, the rent being Rs.13¼ per month. On April 27 and 28, the local Kazy, his gomostah, the Faujdar and Crowry¹⁵ came to the Englishmen to welcome them and promised all favour in their power. Subsequently on April 29, Mr. Littleton and Mr. Nedham visited the Fausdar and Crowry of Malda and presented each of them Rs.11. These visits and counter visits of 27, 28 and 29 April were significant if we look at the developments during the following years when the Nawab's servants continued to make oppressive demands on Company's trade on the basis of their own interpretation of the Emperor's Farman while the Company's servants ceaselessly tried to pacify them with bribes and presents, in cash and kind, to enforce their interpretation of the same farman.¹⁶ While the Company desired to conduct duty-free trade, the nawab and his officers found in the English a source of revenue and bribes. A conflict sustained.

2.2 From Malda to English Bazar :

The Malda factory was opened when the Company's trade and investment in Bengal was fast expanding and on the other hand, when Company's anxiety to procure an umbrella of duty free trade was increasing too. The 'Malda Diary' is a

testimony to both of these issues : On the one hand the factors tried their best to expand investment, on the other hand they were much preoccupied with the problems created by the Faujdar in the name of the nawab at Dacca.

Within seven days from their arrival at Malda the factors called the weavers of the town, procured samples and made agreements with them. They found the goods cheaper here as compared to Kashimbazar and Dacca.¹⁷ One reason behind such a market condition was considered to be the absence of brokers, because the Dutch usually had a direct dealing with the weavers; but they hoped that to facilitate investment brokers would soon be put to deal. It was resolved that the goods which could be procured here would not be made at Dacca, and that raw silk would be bought from Seerpore and adjacents. By the first week of May 1680 the factors became successful in developing the broker system of investment and the first such broker with whom an agreement was made is 'Crepoll Dellol'; the period of time allowed for bringing the goods against advance was three months. Within a few weeks a number of broker-businessmen were appointed and the list was gradually extended to include twenty-four of them. Very few of them were of local origin and a few were very rich merchants having their business at Kashimbazar also. It is the brokers who now received the bulk of advances and orders from the Company. The big merchants had a greater role to play in Company's investment. First, the Shaw

brothers and four others were the Company's financiers;¹⁸ they lent money to the Company on need. Secondly, the Shaw brothers were in charge of minting of silver; and on liquidity requirements quick silver was sold to traders. For example, quick silver was sold to Ramjiban Pasaree of Satta-llapur at a price Rs.4 per seer :

on 10 March 1681 = 2 maunds
on 11 March 1681 = 1 maund

The rate was revised to Rs.4-4 annas per seer in June 1681.¹⁹ By the end of June 1680 the network for investment through brokers and pycars was more or less adequate. At the same time the factors explored newer areas in search of weavers, even going through dangerous and difficult journey for days. At this stage, wherever dependable brokers could not be found, the factors did not hesitate to come into direct agreement with the weavers. With further development of the broker system, the company, however, did not advance to the weavers without a broker's approval.

The other side of the story was one of continuous bribing of the Nawab's officials, the extent of bribes growing day by day.²⁰ As per the diary (e.g. dt. 6 September 1680), the bribing of the officials was made to befriend them both for the tax issue and also for the apprehension of any dispute with the weavers on pricing their goods. The

practice of 'presents' meant for the local officials was sometimes extended to the Dutch doctor, because the English had no doctor with them.

But the policy of satisfying the nawab's officials did not prove to be fruitful. Although the position of the company had already been strengthened in Bengal, the English did not like to come into conflict with the local nawab; and at Malda they decided to overcome the difficulty by shifting their factory to the other side of the river Mahananda. The company had a number of reasons to take this decision. First, they had already learnt that Jijia (poll tax) was being strictly collected at Rajmahal, and they apprehended a greater conflict for which local trouble should best be avoided. Secondly, the other side of the river was under the jurisdiction of a separate nawab at Purnea. Thirdly, on the other side of the river they found a local collaborator Raja Roychaudhuri of Makdumpur who owned the land suitable for a new factory.

Raja Roychaudhuri was in financial trouble and he invited the English factors to inspect his land at Makdumpur within two miles from Malda and on the bank of Mahananda. The long and almost square land of 56 bighas was liked by the factors and the agreement was finalized on papers with the official seal of the Kazi on 1 December 1680.²¹ The Raja also tried to make money by getting a contract for

supply of bricks and stones from the relics of Gaur so that the factory building could be constructed at a low cost.²² This Zamindar also assured the Englishmen of all possible help from his side so that they might develop their trade and investment. The English considered his help to be useful and sent presents to him. In February 1681 a few thatched houses were built at Makdumpur village, pending the erection of the building, and a ditch was made ^{around} ~~about~~ the ground as landmark and 'to keep the natives away'. During the following months they shifted to the new factory which initiated the growth of a new town - English Bazar. According to the 'Malda Diary', contracts with the merchants and weavers at the new factory began in March 1681. The old factory at Malda was not completely deserted, but goods were no longer stored there. In April 1681 two of the factors went to Purnea and sought assistance from the nawab there; the nawab gracefully assured them of assistance in case of any trouble.²³

It is during this period that jijia was strictly imposed at Malda, many weavers and merchants fled to the neighbouring areas of Makdumpur. There were also a few weavers' villages to the south of Makdumpur; but the factors depended mainly on weavers and merchants of Malda. The Faujdar and other officials took all possible steps to interrupt normal business of the English. They forced the dalals and pycars, coerced the workers and weavers preventing them all from going to the new factory and serving the English. However,

the behaviour of the local officers of the nawab was not merely an effort to enrich the royal treasury; their exploitative action had also a motive to reap personal benefit. The factors came to realise that they needed the merchants and dalals as well as workmen to settle and live on the Makdumpur side of the river. The Faujdar also hindered dadni by the English and even procured an order issued from Dacca to the effect that the English should immediately leave the new factory and live at Malda.²⁴

Business almost came to a standstill; the factors informed Hoogly about the troubles and attempted to appease the local officials. However, they somehow managed to reach an understanding and the Ma^kdumpur factory started pricing of goods from 19 October 1681. In December that year and March next year the factors also received orders from the Faujdar of Rajmahal and the Kazi of Gopalpur directing their people not to hinder English business.²⁵ Business picked up and boats full of silk were soon sent to Kashimbazar.

The factors at ease named the local market as Naya hat or new market, and called the newly growing township 'Englezabad' (or English Bazar as it is known later on) signifying a town of the English making. In the following course of history of British investment in the Malda region, the English Bazar factory and later on the Residency house grew into prominence and came to be known as the Malda factory or the Malda Residency while the town of Malda

itself lost its importance as a trading centre and subsequently came to be known as Old Malda.²⁶

The parwana from Dacca for clearing business of Malda was received at English Bazar on 19 October 1682.

2.3 The early company system (investment) :

(a) Their interest

That the English factors could afford such a costly conflict with the local rulers indicates the bright prospect of company's trade in terms of profit. Their interest at Malda was in piece goods in general and silk goods in particular; but they were interested in raw silk too. From the early years of the 16th century the silk textile industry of England was growing although it was still insignificant. But England was not a producer of raw silk and she had to depend on imports. The company attempted to obtain raw silk from Bengal, along with silk goods of course, as early as 1621 through Patna,²⁷ Since 1670 raw silk from Bengal was regularly imported to England but it accounted for only 1 per cent of the total import value (K.N. Chaudhuri's estimate). Although Bengal raw silk was not strictly homogeneous, there was a quick acceptance of such raw silk in England since 1670's and its popularity grew on. On the other hand there was a great reduction in raw silk supply from Persia. The regular and certain supply of raw silk from Bengal, no doubt, helped the growth of the English industry to national

importance. However, as we shall see later on, the market for Bengal raw silk in England contained elements which made it a highly unstable one. Opening of the Malda factory was also guided by the hope of creating trade in fine muslins for which Dacca became famous. Therefore, company's investment at Malda combined three interests : (i) in silk and mixed textiles, (ii) in raw silk, and (iii) in cotton piece goods. The first and the third group of items were procured for markets both in England and in other European countries; the second group was for the English industry only. The priority for the first two groups can be best studied from the mode of advancing, the accounts and also from the gradual stress given to silk investment at Malda during the subsequent decades. K.N. Chaudhuri in his 'The Trading World of Asia and the English East India Company' (pp.503-505) has given an exhaustive list of textile imported from Bengal, Bihar and Orissa. The following silk and mixed fabrics of that list appear in the Company's documents as very common items of procurement at Malda :

1. Bandannoes - silk handkerchief
2. Cherconnaes - mixed, striped and checks
3. Doreas - mixed
4. Elatches - mixed, striped
5. Seersuckers - mixed, striped
6. Sooseys - mixed, striped
7. Taffetas - silk piece goods.

All these items were fashion-wears in England and they were re-exported to the Continental market. It should also be

Table II'To be provided at Malda, 1682

Item	Variety	No. of pieces/ quantity
Cossaes fine	Muslin	13,000
Mulmul of all sorts	muslin	15,000
Tanjeeps fine	muslin	10,000
Seerbands fine	muslin	5,000
Seersuckers	mixed	4,000
Rehings	muslin	3,000
Humhums fine	muslin	4,000
Addaties fine	muslin	1,500
Mandilla	mixed, striped	10,000
Puttaes or Bird's eyd	muslin	2,000
Puttaes	striped	3,000
Doreas fine	mixed	4,000
Elatches	mixed	12,000
Any sort of Taffeta, silk or silk and cotton		20 Bales

Source : Despatch Book dt. 28 August 1682 (India Office Record), quoted in Sushil Chaudhuri - Trade and Commercial Organisation in Bengal (1650-1720), Calcutta 1975; p.265.

[Original Record housed in India Office Records Library, London.]

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noted that the novel thing Malda could offer (with which objective the centre was opened) was the special kind of Maldahi mixed fabrics as well as fabrics of pure silk. Neither cotton piece goods nor raw silk was of any special distinction. That silk piece goods, both pure and mixed, as well as muslin were the main attraction of company investment at Malda can be understood from a typical order for provision of goods at the centre, given in Table II.

(b) Procurement and pricing :

As regards procurement of commodities, the company was after expanding a multitiered agency system in the marketing chain. The company appointed merchants as their dalals or brokers and came in definite contracts with them depending on the orders received from England through Hoogly. Standard samples were usually examined and their price agreed;²⁸ sometimes advance money was also delivered; but the value of the supply depended on actual pricing at the time of delivery. In spite of many deductions made on delivery, the contract price for silk was an object of intense bargaining between the merchants and the Company. There were occasions when this led to controversies. The brokers advanced money to the pycars - the sub-agents, who moved from weaver to weaver, advanced money and procured their product at prices determined by the actual market conditions as well^{as} their influence on the weavers. Both the merchant and the pycar were commission agents; and the factors, nevertheless, received from

the company, in addition to salaries, handsome commission on the value of procurement and despatch.

From the factory records and proceedings of the Court of Directors it is known that the Court at London sent list of orders by January-March every year with a few exceptions. These lists were generally prepared about two years ahead of the arrival of goods at the English ports, i.e. sufficient time margin for procurement and despatch was allowed, including the voyage. The Bengal Council after receiving the consolidated list, sent out individual requisitions for specific items to different factories with a stipulated period. On receipt of this list, negotiations started at the factory level with brokers, pycars and weavers. The brokers in their turn shifted the targets of production to the artisans. Thus the village artisan now became subservient to the dictates of the London directors not merely ^{to} the dictates of the local market; and in that sense the autonomy of the rural artisan was destroyed. It may be noted in connection with the company's 'investment' system at Malda that initially there was a departure from the general practice. In places like Malda, where merchants of good standing or security were not available in good numbers, the company preferred pretty brokers; but, it was not interested in dealing with the working manufacturer direct.²⁹ Circumstances at Malda compelled the English factors to transact a part of their business directly with the weavers.

Expansion of demand through a distant contact did not come to substantial benefit to the basic growers; because the organisation of production remained separate from and yet dependent on the functions of trade and credit which acquired a multitiered specialization. The ryots and artisans of Bengal had the experience of the merchant's way of advances - advances in the form of money and materials and purchase of the finished articles by the merchant mahajan. But, now there emerged too many middlemen who appropriated the bulk of profit, and the actual producer was delinked from the market of his product although the local market came in contact with the wider export market. Acharyya Jadunath Sarkar explained that the role of the mahajan before the East India Company was important to the basic grower and did not destroy their individual role in the market while interest payment was also low in terms of market value of the product. But, with the advent of the company's trade, the new class of brokers with previous contract with both the factors and the manufacturers and with knowledge of the limits to market and prices, had little risk to bear while the share of profits absorbed by them was enormous.³⁰ There is, however, not enough evidence to show in exactly what proportions profit was shared by different groups of merchants and brokers involved in Malda. In fact, this is the beginning of a process by which the regional economy became ill balanced; wealth was confined to the hands of a small minority of middlemen clustering around the English settlements and making fortunes but not developing the potential

resources while the ruling nobility only made a show of wealth.

The big merchants who worked as the key-brokers, operated with their own capital and had a mixed up business of money lending, dealing in other commodities as well as working as the company's agents. The indigenous capital thus served the company's interest; because by arrangements of Streynsham Master, the company generally made cash purchases only at the time of procurement. While during the same period the ownership of capital was divorced from management in England through the growth of joint stock companies with limited liability as its feature, the Bengal merchants held fast to their traditional organisation and only extended the methods they generally practised. There was hardly any organisational innovation to encompass the situation arising of the appearance of the English factors. At Malda, the situation was worse in the sense that the factors had to call for the services of merchants from other places like Kashimbazar, Hoogly and Balasore to help their investment run smooth. In the absence of a direct link between the merchants and the external market, two secondary impacts could be felt on their operations :

- 1) Big merchants at times formed rings just as a means of increasing their bargaining power, and such an attempt became the cause of concern for the company.

ii) There was a considerable growth of the financial machinery, because the specialized activities of a class of merchants in credit and exchange flourished as a result of the direct requirements of the company.

The merchant rings often compelled the company officials to pay higher prices, of course, to no gain of the weavers; and sometimes the question of pricing led to serious controversy and conflict. In January 1684 the Malda factors reported that they tried daily to fix the price of goods at reasonable terms, but found it extremely difficult as all the pycars stood off at the instigation of two merchants, Sambhunath and Ghanashyam. They tried by all means to have merchants of their own choice to come and fix the prices of their goods. "If we should permit", the factors wrote, "it would certainly ruin the factory for the future and be an unspeakable damage to the company."³¹ The merchants even dragged the issue to the nawab's adalat at Dacca for months and secured the decree that the Royal muckeem (broker) would settle the price of silk. But, the company never gave up its right to fix the price of goods, because, loss of the right to fix price meant a loss of control on the market. From the Diaries of Streynsham Master it is known that generally silk goods to cotton goods were 2.5:1 in price at the initiation of Malda factory.³²

Similarly, although the organisation of production did not change some newer elements were also being known to the region as a result of the procurement system that was launched, e.g. rigid standardization, fixing price according to sample at the time of giving advance, small private manufactories where the merchants directly employed weavers to have a greater share of the trading fortune, all adopted and extended through the English method of procurement or 'investment'. Also, since the company was catering to the buyers of England and the Continent, it had to gradually adjust the colour, pattern and size of various silk goods according to the taste of the European consumers. It, therefore, sent to Bengal at various times dyers, throwsters, painters and weavers to instruct the artisans here to make their products suit the European market where company's silk had to compete with Italian and French silk. Such a process, although with less endeavour in the 17th century, started earlier than the initiation of the Malda factory. As early as in 1663 the Court of Directors objected to the native practice of dying silk "in the gum" and asked that the taffetas should be bought in an ungunmed condition as these could be treated an improvement in England in the desirable manner. After a successful experiment, Bengal silk goods were made to pass ~~in~~ in the market as Italian. In 1668, the company sent to Bengal Roger Fowler, a sikllful dyer; and again during 1670-75 a number of skilled artisans came to this country for some rectification and improvement in the

dying process. They were all asked to keep their art secret from the natives.³³

(c) Grading to quality

Among the new experiences of the Malda artisan as a result of their interaction with the English factor the immediate one was strict quality control never before known to the local market. In the case of both piece goods and raw silk the factors strictly adhered to the principle of quality sorting; and sorting was a complicated affair having its impact on pricing. The strictness in sorting often discouraged the merchants and angered the weavers and rearers; but the company maintained the practice with great care like their efforts to continue with the right to pricing. Classification of raw silk at Malda (as in other centres too) was commonly termed-head, belly and foot to signify the gradation according to quality - first, second and the third.³⁴ The English used to purchase the first two sorts generally in the proportion 5:4. On one occasion (Malda Diary dated 30 June 1682) sorting of silk was done into the 1st to 6th grades according to wind and skein. Silk of short skein was called Putta, and the superfine sort of short skein was known as Puttany. There was one special category called Dolleria in which head belly and foot were all mixed.

The factors often received special instructions from Hoogly or Kashimbazar, as per the directives of the Court,

regarding gradation, quality, pricing, maintenance of separate silk account etc. One such instruction, for example, during the initial years of the Malda factory had some interesting features. The instruction said :

- i) raw silk brought in by the pycars shall be sorted in the factory before it is priced, and the pricing will be done by the Chief, the Second and the Third of the factory;
- ii) the warehouse keeper shall look well into the putting of the silk back into bags and write upon the bags the number of the sortment, the name of the merchant, the weight of each sort received;
- iii) the warehouse keeper shall keep columns of the weight of each sort separately in the ledger;
- iv) the warehouse keeper shall not allow any native to enter the warehouse without an Englishman, and that also not more than one at a time, to prevent theft;
- v) raw silk shall be weighed out and packed for England at the same weight it is received in, and some Englishman of the factory do assist at the weighing of the silk and all

other fine goods in and out.³⁵

(d) Indigenous funds for the company

One of the early problems of the East India Company in the whole of Asia was the problem of liquidity and from settlement to settlement the problem varied in degree. On the other hand the English merchants were aware that their success depended on their ability to purchase with ready money. We have already noted that the factors of Malda were frequently short of ready funds and for expanding investment the Chief borrowed from big merchants, the brokers, at interest. At Malda the factors resorted to such borrowing from the very initial years, as evidenced by the Malda Diary. On the part of the merchants, such credit was one more avenue for expanding their business and earning interest in addition to their profit as brokers. On the part of the company, this was a way out to employ indigenous capital to the benefit of its own investment. The size of the loan usually varied from Rs.8,000 to Rs.20,000; and at times even larger sums were also borrowed. The rate of interest was 1% per mensem³⁶ subject to further revision. The major financiers of this factory were the leading merchants like Paramanand Shaw, Sukhanand Shaw, Kunjaman Shaw, Chaturmal Shaw, Ghanshyam Das, Hridiram Tewari, Thakurdas Brahmin etc. Among these lenders the most influential Paramanand and Sukhanand lent very often and also large sums. Malda Diary has a number of instances like that on 13 May 1680 when Paramanand

gave 20 thousand rupees and the company requested Sukhanand for further money. All ~~of~~ the financiers were mainly bankers or shroffs³⁷ as well as traders having their base at Kashimbazar; in addition to buying company's bullion they also issued bills of exchange or letter of credit in favour of the company whenever it needed them. It should be noted that in course of the subsequent development of silk trade, the indigenous merchants merely supplied ready money but could not command trade.

2.4 Factory organisation :

Malda factory was started as a subordinate factory to Hoogly; later on after the establishment of Fort William (in 1699) and shifting of the Bengal Council, this factory became subordinate to the Fort. Orders and instructions were received accordingly. But, in those days many of the consultations for regulating company's affairs in Bengal, particularly for silk trade, were held at Kashimbazar. Hence instructions were also received from Kashimbazar. The despatches were sent, as per instructions, to both Hoogly and Kashimbazar; but, since Kashimbazar was the chief centre of company's silk trade despatches to Kashimbazar were more frequent. On the other hand, for the company's bills getting negotiated and bullions exchanged or minted, relationship with Kashimbazar was closer. But, all accounts were settled with the Bengal Council; and monthly returns had also to be sent.

Because of the distant nature of East India Company's trade operational sequences of business were controlled and regulated by the Court of Directors as the central decision making authority and at the same by the Bengal Council; through this system the Company diffused the concentration of power and authority on the one hand, and created an impersonal bureaucratic structure on the other. The factories as permanent trading establishments were run with a bureaucratic staff guided by definite instructions, formal procedures, rules, targets strictly laid down at an impersonal level without weakening the contribution of individuals.

At the factory level, final responsibility rested on the Chief, and it is he who presided over all the consultations in the factory. The first chief appointed to the Malda factory was Fytche Nedham. He was succeeded in 1681 by Robert Hedges. The chief was assisted in his functions by the Second and the Third in rank. Often these juniors had specific responsibilities to bear, e.g. the Second was in charge of keeping the books and journals of accounts relating to silk merchants and weavers. The chief enjoyed certain special privileges to others in addition to his higher salary.³⁸ There were other subordinate staff like the warehouse keeper, cook and male, peons, mashalchees etc.; and the subordinate staff were generally recruited from the natives. The chief, the second and the third were always supplied with arms for their protection as well as three horses for *their*

transport; only the chief enjoyed one palanquine for his use. In addition to those, a bazra (boat with a cabin) was purchased at the Malda factory from the Dutch in January 1681. Such a means of water-transport was of great importance since Malda region has got a net work of rivers and rivulets.

The salaries of the factors at Malda (as per Malda Diary) were half that of the servants of the company at Hoogly :

	At Malda	At Hoogly
Chief ...	Rs.6 per month	Rs.12 per month
Second ...	Rs.4 " "	Rs. 8 " "
Third ...	Rs.3 " "	Rs. 5 " "

These official salaries were almost nominal, and the servants of the company derived their wealth mainly from the commission they enjoyed on the value of despatch, which was many times larger than the nominal salary. In addition to these the officers carried on private trade and earned a profit.³⁹ It is the commission and profit that made these posts the most lucrative in company's service and attracted its best men. We shall see in Chapter III how the company's servants made a fortune in Bengal particularly when company's monopoly was firmly established in the second half of the 18th century.

2.5 The Competitors :

When the English came to Malda the main centres for supply of Bengal textiles were Kashimbazar, Dacca, Malda, Hoogly, Balasore and Patna; and at almost all these places they faced competition from other Europeans. At Malda the competition was a triangular one : the English, the Dutch and a third group of merchants including both the indigenous ones and the Armenians. It may be noted here, that almost a century later (in the late 18th century) the English at Malda had to face some competition from the French; but, the Dutch were by that time ousted from Malda while the native merchants completely lost their control over silk-trade. Hence, competition from the French was not a matter of serious concern to the company at Malda. The indigenous merchants of the 17th and early 18th centuries were the supplier to other parts of India, i.e. they catered to the wide internal market and the volume of their foreign trade was not enormous. The Armenians were mainly interlopers and newcomers to Malda as compared to the Dutch. But, among the rivals the Armenians, though few in number, lasted the longest. Also until the later part of the 18th century there existed a 'cordial' relation between the company and the Armenians, perhaps because they were engaged in the peaceful pursuit of commerce, i.e. without any social or political interest.⁴⁰ The Armenians formed their first settlement in Bengal in the year 1665 by virtue of a royal farman from Aurangzeb at Saidabad near Murshidabad. They carried on their

trade with their own funds and also with mutual credit within the community. They travelled all the provinces in India and had trade links beyond the Indian frontiers. At Malda they had no settlement and generally came to purchase raw silk only. But at Murshidabad, in the early 18th century, the Armenians even set up silk reeleries of their own with employed winders working on a wage basis, an institution the company had to destroy by force as it was a challenge to the company's ambitions monopoly after Palashi.⁴¹

Thus in external trade, the most important and powerful rival of the company here were the Dutch, and one of the objectives behind an effort to secure trading privilege from the nawab or emperor was to defeat the Dutch in competition. The Dutch had a factory at Malda prior to the English and their dealing was direct with the weavers through a system of dadni while the English tried to develop a system of dealing through native brokers. One of the reasons why the English had to introduce dadni direct to the weavers, in the absence of brokers, was competition with the Dutch; and Malda factors in their letters to the Council at Hoogly repeatedly asked for money to keep the weavers engaged and thus prevent them from going over to the Dutch. Dadni to the weavers had to be provided by the English not only to bring them to company's investment but also to keep them in constant employment throughout the year so that they could not be enticed away by the rivals. This required a good deal

of untimely advances; and Malda factory records reveal that dadni to weavers were provided in January just to prevent the needy weaver from falling into the Dutch. According to the 'Malda Diary', although contracts with the weavers were made since the starting of the factory, a regular system of dadni to the weavers commenced from 3 January 1681. It was also noted in the diary that as a result of dadni practice, more and more weavers flocked to the English. English factors were always apprehensive of the Dutch move, because the Dutch might also endeavour to counter English arrangements. In September-October 1680 according to Malda Diary, the English estimated that the Dutch had given out Rs.60,000 and were trying for newer funds from their Kashimbazar establishment.⁴² In 1682 the English factors at Malda reported :

"The Dutch are calling on all our pycars and weavers procuring them great dadni if in case they will bring a writing to bring us our remains and take no more dadni of us which causes a great many of them to flock thither."⁴³

The duel between the Dutch and the English was not a phenomenon of Malda only; similar conflict of interests was visible at Kashimbazar also. In fact both the European companies were eager to derive profit from lucrative trade in Bengal piece goods - both cotton and silk. By 1697 one-third of all exports which the Dutch company had sent to Europe from the whole of Asia came from Bengal. The role of Bengal

goods in British trade was even more striking; - in a normal year in the early 18th century up to 60 per cent of British imports from Asia originated from Bengal.⁴⁴

At Malda, the Dutch trade failed to keep pace with English investment since the early 18th century, and the English ultimately succeeded in overpowering the Dutch. The story of overpowering the Dutch in terms of trading method, commercial organisation and financial technique was, of course, stretched over many years. It may also be noticed that with the advent of the English at this centre the Dutch understood that they would lose in the competition with the English, as they had already experienced in many other parts of India. At least one instance may be pointed out from the Malda Diary; the Dutch chief of Malda was called back in January 1681 to live at Kashimbazar; and he sold out the strong and handsome bazra to the English factors at a cheap price. The Dutch were perhaps trying to concentrate at a larger centre - Kashimbazar.

One simple impact of such competition among the buyers might have been an enhanced price of silk and silk textiles. It was, in fact, reported by the Dutch that they were facing the problem of about 50 per cent rise in certain textile prices.⁴⁵ But, since the English soon established a near monopsony in purchases, since they strictly controlled pricing, since there was no existence of a normal market with proper knowledge of the market condition to both sellers and

purchasers, and since they developed a multitiered agency system, it is difficult to ascertain any impact of the competition on price receipts of the weavers. Price rise and benefit to the weavers, if any, was obviously a very temporary phenomenon.

2.6 Problems of investment :

Adjusting the sequence of purchases according to schedule and financing trade was always a delicate and complicated matter for the chief of the factory. We have already seen how native merchants' capital was used by the company to cover the inadequacy in their own resources which were obtained either by sale of bullions they imported or by minting them in the Royal mint at Rajmahal. The silver of the company was partly in bars and partly in Mexican and Spanish dollars, while gold was chiefly in European coins. Sending bullion to the mint for coinage was not resorted to if it could be avoided; and practically minting of the bullion was done only when a sufficient price for it could not be secured in the market. Sometimes bullion, specially gold, was not locally saleable; but minting at Rajmahal took considerable time to the disadvantage of the Englishmen's need for liquidity. Again, at the mint the native rulers practised a preferential treatment to the merchant bankers, which created further hindrance to factors' business. In 1683, for example, Bul Chand (or Bal Chandra) the revenue official of Murshidabad sent a great quantity of copper to

be coined, which took so much time that the English could have coined by that time, as it was said, 4 lakhs of rupees. The Rajmahal mint, in addition to minting charges, imposed a 5 per cent customs; and in 1684 Rafiuzzaman, the faujdar of Rajmahal imposed a condition that the company must sell all its gold mohurs to him at the mint at his own prices.

Dependence on the mint thus became highly unfavourable to the factors. To obviate this difficulty, a contract was first made with the big banker of Kashimbazar, Chitormul Shaw, to take all the bullion at a fixed rate. Later on, in 1705 the company finally resolved to coin all imported treasures in its own mint at Madras and despatch them to Bengal factories. The practice continued, and in 1707 the court instructed not to alter it except in case of urgent necessity.

Until this system was introduced and also occasionally later on, the factors had the necessity of selling bullion for providing themselves with cash. This required much knowledge of the local market, judgement and acuteness in bargaining as in the purchase of goods for Europe. The difficulty in assessing the value and the great variety in the quality of current money, the differences among numerous local exchanges and violent fluctuations in price to which bullion was liable, kept the question of exchange a vexed one for the servants of the company. The fluctuation in bullion prices became particularly embarrassing in the case

of gold mohurs, because the market price of gold and gold mohurs dropped since the late 1670s and continued to be low up to the first decade of the 18th century, as is evident from the following information.⁴⁶

Market price of gold mohurs

<u>Date</u>	<u>Place</u>	<u>Price (Rs. - Annas)</u>
Early 1670	Hugli	15-2 to 15-4
Feb. 1677	Kashimbazar	13-14
July 1677	"	13-10
Dec. 1678	"	12-13
Sept. 1684	Malda	12-6 to 12-8
Sept. 1711	Calcutta	14-6 to 15-8

In view of this, in 1686 the Court resolved to send to Bengal only silver rials which might be exchanged or minted into rupee without much trouble.

The second problem was with the merchants. At Malda, apart from big merchants, the factors had to make contracts with various smaller merchants and pycars. The company felt lack of security at this and apprehended the risk of running into loss from 'bad faith'. The Court asked its servants time and again to organise the merchants into joint stock societies which might avoid the risk. This could be done at Madras, and this the Court found advantageous to the company in more than one ways. But, the servants at Malda failed to form any such society, and they introduced here a

special kind of security system for any contract with petty merchants and weavers : the merchants or weavers had to stand security for each other.⁴⁷

In reality, however, the petty merchants were unable to make a breach of faith : in case they did so, the company could penalise them in various ways. But, when the problem came from the giants, the company was helpless. One form of the breach of contract, the factors considered most, was selling the goods to others at a higher price offer. When the prominent and influential merchants were involved in such transactions with the interlopers or other European companies, the company could do little to prevent them. In 1683, Sambhunath Shaw, the Malda dealer, received advance from the company and then carried all the goods to Hoogly with the intention of selling them to interlopers. The company now sought a parwana from the local faujdar to 'deliver Ghanashyam, Maniram and consorts of Sambhunath' to the company and to find out Sambhunath or 'to distress their families'. The faujdar not only refused to give any such parwana but even protected all these persons from the company. The Malda factors asked the Hoogly Council to seize Sambhunath forcibly and send him to Malda, 'which if it succeeds will break the neck of this design and become a terror and disappointment to the other combines'. But nothing to this effect could be done by the company; and Malda servants reported at the end of the year,

"The bad example of Sambhunath running away to Hugli and underhand endeavouring to sell the Honourable Company's goods to the interlopers hath caused all the picars etc. to whom money had been given out to abscond."⁴⁸

The third problem was with the servants of the company itself. It appears from the diaries of Streynsham Master and William Hedges that the factory officers were nonetheless guilty of unfair methods, to their personal benefit, in dealing with the suppliers of goods for company's investment. The case of Job Charnok was not a unique one⁴⁹; servants of the company at other places ~~also~~ were also involved in extraction of unofficial commission from the weavers at the time of pricing their goods or buying goods at a price less than the estimate. In fact, the special tasks of Master and Hedges included tackling of such corruption among the factors. But, the degree of such attempts by the company's servants to make a fortune was trivial as compared to their successors in the post-Palashi period, which we shall discuss in Chapter III.

2.7 Growth of Company's trade :

The year of initiation of the Malda factory was also the starting point of a boom in company's textile trade from Bengal. In 1681 the Court designed a great encouragement of textile trade in the Bay and its annual increase. In 1681 the

Table IIIPosition of Malda Factory, 1682

Factories in Bengal	Company's Investment for 1682 (£)	Stock in 1682	
		Amount in Treasure (£)	Amount in Goods (£)
Kashimbazar	140,000	73,395	7,964
Balasore	32,000	16,776	1,820
Dacca	16,500	8,652	938
Malda	15,000	7,863	953
Patna	14,500	7,601	824
Hugli	12,500	6,553	711
TOTALS	230,500	120,840	13,210

Compiled from : Sushil Chaudhuri - Trade and
Commercial Organisation in Bengal
(1650-1720), Calcutta 1975 :
pp.56, 213.

Court's order for an investment in Bengal textile was £ 2,30,000; but in 1682 Court's order for the same was £ 2,50,000 in addition to its instruction for borrowing locally upto £ 1,00,000 for raw silk.⁵⁰ Intention for further increase in investment was seeded in both profit motive and the motive to oust the Dutch from Bengal. In fact, there was strong demand and a favourable market for Bengal silk and cotton textiles in Europe during the last two decades of the 17th century as well as in the early decades of the 18th century. Percentage share of Bengal textile in annual cargo increased four times between 1650 and 1700 A.D. In 1689 the Bombay Council wrote to London that Bengal trade was a jewel in the company's affairs. The problem of a new English company for trade in East India^s in 1699 was no barrier, because the two companies were amalgamated in 1709 under the name - United East India Company. In 1704-5 there was a temporary decline in tonnage of shipment because of not only duties but also dullness of market in Europe, scarcity of silver etc. The first decade of the 18th century also witnessed a reduction of trade at Madras and Surat while the Dutch failed to keep pace with the expansion of English trade.

As against this background, the position of Malda factory became important from the beginning as is seen in Table III. Although Kashimbazar was the largest mart for export of commodities, Malda, the youngest of all, ranked

fourth. It should further be remembered that among the six centres, Kashimbazar and Malda were important from the point of silk investment. Orders sent to Malda Factory⁵¹ increased right from 1682 :

<u>November 1681</u>	<u>August 1682</u>	<u>December 1683</u>
27,800 pieces	86,500 pieces	86,500 pieces
	+ 20 bales	+ 20 bales

But, Malda factory became subjected to occasional disturbances which led to its instability until the end of the 17th century. The first important disturbance was the Anglo-Mughal conflict on the issue of customs and trading privilege. We have already seen in section 2.2 above that since the beginning of investment at Malda the factors came in conflict with the local authorities over this issue. In 1686 it was a wider phenomenon; the English took recourse to arms and a war between the company and the nawab was launched. As a result of the war, Malda factory had to be closed down for some time because the factory was ransacked by the nawab's army. They took away the treasure in the factory, and the Englishmen fled away to Hooghly and Madras. When the war was settled to the advantage of the English, Company's trade was further consolidated towards steady growth. The Company demanded to the nawab that it should henceforth be allowed to trade customs free and that the nawab should rebuild the factory at Malda, which had been destroyed, restore all the money and help the English recover

their debts.⁵² The nawab in reply appointed his commissioners to treat for peace. In September 1688 the Court in its letter to Bengal Council wrote,

"We have no manner of doubt of the continuance of our peace in all the Mughal's dominions, and, therefore, we think the sooner our Agent Charnok resettles the factories at Kashimbazar and Malda from whence we used to have our best returns, the better it will be for the company."⁵³

In 1689 Ibrahim Khan II replaced Shayestah Khan at Dacca and the factors who fled to Madras came back at the invitation of the new nawab.

Very soon in 1695 events gave the English an opportunity to derive benefit, even at the cost of a temporary drop in procurement, from the turmoil and rebellion within the country. Subah Singh, a rich landowner of Burdwan, broke into rebellion joined by Rahim Khan, an Afgan chief from Orissa. They first slew Raja Krishna Ram of Burdwan, seized his family and property and then advanced further. The rebel force rapidly increased in number, because others joined it. The insurgents captured Kashimbazar, Rajmahal and Malda. Then Murshidabad also fell into the hands of the rebels. Zabardast Khan, the nawab's son, was placed by the emperor in charge of the nawab's force to resist the rebellion. He defeated them, speedily recovered Rajmahal, Malda and Murshidabad, and drove them away to Burdwan in

1697. Walsh writes : the course of war did not concern the English except in so far as it emboldened them to press for further grants. In June 1697, the English further attempted to restore their properties. They sent to Zabardast Khan for negotiation an influential Armenian merchant and asked for the properties of the English, recovered from the rebels at Rajmahal and Malda, to be restored to them. Zabardast Khan, however, refused.⁵⁴

In 1706 the capital of Bengal was shifted from Dacca to Murshidabad. This became advantageous to the company's servants at Kashimbazar and Malda to have ready negotiations with the nawab. The acquisition of Zamindary rights of Calcutta in 1698 and establishment of Fort William in 1699 were the first steps in the direction of the company becoming sovereign, the final steps being the battle of Palashi and the grant of diwani rights.

In spite of interruptions, the company tried at Malda to enlarge investment and bring under its purview newer merchants. For example in 1691 when the factory was just rebuilt after the war with the nawab, the Court directed the Bengal Council to adjust differences with Mathuradas and hold a 'fair correspondence' with him. Mathuradas, the 'competently rich' merchant at Hoogly made very great investments beforehand at Malda. Now that the mark up on the cost price of Bengal silk goods was very high in the European market, the company's concern was for a greater

investment and therefore, it asked Bengal Council to enlarge investment even by allowing Mathuradas 10 to 12 per cent commission if he would provide sufficient commodities for the company.⁵⁵ Instead of competition at Malda, the company wanted Mathuradas' trade to be complementary to their investment.

It has been mentioned in section 2.3 above that Malda factory was initiated when demand for raw silk for the new silk textile industry in England was growing. In 1681 the Court prohibited all Englishmen from dealing privately in raw silk, because it was asserted that (i) it was highly profitable, (ii) private trading had enhanced prices, (iii) the Court was willing to make monopoly of the company more extensive. Again, as a result of the European war, supply of raw silk from Turkey was interrupted in the early 1690's; and the orders of 1693-4 demanded larger procurement of raw silk from Bengal. In London since 1681 the weavers went against the wear of Bengal silk textiles, because their importation was telling heavily on the demand for English silk goods. When the number of weavers had been inflated there by 50 thousand refugee weavers from Nantes in 1685, the clamour for protection from the competition of Bengal silk textiles became stronger. The company gave special attention to the import of raw silk but continued to import silk textiles, because they were the "general wear in England" and were also in great demand in the whole of the continent. Petitions, Pamphlets and the widespread rioting by the

Table IVPercentage of Annual Exports by the
East India Company from Bengal

Year	Raw Silk (%)	Textiles (%)
1684-85	24	71
1690-91	8	83
1694-95	5	83
1699-1700	19	77
1704-05	31	38
1709-10	13	83
1714-15	11	83

Compiled from : Sushil Chaudhuri - Trade and
Commercial Organisation in
Bengal (1650-1720), Calcutta
1975; pp.249-54.

Spitalfields silk weavers in 1697, - all led to the passing of the Act prohibiting Indian textiles in 1700. In 1700 the statute was enacted that all silk goods and stuff mixed with silk should be locked up in warehouses till re-exported. But, import of silk piece-goods from Bengal went on unabated, as is evident from Table IV. In 1704-5 was an abnormal year, because total exports were enormously reduced in this year. Again, the period from 1700 to 1711 was a temporary phase of adjustment to the English statute : On the one hand, the English weaving industry was unable to absorb raw silk beyond certain limit; on the other hand, total silk export from Bengal increased.

To some extent, the concurrent transformation of the English tariff system provided with sufficient revenue; but, the implications of such a fiscal system was deeper in the context of economic relationship between England and India. The prohibitions of 1700 were strengthened by the second statute of 1720 along with excessive duties levied on Bengal goods.⁵⁶ Bal Krishna has given a list of articles subject to tariff and this included all the important varieties of silk textiles produced at Kashimbazar and Malda. All these tariff measures imparted great impetus to the dying and weaving industries in England; and the English silk weaving industry was making strides during the first half of the 18th century. But, ^{their} ~~this~~ impact on silk manufacturing in Bengal

was not severe, because of the existence of a steady continental market and because silk weaving industry was not a staple industry in England.

Notes and References to Chapter II

1. The main points of his special assignment were ; to inspect all the books and accounts and reduce them to the plain and clear method of the Presidency of Surat ; to find out the best methods of disposing of imports to India and providing exports to England, especially raw silk and taffetas, and the mode of contracting for Indian goods ; to seek for novelties from India for export ; to investigate the character and ability of Company's servants and the causes of dissensions and quarrel among them; training of the Company's servants; and above all, introducing a new system of administration. (underline ours)
- Richard C. Temple (ed.) - The Diaries of Streynsham Master (1675-1680), VolI, London 1911; p.3.
2. 'Richard Edwards' letter about Maulda, the Scituation and Trade thereof'.

Richard C. Temple - The Diaries of Strensham Master, Ibid; p.399.
 3. Nepalese of terai - the sub-Himalayan forest belt.
 4. Gujarat.

It may be noted in this context that there was lack of leading local merchants at Malda.
 5. A large flat-bottomed boat for carrying goods.
 6. Derived from Arabic Khasa; fine muslin variety.
 7. Muslin variety.
 8. Silk cloth with a lengthwise pattern.
 9. The quality of raw silk was initially considered inferior in 'goodness' to that procured at Kashimbazar.
 10. Rajmahal and Murshidabad.
 11. Zinc.

12. Saudellapur, on the bank of Bhagirathi (the old course of the Ganga). Saudellapur is very close to the ancient harbour 'Bara Sagar Dighi'.

Edwards' statement also reveals the nature of self-sufficient rural economy.

13. Quoted from Letter Book V in R.C. Temple - The Diaries of Streyntsham Master, Op.cit.; p.26.
14. Edited by Walter K. Firminger during 1909-17 and published by the Asiatic Society of Bengal (henceforth mentioned as the Malda Diary).
15. Kazy = A mohammadan judge or magistrate appointed originally by the court of Delhi to administer justice. He also attested or authenticated writings which under his seal were admitted as the original in proof.

Gomostah = Agent.

Faujdar = An officer of the government who was in charge of a chakla and combined civil and military functions.

Crowry = A revenue collector and overseer; derived from crore (crore of Rs. etc.).

16. For details please see Appendix A.
17. Consultation at the Malda factory dt. 29 April 1680. Price of silk piece goods in the initial agreements varied between Rs.4-12 annas to Rs.9-0 as. per piece (Malda Diary).
18. Shaw brothers : Paramanda Shaw and Sukhananda Shaw.
Four others : Kunjaman Shaw, Hridiram Tewari, Ghanashyamas and Thakurdas Brahmin.
The Shaws or Sahukars had extensive business in silk in the whole of the triangular region of Kashimbazar Malda and Rajshahi.
19. W.K. Firminger (ed.) - The Malda Diary and Consultations, Op.cit.; p.97, 113.

20. Initially the presents to the Faujdar and Corwry were broad cloth and rarities to the amount of Rs.100, but it increased on. On 4 October 1681 only Jeamshire Beag (Jamsher Beg) the Crowry was presented with Rs.500 and another 500 rupees was lent to him without interest.

On 6 September 1680 the diary comments on these officials as "hungry after gifts". (Malda Diary)

21. As per the accounts of the factory for the month of December the value of the land was settled to be Rs.300.

In July 1681, an adjacent plot of 8 bighas more was purchased from the Raja at an agreed valuation of Rs.40/- (forty). (Malda Diary)

22. As an advance payment for such supply, he received from the factors Rs.300 in addition to the value of his land. The materials were scheduled to be brought by boats in the rainy season when the river is high. In July-August 1681 a total of 105 lakh bricks were supplied at the rate of 3500 bricks per rupee. (Malda Diary)

23. Asfandiyar Khan (spelt as Spyndar Caun in the diary) was the new nawab at Purnea during that time. It is known that the nawab also invited the English to settle a factory at Purnea.

Malda Diary dt. 19 April 1681; and

W.W. Hunter - Statistical Account of Bengal, Vol.XV, London 1876; p.221.

24. Similar order was also issued by Bulchand from Murshidabad.

Malda Diary dt. 8 September 1681.

Bul Chand is Bal Chandra, the chief revenue officer of Hugly and Murshidabad.

25. Makdumpur was in the Bhatidah - Gopalpur pargana of Purnea.

26. For example, according to the consultations at Fort William dt. 11 July 1715, after the shifting took place, the factory at Englesabad used to be called Maulda Factory in the Books and Accounts of the Company.

Also see, C.R. Wilson - Early Annals of the English in Bengal, Vol.II (Pt.I), Calcutta 1900; p.223.

27. Bal Krishna - Commercial Relations between India and England (1601-1757), London 1924; p.98.
- For details of Company's import of Bengal raw silk also see,
- K.N. Chaudhuri - The Trading World of Asia and the English East India Company 1660-1760, Cambridge 1978; pp.345-348.
28. Variation of prices from dalal to dalal is noticed in the Malda Diary and usually three months' time was given to the broker for delivery.
29. R.C. Temple (ed.) - The Diaries of Streyntsham Master, Op.cit.; p.136.
30. Jadunath Sarkar - Economics of British India (2nd edn.), Calcutta 1911; pp.223-226.
31. Hugli Factory Records (India Office Records Series), quoted in Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Op.cit.; p.141. (Original record in London).
32. R.C. Temple - The Diaries of Streyntsham Master, Op.cit.; p.139.
33. C.R. Wilson - Early Annals of the English in Bengal, Vol.I, Op.cit.; p.46.
- and Mazharul Huq - The E.I. Company's Land Policy and Commerce in Bengal, Op.cit.; p.207.
34. C.R. Wilson - Early Annals of the English in Bengal, Vol.I, Ibid.; p.376.
35. C.R. Wilson - Early Annals of the English in Bengal, Ibid.; pp.394-5.
36. This was the rate in 1680; interest rate was subsequently raised to $1\frac{1}{8}$ per cent in 1681 and to $1\frac{1}{4}$ per cent to $1\frac{1}{2}$ per cent in 1682 - as evidenced by the Malda Diary. But on some occasions one or two merchants also lent to the company at less than the general rate; e.g. Chintaman Shaw, company's chief merchant at Balasore, lent through his gomastah Rs.10,000 to Malda factory at the rate of 1 per cent in 1682.

37. Properly Seraf, according to Mazharul Huq.
 38. For example, candles at the company's charge were allowed only to the chambers of the chief.
 39. "Everyone traded in some way or other, from the Governor of a settlement to the lowest servant of the Company, not excluding the Chaplin and the school master."
- J.T. Wheeler - Early Records of British India : A history of the English settlement in India, Calcutta 1878; p.298.
40. Mesrovb Jacob Seth - Armenians in India, Calcutta 1937; p.325.
 41. William Bolts - Consideration in India Affairs (2nd edn.), London MDCCLXXII; pp.194-5.
 42. Such investment may be viewed against the estimated Dutch investment of Rs.50,000 in Edwards' Report 1676. (Sec. 2.1 of this dissertation).
 43. Malda Factory Record (IOR) quoted in Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Op.cit., p.138.
 44. P.J. Marshall - The East Indian Fortunes, the British in Bengal in the Eighteenth century, London 1976; p.29.
 45. Muslin pieces (10 yds. x 1¼ yds.) which cost Rs.6 to 9 earlier had to be bought at Rs.9 to 15 when the English entered the market and increased competition.
Sushil Chaudhury - Trade and Commercial Organisation in Bengal, Op.cit., p.202.
 46. Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Ibid.; p.104.
 47. Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Ibid.; p.133.
 48. Hugli Factory Records (IOR) quoted in Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Ibid.; p.135.

49. Job Charnok was the chief of Kashimbazar factory in 1680's. Complaints reached Hedges that he took 2 per cent from the weavers for pricing their goods and also bought from them sometimes 5-7 per cent less than the full official value. The allegation was also substantially proved.

Mazharul Huq - The East India Company's Land Policy and Commerce in Bengal, Op.cit.; p.181.

50. C.J. Hamilton - The Trade Relations between England and India, Delhi 1975; p.52.
51. Despatch Books (IOR) quoted in Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Op.cit.; p.201.
52. Total claim for compensation amounted to over Rs.66 lakhs.
J.H.T. Walsh - A History of Murshidabad District, London 1902; p.4.
53. C.R. Wilson - Early Annals of the English in Bengal, Vol.I, Op.cit.; p.118.
54. J.H.T. Walsh - A History of Murshidabad, Op.cit.; pp.4-5.
55. Sushil Chaudhuri - Trade and Commercial Organisation in Bengal, Op.cit.; p.76.
56. For the statutes of 1700 and 1720 :
Bal Krishna - Commercial Relations between India and England, Op.cit.; p.259, Appendix A.
G.W. Southgate - English Economic History, London 1960; pp.127-8. and
F.P. Robinson - The Trade of the East India Company (1709-1813), Cambridge 1912; p.140.