

# HIS-103: Emergence of Bangladesh

## Lecture 01

### British East India Company & Battle of Palashi 1757



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# East India Company

- The **East India Company** was a British maritime organization chartered by Queen Elizabeth I in December 31, 1600 AD with rights of monopoly trading in the eastern waters and later founding a colonial state in India.
- The original name of the company, according to the Charter granted by the queen, was 'the Governor and company of Merchants of London trading into the East Indies'. For many years individual financiers fit out the voyages to the east. One of such voyages reached Surat in 1608, but without any transaction. The Portuguese had driven them out of the area. The company got the right from the Mughal government to trade in Surat in 1612 when the Portuguese force could be met with force.
- In 1615 King James I sent **Sir Thomas Roe** as his ambassador to the court of Emperor Jahangir. The gifts that Roe gave on behalf of the King and his personal manners pleased the emperor and he granted the company trading rights as pleaded by the ambassador. Thus the company began to set up trading stations what they called 'factories' in the western and eastern coasts of southern India.

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- In 1639, the local chief of Wandiwash by a grant empowered the English company to build a fortress at Madras and govern it as their own territory. **Fort St. George** was built at Madras, which became the headquarters of the company's business in India.
- The East India Company set its foot in Bengal in 1633 when a factory was established at Hariharpur on the Mahanadi delta.
- On 2 February, the English obtained a *farman* from Emperor Shahjahan permitting them to pursue trade and commerce in Bengal. The most important privilege was obtained from the Bengal governor Shah Shuja who permitted the English to have trade in Bengal without any customs duties in lieu of an annual lump sum of Rs. 3000 only. It was this unique privilege that led the company to assert political domination of Bengal in course of time.
- In the same year, the English founded their factory at **Hugli**. Another factory was opened at **Kasim Bazar** in 1658. In 1668, a new factory was opened at **Dhaka**, the capital of Bengal. The founding of Calcutta by Job Charnock in 1690 completed the process of factory settlement and from that time onward began the processes of establishing political dominance of the company in Bengal.

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- The company saw to it that its claims on the subah always rest on legal grounds. The company thus obtained a fresh *farman* from the emperor permitting it to trade in Bengal customs-free in lieu of an annual payment of Rs. 3,000. The rebellion of Shobha Singh in 1696 offered the company an opportunity to obtain permission to fortify the Calcutta settlement and thus arrange its own defense.
- The Subahdar gave the permission without weighing its military significance. The next step was to extend the company's influence by purchasing the zamindari of Calcutta, Sutanuti and Govindapur, thus quietly laying the foundation of political power.
- In 1698 a rival company was formed, and it got parliamentary incorporation under the name of 'General Society Trading to the East Indies'. The establishment of Fort William in Calcutta and turning it into an independent Presidency in 1700 followed these events.
- The two rivals 'East India Companies' were amalgamated in 1702 with a new charter and a new name - 'The United Company of Merchants of England Trading to the East Indies'. Though the popular name 'East India Company' remained till the last days of the company.

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- From the beginning of the 18<sup>th</sup> Century, the company was having ever-increasing trade in Bengal. The number of ships coming to Bengal was increasing every year. This was also the time when Bengal had a great administrator in the person of **Murshid Quli Khan**. Under him the Bengal trade and commerce had witnessed remarkable development, particularly its foreign trade. The company tried to take advantage of the weakness of the center after the death of Aurangzeb in 1707, but Murshid Quli Khan was resolutely opposed to giving new advantages to the company while severely restricting the old privileges.
- The company became very agitated about the harassment that its officials suffered at the chowkis or customhouses. The tendency of the officers to have their private trade made duty free in the name of the company's *dastak* led to frequent conflicts. Quite often company's boats were halted for proper check of their goods. Murshid Quli Khan never yielded to the demands of the company for more privileges. The Calcutta Council then sent an embassy under John Surman to Emperor **Farrukhsiyar** with lavish presents. The Surman Embassy was warmly received by the emperor who was pleased to issue a *farman*, popularly known as **Farrukh Siyar's Farman** of 1717 (December 30, 1716) which directed the Bengal Subahdar to give the following main privileges to the company:

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- that in addition to the existing privileges the company was to be given zamindari right over the 38 mouzas adjoining the Calcutta settlement;
- that in case the goods belonging to the company and other English were stolen, attempts must be made to recover the goods failing which proper compensation must be given;
- that Madras rupees of Surat quality must pass in Bengal without any discount;
- that the original *sanads* must not be demanded;
- that all persons who might be indebted or accountable to the company should be delivered up to the Chief of the Factory.
- that a dastak given by the chief of the factory should exempt the goods from being stopped or examined by the chowkis.
- that the subah should allow the company to coin money at the Murshidabad Mint.



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- The company knew it very well that the Subah, as they knew him, would not be agreeable to abide by this charter of rights which was actually purchased from the needy emperor and which had undermined seriously the sovereign status of the kingdom. But they also knew that he had given them some legal basis of their extortionate trade and commerce in Bengal and fight for the realization of the privileges on 'legal' grounds. The *farman* did not enumerate the articles to be covered by *dastak*. So the Nawab's chowkis and the company officials were in confusion and the situation resulted in frequent conflicts, sometimes skirmishes. While the company officials saw that the Nawab himself gave many orders to arrest and confine the violators of law, the company even threatened reprisal. But Murshid Quli Khan avoided the direct confrontation.
- The death of Murshid Quli Khan in 1727 and subsequent capture of power by **Shujahuddin** Khan was an opportunity for the company to get their demands realized, especially the zamindari rights over 38 villages. Shujauddin more or less followed the footsteps of his predecessor and very cautiously followed a policy of keeping the continuation of export trade undisturbed and at the same time avoid any confrontation with the company.

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- But on the trade item of salt, which was claimed to have been duty free by the company but not so by the Nawab, the relation between the company and the Subah got bitter to the point of a war which was somehow avoided at the mediation of **Fateh Chand**—the **Jagat Sheth**. The private trade under the cover of *dastak* was a major breach of trust between the company and the government. The private trade of company officials was widely carried under the privilege of *dastak*. The company would not allow the *chowkis* to examine the cargo of boats on the legal ground that the imperial farman of 1717 exempted them of such examination.
- During Shujauddin Khan's period (1727- 1739) East India Company's trade increased phenomenally despite very cold relation between the nawab and the English. With the expansion of trade and commerce grew the company's political interest in Bengal. It became the company's policy to see a nawab at Murshidabad favorably disposed to it. Such a favorable disposition the company got, by default, during the regime of **Alivardi Khan** (1740-1756). Being constantly harassed by the Maratha raiders, Alivardi found it prudent not to create another front of harassment by taking strict measures against abuses and excesses of the East India Company.



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- But Maratha incursions withered away at the accession of **Sirajuddaula** to the *masnad*. Sirajuddaulah directed the English to observe three conditions if they wanted to continue trade and commerce in Bengal: (i) they must demolish the unauthorized fortification of Calcutta immediately, (ii) they must stop abuses of *dastak* and (iii) they must abide by the law of the land.
- The Fort William Council disregarded the Nawab's orders at which the irritated Nawab attacked Calcutta and the English fled away to downstream of the Hugli river. In celebrating the victory Sirajuddaulah renamed Calcutta as **Alinagar** after his grandfather. In his act against the English, Sirajuddaulah had received moral support from the French.
- It was the period of **Seven Years War** (1756-63) in Europe. To the British, the Alinagar action of Sirajuddaulah was interpreted as a double defeat—defeat with the Nawab and with the French who supported him.
- Soon reinforcement came from Madras under the command of **Robert Clive**. Clive recaptured Calcutta (January 2, 1757) and stormed the Mughal port of Hugli in reprisal. A dialogue was soon opened with the Murshidabad Darbar faction secretly opposed to the young nawab. Fateh Chand, the Jagath Seth, was its leader.

# Battle of Palashi

- There followed a secret treaty with the conspirators confirming all the privileges and compensations claimed by the English. **Mir Jafar**, the recently sacked Bakhxi of the Nawab, was chosen by the conspirators to be the next Nawab of Bengal. According to the terms of the treaty a fake battle took place at Palashi on June 23, 1757. Most of the Nawab's army remained firmly still at the instance of Mir Jafar and other conspirators. Sirajuddaulah was defeated and later slain by Mir Jafar's son, Miran.
- The **battle of Palashi** has been correctly interpreted in the 18<sup>th</sup> century European history as a British victory at one important front on the world theatre of battles fought overseas in the Seven Years' War by the two great rival powers- England and France. It was a defeat for Sirajuddaulah and for his ally France at the same time.
- The East India company's success in installing a puppet Nawab on the Murshidabad masnad and ousting the French presence in Bengal had inaugurated informally the establishment of British political dominance in Bengal.