

# Permanent Settlement of Bengal

The Permanent Settlement of Bengal was a grand contract between the East India Company and the individual landholders belonging to Bengal. These landholders include the talukdars and zamindars of Bengal.

As per this agreement, the colonial state system was adopted by the government of Bengal. According to this, all the zamindars and talukdars had to pay a fixed rate of revenue to the government, and the landlords had the right to change the rate of the rent collected from their tenants. These landholders could also evict the tenants as per their choice.

But, if the landholders wanted, they could make it default and generate the amount by publicly selling their piece of land. This was a strong law known as the sunset law. However, such privileges were not given to the cultivating raiyats.

## Background of Permanent Settlement in India

The concept of Permanent Settlement dates back to the Mughal empire, wherein the Mughal emperor calls the revenue collectors as Diwan. In 1764, The East India Company won the Battle of Buxar. After the battle, they were granted the Bengal's Diwani. However, the rural farmers were the biggest hurdle for them as they could not pay the said revenue.

At the same time, because of the negligence of the East India Company, there was a severe famine in Bengal. A lot of measures were taken, but they were of no use. Lastly, in 1786, the idea of the Permanent Settlement System was introduced. However, the concept of Permanent Settlement came into effect in 1793 under the administration of Lord Cornwallis after the formation of the Permanent Settlement Act of 1793.

## Main Features of Permanent Settlement

The main features of Permanent Settlement are as follows-

- In the Permanent Settlement, the Zamindars, or landlords, were regarded as the landowners in Odisha, Bihar, and Bengal.
- The Landowners enjoy hereditary succession rights. They had the right to transfer or sell the land of their choice.
- The zamindars had to pay a fixed amount of revenue to the government of the East India Company on the said date.
- If the zamindars failed to generate revenue at the said time, they ceased their rights, and the respective land would be auctioned to generate revenue.
- The revenue of the land was fixed for the landlords, and the government agreed on a common term that it would not increase the value of the permanently fixed revenue.
- The government takes 10 out of 11 portions of the revenue, and the remaining 1/10th was fixed for the Zamindars.
- Though this system was introduced in England, the tax rate was much higher than England's prevailing rates.
- Along with this, the Zamindars provide a patta to the tenant. The patta represents the area allotted to a Zamindar and describes the amount of rent they had to pay to the landlord.

## Impact of Permanent Settlement

The Permanent Settlement significantly impacted the Zamindars, Peasants, and the East India Company. This can be explained below-

### Impact of Permanent Settlement on Peasants-

- The farmers and the Bengal cultivators thought the system oppressive as they were reduced to zamindar's mercy.

- They had to take loans to pay the tax. Sometimes, they were exploited by the zamindars.
- If the landowners failed to pay the tax, they were evicted from their cultivated land.

#### **Impact of Permanent Settlement on Zamindars-**

- They have a complete hold over the revenue.
- The benefit of Zamindars depends on the increase in land production.
- If Zamindars failed to pay the said revenue, their properties were confiscated by the Company.
- They became the intermediaries and served the Britisher's political aspects.
- In Permanent Settlement, the revenue was fixed because the zamindars could not settle quickly.

#### **Impact of Permanent Settlement on Company-**

- It ensured a constant flow of money to the Company.
- It was Company's responsibility to improve the productivity of the land.
- It resulted in an increase in cultivation and a rise in market prices.

### **Benefits of Permanent Settlement**

The benefits of Permanent Settlement were as follows-

- The East India Company became free from the process of generating revenue. It was easy for the Indian collectors to go to the ground and make the locals understand the local customs.
- It introduced a sense of security for everyone as the amount of revenue was fixed.
- Being permanent, the Zamindars had a fair chance of improving the conditions of the land to generate a huge revenue.

### **Drawbacks of Permanent Settlement**

The disadvantages of Permanent Settlement are more than the advantages of Permanent Settlement. These were-

- The whole system was dependent on the Zamindars for the collection of revenue.
- A class of hereditary landlords was created that enjoyed luxurious and extravagant lifestyles.
- The Zamindars favor the British and the East India Company.
- The revenue of the land was fixed arbitrarily.
- A burden was created on the farmers.
- The Zamindars became defaulters in the eyes of farmers and the East India Company.