

## Land Revenue Settlements

The British introduced different land revenue settlements in different parts of India. Initially, Robert Clive introduced the Dual System in Bengal, which was later abolished by Warren Hastings. Hastings experimented with annual and five-year settlements through collectors. Later, Lord Cornwallis introduced the Permanent Settlement in Bengal, Bihar, and Orissa. In other regions, different systems like Mahalwari and Ryotwari were introduced. When the East India Company began acquiring territories, it had little knowledge of the complex Indian land system. After several inquiries, three major systems emerged: Permanent Settlement, Mahalwari System, and Ryotwari System.

### Permanent Settlement

The Permanent Settlement was introduced in 1793 by Lord Cornwallis and is also known as the Zamindari System. Under this system, land revenue was fixed permanently, meaning there would be no future increase. Zamindars became intermediaries between the government and the peasants. They were recognized as landowners and were given rights to sell, mortgage, and transfer land. At the same time, they were responsible for paying a fixed amount of revenue to the government. If they failed to pay, their land could be confiscated or auctioned.

### Revenue Demand and Growth

The revenue demand under this system was very high, especially in Bengal. The government took about 89% of the revenue, leaving only 11% for the zamindars.

The revenue collection in Bengal saw a significant rise during the transition from the Nawabi administration to the control of the East India Company. Under Mir Qasim's administration in 1762–63, the annual collection was 64.6 lakhs. This increased to 76.2 lakhs in 1763–64 during the rule of Mir Zafar, and further to 81.7 lakhs in 1764–65 under his continued administration. A dramatic rise occurred in 1765–66, the first year of the Company's Diwani, when revenue collection jumped to 147 lakhs following the grant of Diwani rights to the East India Company in 1765. This upward trend continued over the years, and by 1790–91, under the Company's Diwani administration, the annual collection had reached 268 lakhs, reflecting the intensified revenue extraction policies of the Company.

### Important Observations

The Company initially experimented with different revenue systems before finalizing this one. The Permanent Settlement was based more on administrative convenience than economic logic and is often considered a mistaken policy.

### Impact

The system mainly favoured the zamindars, while peasants were heavily exploited due to high rents. There was no direct relationship between the peasants and the government. It also led to the rise of absentee landlords and moneylenders. Overall, it resulted in the commercialization of land and significant changes in the agrarian structure.

