Opium enterprise and colonial intervention in Malwa and western India, 1800-1824*

Amar Farooqui

Department of History
Hans Raj College
University of Delhi

It is well-known that during the nineteenth century Indian opium was an important element in the Britain-China-India trade triangle. Surprisingly production of opium and organisation of trade in the drug from an Indian perspective, against the backdrop of this triangle, has more or less been ignored. Focus has mainly been on the role played by Indian opium in the colonial penetration of China or else on the manner in which the mechanism operated.¹ What seems to have been overlooked is that the issue merits close examination, independent of the implications which Indian opium had for Britain's interests in China or the pattern of triangular trade between India, China and Great Britain.

A host of official reports apart, D.E. Owen's pioneering British Opium Policy in China and India published in the 1930s remains, to date, perhaps the only comprehensive survey of the subject.² This work too, as the title indicates, is not confined to India alone, though it is of immense value in providing a broad overview of the question. Subsequent studies have been restricted to opium grown in the Ganga region (designated 'Bengal opium'). B.B. Chaudhuri and, more recently, J.F. Richards have looked at opium production in nineteenth century Gangetic India referring only in passing

¹ Of direct relevance to the opium trade is Michael Greenberg, British Trade and the Opening of China, 1800-42, Cambridge, 1969. A useful discussion on the place of opium in the overall pattern of British international trade is to be found in Tan Chung, 'The British-China-India Trade Triangle (1771-1840)', The Indian Economic and Social History Review (hereafter IESHR), XI (4) 1974, pp. 411-31, especially pp. 421-22, 426.


* Many thanks to the referee for comments and suggestions on earlier drafts of this paper. Financial assistance provided by the Indian Council of Historical Research is gratefully acknowledged.
to the produce of Malwa, which by the turn of the century had emerged as a serious rival to Ghazipur, Banaras and Patna.  

Malwa opium enterprise represented an important stage in the historical development of the Indian capitalist class. Amalendu Guha in his articles on Parsi entrepreneurs underscored the linkage between Malwa opium and the rise of indigenous business groups in western India. For all that, however, the subject has remained very much under-researched.

A study of Malwa opium (export) enterprise as it evolved during the first quarter of the nineteenth century is meaningful in itself, if for no other reason than that it was largely a product of Indian initiative. Unlike Bengal opium, trade in the Malwa drug was not promoted by the English East India Company. On the contrary, the colonial rulers initially worked to stamp out this trade altogether. Malwa opium soon became the instrument with which, against heavy odds, indigenous groups in western and central India carved out a niche for themselves within the overall economic and political system imposed by colonialism. This was reflected in the far greater participation of indigenous entrepreneurs in the development of capitalism as compared, say, to Calcutta.

In this paper I hope to show that Malwa opium as a commodity forming part of production and exchange relationships among local groups in central and western India calls for greater attention.

Inadequate space accorded to this aspect should to some extent be attributed to the fact that commerce in the drug within India was largely clandestine. The success of the venture lay in keeping it out of view. This was particularly so during the formative period, that is, 1800–1824. It is the clandestine nature of the trade which has created problems for the historian. Since indigenous groups engaged in it were excessively secretive, documentary evidence originating from the Indian side is not easily forthcoming. We are confronted with a deliberate silence.

What needs to be underlined with reference to Malwa opium is the critical dependence of British authorities on information pertaining to an enterprise which could thrive only by remaining underground. Not having the requisite information meant not being in a position to calculate the extent of damage to a principal component of the British–China–India trade triangle. The more alarmed the British grew the more desperately did they tap diverse sources to pool information. Supracargoes at Canton; residents, political agents and collectors in western and central India; opium agents and customs masters; and a few pliant indigenous officials and traders were just some of those whose energies were harnessed to provide intelligence. If read thoroughly, dwelling on minute details, source material emanating from the colonial rulers, is useful for a preliminary discussion on the subject.

I

Till about the first decade of the nineteenth century the only opium with which the British Indian government was familiar was the opium produce of the Ganga region, particularly Bihar (Patna opium) and Banaras-Ghazi-pur (Banaras opium). This opium, referred to in British official terminology, and subsequently generally, as Bengal opium, had become a monopoly of the East India Company by the end of the eighteenth century. The exercise of this monopoly broadly meant the company’s exclusive right to control production and sale of opium. Short of directly cultivating the poppy plant the Bengal government assumed monopoly of manufacture, through a system of licensing, and sale of opium.

It needs to be emphasised, particularly in the context of problems which the British faced in western and central India in pursuing an opium policy to their liking in that region, that a very large proportion of opium-producing areas of the Ganga region were directly under British administrative control at the time when Bengal opium was declared a state monopoly.

* To cite one prominent example, Capt. Frederick Dangerfield, who in 1820 was entrusted with the task of preparing a report on opium production and trade in Malwa, constantly came up against ‘every species of evasion and falsehood, against which no efficient check could have been obtained’. F. Dangerfield, surveying officer, to John Malcolm, 3 October 1820, National Archives of India (hereafter NAI), Separate Revenue Branch Consultations (hereafter SRBC), 18/19 December 1820 (henceforth DR).

* Cf. Owen, British Opium Policy, p. 30, fn. 23.
monopoly. Consequently, a fairly strict enforcement of Bengal-opium regulations was possible.

The raison d'être of official British involvement in opium was the link which the commodity had with the continuous expansion of British trade with China. Throughout the eighteenth century there had been a massive increase in the export of Chinese tea to England, leading to a frantic search for the means to pay for it. Exports of Indian raw cotton and opium to China provided an answer to the problem. Apart from the huge revenue which the opium monopoly yielded to the colonial government, opium soon became an important commodity in the Britain–China–India trade triangle. At the beginning of the nineteenth century approximately 4000 chests of opium were being regularly auctioned at Calcutta. After a few ups and downs the figure stood at 4560 in 1808–9 and 4968 in 1809–10.14

The rise in exports of Bengal opium to China at the turn of the century provided an opportunity to other opium-producing areas of India, more so as it was discovered that a far larger quantity than what the company was able to supply could be thrust on the Chinese.15 Poppy was extensively grown in several parts of western and central India. It is hardly surprising then that opium from this part of the country should have started making its way to the far eastern markets, following in the footsteps of Bengal opium.

The export trade in this opium, which soon bore the appellation 'Malwa opium', had been going on for several years, may be since the 1770s, before the Bengal government got wind of it.16 In 1803 Fort William was alerted as to the ‘extent which Trade in Opium on the western side of India . . . appears to have attained’, and the governor general was dismayed that he had not before been apprised of the matter.17 Quite obviously Malwa opium was going to create problems for the Bengal monopoly if steps were not immediately taken to curb the menace it represented. Lord Wellesley, the then governor general could foresee ‘the detrimental consequences which may result from the increase or continuance of that Trade to the Revenue derived from the Monopoly of opium in Bengal’ and urged the Bombay government to initiate the strongest possible measures ‘for the prevention of the growth of that Commerce and for its ultimate annihilation’.18

According to figures for 1800–1801, 1801–2 and 1802–3, furnished by the reporter general of external commerce at Bombay, an average of 1233 man (maunds) of opium had been annually brought into Bombay for the purpose of export.19 This works out to roughly 352 chests (of 140 lbs each).20 Tracing the early history of the trade Francis Warden, who as chief secretary to the Bombay government had some knowledge of the matter, noted that close to 600 chests of the Malwa drug annually found their way to China at the turn of the century.21

The Bengal government jealously guarded its opium monopoly and directed Bombay to nip the growing trade in Malwa opium in the bud: ‘With this view His Excellency in Council desires that the cultivation of Poppy may be immediately prohibited within the territories subject to the immediate authority of your Government . . . .’22 Accordingly, Bombay Regulation I of 1805 prohibited cultivation of poppy throughout the company’s territories in Bombay presidency as well as the export of opium from Bombay to China.23

From the moment of the inception of its Malwa opium policy the company was confronted with the dilemma of not being a major territorial power in western and central India. Unlike Bengal opium, which was produced mainly in areas over which the company ruled directly, almost all of Malwa opium was produced outside British ruled territory at this time. The acquisition of territory by the British in western India had proceeded tardily till the early nineteenth century and it was not until after the Third

---

14 Government of India Resolution, 12 November 1819, NAI, SRBC, 14/12 November 1819.
15 It was estimated that ‘the quantity annually consumed at China and other Eastern Ports (was) from 7 to 8,000 Chests . . . .’. J.P. Larkin, Board of Trade (Opium Office), to governor general, 11 January 1819, NAI, SRBC, 33/23 July 1819.
16 Minute by Francis Warden, Chief Secretary, Bombay government, 30 April 1823, NAI, SRBC, 56/12 June 1823 (hereafter Warden, 1823 Minute).
18 HD, Misc, 271.
19 Royal Commission on Opium, Vol. VI (London, 1895), p. 27; also R. Ferguson, Officiating Advocate General, Fort William, to H. Mackenzie, Secretary, Govt. of India, 30 July 1817, NAI, SRBC, 18/8 August 1817.
Anglo-Maratha War that further territorial expansion on a large scale took place. Even then direct British administrative control did not extend to the major opium-yielding areas of western and central India.

Initially, a few weak efforts were made to prevent opium from reaching a port. For instance, in 1812 the petty chiefs of Mahi Kantha in Gujarat were prevailed upon to prevent transit of Malwa opium through their territories. This could not have been the cause of much satisfaction, as just a small inland area of Gujarat, between Palanpur and Baroda, was closed, presuming that the Mahi Kantha chiefs were serious about effectively checking the transit of Malwa opium through their territories.

Exports of opium suffered a setback briefly between 1805 and 1809–10, which was attributed by Warden partly to restrictive measures, and partly to military occupation of Portuguese colonial settlements by the British which was an offshoot of the Napoleonic upheaval in Europe. The Portuguese had been active in fostering the clandestine trade in Malwa opium, and had allowed the use of their possessions in western India, particularly Daman and Diu, and Macao in China for the purpose. The Portuguese ports were under some pressure during this period.

Trade in the commodity was soon back on its feet. When the company emerged as the paramount power in western India after 1817–18, Malwa opium was already well-entrenched. According to Owen it was between 1814 and 1818 that the competition between the Bengal and Malwa varieties in the China market became critical. Contemporary official opinion was that around 1817 trade in Malwa opium became considerable, amounting 'as far as ascertainable' to 900 chests.

The handicap from which the British had hitherto suffered in their effort to curb trade in Malwa opium was; as we have already noted, their lack of actual political control over any significant part of western and central India. This situation was fundamentally altered in 1818. With the large-scale acquisitions, following the Third Anglo-Maratha War, having been attached to Bombay presidency, restrictions on the cultivation of and trade in Malwa opium were sought to be imposed more rigorously. Bombay Regulation I of 1818 and a few subsequent steps were aimed at restricting cultivation of poppy and checking the smuggling trade more effectively.

---

20 Royal Commission on Opium, Vol. VI, p. 28.
21 Warden, 1823 Minute.
23 Owen, British Opium Policy, p. 85.
24 Memorandum by J.A. Dunlop, 30 April 1830, NAI, SRBC, 24/7 September 1830.
25 Warden, 1823 Minute. See also Royal Commission on Opium, Vol. VI, p. 49.

Opium enterprise and colonial intervention in Malwa and western India

At this stage the company concentrated on coaxing various Indian-ruled states in Gujarat to check the transit of Malwa opium through their territories, from the area of production to seaports. The British appear to have been under the impression that by denying Malwa opium a point of exit along the Gujarat coast it would be possible to choke the trade in it and hence the very production of the item. As new dimensions of the problem unfolded, the company became aware of the need to shed all notions of easily overcoming the challenge. Sind could still provide an outlet to the sea. The routes linking areas of poppy cultivation in western and central India with Sind, passing through Mewar, Marwar, Jaisalmer, etc., were still open. No agreement pertaining to opium had been entered into with rulers of vast stretches of territory in Malwa and Rajasthan. Indore, Kota, Gwalior, Ratlam, Jaora, Pratapgarh and Udaipur, to name only a few states, were areas where trade in Malwa opium continued to flourish. Finally, control over production was virtually non-existent.

By the second decade of the nineteenth century there was already a strong local vested interest in opium production in Malwa. In 1819 British officials dealing with the problem conceded that some competition from Malwa opium would have to be encountered. The need for limited involvement by the company in trade in opium within Malwa arose from this circumstance.

In a resolution adopted in November 1819, laying down the guidelines of this policy, the supreme government argued that by 'reducing the advantages of the illicit trade through an extended supply of the market on more moderate terms, the prevention of smuggling will become comparatively easy'. A target of 4000 chests of two factory man each (equal to approx. 4571 chests of 140 lbs each) was set. These chests were to be auctioned at Bombay. Sales commenced in 1821, and from 1823 onwards were held at Calcutta as well.

Late in 1820 an official named James Taylor was sent down to Malwa as a deputy opium agent to buy opium on behalf of the company. These purchases were made in a free market, that is, the company did not as yet accord to itself the right to exclusively determine the price at which it would buy the opium, or even to be sole buyer. This willingness to operate in a free market within Malwa was the outcome of a complacency born of the belief that a port no longer being available to the commodity, the company would be regarded as benefactor in making purchases from...
Opium enterprise and colonial intervention in Malwa and western India

opium cultivators, who would be hard-pressed to find a market. This was an underestimation of the potentialities of indigenous enterprise.

The plan did not work. A large quantity of opium was successfully kept out of the company's reach and purchases were made at prices which were far too high in the estimation of the supreme government. There is little doubt that decision makers in Calcutta were wide off the mark on the tricky point of prices prevailing in the Malwa market and the possible impact of the company's entry into it as a major buyer.

The 1819–20 season had not been a favourable one for opium, leading to an unprecedented rise in price. Then by September 1820, as Taylor was to learn later on, large quantities of the available supply had been smuggled out of Malwa via Rajasthan and Sind. Representatives of the company had a trying time buying stocks for the forthcoming Bombay auction. In order to avoid loss of face, Fort William sent instructions that opium be purchased 'by any means', even if 'terms should be such as to hold out no prospect of profit on the resale'. Sales originally scheduled for March 1821 had to be postponed twice and could only take place at the end of May, the total quantity put up for auction, 1600 chests of 140 lbs each, being nowhere near the proposed target. The 1820–21 season too was far from satisfactory. Opium supplies were depleted. In addition the clandestine trade was doing well. Official correspondence on Malwa opium becomes increasingly preoccupied with the smuggling network by the latter half of 1822.

In 1823 changes in the system were decided upon, thus ending one phase of Britain's early Malwa opium policy. The new approach involved arrangements with rulers of opium-producing states of central India and Rajasthan under which the British government of India was to purchase from these states a specified quantity of opium annually at a stated price, and not in a free market any longer. These states for their part were to limit the states a specified quantity of opium annually at a stated price, and not in a free market any longer. These states for their part were to limit the cultivation of opium in their respective territories.

At the administrative level too there was an important change. Bombay had so far overseen the Malwa opium agency. Bengal was visibly annoyed over the failure of the Bombay government to protect the company's monopoly. The view of the supreme government was that the 'injudicious mode, in which the officers under the Bombay Government purchased opium has tended to encourage cultivation'. The Bengal government was thus led to taking the concern into their own hands. This despite Bombay's strong protest. A Bengal civilian, Samuel Swinton, was appointed the company's opium agent in Malwa, with headquarters at Indore. He was directly answerable to Calcutta, corresponding with the supreme government through the board of customs, salt and opium.

There is a little more to this than meets the eye. The importance which a relatively junior official like Taylor had suddenly acquired had been causing much heartburn at the board of customs, salt and opium. In a note put up to the government in February 1823 the board, which had Swinton on it, was especially critical of the 'vast extent of the disbursements' which Taylor had been authorised to make on his 'individual responsibility'. The funds that Taylor had access to (about five and a half million rupees in 1822–23) almost equalled those disbursed by the board in purchasing the whole of the salt and opium investments put together. Members of the board impressed upon the governor general the necessity of appointing a 'servant of high rank and long-standing' to the charge. Thus prompted, John Adams the governor general selected Swinton for the job.

In all fairness to Taylor he managed well enough, given the constraints under which he was operating and the fact that there was hardly any previous experience to guide him. Swinton with more wide-ranging powers and greater political clout fared little better. The merit or otherwise of individual colonial officials was incidental to the outcome of the conflict between the company and indigenous groups over Malwa opium.

What has to be appreciated is that historically the balance of forces in western and central India was not the same as that which obtained in eastern and northern India. Consequently, rather than merely extending the Bengal monopoly to western and central India, colonial administrators had to continuously modify their strategy vis-à-vis Malwa opium, especially during the first three decades of the nineteenth century. The situation with which the British had to contend in dealing with the Malwa drug was fundamentally different from what had been encountered in the Ganga region. It was virtually impossible to impose a policy dictated solely by colonial interests due to resistance offered by various indigenous groups that participated in setting up the Malwa enterprise.

---

31 Indore Resident to Bombay Govt., 30 July 1819, NAI, SRBC, 9/12 November 1819; Owen, British Opium Policy, p. 90.
32 Cf. Owen, British Opium Policy, p. 90 and n. 32.
33 DR.
34 Taylor to Mackenzie, 4 April 1823, NAI, SRBC, 41/12 June 1823.
36 Govt. of India to Farish, 25 December 1820, NAI, SRBC, 4/9 February 1821.
37 Bombay Govt. to Govt. of India, 30 December 1820, NAI, SRBC, 6/9 February 1821; Bombay Govt. advertisement, 14 March 1821, NAI, SRBC, 6/18 May 1821.
38 Royal Commission on Opium, Vol. VI, p. 28.
39 S. Swinton, Malwa opium agent, to Capt. Cobbe, Resident, Udaipur, 7 June 1824, NAI, SRBC, 16/13 August 1824.
40 Warden, 1823 Minute; Govt. of India Resolution, 12 June 1823, NAI, SRBC, 56/12 June 1823.
41 Board of Customs, Salt and Opium (henceforth BCSO) to Governor General, 10 February 1823, NAI, SRBC, 22/27 February 1823.
42 Ibid.
In Malwa poppy is a rabi crop. We also hear of another sowing, in June, the yield of which must have been insignificant. Poppy of different varieties, such as, red, white, purple/black, etc., may be grown in Malwa although, as George Watt points out, precise classification of the Malwa types from the point of view of the botanist is not easy. The red variant of the white poppy (as distinct from the true red poppy) was the most prevalent type in Malwa. Experiments conducted in the 1870s revealed that the Malwa poppies were not suited to the Gangetic areas. Apparently no particular colour was preferred by the poppy cultivators of Malwa in the early nineteenth century, 'white, black and red being indiscriminately found in one field'. Later in the century, poppies with rose and carmine flowers came to be regarded as superior to white and vermillion, and purple as the most inferior. One of the best informed British officials, however, referred in 1826 to the 'white variety' as the best of those cultivated in Malwa by virtue of higher yield of juice.

Opium cultivation in Malwa is dependent upon availability of irrigation facilities since the crop requires large quantities of water. Poppy must be watered at least eight to nine times from the time of sowing to the time of harvesting. During the nineteenth century wells were the main source of irrigation for opium gardens. The construction of these wells required a large initial outlay. The cost of constructing wells ranged during the 1820s from Rs 800-1200 to Rs 1500-2000. Water was lifted with the aid of leather-buckets (charas), of which two could be used at the same time so that one well could irrigate about ten bighas of poppy field.

Opium production is highly labour intensive. Not surprisingly, poppy fields would be located just on the outskirts of the village or qasba. This was necessary due to the constant tending which the crop needed and had the additional advantage of providing manure. The ground had to be carefully ploughed and provided with manure. Poppy fields were often prepared by sowing hemp (san) which when at its full growth was trodden down and ploughed up with the soil. Land which was freshly brought under poppy cultivation held forth the prospect of a reasonably good yield only in the third year. Sowing commenced in November and was concluded by December. Malwa cultivators planted poppy in the same field as sugarcane since both crops require a great deal of water. The two did not interfere with each other as poppy was off the ground before sugarcane had attained a height of eight inches.

Apart from the several waterings already referred to, much weeding and loosening of the soil had to be done in the following months. Besides, when the plants were five or six inches above the ground they had to be thinned to a distance of three inches.

As much if not more demanding for the peasant was the extraction of opium. This job required considerable expertise. Lack of skill in collecting the juice (chik) from poppy capsules could ruin the crop. The peasants of Malwa were reputed to have sufficient expertise by the beginning of the nineteenth century so that when it was found in Gujarat that 'unskilful management' by novices in extracting the juice from the pods and preparing the opium was leading to a considerable loss, the 'assistance of a few Experienced Cultivators from Malwa' was sought.

When the pods were ripe between January and early March they were punctured with a small trident formed in an instrument of three short prongs on blades at a distance of about the fourth of an inch asunder. Using this instrument three vertical incisions would be made in the capsules.

The practice in Malwa was to divide a field into four parts and take up ripe plants of two portions in a single day. Since the collection of juice had to be preceded by scratching of the capsules the previous evening, on any one day's juice would be scraped off ripe plants of the first part (which had been operated on the day before), while towards evening incisions would be made in ripe plants of the second part to permit collection of their juice the next day and so on. The poppies could be punctured three to four times for collecting their juice and thus the entire operation had to be repeated as many times. The peasants' involvement with the manufacture of opium did not go beyond collecting the juice. Most of the subsequent processing was undertaken after the juice was appropriated from them.

Opium enterprise and colonial intervention in Malwa and western India
Malcolm calculated that in a ‘tolerable year’ region, opium production could hardly be regarded as a very profitable enterprise for the cultivator. Malcolm calculated that in a ‘tolerable year’ region, opium production could hardly be regarded as a very profitable enterprise for the cultivator. Malcolm calculated that in a ‘tolerable year’ region, opium production could hardly be regarded as a very profitable enterprise for the cultivator. Malcolm calculated that in a ‘tolerable year’ region, opium production could hardly be regarded as a very profitable enterprise for the cultivator.

Precise calculations are not very easy. There is no unanimity on this point among British officials who attempted this calculation in the 1820s. Estimates ranged from Rs 12.5 per bigha to more than double this figure (exclusive of ground rent). It is unlikely that opium could have been cultivated for less than Rs 25 a bigha, inclusive of ground rent, with the average yield being five *ser* of raw juice per bigha. Of this, six rupees would on an average have to be spent on watering the field nine times and about eight rupees on ploughing and manuring. If opium was then sold in an unadulterated and crude form remuneration to the peasant would have been at the rate of Rs 25–35 per five *ser*, the price reportedly prevailing at the beginning of the second decade of the nineteenth century. This was ‘barely sufficient to cover the expense of cultivation’ and would have left the peasant ‘seldom any profit but in the other products of the plant’, for example, poppy seeds which have culinary use.

The peasants rarely disposed their opium directly in the market. At the level of the producer we are not dealing with a true market situation. The peasant sold the opium to small traders, moneylenders etc., who had provided advances for producing the opium or else had undertaken to meet revenue obligations, or simply extended credit. Under the circumstances there was considerable scope for coercing the producer. The relation in which the peasants stood to the mahajans/traders determined their remuneration.

The peasants’ lack of freedom in the matter of growing opium, even though returns were not commensurate with labour/costs of production, is underscored by the continuous strain on them to meet demands of the state and various intermediaries. Given the ‘continual and irregular demands’ on the ‘Ryuts by Government for cash advances’, peasants were forced to seek credit.

B.B. Chaudhuri has suggested with reference to eastern India that here opium was relatively more remunerative in instances where cultivators were in a position to clandestinely ‘sell part of their production to private traders at prices higher than those fixed by the government’. Evidence from Malwa, however, indicates that the absence of a monopoly did not necessarily imply complete freedom at the level of the peasant.

The enormous political authority wielded by big revenue farmers in major opium-growing tracts, for example, Appa Gangadhah in Mandsaur and Khachrod, the Bhuskute family in Barmagar, or ministers such as Taty Jog at the Holkar court, Gokul Parekh at the Sindia court and Bapu Raghunath at Bhar, all of whom had interests in opium, made the producer succumb to pressures both in terms of choice of crop as well as extra-economic considerations which bore on procurement prices. At the same time the advantage of having a ready market for opium was partly nullified, as far as the cultivator was concerned, by the higher rate of land tax which poppy attracted. In the Holkar territories the rate for opium, per bigha, was five rupees and eight annas whereas that for wheat and jowar was one rupee and eight annas. In Sindia’s Mandsaur pargana the rate was about twelve rupees (or 15 Sālimshahi rupees) a bigha. For soils of superior quality when sown with poppy in rabi. This would be the demand for both kharif and rabi taken together.

An expanding market for opium gave revenue farmers in Malwa the opportunity to increase rates payable on land on which poppy was cultivated. These increases were not necessarily passed on to the state. In Mandsaur this was achieved through the device of the ‘dowarrah’ patta wherein the rate specified was nominally twelve rupees but it was understood that ‘every rupee is to be two rupees’, so that the peasant ended up paying...
twenty-four rupees to Appa Gangadhar. The state was credited with twelve rupees (if not less), the balance going to Appa Gangadhar. If the land was of indifferent quality the patta would be ‘deorah’ or eighteen rupees.\textsuperscript{71}

In order to enable the peasant to meet his immediate requirements village mahajans, banias, sahukars or the gomashtas of revenue farmers provided advances against opium.\textsuperscript{72} These advances were offered when the poppy plant had attained a certain height, either in cash or in the form of grain.\textsuperscript{73} Interest too was realised in the form of opium, with the difference that this opium was appropriated without remuneration.\textsuperscript{74} Higher opium prices meant little to the peasant.

From the peasant the opium usually passed into the hands of the village-level or small-town petty traders, grain merchants and moneylenders or else the local agents of revenue farmers. It was rare indeed for the peasants to go and actually sell their produce in the market: ‘Although there be some independent cultivators who sell their produce in the markets, yet by far the greater part of it passes into the hands of a few opulent sowkars, who minister to the urgent wants of the ryot . . . .’\textsuperscript{75}

The procurement price of opium was fixed in March–April when the yield could be estimated with sufficient accuracy.\textsuperscript{76} Local panchayats of sahukars were held around that time of the year. These panchayats laid down rates at which opium was to be purchased and those at which it was to be resold in the local market, subject to subsequent adjustments depending upon the state of the market.\textsuperscript{77}

Local markets could either be the village hat or small-town mandis at Badnawar, Thandla, Malhargarh, Mehudir, Shajapur, Talen, Gangdhar, Manasa, Sawakhera, Jawad, Jiran, Rampura, Bhanpura, Kiampur, Jaora, Tal, Mandawal, Nahargarh, Sanjit or Jhalarapatan.\textsuperscript{78}

The participants at the village hat would have been on-the-spot officials of kamavisdars and revenue farmers, local banias and Bohras, petty sahukars, grain merchants and the few peasants who could manage to put their produce on the market for a fairer remuneration. The levying of a tax on the sale and purchase of opium in villages where it was produced suggests that trade in the drug at these hats was not altogether negligible. In Mandsaur pargana, Sinda’s government charged half a rupee per man of opium on all sales at ‘villages where grown’.\textsuperscript{79}

The small-town sahukars and village banias were not mere intermediaries. They played an important role in production by completing the final stage in the preparation of opium.\textsuperscript{80}

We have seen that what the cultivator offered was crude opium in the form of raw juice. This juice having been scraped off was placed in vessels containing linseed (alsi) oil. The purpose of putting the juice in oil was to give it a certain consistency and prevent evaporation.\textsuperscript{81} The tax levied on opium marketed in villages is expressed in terms of raw juice.\textsuperscript{82} However, before this opium was taken to the large mandis it was condensed by the petty traders. Crude opium was removed from the vessels and formed into cakes weighing from a fourth of a ser to half a ser.\textsuperscript{83} Opium was allowed to lose moisture without being directly exposed to the sun. This was a long-drawn process and more so because it tended to be interrupted by the monsoon. The task of condensing opium was resumed after the rains till which time the leftover juice was allowed to remain in oil. The processing of opium could go on almost till October.\textsuperscript{84} Drying resulted in diminution of weight to the extent of about 20 per cent (one-fifth) to 37.5 per cent (sixteenth).\textsuperscript{85}

 Contracts for opium were entered into with the local petty opium traders by the big sahukars resident in prominent commercial centres of Malwa—Ujjain, Indore, Barnagar, Ratlam, Mandsaur, Khachrod and Pratapgarh—around June every year though actual delivery was to be made in Kartika (October–November).\textsuperscript{86} Thus in any given year opium exported from Malwa would be the produce of the previous year’s rabi season, if not older. Traders who were in a position to hold on to their stock for some time could hope for a higher price, since older opium was considered superior to the newer. Ageing caused it to acquire a ‘superior mellowness’ which rendered it ‘more palatable to the opium-eaters’.\textsuperscript{87} This does not imply that opium could be kept for an indefinite period. Good opium could be allowed to age for four years after which it was likely to deteriorate.\textsuperscript{88}

---

\textsuperscript{71} Ibid.\textsuperscript{72} DR; Malcolm to Newnham, 25 June 1818, NAI, SRBC, 12/14 August 1818; Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819; W. Henley, agent to Governor General (eastern Malwa), to Malcolm, 1 May 1821, NAI, SRBC, 24/15 June 1821.
\textsuperscript{73} DR; Taylor to Flower, 13 February 1822, NAI, SRBC, 30/10 April 1822.
\textsuperscript{74} DR.
\textsuperscript{75} Ibid.; Taylor to Flower, 13 February 1822, NAI, SRBC, 30/10 April 1822.
\textsuperscript{76} DR; Malcolm to Newnham, 25 June 1818, NAI, SRBC, 12/14 August 1818; Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819; M/s Remington Crawford & Co to Warden, 20 January 1821, NAI, SRBC, 4/20 February 1821; Farish to Wellesley, 24 January 1821, NAI, SRBC, 16/6 April 1821; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821; Memorandum by Taylor, 10/14 December 1821. \textsuperscript{77} Ibid.; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821.
\textsuperscript{78} Ibid.; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821.
\textsuperscript{79} Ibid.; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821.
\textsuperscript{80} Ibid; Wellesley to Bombay Govt., 30 July 1819, NAI, SRBC, 9/12 November 1819. \textsuperscript{81} DR; Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819.
\textsuperscript{82} DR.
\textsuperscript{83} Ibid.; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821.
\textsuperscript{84} Ibid.; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821.
\textsuperscript{85} Ibid.; Henley to Malcolm, 22 April 1821, NAI, SRBC, 23/15 June 1821.
\textsuperscript{86} E.g., Taylor to Flower, 28 June 1822, NAI, SRBC, 56/19 September 1822.
\textsuperscript{87} Ibid.; Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819; Also Wellesley to Mackenzie, 7 March 1821, NAI, SRBC, 8/23 March 1821.
\textsuperscript{88} I.A. Maxwell, medical storekeeper, Bombay, to Flower 12 May 1821, NAI, SRBC, 16/6 July 1821.
For the purpose of trade, in Malwa, opium was classified into three grades. The best quality was that of Ujjain and Indore, followed by Ratlam opium. The third grade, Pratapgarh opium, was of very inferior quality. Whereas Malwa opium was generally unadulterated, the Pratapgarh variety was prone to adulteration. The Indore resident pointed out that opium “which comes from Partaugarbh district is most subject to adulteration, this fraud being commonly practiced by the Bagrees, a race of worthless people inhabiting those parts.” Opium was adulterated with flour, catechu or dried and powdered opium leaves. But discovery implied that opium would not even fetch a price equivalent to the actual drug content and this acted as a deterrent. It is not clear as to what precisely distinguished Ujjain and Indore opium from the Ratlam.

The big opium dealers of Ujjain, Indore, Barnagar, Mandsaur, Ratlam, Pratapgarh and Khachrod bought up opium from producing centres and smaller markets. By the 1820s the networks of Bombay, Gujarat and Rajasthan opium merchants encompassed the major opium marts of Malwa where their gomashtas and dalals procured opium directly from the wholesalers. For example, the Bombay merchant Ameechand Sukurchand had agents stationed at Barnagar, Khachrod, Mandsaur and Ratlam. But it is doubtful that these merchants had penetrated the local markets or village hats.

The wholesale-opium trade was concentrated in the hands of the Malwa sahukars who invariably engaged in large-scale speculation and gambling in stocks. The two favourite forms of speculation and trading in futures (satta) which Malwa sahukars indulged in were jullub and cowri satta. Jullub was ‘an anticipation of price at certain dates accompanied by unreal entries and transfers’. It resembled stock-jobbing with the difference that ‘the real article is as often given as the difference paid’. Cowri satta (or cowri sathe souda) was a similar form of gambling wherein ‘one Soucar, or Bania, giving another, before the harvest a Cowree, as a pledge that he will pay him a specific price, at a certain date, for a specific quantity of grain. No papers pass; but the grain is entered in the books of both as bought and sold. When the period arrives, the parties settle. Sometimes the grain is given, but the difference is generally paid . . . .” Besides grain, cowri satta involved other crops including opium.

These sahukars had wide-ranging interests which extended, apart from opium, to other commodities such as cotton and grain. Besides, bills of exchange were also a lucrative field for them. With their large warehouses the big wholesale dealers could keep back-stocks for much longer than the petty traders. It is this group that the British were most wary of and sought constantly to exclude from the opium trade.

Data on the price of opium in local Malwa markets is practically non-existent for the pre-1818 period. Our information on the subject is, therefore, limited mainly to the period following the Third Anglo-Maratha War. Servants of the company stationed in the area reported in 1818-19 that merchants purchased opium at the rate of ‘10-11 rupees the seer expecting to realise a profit’. This price was regarded as unusually high. G. Wellesley was of the opinion that ‘the average price may be reckoned at from seven to eight rupees the seer’. Malcolm, who reported that opium ‘may usually be sold to the merchant by the cultivator for eight rupees the seer’, pointed out that opium prices were subject to a lot of fluctuation and could rise by as much as 100 per cent as a result of ‘bad crops, combined with a gambling spirit of speculation amongst the traders, and success in its illicit exportation . . . .” He concluded that opium would settle down to a price of about 5-6 per seer. Wellesley, while calculating the cost of procuring opium for the Bombay sales, was confident that this could be managed at the rate of Rs 5-6 per Surat seer.

Fluctuations notwithstanding there was an overall rise in the price of opium in Malwa markets during the first-quarter of the nineteenth century. More than anything else this suggests tightening of the grip of sahukars over Malwa opium. British officials repeatedly talked of by-passing this class but realised soon enough that this was easier said than done.

Pre-1818 figures, unreliable and sketchy as they are, can at best give us a very rough idea of prices. H. Munro, custom master of Surat, stated in 1803 that the price of opium when imported from Malwa ‘is on an average

100  Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819.
101  Ibid.; DR; Walker to Grant, 24 August 1803, NAI, SRBC, 4/3 November 1803.
102  DR.
103  Memorandum by Taylor, NAI, SRBC, 10/14 December 1821.
104  Wellesley to Farish, 28 March 1820, NAI, SRBC, 23/6 June 1820; Wellesley to Farish, 24 September 1820, NAI, SRBC, 14/24 November 1820; Taylor to Flower, 1 July 1822, NAI, SRBC, 5/19 September 1822.
105  Notification by Malcolm, 14 September 1820, NAI, SRBC, 14/24 November 1820.
107  Malcolm to Close, 3 March 1821, NAI, SRBC, 2/23 April 1821.
108  Cf. DR.
110  Wellesley to Bombay Govt., 20 September 1819, MSAB, PLB 2/45.
112  Ibid.
113  Wellesley to Bombay Govt., 20 September 1819, NAI, SRBC, 13/12 November 1819.

of two years Rs 4–3–80 per pucks seer. More than a decade later, in 1817, the average declared value of Malwa opium imported into Bombay works out to a little less than four rupees per Surat seer. There was considerable variation in this value, for example, the figures for April 1817 place the value of 3 Surat man, 25 seer Malwa opium imported into Bombay via Jafarabad (district Amreli, Gujarat) at Rs 688–3–00, or approximately five rupees per Surat seer, whereas 3 Surat man of opium imported via Thane in November 1817 had a value of Rs 420–0–00, that is, Rs 3.5 per Surat seer. One must not overlook the possibility of the declared value being deliberately kept low.

Towards the beginning of the second decade of the nineteenth century, with the British becoming increasingly active in the Malwa opium market, there was a spurt in opium prices. During the first quarter of 1820, prices ranged between Rs 16–20 the seer in February, Rs 14.5 in March, coming down to Rs 11 by the end of March. Dangerfield attributed the exorbitant prices of February–March 1820 mainly to damage caused by winter frost.

On the whole prices continued to be high throughout 1820 and 1821. The 1820–21 poppy yield had also been below expectation. Opium suffered from heavy rains at the time of incision. The anticipated shortfall in supplies after two consecutive bad seasons was reflected in the high prices of 1822 (see Table 1). Prices reached a peak in November 1822 when deliveries for contracts entered into during summer were due to take place and accounts settled. In the Ujjain market opium was quoted at Rs 96 per seer. The 1821–22 season itself had been good but speculative ventures set into motion in the early part of 1822 against the backdrop of limited stocks, the success of the clandestine trade, and the upheaval brought about by the entry of the company as a major competitor, did not permit the situation to ease till the end of 1823. At the close of 1823, the final season in which Taylor made purchases, prices had dropped to Rs 72 at Ujjain.

As for the quantum of opium handled by the Malwa sahukars, this is the most difficult to ascertain. When the British first woke up to the fact of a flourishing trade in the drug in Malwa and western India at the turn of the century, information available to them in India and China was partial and disjointed. It was after 1818 when the East India Company began examining Malwa opium in detail that general impressions gave way to more rigorous investigation. There are five colonial officials who during c. 1818–1824 made serious efforts to acquaint themselves with, and influence the working of Malwa opium enterprise: John Malcolm, who held general political and military charge of Malwa and central India (c. 1818–21); F. Dangerfield and James Taylor, both of whom have already been referred to; Gerald Wellesley, resident at Indore between 1818 and 1831; and William Henley, agent to the governor general in eastern Malwa (c. 1820–23). All of them knew Malwa fairly intimately (with the possible exception of Taylor) and came closest to piecing together the jigsaw puzzle of Malwa opium. Of these Dangerfield is the key figure. His lengthy report which has been frequently alluded to above is the single most important document on the subject for the first quarter of the nineteenth century. Dangerfield toured the area extensively and compiled his report on the basis of oral testimony as well as a scrutiny of local daftars. Much of the data on opium and certain other aspects of the economy of Malwa contained in Malcolm's Memoir of Central India, was culled from Dangerfield's report.

Dangerfield made use of land-revenue statistics, which were more easily accessible than the bahis of traders, in order to arrive at his total for the quantity of Malwa opium produced in c. 1820. This method is not without its constraints. The political instability of the late eighteenth and early nineteenth century in the region took its toll in terms of the quality of centralised land revenue records. As a matter of fact there is reason to

Table 1: Price Current of Opium at Malwa Wholesale Markets, 1821–23 (Bali rupees per panseer)

<table>
<thead>
<tr>
<th>Date</th>
<th>Ujjain</th>
<th>Baranagar</th>
<th>Ratlam</th>
<th>Mandsaur</th>
<th>Khachrod</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Dec. 1821</td>
<td>72</td>
<td>72.5</td>
<td>67.5</td>
<td>70</td>
<td>68.8</td>
</tr>
<tr>
<td>19 Nov. 1822</td>
<td>96</td>
<td>97</td>
<td>90</td>
<td>88</td>
<td>84.2</td>
</tr>
<tr>
<td>20 May 1823</td>
<td>94</td>
<td>95</td>
<td>84</td>
<td>85.6</td>
<td>83.2</td>
</tr>
<tr>
<td>20 May 1823</td>
<td>95</td>
<td>95</td>
<td>88</td>
<td>78.4</td>
<td>83.2</td>
</tr>
<tr>
<td>27 May 1823</td>
<td>93</td>
<td>93</td>
<td>86.4</td>
<td>81.6</td>
<td>83.2</td>
</tr>
<tr>
<td>30 Sep. 1823</td>
<td>82</td>
<td>83</td>
<td>72</td>
<td>70.4</td>
<td>72</td>
</tr>
<tr>
<td>26 Dec. 1823</td>
<td>72</td>
<td>72.5</td>
<td>63</td>
<td>62</td>
<td>62.4</td>
</tr>
</tbody>
</table>

Source: Deputy Opium Agent's Office, Indore, NAI, SRBC, 10/14 December 1821; 44/12 June 1823; 72/22 May 1823; 34 and 75/5 June 1823; 32 and 33/12 June 1823; 21 and 22/13 November 1823; 78/17 January 1824.

**Note:**

106 Munro to Grant, 22 September 1803, NAI, SRBC, 11/3 November 1803.

107 Calculated from 'Statement of Opium Imported into Bombay'. April–November 1817, NAI, SRBC, 13/27 June 1817; 24/25 July 1817; 20/15 August 1817; 3/26 September 1817; 13/17 October 1817; 16/21 November 1817; 15/26 December 1817; 22/30 January 1818.

108 Statement from H. Shank, Customs Master, Bombay, 30 April 1817, NAI, SRBC, 13/27 June 1817.

109 Statement from Shank, 15 December 1817, NAI, SRBC, 22/30 January 1818.

110 Wellesley to Fanish, 15 February 1820; Wellesley to W. Chaplin, Commissioner, Deccan, 17 March 1820; Wellesley to Fanish, 28 March 1820, NAI, SRBC, 15, 21 and 23/6 June 1820.

111 DR.

112 Malcolm to Warden, 16 April 1821, NAI, SRBC, 22/15 June 1821.

113 Taylor to Flower, 19 November 1822, NAI, SRBC, 44/12 June 1823; also Flower to Farish, 8 January 1823, NAI, SRBC, 24/30 January 1823.

114 Cf. Taylor to Flower, 10 December 1822, NAI, SRBC, 47/12 June 1823; Minute by Wellesley, 20 September 1823, NAI, SRBC, 71/17 January 1824.

115 Price Current of Opium, Deputy Opium Agent's Office, Indore, 26 December 1823, NAI, SRBC, 78/17 January 1824.

116 DR.
believe that even Mughal aрази measurement had been far from satisfactory with respect to Malwa though this area had been annexed early in Akbar's reign.116

One suspects that survey and measurement of land under poppy, a crop which had grown in importance relatively recently, could not have been undertaken systematically in a period when the revenue collection apparatus of the Maratha, Rajput and Pathan states of Malwa were under severe strain.117

And even in areas with more settled conditions there might have been cause for peasants and local landholders to conceal the actual area under poppy due to the higher rates payable on the crop. Revenue farmers in some parts of Malwa reduced the measure of the bigha while recording the area under opium so that actual rates payable by the peasant would be higher. In Barnagar the bigha was 13 biswa instead of 20; at Khachrod it was 18 biswa.118

Dangerfield was slightly better informed about western rather than eastern Malwa, though he supplied statistics for both parts.119 His figures pertaining to the districts of Vidisha, Sehore, Bhopal, Rajgarh and Shajapur are not as complete as for the western districts of Malwa. For some of these districts estimates of opium cultivation were gathered by Henley and are useful for a cross-check of Dangerfield.120 Not only was Henley, with his headquarters at Sehore, in closer touch with this area but had contributed in a more substantial way to the pool of information on Malwa opium by assembling a committee to analyse costs incurred by opium cultivators.121

In preparing Table 2, I have relied mainly on Dangerfield but have utilised Henley's information for a few eastern Malwa parganas. This is not much at variance with Dangerfield's overall picture. Curiously, Dangerfield omitted Indore from his list. For Ujjain, he hazards a guess on the basis of oral evidence.

The districts of Mandsaur, Ujjain and Ratlam, in that order, constituted the main opium-producing zone of Malwa. In Mandsaur district the Mandsaur pargana of Sindia followed by the Garot pargana of Holkar had 9,684 and 3,560 bighas, respectively, under poppy. This amounts to about 50 per cent of the total in Mandsaur district. These two parganas along with Sitamau, Malhargarh and Sanjit made southern Mandsaur a crucial opium-producing tract.

118 Swinton to Stewart, 17 February 1826, NAI, SRBC, 12/16 March 1826.
119 'I trust the statement will be found deficient in a few Patrannahs only on the eastern frontier, which time did not admit of my visiting'. DR.
120 Henley to Malcolm, 13 November 1820, NAI, SRBC, 24/15 June 1821.
121 See Minute by Wellesley, 20 September 1823, NAI, SRBC, 71/17 January 1824.

### Table 2

**Area under Poppy in Malwa, c. 1820**

<table>
<thead>
<tr>
<th>District</th>
<th>Area sown (bigha)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Madhya Pradesh:</strong></td>
<td></td>
</tr>
<tr>
<td>1. Mandsaur</td>
<td>26,301</td>
</tr>
<tr>
<td>2. Ratlam</td>
<td>8,082</td>
</tr>
<tr>
<td>3. Ujjain</td>
<td>16,417</td>
</tr>
<tr>
<td>4. Dewas</td>
<td>3,078</td>
</tr>
<tr>
<td>5. Dhar</td>
<td>3,747</td>
</tr>
<tr>
<td>6. Shajapur</td>
<td>4,961</td>
</tr>
<tr>
<td>7. Rajgarh</td>
<td>2,972</td>
</tr>
<tr>
<td>8. Vidisha</td>
<td>6,200</td>
</tr>
<tr>
<td>9. Sehore</td>
<td>3,535</td>
</tr>
<tr>
<td>10. Bhopal</td>
<td>160</td>
</tr>
<tr>
<td>11. Jhabua</td>
<td>91</td>
</tr>
<tr>
<td><strong>B. Rajasthan:</strong></td>
<td></td>
</tr>
<tr>
<td>1. Jhalawar</td>
<td>3,133</td>
</tr>
<tr>
<td>2. Chittaurgarh</td>
<td>3,770</td>
</tr>
<tr>
<td><strong>C. Unidentified:</strong></td>
<td></td>
</tr>
<tr>
<td>(nine parganas)</td>
<td>4,774</td>
</tr>
</tbody>
</table>

* Present boundaries.

Some caution needs to be exercised with respect to the figures for Ujjain. Sindia's officials were extremely hostile and according to Dangerfield's own admission his figure for Ujjain pargana was not based on documentary evidence. Nevertheless the conjecture of 7,000 bighas makes Ujjain pargana the second largest opium-producing tract in Malwa, after Mandsaur pargana. Both, it may be remarked, were under Sindia but placed under different kamavisdars. Between the two the administration of Mandsaur was much more stable and had greater continuity in the person of Appa Gangadhar.122

The total for Ujjain district is 16,417 bighas and for Ratlam 8,082 bighas making these two districts respectively the second and third largest producers of opium in Malwa. The three contiguous districts of Mandsaur, Ratlam and Ujjain formed the primary opium belt of Malwa. The total land under poppy in these three districts alone (50,800 bighas) exceeded the total land under Bengal opium around the same time. In 1818, 45,492 bighas of land in the Ganga region produced opium.123

Going by Dangerfield, 85,220 bighas was the area under poppy in Malwa c. 1820 excluding Indore district (83,901 bighas if Henley's figures are used for the relevant parganas of eastern Malwa).124 Multiplying the sum by 4 ser
Although even during the 1820s Bohras were active 'in this quarter of Hindostan' particularly at Burhanpur where they 'occupied about 500 of the best houses, being the most wealthy of the commercial class', one must not ignore the eclipse of the Agra–Malwa–Burhanpur–Surat route in the first half of the eighteenth century, following the decline of the Mughal empire. This route had been vital for the long-distance overland links of Surat.

Further, since Khandesh had become a part of Bombay province after the Third Anglo–Maratha War, it would have been hazardous to conduct the opium trade through it once restrictions came into force. A northern route lying outside the scope of direct British administrative control was preferred. Nevertheless the Bohras, involved as they were in the trade of Malwa and central India, had investments in opium. Henley does refer to their participation in this trade in eastern Malwa.

The really important dealers whom we hear of in the first-quarter of the nineteenth century are Lakshmichand Panjray, Jodnajee Chabeelchand, Bhaidas Gokuldas, Ganeshdas Kinjaji and Appa Gangadhar. Lakshmichand Panjray, 'Mahajan of Ujjain', operated with his six or seven brothers. The name of this firm appears right at the outset, in 1803, and recurs in records down to the middle of the nineteenth century. Bhaidas Gokuldas was another 'great dealer in opium' at Ujjain as was Jodnajee Chabeelchand. Ganeshdas Kinjaji was the leading establishment at Indore. Ganeshdas Kinjaji was the name of Tatya Jog Kibe's pedhi. Kibe obviously put to good advantage his alliance with the British authorities as well as his position as minister at Holkar's court in order further his business. It was under his 'fostering care' that the cultivation of opium in the Indore parganas reportedly went up 'in proportion of 140 to 57' between 1820 and 1825–26. Among his partners Kibe counted Bahadur Mal Seth, the 'Rothschild of Malwa', who dominated the opium trade at Kota. The two

---

(5 ser average yield per bigha less 1 ser for 20 per cent dryage) we get 340,880 ser or 17,044 man, that is, 4869.7 chests.\(^{131}\)

The total arrived at in Table 2 is based on the outcome of rabi season 1819–20 which had not been a particularly successful one for opium. The date is not stated explicitly by Dangerfield but is implied in his report. Henley specifically refers to the season 1819–20 (fasli 1227).\(^{132}\) With settled conditions and growing demand, in a good season a higher figure could be expected. When Taylor drew up a statement on the opium produce of Malwa in 1823 he recorded significant increases in area under poppy cultivation in most of the parganas for which he had figures.\(^{133}\) At a very conservative estimate then, no less than 4000–5000 chests of opium would have been in the Malwa market in the period following the Third Anglo–Maratha War.

IV

It did not take long for indigenous entrepreneurs to grasp the significance of opium as a commodity of external trade. There is a possibility that some of the opium dealers who had been ousted due to the Bengal monopoly were on the look out for alternative sources of opium and found in Malwa opium the means to compensate their loss.\(^{134}\) However, it is much more likely that the bulk of the trade in Malwa opium was in the hands of an entrenched group. Since the Arabian Sea-oriented trade in Malwa opium was in existence much before the British took over the trade of eastern India, there must have been trading groups in western and central India who could market larger quantities when commerce in the drug expanded.

Ujjain was, to begin with, the principal centre for the export trade: 'One may say in fact that the whole exportation trade of Malwa opium centres directly or indirectly in the Metropolis of Oujein'. A British soldier who may say in fact that the whole exportation trade of Malwa opium centres directly or indirectly in the Metropolis of Oujein'.

---

\(^{125}\) This estimated produce is rather under than over-rated. \(^{Ibid.}\)

\(^{126}\) Henley to Malcolm, 13 November 1820, NAI, SRBC, 24/15 June 1821.

\(^{127}\) Statement of the number of Beegahs of opium cultivated in the Pargunnas in Malwa', NAI, SRBC, 16/5 December 1823.


\(^{129}\) Wellesley to Bombay Govt., 20 September 1819, MSAB, PLB 2/45.


\(^{131}\) \(Ibid.\), p. 437.

\(^{132}\) Cf. Ashin Das Gupta, \(Indian Merchants and the Decline of Surat\), c. 1700–1750, Wiesbaden, 1979, pp. 142–44.

\(^{133}\) Henley to Malcolm, 1 May 1821, NAI, SRBC, 24/15 June 1821.

\(^{134}\) Walker to Grant, 24 August 1803, NAI, SRBC, 4/3 November 1803; Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819.

\(^{135}\) Walker to Grant, 24 August 1803, NAI, SRBC, 4/3 November 1803; M/s Remington Crawford & Co to Warden, 20 January 1821; NAI, SRBC, 4/20 February 1821; Farish to Wellesley, 24 January 1821, NAI, SRBC, 196 April 1821; Jodnajee Chabeelchand and Lakshmichand Panjray to Jodnajee Chabeelchand and Lakshmichand Panjray, Bombay, 14 March 1821, translation enclosed in NAI, SRBC, 18/11 May 1821.

\(^{136}\) Cf. Tatya Jog Kibe's pedhi. Kibe obviously put to good advantage his alliance with the British authorities as well as his position as minister at Holkar's court in order further his business. It was under his 'fostering care' that the cultivation of opium in the Indore parganas reportedly went up 'in proportion of 140 to 57' between 1820 and 1825–26. Among his partners Kibe counted Bahadur Mal Seth, the 'Rothschild of Malwa', who dominated the opium trade at Kota.
insurance brokers Poonasah Man Singh and Chaman Singh Hurruckchand, both of Indore, too were closely connected with the Malwa opium trade.\textsuperscript{139} Besides, we have references to Fateh Chand, ‘an opulent Malwa Sowcar’; Nugraje, ‘a Marwar merchant’; Hazari Lall, another ‘Marwari’; and a host of traders from Pali (most of whom came to the Mandsaur market to purchase opium).\textsuperscript{140}

Appa Gangadhar the kamavisdar of opium-rich Mandsaur pargana emerges from contemporary records as a significant participant in trade apart from being a long-established revenue farmer. In the Sindia scheme of things his authority in northern Malwa was virtually absolute. His stronghold over land coupled with his political position furnished Appa with the resources necessary for prosecuting his opium enterprise vigorously. His range of activities extended to transporting opium clandestinely through Rajasthan. He is a somewhat shadowy figure unlike a similar type (portfolio capitalist?) Tatya Jog. In fact prior to the mid-1820s the British hardly suspected his involvement in opium smuggling.

As might be expected Marwaris, particularly the powerful Ujjain–Barnagar Marwari syndicate, controlled a fair share of the Malwa opium trade. Without them and their Rajasthani network it would not have been easy to defeat the colonial objective of monopolising Malwa opium.

We learn of only two names of opium dealers from eastern Malwa, Assa Ram Borah of Talen and Birdman (Vardhaman?) and Mansaram of Shujalpur.\textsuperscript{141} Assa Ram does not strike one as a very big dealer, but Birdman and Mansaram, a firm aligned with the British and hence incurring the hostility of the indigenous trading community in Sindia’s territories, had their dukans in Ujjain, Indore, Barnagar and Mhow and were involved in opium, cotton and grain speculation in a big way.\textsuperscript{142}

A number of Ahmadabad traders too were engaged in procuring opium in Malwa.\textsuperscript{143} In the first-quarter of the nineteenth century well-known Ahmadabad names are Khushal Nihal Chand (probably the same as 'Khusiljee' = Khushalji, the 'principal opium agent' in Gujarat) and Karamchand Dholeshree. Both these traders worked in close alliance.\textsuperscript{144}

There was a private European firm in Ahmadabad, Gilder and De Souza, which bought opium in sufficiently large quantities as to cause an upset in the Ratlam market in 1820.\textsuperscript{145}

Apart from the Ahmadabad sahukars there were other Gujarati traders too carrying on the trade at Surat, Cambay, Jambusar, Baroda etc. It is, however, not always easy to make out whether they belong to Gujarat or are merely operating in Gujarat. Reference may also be made to Dayaram Dulobha and Ramchand Hurruckchand,\textsuperscript{146} both of Daman, not to forget the petty merchants active on the border between Gujarat and Malwa, e.g., at Kapadvanj and Vadasinor (district Kheda, Gujarat) and Limdi (district Panch Mahal, Gujarat).

At the Bombay end, a growing number of indigenous merchants together with Portuguese and private British traders provided the link between Malwa and China. Some of the indigenous Bombay firms we hear of in the first-quarter of the century are those of Agha Mohammad Suastry, Amechand Sukurchand, Cursetjee Ardaeser, Cursetjee Cowasjee, Framjee Cowasjee; Hormejee Dorabjee, Jamsetji Jejeebhoy, Madowdass Randoslass, Motichand Amichand, Mohammad Ali Rogay and Nanjee Sescurn. Most of these, it should be kept in mind, were at the forefront of the Bombay shipping industry as well.

Other than Indian firms, many of the well-known private British firms of Bombay had stakes in Malwa opium. The two most important were Remington, Crawford and Co., and Forbes and Co. Besides, T. Crawford; Alexander Mackintosh and Co.; Leckie and Co.; W. Nicol; and Ritchie Stewart and Co. were also engaged in the opium trade. Of the Portuguese, Roger de Faria and J.F. Pereira were the most prominent dealers.

The Bombay traders, both Indian and foreign, usually effected their purchases through the medium of Malwa or Gujarat dealers: Hormejee Dorabjee through Jadonjee Chabeelchand; Agha Mohammad Suastry through Ramchand Hurruckchand; Remington, Crawford and Co. through Jadonjee Chabeelchand, Lakshmichand Panjray, Bhaidas Gokuldas etc.

\textsuperscript{139} Wellesley to Newnham, 20 September 1819, NAI, SRBC, 13/12 November 1819; Tatya Jog to Wellesley, 24 March 1820 (?) NAI, SRBC, 23/6 June 1820; ‘Memorandum of Opium Certificates given by the Resident at Indore’, 4 April 1820, NAI, SRBC, 25/6 June 1820.
\textsuperscript{140} Swinton to BCSO, 17 April 1824, NAI, SRBC, 16/14 May 1824; ‘Memorandum by Taylor, NAI, SRBC, 10/14 December 1821; Taylor to Mackenzie, 4 April 1823, NAI, SRBC, 41/12 June 1823.
\textsuperscript{141} Malcolm to Close, 3 March 1821, NAI, SRBC, 2/23 April 1821; Henley to Malcolm, 22 April 1821 and Malcolm to Henley, 27 April 1821, NAI, SRBC, 23/15 June 1821; Henley to Malcolm, 13 November 1820 and 1 May 1821, NAI, SRBC, 24/15 June 1820.
\textsuperscript{142} Letter from Dookan of Birdman and Munseram at Oujein to their Dookan in Sir John Malcolm’s Camp, 26 February 1821 and Malcolm to Close, 3 March 1821, NAI, SRBC, 2/23 April 1821.
\textsuperscript{143} In 1819 the Collector of Ahmadabad had pointed out that Gujarat merchants involved in the opium trade who had initially acted as agents of the Bombay merchants had lately taken to trading on their own account. Dunlop to Newnham, 1 November 1891, NAI, SRBC, 8/7 January 1820.
\textsuperscript{144} ‘Statement of Opium Exported from Port of Cambay’, enclosed in Dunlop to Newnham, 25 November 1817, NAI, SRBC, 12/15 May 1818; Petition of Karamchand Dholeshree and Khushaldas Nalchand, 14 March 1818, NAI, SRBC, 10/14 December 1821; Taylor to Flower, 28 June 1822, NAI, SRBC, 56/19 September 1822. See also Walker to Grant, 24 August 1803, NAI, SRBC, 4/3 November 1803.
\textsuperscript{145} Dunlop to Malcolm, 29 May 1820 and Wellesley to Farish, 6 June 1820, NAI, SRBC, 4/13 October 1820.
\textsuperscript{146} W. Clarke, envoy to Goa, to J. Duncan, Governor, Bombay, 26 June 1805, NAI, SRBC, 25/26 July 1815; J.F. Pereira to Warden, 15 July 1805, NAI, SRBC, 6/19 June 1806; Bombay Govt. Resolution, 16 April 1818, NAI, SRBC, 19/23 July 1819; Appa Ragoosh (Mahim?) to Saville Marrott (Thane?), 25 June 1822, NAI, SRBC, 58/19 September 1822.
Only Ameechand Sukurchand had his own gomashta, Munachand Hurruckchand, stationed in Malwa. Munachand Hurruckchand with other agents of Ameechand Sukurchand who had been sent to Barnagar, Ratlam, Mandsaur and Khachrod were supposed to directly procure the drug from these marts. After 1821, Bombay opium dealers got some of their supplies from the company’s sales at Bombay.\(^\text{147}\)

Once opium had been purchased in Malwa it had to be conveyed to some port. Care had to be taken to avoid British territory and evade British restrictions in transporting it from the interior to the sea. Till 1817–18 opium could be safely sent from Ratlam or Ujjain to Gujarat via Dohad, Godhra or Kapadvanj. From here it proceeded to transit points lying in the present-day Gujarat districts of Banas Kantha (mainly Radhanpur and Palanpur) or Mahesana (mainly Patan) and thence to the coast.\(^\text{148}\)

By the 1820s growing colonial intervention tilted the balance in favour of a route lying further north, passing through Rajasthan and Sind. This route though longer rendered detection difficult and enabled the Rajasthani traders to make optimum use of their local connections and resources. On leaving Malwa, opium moved towards Rajasthan where Pali became an important link in the chain. The route probably was through Chittaurgarh, then across the Banas river to Gangapur and Raipur (district Bhilwara), Deogarh, Pali. From Pali opium was taken to Karachi in Sind via Jodhpur, Pokaran and Jaisalmer.\(^\text{149}\) Under the Mughals the route from Jaisalmer to Thatta was a well-traversed one, particularly since it was difficult to reach Sind from Gujarat skirting the Rann. Opium from Malwa would, in its passage to Sind, have proceeded along a familiar path. By the 1820s Thatta itself was in decay, but Karachi port near it had gained in prominence under the Talpur Mirs.

Before the British began imposing restrictions on the export of Malwa opium a number of ports on the western coast were used for the opium trade. These included Surat, Jambusar, Bharuch, Cambay, Bhavnagar, Diu, Goa, etc. Of these the Gujarat ports of Surat, Jambusar and Bharuch handled a large proportion of the Malwa export trade.\(^\text{150}\)

The British occupation of Jambusar in 1817 had pushed the trade to Cambay. Neighbouring Surat would not have been a good choice given British control over that port dating back to the eighteenth century. Opium could reach Cambay from Malwa moving through Godhra, Padra, and then along the Mahi to Cambay. After 1819 when the British tightened the screws on the nawab of Cambay, Jafarabad lying south of Bhavnagar in the gulf of Cambay and the Kachchh port of Lakhpat Bandar (Kori Creek) briefly became principal points of exit.\(^\text{151}\) Eventually during the 1820s the Portuguese seduced this trade to Daman which became the biggest entrepot in western India for exporting smuggled Malwa opium to China.

The adeptness shown by indigenous opium enterprise in western and central India in creating a viable alternative commercial base for itself deterred the East India Company from arbitrarily deciding on an opium policy for Malwa. A set of favourable circumstances provided opportunities which Indian businessmen were quick to seize upon: the possibility of producing in this region an item of trade—opium—the demand for which was constantly expanding; and the relatively late establishment of British rule in this region as compared to, say, Bihar, Bengal, etc. Ultimately it was the ingenuity of the Indian traders that helped them get the better of colonial intervention. Gradually after having conducted, and not succeeded with, various experiments during the 1820s, official thinking on the matter veered round to the view that private indigenous enterprise in the commodity would have to be tolerated. Indigenous Malwa opium enterprise thus became a critical factor in redefining the balance of forces in western and central India during the colonial period.

\(^\text{147}\) The above discussion on Bombay opium firms is based on: Jadonjee Chabeelchand (Indore) to Jadonjee Chabeelchand (Bombay), 16 February 1821, enclosed in NAI, SRBC, 16/1 May 1821; Jadonjee Chabeelchand and Lakshmichand Panjray to Jadonjee Chabeelchand and Lakshmichand Panjray (Bombay), 14 March 1821, NAI, SRBC, 18/11 May 1821; Memorandum by Taylor, NAI, SRBC, 10/14 December 1821; Ragoonath to Marrott, 25 June 16/11 May 1821; Jadonjee Chabeelchand and Lakshmichand Panjray to Jadonjee Chabeelchand, 15 July 1824, NAI, SRBC, 15/13 August 1824.

\(^\text{148}\) The central role of Pali in the opium trade is well appreciated since it was a key point between the two regions.

\(^\text{149}\) Under the Mughals the route from Jaisalmer to Thatta was a well-traversed one, particularly since it was difficult to reach Sind from Gujarat skirting the Rann. Opium from Malwa would, in its passage to Sind, have proceeded along a familiar path. By the 1820s Thatta itself was in decay, but Karachi port near it had gained in prominence under the Talpur Mirs.

\(^\text{150}\) Walker to Grant, 24 August 1803, NAI, SRBC, 4/3 November 1803; Munro to Grant, 27 August 1803, NAI, SRBC, 6/3 November 1803; Clarke to Duncan, 26 June 1805, NAI, SRBC, 25/26 July 1815; Bombay Govt. to Wellesley, Governor General, NAI, SRBC, 8/19 June 1806; Carnac, Resident, Baroda, to Bombay Govt., 13 March 1818, NAI, SRBC, 16/23 July 1819; Dunlop to Newnham, 25 November 1817, NAI, SRBC, 12/15 May 1818; Robertson to Dunlop to Newnham, 25 November 1817, NAI, SRBC, 12/15 May 1818; Memorandum by Dunlop, 30 April 1830, NAI, SRBC, 24/7 September 1830. (Padra, district Vadodara, Gujarat).