

## Revision Notes

### Class - 8 Social Science (History)

### Chapter 2 – From Trade to Territory

### (The Company Establishes Power)

#### Death of Aurangzeb

- Aurangzeb became the last of the powerful Mughal leaders.
- Following his death in 1707, numerous Mughal governors (subadars) and great Zamindars began to assert their authority and establish regional kingdoms.
- As powerful regional kingdoms appeared in various regions of India, Delhi could no longer function as an efficient centre.

#### East India Company Comes East

- In 1600, the East India Company acquired a charter from the British sovereign, Queen Elizabeth I, giving it the exclusive right to trade with the East.
- This meant that no other commercial group in England was able to compete with the East India Company.
- This would enable the company to buy cheap products or raw materials and sell them at higher prices.
- However, the Royal Charter could not prevent other European powers from gaining access to Eastern markets.
- The refined qualities of cotton and silk produced in India had an extensive market in Europe.
- Competition among European firms inevitably pushed up the prices at which these products could be bought, which reduced the profits that could be made.

#### East India Company begins trade in Bengal.

- The first British plant was built on the shores of the Hugli River in 1651.
- The plant had a warehouse where the goods for export were stored, and it had offices where the Corporation's employees sat.

- In 1696 it started constructing a fort around the colony. Two years later it bribed Mughal officials into giving the Company zamindari rights over three villages.
- It also persuaded the Mughal emperor Aurangzeb to issue a farman granting the Company the right to trade duty free.
- When the company officials refused to pay taxes even when they traded personally, Bengal incurred heavy financial losses.

### **How trade led to battles**

- After the death of Aurangzeb, the nawabs of Bengal affirmed their power and autonomy, as other regional powers did at that time.
- They were irritated by the company's aggressive stance.
- They prevented the fortification of the Company's Warehouses.
- They also needed to set up more settlements and for that, they needed to acquire the rights to many villages.
- This constant conflict between the Nawabs and the company led to the Battle of Plassey.

### **The Battle of Plassey**

- After the death of Aliwardi Khan, Sirajuddaulah became the nawab of Bengal.
- The Company was worried about his power and was keenly interested in a puppeteer who willingly gave commercial concessions and other privileges.
- A furious Sirajuddaulah asked the Company to stop interfering in the political affairs of his domination, stop the fortifications and pay the revenues.
- After the failed negotiations, the Nawab marched with 30,000 soldiers to the English factory of Kassimbazar, captured the leaders of the company, locked the warehouse, disarmed all the British, and blockaded English ships.
- Upon hearing the news of the fall of Calcutta, the company officials at Madras sent troops under the command of Robert Clive, strengthened by naval fleets.
- Extended negotiations with Nawab ensued. Finally, in 1757, Robert Clive directed the army of the company against Sirajuddaulah at Plassey.

- One of the principal reasons for the defeat of Nawab was that the forces led by Mir Jafar, one of the commanders of Sirajuddaulah, never fought the battle.

### **The Puppet Nawab**

- The Company was not yet prepared to assume responsibility for the administration. Its prime objective was the expansion of trade.
- When Mir Jafar protested, the Company removed him from office and placed Mir Qasim in his place.
- When Mir Qasim complained, he was defeated in a battle at Buxar (1764), driven out of Bengal, and Mir Jafar was re-established.
- The Nawab had to pay Rs 500,000 each month but the Company wanted more money to fund its wars, and meet the demands of trade and other expenditures.

### **The East India Company Gets Diwani of Bengal**

Eventually, in 1765, the Mughal emperor designated the Company as the Diwan of the Bengal provinces. Diwani has enabled the Company to utilize the vast revenue resources of Bengal. This resulted in the resolution of a major problem facing the Corporation in the past. By the early 1700s, its trade with India had increased.

### **The Residents of the Company**

The company initially did not have the interest to assume political power in India. It was only when they saw that without acquiring political power, their trade would not flourish that they decided to directly administer the state of affairs. After the company got a good hold of Bengal's administration, they appointed Residents. The Residents were the agents of the company. Through these residents, the company interfered with the internal matters of the Indian regions. The Residents decide who would be the next successor and who would get the administrative posts. Through the subsidiary alliance, the company prevented the Indian rulers from keeping independent armies. The company's army would protect them. But the local rulers had to pay for this protection. When this kind of dark diplomacy failed, the company used direct military intervention.

## Wars with the Company

- Mysore grew up under the leadership of powerful leaders such as Haidar Ali (reigned from 1761 to 1782) and his famous son Tipu Sultan (reigned from 1782 to 1799). Mysore controlled the profitable business on the Malabar coast, where the company bought pepper and cardamom.
- In 1785, Tipu Sultan stopped the exportation of sandalwood, pepper and cardamom through the ports of his kingdom and prevented local merchants from trading with the Company.
- Four wars were fought with Mysore (1767-69, 1780-84, 1790-92 and 1799). Only in the last the Battle of Seringapatam did the Company ultimately win a victory. Tipu Sultan was killed defending his capital Seringapatam, Mysore was placed under the former ruling dynasty of the Wodeyars and a subsidiary alliance was imposed on the state.
- Beginning at the end of the 18th century, the Company also sought to curb and eventually destroy the power of Maratha. With their defeat at the Third Battle of Panipat in 1761, the Marathas' dream of governing Delhi was annihilated.
- A series of wars ensued against the Marathas. In the first war, which ended in 1782 with the Treaty of Salbai, no clear winner was found. The Second War AngloMaratha (1803-05) was waged on various fronts, which allowed the British to reach Orissa and the northern territories of the Yamuna River, including Agra and Delhi. Finally, the Third Anglo-Maratha War of 1817-19 brought down the power of Maratha.

## The Policy of Paramountcy

According to the foregoing, from the beginning of the 19th century, the Society pursued an aggressive policy of territorial expansion. During the reign of Lord Hastings (GovernorGeneral from 1813 to 1823), a new policy of "supremacy" was launched. The Company claimed that its authority was paramount or supreme, so that its power was superior to that of the Indian states. Sind was resumed in 1843. The next one up the list was Punjab. But Maharaja Ranjit Singh's presence hampered the Society. Following his death in 1839, two protracted wars took place with the Sikh kingdom. In the end, in 1849, Punjab was annexed.

### **The Doctrine of Lapse**

The last wave of annexations occurred under Lord Dalhousie, who was governor general from 1848 until 1856. He conceived a policy which came to be known under the name of the doctrine of lapse. The doctrine stated that if an Indian leader died without a male heir, his kingdom would "fall into decay", that is, become part of the territory of the Company. One kingdom after the other was annexed merely by the application of this doctrine: Satara (1848), Sambalpur (1850), Udaipur (1852), Nagpur (1853) and Jhansi (1854).

