

# HISTORY

## Chapter 2: FROM TRADE TO TERRITORY



## FROM TRADE TO TERRITORY

### East India Company

After the death of Aurangzeb in 1707, the Mughal Empire began to disintegrate. Many Mughal governors and big zamindars declared themselves independent. Many regional kingdoms such as Hyderabad, Awadh and Bengal became independent of the Mughal rule. As a result of new centers of power, the importance of Delhi began to decline. As there was no political unity among the Indian states, the British began to expand their power in the country.

### Formation and Arrival of the East India Company to India

- The East India Company was formed in 1600. By a charter granted by Queen Elizabeth, the Company got the sole right to trade with the East. Thus, no other group in England could compete with the East India Company in India.
- Although the Company had no rival in Britain, it had to face competition from the other East India Companies such as the Portuguese East India Company, the Dutch East India Company and the French East India Company.
- India at this time was famous for its cotton, silk and spices such as pepper, cloves and cardamom. All the Companies wanted to purchase these commodities which led to an increase in the prices of goods. There were fierce battles among these Companies to capture the Indian markets.
- The various East India Companies also began to fortify their settlements. This brought them in conflict with the local rulers.

### East India Company in Bengal

- The Company set up its first factory on the banks of the river Hugli in 1651. The factory was not a production unit but a warehouse where the goods for export were stored. The Company convinced the traders and merchants to settle near their factories.
- By 1696, it began building a fort around the settlement. Later, it took the zamindari rights of three villages. One of the villages was Kalikata, which later grew into Calcutta (Kolkata). The Company also forced Aurangzeb to issue a 'firman' granting the Company the right to trade duty-free.
- The officials of the Company who carried on private trade refused to pay the duty to the Government which resulted in huge loss of revenues.

### Battle of Plassey

- The Company wanted a puppet ruler for Bengal who would allow officials to trade duty-free in Bengal. When Sirajuddaulah asked the Company to stop fortifications and pay the revenues, the Company refused to accept his demands.
- The Nawab locked the warehouse, disarmed the Englishmen and marched to Calcutta and established control over the Company's fort.

- The Company sent reinforcements from Madras under the command of Robert Clive. The Battle of Plassey was fought in 1757. Mir Jaffar, one of the commanders of the Nawab, betrayed the Nawab by not participating in the war.
- Sirajuddaulah realising that he has been betrayed by his commander, lost his nerves, and fled from the battlefield.



Robert Clive played an important role in establishing supremacy of the Company in India

## Results

- The battle was won by the British. Sirajuddaulah was killed in the battle and Mir Jafar was made the puppet Nawab of Bengal.
- The battle marked the first major victory for the Company. It was now able to trade duty-free in Bengal. The profits earned from the trade were used by the British to increase their military power.

## The Battle of Buxar

- When Mir Jafar protested against the exploitative policies of the Company, he was deposed, and Mir Qasim was made the Nawab. Mir Qasim also protested against the exploitative policies of the Company.
- The Battle of Buxar was fought between the Nawab and the Company's forces. The Nawab and his allies were defeated in the battle.
- Mir Jafar was again made the Nawab of Bengal. He had to pay Rs 5,00,000 every month.
- The Battle later paved the way to the granting of the Diwani (revenue-collecting) rights of Bengal, Bihar and Orissa to the Company.
- This made the British the master of Bengal. They were now able to finance their trading activities by Indian revenues. Besides, the expenses to fight wars to annex Indian territories were financed by Indian revenues.

## Expansion of the British Rule

The British formulated various policies to annex Indian states. One of the methods was to appoint British residents in Indian states who constantly interfered in the internal affairs of the states. The Subsidiary Alliance System and the Doctrine of Lapse were two such plans of the Company which aimed to subjugate the Indian states.

### Subsidiary Alliance System

- Indian states entering subsidiary alliance were protected by the Company's forces but had to pay for the maintenance of British troops.
- Indian rulers were not allowed to have their independent armed forces.
- If Indian rulers failed to make payments to the British, part of their kingdom was taken away as penalty.
- Hyderabad, Mysore, Awadh and Tanjore were some states which entered the subsidiary alliance system with the British.

### Tipu Sultan

- Mysore had become powerful under the rule of Hyder Ali and Tipu Sultan.
- The Malabar Coast was controlled by Mysore from where the Company used to purchase pepper and cardamom.
- In 1785, the export of sandalwood, pepper and cardamom was stopped by Tipu Sultan, and he banned local merchants to trade with the British.
- He also strengthened and modernised his armies with the help of the French in India.
- This antagonised the British. As a result, four Anglo–Mysore wars were fought between the British and Mysore. Tipu Sultan was killed in the fourth war at Seringapatam.
- Mysore was placed under the previous dynasty of the Wodeyars, and the subsidiary alliance system was imposed on them.



**Tipu Sultan was killed in the Fourth Mysore War at Seringapatam.**

### War with the Marathas

- The Marathas had become powerful under the leadership of Shivaji. Their defeat in the Third battle of Panipat in 1761 considerably reduced their power.
- They were divided into different states under different chiefs. Sindhias, Holkars, Gaikwads and Bhonsles were major Maratha chiefs who were under the confederacy of the Peshwa who was based at Pune.
- The defeat of the Marathas in the Third Anglo–Maratha war crushed the power of the Marathas. The Peshwa was removed and was pensioned off to Bithur near Kanpur.

The British were fearful of the Russian annexation of India. To secure the northwestern borders of the country, they fought wars with Afghanistan and brought it under the control of the Company. Punjab was completely annexed in 1849 after the death of Maharaja Ranjit Singh.

### The Doctrine of Lapse

- The Doctrine of Lapse was introduced by Lord Dalhousie.
- According to this doctrine, if any Indian ruler dies without leaving a male heir, his kingdom would automatically pass over to the British.
- Satara, Sambhalpur, Udaipur, Nagpur and Jhansi were some states which were annexed by the Company under this doctrine.

The state of Awadh was annexed by the Company in 1856 on the charges of misgovernment by the Nawab of Awadh.

### Administration of the Company

The Company laid down a sound administrative system in India. Three cities of Bombay, Madras and Calcutta were the main administrative centers of the Company. Each presidency was under the charge of a governor. The Governor General was the head of

the administration. Warren Hastings was the first Governor General of India. He introduced many administrative reforms in the country.

### **Administrative Set Up of the Judiciary**

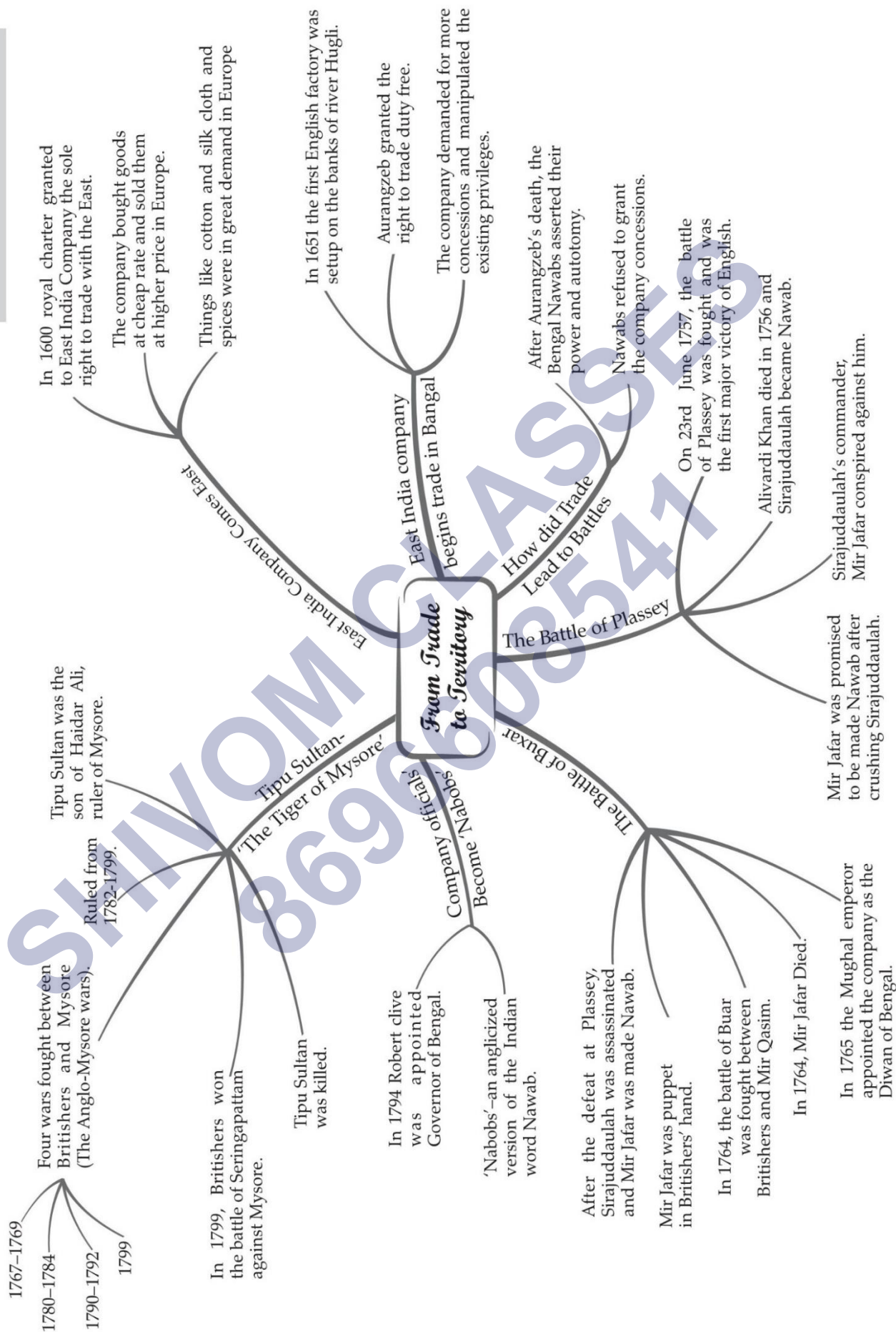
- A new judicial system was established in 1772.
- Each district had two courts-a criminal court (faujdari Adalat) and a civil court (diwani Adalat).
- European collectors presided over the civil courts. Pandits and maulvis interpreted the Indian laws for them.
- Criminal courts were presided over by a 'Qazi' and a 'mufti'. Their work was supervised by the collectors.
- A detailed Hindu law and Muslim law were compiled for the benefit of European judges.
- In 1773, under the Regulating Act of India, a Supreme Court of India was established.
- A court of appeal-Sadar Nizamat Adalat-was also set up at Calcutta.

### **Organisation of Army**

- The Mughal army was composed of cavalry and infantry, and the former was an important part of the army.
- In the eighteenth century, states such as Awadh and Banaras began to recruit peasants into the army and trained them in the art of warfare.
- During the 1820s, the importance of the cavalry declined, and the infantry became popular.
- Soldiers were trained on the western lines and discipline was strictly enforced in the army.
- Problems began to arise when soldiers were trained together without taking into account their caste and religious affiliations.



# MIND MAP : LEARNING MADE SIMPLE CHAPTER-2



## Important Questions

### Multiple Choice Questions-

1. Name of Sirajuddaulah's commander who cheated him at the Battle of Plassey?
  - a. Mir Qasim
  - b. Mir Jafar
  - c. Murshid Quli Khan
  - d. Alivardhi Khan
2. Who replaced Mir Jaffar as the Nawab after his protest against the Company?
  - a. Mir Qasim
  - b. Bahadur Shah
  - c. Aurangzeb
  - d. Alivardhi Khan
3. Who led the British army at the time of Battle of Plassey?
  - a. Vasco-da-Gama
  - b. Warren Hastings
  - c. Lord Wellesley
  - d. Robert Clive
4. Name the Governor – General under whom there was the maximum annexation.
  - a. Lord Dalhousie
  - b. Warren Hastings
  - c. Robert Clive
  - d. Lord Hastings
5. Who among the following states was annexed on the argument of misgovernment?
  - a. Satara(1848)
  - b. Sambhalpur (1850)
  - c. Udaipur (1852)
  - d. Awadh (1856)
6. Name the powerful Mughal ruler who established his control over a very large area



now known as India.

- a. Bahadur Shah
  - b. Mir Jafar
  - c. Aurangzeb
  - d. Mir Qasim
7. Who among the Mughal rulers led the Battle of 1857?
- a. Bahadur Shah
  - b. Aurangzeb
  - c. Sirajuddaulah
  - d. Mir Jafar
8. Name of the Portugese explorer and discoverer of Sea route to India in 1498.
- a. Robert Clive
  - b. Warren Hastings
  - c. Wellesley
  - d. Vasco-da-Gama
9. 1st English factory on the Banks of river Hugli was setuped in?
- a. 1651
  - b. 1764
  - c. 1761
  - d. 1696
10. After the death of Arivardi Khan in 1756, who became the Nawab of Bengal?
- a. Murshid Quli Khan
  - b. Mir Qasim
  - c. Sirajuddaulah
  - d. Mir Jafar
11. What do you mean by Mercantile?
- a. Freedom fighter
  - b. Mughal Emperor

- c. Business enterprises
  - d. None of these
12. Which new power was emerging on the political horizon by the 2nd half of the 18th century?
- a. East India Company
  - b. Indian Company
  - c. French Company
  - d. None of these
13. Who were the three powerful Nawabs of Bengal?
- a. Siraj-ud-Daulah
  - b. Murshid Quli Khan
  - c. Ali Vardi Khan
  - d. All of these
14. The Maratha chiefs were held together in a confederacy under the Peshwa, who were the members?
- a. Scindia
  - b. Holkar
  - c. Bhonsle and Gaikwad
  - d. All of these
15. What was required by the British army for fighting with Burma, Afghanistan, Egypt?
- a. Muskets
  - b. Matchlocks
  - c. Both a and b
  - d. None of these

### Very Short:

1. Who was the ruler of England in 1600?
2. What caused huge loss of revenue in Bengal?
3. Why did the Company want a puppet ruler?
4. What was the main reason for the defeat of Sirajuddaulah at Plassey?

5. Why did the Battle of Plassey become famous?
6. Whom did the Company install in place of Mir Jafar?
7. How did the Company purchase Indian goods?
8. Who were called 'nabobs'?
9. Who were the Residents?
10. What purpose did the Residents serve?
11. Name the two rulers under whose leadership Mysore became powerful.

### Short Questions:

1. Give an account of different European trading companies besides the British East India Company that entered the Eastern markets.
2. What were the grievances of the Company regarding the Nawabs of Bengal?
3. Write a note on Tipu Sultan—The 'Tiger of Mysore'.
4. Give a brief description of all the three Anglo-Maratha wars. Also write the main consequences.
5. What administrative reformations were brought in the sphere of justice?
6. Mention the aftermath of the death of Aurangzeb in 1707?
7. It is said that before the Britishers, the Portuguese already got established in India. Explain how?

### Long Questions:

1. Give an account of the Battle of Plassey.
2. Who introduced the policy of 'paramounty'? What did it mean? What sort of resistance did the Company face?
3. How did the East India Company begin trade in Bengal?
4. Name the policy devised by Lord Dalhousie for annexation purpose and explain how it worked and also name states annexed under this policy.
5. How did the Mysore grow in strength under the leadership of its powerful rulers Haidar Ali and Tipu Sultan?

## ANSWER KEY

### MCQ:

1. (b) Mir Jafar
2. (a) Mir Qasim

3. (d) Robert Clive
4. (a) Lord Dalhousie
5. (d) Awadh (1856)
6. (c) Aurangzeb
7. (a) Bahadur Shah
8. (d) Vasco-da-Gama
9. (a) 1651
10. (c) Sirajuddaulah
11. (c) Business enterprises
12. (a) East India Company
13. (d) All of these
14. (d) All of these
15. (c) Both a and b

### **Very Short Answer:**

1. Queen Elizabeth I was the ruler of England in 1600.
2. Aurangzeb's farman had granted the Company only the right to trade duty free. But the officials of the Company, who were carrying on private trade on side, also stopped paying duty. This caused a huge loss of revenue for Bengal.
3. A puppet ruler would willingly give it trade concessions and other privileges.
4. Mir Jafar, one of Sirajuddaulah's commanders, did not fight the battle.
5. It was the first major victory the Company won in India.
6. Company installed Mir Qasim in place of Mir Jafar.
7. It purchased Indian goods with gold and silver imported from Britain.
8. Several Company officials returned to Britain with wealth and led flashy lives and showed their riches with great pride. They were called "nabobs".
9. The Residents were the political or commercial agents and their job was to serve and further the interests of the Company.
10. Through the residents, the Company officials began interfering in the internal affairs of Indian states.

11. Haider Ali and his son, Tipu Sultan.

### Short Answer:

**Ans: 1.** Different European trading companies were:

(a) The Portuguese. By the time the first English ships sailed down the West coast of Africa, round the Cape of Good Hope, and crossed the Indian Ocean, the Portuguese had already established their presence in the western coast of India and had their base in Goa.

(b) The Dutch. By the early 17th century, the Dutch too were exploring the possibilities of trade in the Indian Ocean.

(c) The French. The French traders soon arrived on the scene for the same purpose.

**Ans: 2.** The Company declared that the unjust demands of the local officials were ruining the trade of the Company. Trade could flourish only if the duties were removed. It was also convinced that to expand trade it had to enlarge its settlements, buy up villages and rebuild its forts.

**Ans: 3.** Tipu Sultan was the famous ruler of Mysore. He ruled Mysore from 1782 to 1799. Under his leadership Mysore became very powerful. It controlled the profitable trade of the Malabar coast where the Company purchased pepper and cardamom. In 1785 Tipu Sultan stopped the export of these items through the ports of his kingdom, and disallowed local merchants from trading with the Company. He also developed relationship with the French in India to modernise his army with their help. The British got furious. They waged four battles against Tipu Sultan. The last battle proved unfortunate for him. He was killed depending his capital Seringapatam. The way he resisted the British is undoubtedly praiseworthy.

**Ans: 4.** The Company waged a series of wars against the Marathas in order to crush Maratha power:

(a) In the first war there was no clear victor, hence it ended in 1782 with the Treaty of Salbai.

(b) The second Anglo-Maratha War began in 1803 and ended in 1805. This war was fought on different fronts resulting in the British gaining Orissa and the territories north of the Yamuna river including Agra and Delhi.

(c) The third Anglo-Maratha War of 1817-1819 crushed Maratha power. The Peshwa was removed. The Company now had complete control over the territories south of the Vindhyas.

**Ans: 5.** Before the reformatations were brought, there were Maulvis and Hindu pandits who interpreted Indian laws for the European district collectors who presided over civil courts. The criminal courts were still under a qazi and a mufti. The Brahman pandits usually gave different interpretations of local laws. But there was no uniformity in them. To bring out



about uniformity, in 1775 eleven pandits were asked to compile a digest of Hindu laws. N.B. Halhed translated this digest into English. By 1778 a code of Muslim laws was also compiled for the benefit of European judges, under the Regulating Act of 1773, a new Supreme Court was established, while a court of appeal—the Sadar Nizamal Adalat—was also set up at Calcutta.

**Ans: 6.** Aurangzeb died in 1707 which resulted in:

1. Establishment of several regional kingdoms.
2. Governors under the Mughals took over the control over states.
3. Existence of several regional kingdoms was seen.

**Ans: 7.** Yes, the Portuguese had been settled in India before the establishment of the Britishers as in 1498, a Portuguese explorer named Vasco da Gama discovered the sea route to India resulting in establishment of base at Goa.

### Long Answer:

**Ans: 1.** The Company was very keen to have a puppet ruler in place of Sirajuddaulah, so that it might enjoy trade concessions and other privileges. It began to help one of Sirajuddaulah's rivals become the nawab. This infuriated Sirajuddaulah. He sternly asked the Company to stop meddling in the political affairs of his dominion. After negotiations failed, the Nawab marched with his soldiers to the English factory at Kasimbazar, captured the Company officials, disarmed all Englishmen and blocked English ships.

Then he marched to Calcutta to establish control over the Company's fort there. As soon as the Company officials in Madras heard the news of the fall of Calcutta, they sent forces under the command of Robert Clive, reinforced by naval fleets. Prolonged negotiations with the Nawab followed. But no concrete solution came out. Finally, in 1759, Robert Clive led the Company's army against Sirajuddaulah at Plassey.

In this battle, Sirajuddaulah got defeated. The main reason was that one of his commanders, Mir Jafar, did not fight the battle. He, in fact, supported the Company by not fighting because the Company had promised to make him Nawab after defeating Sirajuddaulah.

The victory of the Company in the Battle of Plassey gave it immense confidence. It was the first major victory of the Company in India.

**Ans: 2.** Lord Hastings, who was the Governor- General of India from 1813 to 1823, introduced a new policy of 'paramounty'. Now the Company claimed that its authority was paramount or supreme, hence its power was greater than that of Indian states. In order to protect its interests it was justified in annexing or threatening to annex any Indian kingdom.

However, this process did not go unchallenged. For example, when the British tried to annex, the small state of Kitoor (in Karnataka today), Rani Channamma took to arms and

led an anti-British resistance movement. She was arrested in 1823 and died in prison in 1829. But this resistance movement did not stop. It was carried on by Rajana, a poor chowkidar of Sangoli in Kitoor. With popular support he destroyed many British camps and records. He was also caught and hanged by the British in 1830.

**Ans: 3.** The East India Company set up first English factory on the banks of the river Hugh in the year 1651. This became the base from which the Company's traders, known at that time as 'factors', operated. The factory had a warehouse where goods for export were stored and it had offices where Company officials set. As trade expanded, the Company persuaded merchants and traders to come and settle near the factory.

By 1696 the Company began to build a fort around the settlement. Two years later it bribed Mughal officials into giving the Company zamindari rights over three villages. One of these was Kalikata which later developed into a city, known as Calcutta. The Company also persuaded the Mughal emperor Aurangzeb to issue a farman granting the Company the right to trade duty-free. The Company tried continuously to press for more concessions and manipulate existing privileges. For instance, Aurangzeb's farman had granted only the Company the right to trade duty-free. But Company officials who were carrying on private trade on the side, were expected to pay duty. But they refused to pay. This caused huge loss of revenue for Bengal.

**Ans: 4.** Lord Dalhousie was the Governor-General from 1848 – 1856 and he was reason behind the final wave of annexations. He devised a policy that came to be known as Doctrine of Lapse. The policy declared that if an Indian ruler died without any male heir, his kingdom would lapse and that will become part of the Company territory.

The states which were annexed under this policy were:

Satara (1848), Sambalpur (1850), Udaipur (1852), Nagpur (1853), and Jhansi (1854).

**Ans: 5.** Mysore had grown in strength under the kingship of the powerful rulers Haidar Ali (1761 – 1782) and his son Tipu Sultan (1782 – 1799). Tipu was also called 'The Tiger of Mysore'. Mysore controlled the powerful trade of Malabar coast from where the Company purchased pepper and cardamoms.

Tipu stopped the export of sandalwood, pepper and cardamom through ports of his kingdom and disallowed the local merchants from trading with the Company. He also established a close relationship with the French in India and modernised his army with their help. This is how Mysore got strengthen under the kingship of Haidar Ali and Tipu sultan.