# 2 Establishment of Company Power

# Lesson Plan

# Contents

- An overview of the trading companies fighting for power and influence and the East India Company establishing itself in India
- Understanding the trading wars and the manner in which the British East India Company established power in India

# Objectives

- To understand trading company rivalries, the rise of the British East India Company from a trader to a commercial and political power
- To learn about the battles fought by the British company and Indian kingdoms to gain supremacy
- To know about the intrigues that helped to raise the dominance of the East India Company
- To appreciate the expansion and rise of the British East India Company against the background of the political scene of the subcontinent

# Teacher's Aids

- Globe
- > Pictures, charts, atlas and wall maps
- Blackboard

## Tips for Teacher

- Explain the background rivalries and intrigues of the British and French East India Companies and of the Indian kingdoms and individuals.
- Explain the slow and systematic draining and destruction of India's economic strength and value to feed their trade interests.
- Students should be encouraged to know places, locations and their placement on the maps.

# Background and Reading

• Read the lesson aloud and explain, sharing the aids, etc., pausing to examine and explain the data in the boxes.



Particularly focus on the political ambitions of the British East India Company to strengthen their commercial interests.

#### Mercantilism and Trade Wars

- Discovery of trade routes opened trade relations with European countries trading companies from Portugal, Holland, England, France and Denmark set up trading centres in different places called factories derived from 'factors' that represented the country's officials.
- Factories grew into small towns-trade carried over in these factories-cloth, spices, indigo, etc., bought at low prices and sold at high prices in Europe-high profits attracted European countries-Portuguese and Danish companies ousted by British-French and British became main traders and rivals.

#### The East India Company

Started by a group of merchants who received a grant from Queen Elizabeth I in 1600-carry on trade in the east-1612: First factory set up in Surat in India-other factories at Madras, Bombay and Calcutta.

#### The French East India Company

1664-set up their trading centre in India-headquarters at Puducherry-other factories at Mahe, Chandernagore, Yanam and Karikal-French East India Company controlled by French government-depended on government for financial support-both English and French in India for the same reason-clashed rival interests-resulted in Carnatic Wars-rivalry for 20 years till British established their supremacy.

#### Carnatic Wars

- ➤ Wars fought between the French and the British for the control of the coastal strip-most of the wars fought in the Carnatic and Tamil Nadu area-1744 to 1763-French led by Dupleix-in 1746 occupied Madras which was under Anwar-ud-din, Nawab of Carnatic-British appealed to Anwar-ud-din and he sent troops to fight against the French-Indian army defeated by the French-war ended in 1748-Madras restored to the British.
- Next war between French and British over succession of Hyderabad [French supported Muzaffarjang and British supported Nasirjang] and Carnatic [French supported Chanda Saheb and British supported Mohammad Ali]-French were defeated-Dupleix recalled to France.
- ▶ 1756-French led by Count de Lally defeated-peace treaty signed-French factories returned to them on condition that they will not be fortified-only to serve as trade centres-French lost their power-British gained a lead for political power.

#### **British Power**

British received permission from Jahangir to trade in India–Sir Thomas Roe obtained right to trade and establish factories–factories at Surat, Ahmedabad and Broach–1639: Fort St George at Madras–1668: King Charles II got Bombay as dowry when he married the Portuguese princess Catherine Henrietta of Braganza-1781: Built Fort William at Calcutta.

▶ 1717-Mughal king Farrukh Siyar gave British the right to trade in Bengal and Bihar on payment of Rs 3000 per annum.

#### Expansion of British Power

- 1698–British received three villages named Sutanut, Gobindpur and Kalika from Sabarna Roy Choudhary–this later became Calcutta–British built Fort William to safeguard their settlements.
- Began expanding their settlements-Nawab of Bengal, Siraj-ud-daulah, sent them away, but they allied with Mir Jafar, the Commander-in-Chief of the Nawab's army and Jagat Seth, a banker-Siraj-ud-daulah was defeated and killed in the Battle of Plassey in 1757.
- Paved the way for British to eventually conquer the whole of India–Mir Jafar appointed Nawab–gave permission to the British to collect revenue from 24 Parganas and gave them the right to trade without taxes.
- Reasons for Siraj-ud-daulah's defeat: British superior in all aspects; Nawab inexperienced; Nawab betrayed by his officials; Nawab did not take help from French.

## The Battle of Buxar

- Mir Qasim, son-in-law of Mir Jafar, became Nawab-tried to stabilise financial status of Bengal-modernised army, abolished taxes on internal trade-became unpopular with the British.
- Mir Qasim allied with Shah Alam II, the Mughal king, and Nawab of Awadh, Shuja-uddaulah-fought the British at Buxar 1764-defeated by the British-gained mastery of India.

## The Results of the Battle of Buxar

- 1. Robert Clive introduced Dual Government in Bengal in 1756–lasted up to 1772–placed Mir Jafar on throne but without powers.
- 2. Nawab of Awadh-war indemnity of Rs 50 lakhs.
- 3. Mughal Emperor granted Diwani [right to collect revenue] of Bihar, Bengal and Odisha to the East India Company.
- 4. Treaty of Allahabad 1765-signed between the British and Shah Alam II and Shuja-ud-daulah.
- Bengal suffered under the dual government-situation worsens due to famine-finally Warren Hasting ended the dual government and brought Bengal under direct control of East India Company.
- British began new policies to extend their control one of them was the Subsidiary Alliance – introduced by Lord Wellesley, Governor General from 1798–1805:
  - 1. King must maintain an army of the British at his cost.
  - 2. He must allow a British resident at his court.

- 3. He must keep only the British and no other Europeans at his court.
- 4. He must consult and abide by the advice of the British on any matter of the kingdom.
- ▶ In return for the above, the British would provide protection to the state against other invasions-the ruler lost his independence.

#### The Anglo-Mysore Wars

- ▶ Hyder Ali the ruler-Mysore became powerful-alarmed the British-wars between them and Hyder Ali and later his son Tipu Sultan.
- ▶ The Anglo-Mysore Wars (1767-1799)
  - I Nizam of Hyderabad with British help-attacked Mysore-but Nizam defeated-treaty to help each other against enemy attacks.
  - II Marathas attacked Mysore–British did not help–Hyder died in the battle–war continued by son Tipu–finally he signed treaty at Mangalore.
  - III Tipu developed restricted spice trade with the French–war with the British–Tipu lost and had to give large part of his territory to the British and pay a huge fine; also, two sons taken hostage.
  - IV Tipu rejected Subsidiary Alliance–British under Lord Wellesley declared war–Tipu died at Srirangapatnam in 1799–British annexed territories–Wodeyars placed on throne–a part given to the Nizam of Hyderabad.

### <u>The Marathas</u>

1761-Third Battle of Panipat-attack of Ahmad Shah Abdali-Marathas disunited and shattered-broke into five groups: Peshwa, Gaekwad, Holkar, Bhonsle and Scindia-power struggle among them-British took advantage of it-led to Anglo-Maratha Wars (1775-1818).

#### The First Anglo-Maratha War

Disputed succession to the throne of Peshwas-Madhav Rao II supported by Nana Phadnavis and Raghunath Rao supported by the British-British were defeated in spite of the additional troops sent by Warren Hastings-Treaty of Salbai in 1782-Madhav Rao II became Peshwa.

#### The Second Anglo-Maratha War

Scindia and Bhansle refused to accept Subsidiary Alliance – declared war against British – they were defeated and had to surrender Ahmadnagar and Broach – Holkar also defied British and was defeated – peace treaty signed.

#### The Third Anglo-Maratha War

• Office of Peshwa was abolished-territories taken over by the British.

#### Annexations-A Case Study

#### <u>Sindh</u>

British control by treaty signed with armies of Sindh in 1809-1833-another treaty by which they agreed not to transport arms through the territory.

However, during First Afghan War-British carried arms to Afghanistan through Sindh-later Sindh annexed by Charles Napier in 1843.

## <u>Punjab</u>

Treaty of Amritsar with Ranjit Singh of Punjab 1809-forced Ranjit Singh to restrict his expansion policy-After him, son Dalip Singh ruled Punjab, guided by mother-tried to cross Sutluj and occupy Lahore-First Anglo-Sikh war broke out-British defeated Sikhs-Treaty of Lahore-Dalip Singh made ruler-had to pay indemnity.

#### <u>Jhansi</u>

Doctrine of Lapse introduced-State would pass into British hands if ruler died without heir and natural successor-did not permit adoption-Satara, Jhansi, Sambalpur and Nagpur were annexed.

#### <u>Awadh</u>

- Dalhousie annexed Awadh under the pretext of mismanagement.
- British took advantage of political disunity among states to establish their supremacy-started colonial system in a very systematic manner-when more states under British control-mandatory to have good administration-British brought in new administrative policies and practices.

# Assessment Corner

#### Oral Assignment

A. Ask for answers at random from the students. Confirm the right answers. Let them write down the correct answers if they like in their books.

#### Written Assignment

**B–E.** The teacher has two options–(i) Either do these exercises orally first and then ask the students to write them down. OR (ii) Ask the students to write the answers on their own. Then the teacher can announce the correct answers to the students and they can ask their partners to cross-check them.

In either case, the answers can be written as homework and the teacher can check them in the class.

#### Think Tank

F. HOTS questions: Discuss the questions in the class and let the students write the answers to F and G as homework. Teacher should assess individual work.

