

## Chapter 2 From Trade to Territory - The Company Establishes Power

1. Match the following:

Diwani	Tipu Sultan
“Tiger of Mysore”	Right to collect land revenue
Faujdari Adalat	Sepoy
Rani Channamma	Criminal Court
Sipahi	Led an anti-British movement in Kitoor

Answer.

Diwani	Right to collect land revenue
“Tiger of Mysore”	Tipu Sultan
Faujdari Adalat	Criminal Court
Rani Channamma	Led an anti-British movement in Kitoor
Sipahi	Sepoy

2. Fill in the blanks:

- The British conquest of Bengal began with the Battle of \_\_\_\_\_.
- Haidar Ali and Tipu Sultan were the rulers of \_\_\_\_\_.
- Dalhousie implemented the Doctrine of \_\_\_\_\_.
- Maratha kingdoms were located mainly in the \_\_\_\_\_ part of India.

Answer.

- The British conquest of Bengal began with the Battle of Plassey.
- Haidar Ali and Tipu Sultan were the rulers of Mysore.
- Dalhousie implemented the Doctrine of Lapse.
- Maratha kingdoms were located mainly in the South-western part of India.

3. State whether true or false:

- The Mughal empire became stronger in the eighteenth century.
- The English East India Company was the only European company that traded with India.

**(c) Maharaja Ranjit Singh was the ruler of Punjab.**

**(d) The British did not introduce administrative changes in the territories they conquered.**

**Answer.**

(a) The Mughal empire became stronger in the eighteenth century - False

(b) The English East India Company was the only European company that traded with India - False

(c) Maharaja Ranjit Singh was the ruler of Punjab - True

(d) The British did not introduce administrative changes in the territories they conquered - False

**4. What attracted European trading companies to India?**

**Answer.**

European trading companies were looking for new lands from which they could buy goods at a cheap price, and carry them back to Europe to sell at higher prices. The fine qualities of cotton and silk produced in India had a big market in Europe. Pepper, cloves, cardamom and cinnamon too were in great demand. Therefore, these reasons attracted European trading companies to India.

**5. What were the areas of conflict between the Bengal nawabs and the East India Company?**

**Answer.**

After the British first factory was set up in 1651 on the banks of river Hooghly, East India company started allowing more of its merchants and traders to come and settle in to the city of Bengal. The reasons that led to conflicts between Bengal nawabs and East India Company were:

- a. Nawabs denied concessions to the East India Company on many occasions
- b. Nawabs also demanded large tributes from the company
- c. The company denied paying taxes
- d. Company officials wrote insulting letters to the nawabs

**6. How did the assumption of Diwani benefit the East India Company?**

**Answer.**

Diwani right are the rights that the British acquired to collect its own revenues and also decide the civil cases. This right benefitted East India Company in several ways:

- a. It allowed the Company to use the vast revenue resources of Bengal.
- b. The monopoly of the East India Company on the trade started
- c. Revenue of Bengal was used to export Indian goods out of the country

**7. Explain the system of “subsidiary alliance”.**

**Answer.**

The system of the subsidiary alliance made Indian rulers let go of their armed forces and come under the protection of East India Company. The following changes occurred when this system came into being:

- a. East India Company became the guardian of the territories it took under the alliance
- b. An English resident who is the EIC's personnel was appointed in the territory to keep a check on the ruler
- c. The Indian rulers were asked to not allow any other European companies to trade with them and enter their territory
- d. Indian rulers were told to pay for the subsidiary armed forces of EIC disobeying which that part of the territory was forfeited by the company.

**8. In what way was the administration of the Company different from that of Indian rulers?**

**Answer.**

The difference in the administration of the company and that of the Indian rulers is given below:

Company Administration	Indian Rulers Administration
Company divided the territories into presidencies	Indian rulers divided the territories into district, pargana, tehsil and parishad
Governor ruled the administrative units	Zamindar or Peasants were responsible for their units
Governor-General was the head of the state	King or Nawab was the head of the state
The introduction of several acts: <ul style="list-style-type: none"><li>• Regulating Act</li><li>• Indian Council Acts</li><li>• Montague-Chelmsford Reforms</li></ul>	Indian rulers brought no such acts but used to rule with their farmans.

**9. Describe the changes that occurred in the composition of the Company's army.**

**Answer.**

The army of EIC was known as Sepoy Army. Main participants of the army were the peasant of India who EIC trained to become the professional soldiers. The major change in the EIC army was the domination of infantry over cavalry with the introduction of muskets, matchlocks to guard them. The company also introduced a uniform military culture where soldiers were given European training through drills and other exercises.