

A Brief History of the British East India Company

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Introduction : Between early 1600s and the mid-19th century, the British East India Company led the establishment and expansion of international trade to Asia and subsequently leading to economic and political domination of the entire Indian subcontinent. It all started when the East India Company, or the “Governor and Company of Merchants of London trading with the East Indies”, as it was originally named, obtained a Royal Charter from Queen Elizabeth I, granting it “monopoly at the trade with the East”. A joint stock company, shares owned primarily by British merchants and aristocrats, the East India Company had no direct link to the British government.

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Through the mid-1700s and early 1800s, the company came to account for half of the world's trade. They traded mainly in commodities exotic to Europe and Britain like cotton, indigo, salt, silk, saltpetre, opium and tea. Although initial interest of the company was aimed simply at reaping profits, their single minded focus on establishing a trading monopoly throughout Asia Pacific, made them the heralding agents of British Colonial Imperialism. For the first 150 years the East India Company's presence was largely confined to the coastal areas. It soon began to transform from a trading company to a ruling endeavor following their victory in the Battle of Plassey against the ruler of Bengal, Siraj-ud-daullah in the year 1757. Warren Hastings, the first governor-general, laid down the administrative foundations for the subsequent British consolidation. The revenues from Bengal were used for economic and military enrichment of the Company. Under directives from Governor Generals, Wellesly and Hastings, expansion of British territory by invasion or alliances was initiated, with the Company eventually acquiring major parts of present day India, Pakistan, Bangladesh and Myanmar. In 1857, the Indians raised their voice against the Company and its oppressive rule by breaking out into an armed rebellion, which historians termed as the Sepoy Mutiny of 1857. Although the company took brutal action to regain control, it lost much of its credibility and economic image back home in England. The Company lost its powers following the Government of India Act of 1858. The Company armed forces, territories and possessions were taken over by the Crown. The East India Company was formally dissolved by the Act of Parliament in 1874 which marked the commencement of the British Raj in India.

Founding of the Company

The British East India Company was formed to claim their share in the East Indian spice trade. The British were motivated by the immense wealth of the ships that made the trip there, and back from the East. The East India Company was granted the Royal Charter on 31 December,