British Government Intervention and the 1784 India Act

Background

Growing British Intervention

After the battles of Plassey (1757) and Buxar (1764), the East India Company became very powerful in India. It controlled Bengal's revenues but acted mainly for profit. In Britain, people began criticizing the Company for corruption, misuse of power, and poor governance in India. This made the British government decide to take direct control over the Company's affairs.

Problems with the East India Company

Company officials lived in luxury by exploiting India's wealth. The local population suffered from heavy taxes, famines, and unfair trade. British politicians feared that mismanagement in India could harm Britain's economy and reputation. There was also a fear that rival European powers like France might return if India remained unstable.

The 1784 India Act (Pitt's India Act)

The British Parliament passed the India Act in 1784, also called **Pitt's India Act**. It reduced the independence of the East India Company. A new **Board of Control**, with British government ministers, was created to oversee the Company's political decisions. The Company could still trade, but real authority now rested with the British government.

Impact of the Act

The Act marked the beginning of direct British government rule in India. It balanced Company interests with national interests of Britain. It also improved control over revenue collection and administration in Bengal and other provinces. Over time, this reduced the role of Indian rulers and increased colonial control.

Link with Pakistan Studies

This Act is important because it shows how Indian Muslims lost more power as Britain took full charge. What began as trade now became political control. It was the starting point of British colonial rule, which shaped the struggles of Muslims in the 19th and 20th centuries, leading to the demand for Pakistan.