Pitt's India Act

Background

- The East India Company had been ruling large parts of India in the late 1700s, but its governance was badly regulated and many problems (mis-management, corruption) were identified.
- The British Parliament wanted to give the British Government more control over the Company's political and military affairs in India.
- Hence the Act was passed in 1784 under the British Prime Minister William Pitt the Younger.

Key Provisions of the Act

Here are the important features of the Pitt's India Act:

1. Creation of the Board of Control
    - A Board of Control (in Britain) was set up to supervise, direct and control the civil, military and revenue affairs of the Company's Indian territories.
    - The Board included the Secretary of State (or another senior minister) and other counsellors.
    - This meant the Government of Britain had a direct oversight role over Indian affairs.
2. Dual System of Government
    - The Company (through its Court of Directors) would still manage commercial/trading activities. Meanwhile the British Government (via the Board of Control) would handle political/administrative matters. Together this created a "dual system".

- The Act used for the first time the phrase “British possessions in India” to describe territories under the Company’s rule.

3. Changes in Indian administration
    - The Governor-General’s Council in Bengal was reduced in size (from 4 to three members) and the Governor-General had stronger powers (including a casting vote) in certain cases.
    - The Presidencies of Madras and Bombay were made subordinate to the Bengal Presidency (so the hierarchy became more centralised).
    - Officers (civil and military) had to declare their property in India and Britain within two months of joining, to reduce corruption.

Importance/Significance of Pitt’s India Act

- The Act distinguished between the Company’s commercial/trade role and its political/governing role. The political role was now more under the British Government’s control.
- The Act marked a shift: the British Government now had direct control over many aspects of Indian governance
- It laid the foundation for later reforms in British rule in India and prepared the way for changes that came in 1858.
- It attempted to fix serious problems of mis-governance,

Key Features of Comapny Rule

- After the Battle of Buxar (1764), the East India Company became the real ruler of Bengal, Bihar, and Orissa.
- The Mughal emperor remained only a nominal authority while the Company held actual power.
- From 1765 to 1772, the Company introduced the Dual Government system.
- Under this system, the Company collected revenue, and the Nawab managed administration.
- The Dual Government system was ineffective and caused hardship to the people.
- The Company focused mainly on collecting revenue to increase its profits.
- Heavy taxes were imposed on peasants, which led to poverty and famine, including the Bengal Famine of 1770.

- Company officials acted both as traders and rulers and interfered in local administration and justice.
- Many officials misused their power for personal gain, leading to corruption and public complaints.
- The British Parliament passed new laws to control the Company's activities, such as the Regulating Act of 1773 and Pitt's India Act of 1784.
- These laws marked the beginning of British government control over Indian affairs.