

Charter Act 1813

[UPSC Notes]

The **Charter Act 1813** or the East India Company Act, 1813 was passed by the British Parliament, which renewed the East India Company's Charter for another 20 years. The Charter Act 1813 defined for the first time the constitutional position of British Indian territories. Charter Act 1813 UPSC Notes will allow you to prepare the topic in a comprehensive manner for the upcoming IAS Exam.

Napoleon Bonaparte's Continental System in Europe prohibited the import of British goods into Europe and its allies. The British traders and merchants suffered immensely due to this. The British traders and merchants demanded a fair share in the British trade in Asia and dissolve the monopoly of the East India Company. The East India Company objected to this stating that its political authority and commercial privileges cannot be separated.

Under the Charter Act of 1813, British merchants could trade in India under a strict licensing system. The Company still maintained its monopoly in trade with China and the tea trade.

What is Charter Act 1813?

Go through the highlights of Charter Act 1813 for easy quick revision.

Charter Act 1813 UPSC	
Introduced by	The British Parliament
Purpose of Charter Act 1813	To end the East India Company's monopoly over trade in India. Though, the company's monopoly in trade with China and trade in tea with India was kept intact.
Also Known as	East India Company Act, 1813
Charter Act of 1813 Governor-General	Lord Hastings
Importance of the Charter Act 1813	Charter Act 1813 asserted the Crown's sovereignty over British possessions in India. It ended the East India Company's monopoly in India. The Act also empowered the local governments to tax people, subject to the jurisdiction of the Supreme Court

Territories Affected	Territories under British possession in India
Status	The Charter Act 1813 was repealed by the Government of India Act, 1915.

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The Charter Act 1813 is an important topic in Modern Indian History. Over the years, several questions are asked from the Charter Act 1813 in both UPSC Prelims and UPSC Mains GS Paper- 1. To cover this topic, a candidate needs to be well versed with the Indian History Notes for UPSC, along with readings of the NCERT Books for UPSC and the UPSC Books.

The importance of the Charter Act 1813 must be understood in a detailed manner along with the comparison between several other charter acts.

Question Asked on Charter Act 1813 Topic

One of the sample UPSC Prelims Questions on Charter Act 1813 can be

Which of the following is one of the reasons for considering the Charter Act 1813 important for India?

1. It banned propaganda by Christian missionaries in India.
2. It emphasized industrialization in India.
3. It made the financial allocation for the education of the Indian people.
4. It approved the development of the railway system in India.

It is good to practice UPSC Previous Year Question Papers and try writing answers for any Mains questions asked related to the topic.

Features of Charter Act 1813

The Charter Act 1813 explicitly defined the constitutional position of the British territories in India and asserted the Crown's sovereignty. The features of the Charter Act 1813 are:

- The Charter act of 1813 ended the East India Company's monopoly in India. But the East India Company retained its monopoly on the trade-in tea, opium, and with China.
- The company's rule was extended to another 20 years.
- The Charter Act 1813 asserted the Crown's sovereignty over British possessions in India.
- The Act granted permission to Christian Missionaries who wished to come to India for promoting moral improvements and religious proselytization.
- The Act also empowered the local governments to tax people, subject to the jurisdiction of the Supreme Court. It gave more powers to the courts in India over European British subjects.

- Those who did not pay taxes were subject to punishment under the Charter Act of 1813.
- The Charter Act 1813 regulated the company's territorial revenues and commercial profits. The company's dividend was fixed at 10.5%.
- The provision was to keep the territorial and commercial accounts separate.
- The Act also had a provision that the Company should invest ₹1 Lakh every year in the education of Indians. The act provided for a financial grant for the revival of Indian literature and the promotion of science.

