NCERT notes on important topics for the UPSC Civil Services Exam. These notes will also be useful for competitive exams like IAS Exam, banking PO, SSC, state civil services exams and so on. This article talks about the Charter Act of 1813.

The Charter Act of 1813 passed by the British Parliament renewed the East India Company’s charter for another 20 years. This is also called the East India Company Act, 1813. This act is important in that it defined for the first time the constitutional position of British Indian territories.

To know more about the Governor Generals of Bengal and India, visit the linked article.

Overview of the Charter Act of 1813

A cursory detail of the act is given in the table below:

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<th>Charter Act of 1813</th>
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<td><strong>Long Title</strong></td>
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<td><strong>Territorial Extent</strong></td>
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<td><strong>Enacted by</strong></td>
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### Background
- Due to Napoleon Bonaparte’s Continental System in Europe (which prohibited the import of British goods into French allies in Europe), British traders and merchants suffered.
- So they demanded they be given a share in the British trade in Asia and dissolve the monopoly of the East India Company.
- The company objected to this.
- Finally, British merchants were allowed to trade in India under a strict licensing system under the Charter Act of 1813.
- But in trade with China and the tea trade, the company still retained its monopoly.

To know more about the legislation passed in British India, click on the linked article.

### Provisions of the Charter Act of 1813
- This Act asserted the Crown’s sovereignty over British possessions in India.
- Company’s rule and trade monopoly in India was extended to another 20 years. Monopoly was ended except for the trade in tea and with China.
- It empowered the local governments to tax people subject to the jurisdiction of the Supreme Court.
- The company’s dividend was fixed at 10.5%.
- The Act gave more powers for the courts in India over European British subjects.
- Another important feature of this act was to grant permission to the missionaries to come to India and engage in religious proselytization. The missionaries were successful in getting the appointment of a Bishop for British India with his headquarters at Calcutta in the provisions of the Act.
- The act provided for a financial grant towards the revival of Indian literature and the promotion of science.
- The company was also to take up a greater role in the education of the Indians under them. It was to set aside Rs.1 Lakh for this purpose.