

Charter Act 1833 - A Complete Overview
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The Charter Act 1833 - William Bentick



Background of Charter Act 1833

1. The country was enjoying the prosperity achieved by **Industrial Revolution**. It had made Britain a manufacturer of **cotton textiles** and **other factory goods**. The aim was to make India a market to consume their manufactured products + as a supplier of raw materials.
2. The **EIC served the ends of British imperialism**. Their restrictive policies had led to the ruin of indigenous industries.
3. **Laissez-Faire** had become the **basic philosophy** of the **new industrial policy in Britain**. There was a popular desire to free trade from restrictions and monopolies.
4. The **political atmosphere** in Britain was **full of enthusiasm for reforms**. The well-known **Reform Act** was passed in 1832. **Slavery** was **abolished** in the whole of the British empire.
5. Also, by this time there was **strong agitation for the abolition of the company**. A parliamentary inquiry was held led to the Act.

Provisions of Charter Act 1833

- The Charter Act 1833 was a great **landmark in the constitutional history of India**

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- It **ended EIC as a commercial body** (i.e EIC's monopoly over tea and China was also abolished). Now it was **meant only to have a political function** (which means that its utility was now over since the crown was the best agency for political control).
- Here too **the Indian possessions of the company were to be held in trust for the £ crown** (continued from the Charter act of 1813 which had already asserted crown's 'undoubted sovereignty' over the Indian territories).
- **India (i.e. Indian Govt) was to pay the Company's debts.** Its shareholders were guaranteed a dividend of 10.5 % per annum.
- **The Board of Control**
 1. The **President of the Board of Control** now became the **Minister for Indian Affairs (later Secretary of State SoS for India)**.
 2. The **Court of Directors** were to act as **expert advisors** to the Board of Control.
 3. It was authorized to superintend, direct and control the affairs of EIC in trust for the British Crown.
- There was an influx of £ settlers in India and the extension of territories, there was a **need for uniform laws**.
 1. Thus, restrictions on Englishmen's migration to and acquisition of land and property were removed.
- **This Act marked the beginning of the separation of executive powers from legislative powers.**

1. Executive

1. **Governor General (GG) of Bengal** now became the **GG of India (1st William Bentick)** = civil, military, and revenue matters in the whole of India.
2. Bengal, Bombay and Madras, and others were completely under GG in Council.
3. **Central Govt** was to have complete control over the raising of revenues and expenditure. Expenses of Provincial Governments, creation of new offices, and obedience of all mo Govt of BoMad were under strict control of the C Govt.
4. The Act **added 1 Law member - Lord Macaulay to the Executive council** of the Governor General. He had **no vote, could only attend meetings**. But he practically became a regular member. He influenced the Edu policy also.

2. Legislature:

1. So the **GG was now empowered to legislate for whole of India** (on any matter).

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2. All legislative powers from Bombay & Madras presidencies were taken away. (The Councils Act of 1861 restored it.)
3. The laws made by GG were to be applicable to all subjects - £ or Indian.
4. Earlier GG of Bengal's laws were called Regulations. Now GG of India's laws were to be called Acts.
5. They were enforceable by all courts in India.

- **Bombay and Madras Presidencies**

1. The no. of members of the Presidency Councils were reduced to 2.
2. All legislative powers from Bombay & Madras presidencies were taken away.
3. Bombay & Madras were to keep their separate armies under Commander in Chief under the control of C-Govt.

- **The Act provided for the codification of laws in India.**

1. Before 1833, there were several types of laws like English Acts, Presidency Regulations, Hindu Law, Muslim Law, Customary Law, etc.
 2. By this Act, the GG was empowered to appoint the Law Commission under Lord Macaulay for the codification of laws.
 3. The CPC (1859), IPC (1860), and CrPC (1861) were enacted by the efforts of the Indian Law Commission.
- It tried to introduce Open Competition to the natives. Indian subjects were now open to high public offices (end of Cornwallis' policy). However CoD opposed and it was never implemented. But there was no provision for their being nominated to the covenanted services (which were still under the control of the directors).
 - The Act also declared that no Indian subject would face discrimination on the grounds of creed, descent, colour, etc. in EIC's service.
 - Slavery was also abolished in India.

Significance of Charter Act 1833

1. It was a final step towards legislative + executive centralization in India.
2. Lord Morley later described it as the most important India Act passed by the British Parliament till 1909.
3. The anti-discrimination clause was a momentous declaration. It became the sheet-anchor of political agitation in India by end of the 19th C.
4. Points 6 and 11 had far-reaching consequences.

Limitations of Charter Act 1833

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1. Indians remained excluded from higher posts in civil and military service.
2. The Charter Act of 1833 made no provision to secure the nomination of Indians to the covenanted services of the company.

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