



BHARATHIDASAN UNIVERSITY

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Programme: FIVE-YEAR INTEGRATED M.A . HISTORY

Course Title: Company Rule in India, 1757 C.E. – 1857 C.E.

Course Code: CC04

Unit – III

**Constitutional Developments till 1857: Regulating Act (1773) - Pitt's India Act
(1784) - Charter Act (1793) - Charter Act (1813) - Charter Act (1833) - Charter
Act (1853)**

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Regulating Act of 1773

- The Act remodeled the constitution of the Company both in England and in India.
- Right to vote in the Court of Proprietors was raised from 500 pounds to 1000 pounds.
- The number of Directors was fixed at 24, one-fourth retiring every year.

- The Governor of Bengal became the Governor-General of Bengal.
- In addition, a collegiate government was created consisting of a Governor-General and four members of the Council.
- Presidencies of Madras and Bengal were controlled by the Presidency of Fort William in Bengal.

- The Act empowered the Crown to establish the Supreme Court in 1774 consisting of a Chief Justice and three puisne judges.
- Sir Elijah Impey became the first Chief Justice.

Pitt's India Act of 1784

- The Pitt's India Act, 1784 was passed by the British Parliament to correct the defects of the Regulating Act of 1773.
- The act is named after William Pitt the Younger, Britain's Prime Minister when the act was passed.
- This act resulted in dual control of British possessions in India by the British government and the Company with the final authority resting with the government.

Provisions of the Act

- For political matters, the Board of Control was created and for commercial affairs, the Court of Directors was appointed.
- The Board of Control took care of civil and military affairs. It comprised of 6 people:
 - Secretary of State (Board President)
 - Chancellor of the Exchequer
 - Four Privy Councillors
- In this dual system of control, the company was represented by the Court of Directors and the British government by the Board of Control.

- The Governor-General's council's strength was reduced to three members. One of the three would be the Commander-in-Chief of the British Crown's army in India.
- The Presidencies of Madras and Bombay became subordinate to the Bengal Presidency.

Features of the Act

- This act made a distinction between the commercial and political activities of the East India Company.
- For the first time, the term 'British possessions in India' was used.
- This act gave the British government direct control over Indian administration.
- The Company became subordinate to the British government unlike as in the previous Regulating Act of 1773, where the government only sought to 'regulate' matters and not take over.

Charter Acts

Charter Act of 1793

- It extended the overriding power given to Governor-General Lord Cornwallis over his council, to all future Governor-Generals and Governors of Presidencies.
- The royal approval was mandated for the appointment of the governor-general, governors, and the commander-in-chief.
- Senior officials of the Company were debarred from leaving India without permission—doing so was treated as resignation.

- It laid down that the members of the Board of Control and their staff were to be paid out of the Indian revenues (it continued up till 1919).
- The Company was also asked to pay 5 lakh pounds annually to the British government (after paying its necessary expenses).

Charter Act of 1813

- Charter act of 1813 ended the monopoly of the East India Company in India, the company's monopoly in trade with china and trade in tea with India was kept intact.
- The company's rule was extended to another 20 years.
- The act granted permission to the persons who wished to go to India for promoting moral and religious improvements.
(Christian Missionaries)
- This act regulated the company's territorial revenues and commercial profits. It was asked to keep its territorial and commercial accounts separate.

- The company's dividend was fixed at 10.5% per annum.
- There was also a provision that Company should invest Rs. 1 Lakh every year on the education of Indians.
- It empowered the Local Governments in India to impose taxes on persons and to punish those who did not pay them.

Charter Act of 1833

- The lease of 20 years provided to the Company (under Charter Act, 1813) for the possession of territories and the revenue collection was further extended.
- However, the Company's monopoly over trade with China and in tea ended.
- All restrictions on European immigration and the acquisition of property in India were lifted which paved the way for the wholesale European colonisation of India.

- The post name of Governor-General of Bengal was converted into "Governor-General of India". William Bentinck became the first Governor-General of India.
- Law Commission was established under this act for the consolidation and codification of Indian Laws.
- It added a fourth ordinary Member to the Governor-General's Council for India who was to be a legal expert in the making of laws.
- Lord Macaulay was the first to be appointed as the fourth ordinary Member.

Charter Act of 1853

- The Company was to continue possession of territories unless the Parliament provided otherwise.
- The Company's patronage over the services was dissolved; the services were now thrown open to a competitive examination.
- Fourth Ordinary Member: The law member became the full member of the governor-general's executive council.

- Indian Legislative Council: Local representation was introduced in the Indian legislature. This legislative wing came to be known as the Indian Legislative Council.
- However, promulgation of a law required the assent of the governor-general who could veto any Bill of the legislative council.