Ques- Charter Act of 1813 took away the trading monopoly of the company so that it could focus on governance. Critically examine the statement.

Answer: The Charter Act of 1813 took away the trading monopoly of company on the pretext that it was supposed to focus on the more important task of governing India. However, the real reason was to open up the Indian market for the British industrial goods,Right from the very beginning of its rule in India, the East India Company had its fare share of critics. Notable among them were intellectuals like Edmund Burke. The trails of Robert Clive and Warren Hastings in British parliament should be seen in this context. They argued that a trading concern being in charge of governing such a vast territory and population was inherently immoral.

Whenever a bill concerning the Indian holdings of East India Company came up for discussion in the British Parliament, trading and other unscrupulous practises of company came under a sharp criticism.

But, during the mercantile phase of colonialism, the company could maintain its trading monopoly with the help of its friends and shareholders who held considerable sway in the British government.

However, as the industrial capitalist class grew politically stronger, it demanded that the monopoly of company should be abolished and the commerce of India should be thrown open for free trade. They also forwarded the same argument that the company had a much more importance task of governing India and prepping it as a market for the British industrial goods.

Thus, the real grounds for depriving the East India Company of its monopoly on the Indian trade was the lobbying by industrial capitalist class. The concern for good governance was merely a ruse.