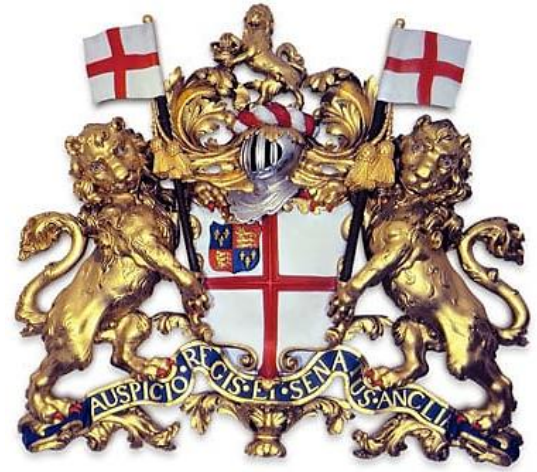


# The East India Company

- A chartered company, type of corporation, evolved in the early modern era in Europe. It enjoyed certain rights and privileges and was bound by certain obligations, under a special charter granted to it by the King/Queen (granting it sovereign authority). The company's charter defined and limited rights, privileges, and obligations, as well as the localities in which they were to be exercised. The charter usually conferred a trading monopoly upon the company in a specific geographic area or for a specific type of trade item.<sup>1</sup>



Arms of the British East Indian Company

- The East India Company (aka "The Company") evolved from a small enterprise run by a group of City of London merchants, which in 1600 was granted a royal charter by Queen Elizabeth I, conferring a monopoly of English trade in the whole of Asia and the Pacific.

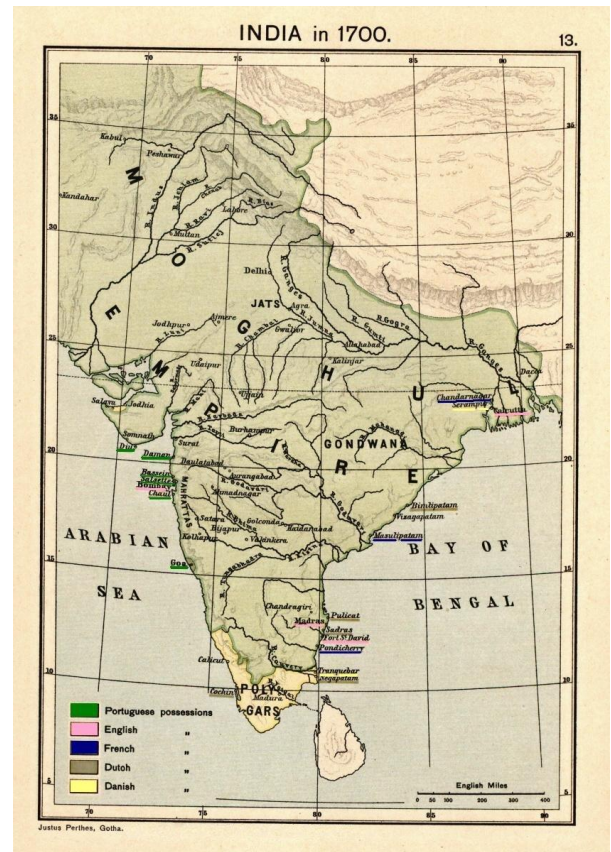
See: [How a Company Bankrupted an Empire: History of East India Company](#)  
[AND The East India Company, 400 Years: Britain & India || Episode 1](#)

- At its outset the East India Company was interested in the commercial opportunities offered by the spice islands of Southeast Asia (modern-day Indonesia) rather than India. However, cargoes of Indian cloth sparked growing interest amongst consumers in England.



<sup>1</sup> Encyclopedia Britannica. (2018). Chartered company | economics. [online] Available at: <https://www.britannica.com/topic/chartered-company> [Accessed 10 Apr. 2018].

- The Company's operations were underpinned by the 'factory' system: when the ships returned to Europe, agents known as 'factors' were left behind at trading posts to negotiate with local merchants for the sale of current stocks of goods and the procurement of return cargoes for the next year's voyage.
- Company business was overseen by a central administration in London based around the twenty-four elected members of the Court of Directors and several specialized committees of the Court. The directors were answerable to the Company shareholders who met regularly at the General Court of Proprietors. The Company sent commercial, political and administrative instructions on its ships to the councils established at its main settlements in Asia, and these councils were in turn responsible for the management of subordinate factories.

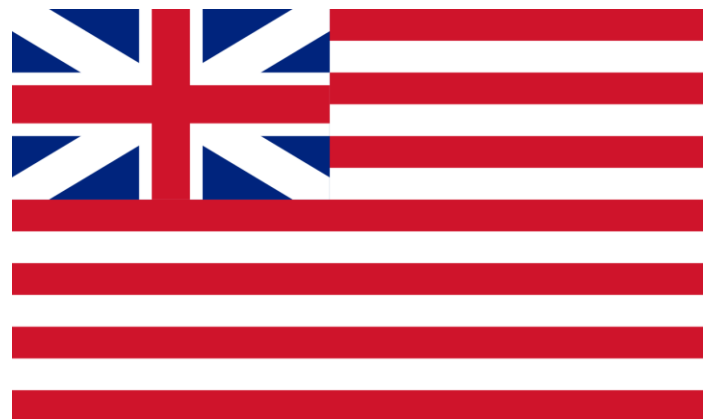
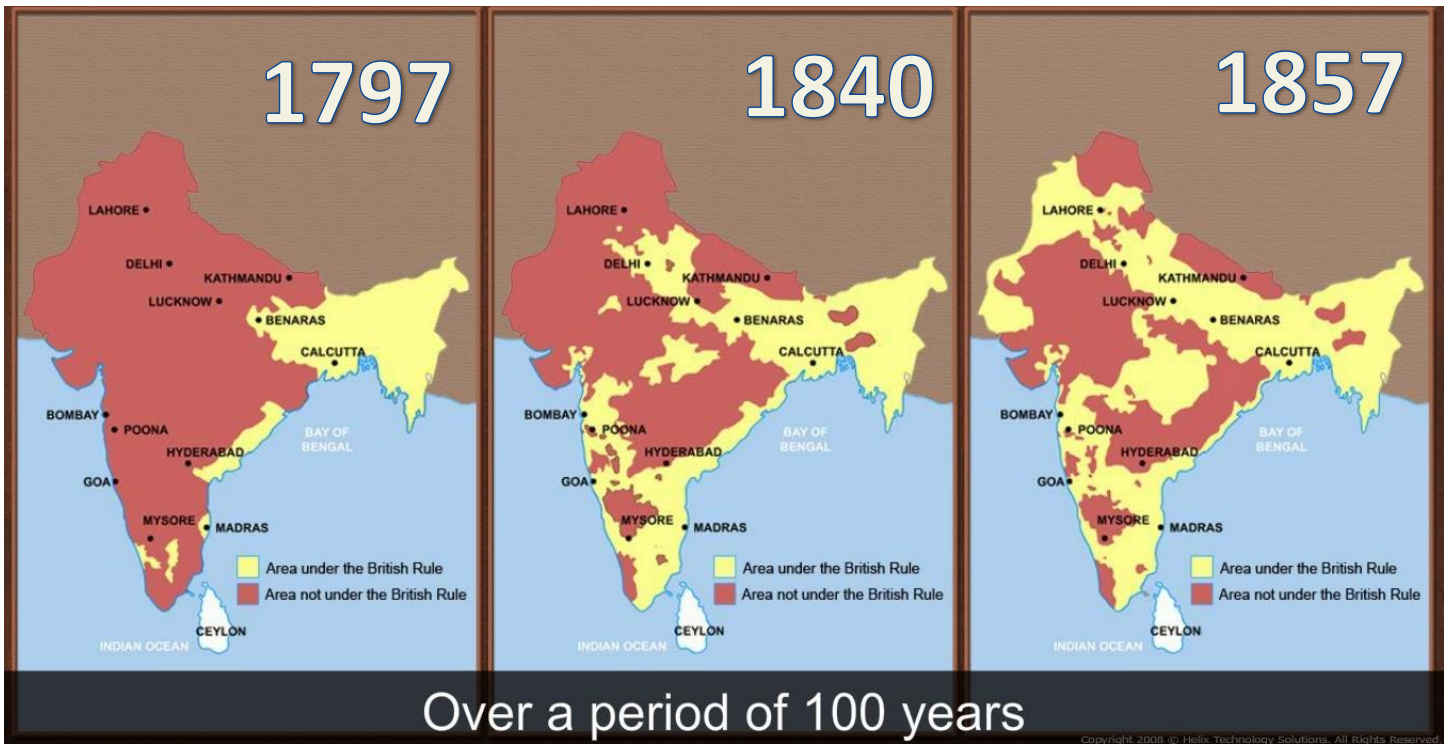


Map of India 1700 showing the Mughal Empire and European trading posts/factory towns from: Joppen, Charles [S.J.] (1907), *A Historical Atlas of India for the use of High-Schools, Colleges, and Private Students*, London, New York, Bombay, and Calcutta: Longman Green and Co. Pp. 16, 26 maps.

- The East India Company developed beyond a purely commercial enterprise when war between Britain and France spread to India in the mid-1740s. The Company established military supremacy over rival European trading companies and local rulers, culminating in 1757 with the seizure of control of Bengal.<sup>2</sup>
  - By 1800 The Company comprised some 200,000 soldiers, more than twice the membership of the British Army at that time.

See: [How a Company Bankrupted an Empire: Understanding East India Company \(Pt 2\)](#)

<sup>2</sup> Qatar Digital Library. (2018). *A Brief History of the English East India Company 1600–1858* | Qatar Digital Library. [online] Available at: <https://www.qdl.qa/en/brief-history-english-east-india-company-1600%E2%80%931858> [Accessed 10 Apr. 2018].



British East India Company Flag (Cross of St. Patrick added to Royal Union Flag after 1801)