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Occasional Paper No. 50

MORE ABOUT PARSI SETHS :
THEIR ROOTS, ENTREPRENEURSHIP
AND COMPRADOR ROLE, 1650-1918

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PARTHA CHATTERJEE

Occasional Paper No. 50

More About The Parsi Seths : Their Roots,
Entrepreneurship And Comprador Role,
1650-1918

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More about the Parsi Seths: Their Roots,
Entrepreneurship and Comprador Role
1650-1918*.

Popularized by D.R. Gadgil as a socio-economic category and also used in this paper, the term "business community" needs some clarification. Until recently, all successful businessmen in India used to hail almost exclusively from certain castes or narrow sects only. Not all families of such castes and sects were however connected with business. These businessmen, even when in the same field, used to or tended to form clusters on the basis of their narrow caste or sect ties. As a result, class formation by way of interpenetration and fusion of their capital and diverse business practices at the local, linguistic-regional and Pan-Indian levels remained somewhat difficult. That is why, it appears, Gadgil found "business community" a more useful category than "class" per se, in his search for the origins of Indian capitalism.

In the specific historical context under review, the Parsis in business will be categorized as a business community throughout this paper. However, to us the category is not a static one; it reflects a fluent historical situation. Such different business communities were seen frequently to cross their narrow ethnic boundaries in the matter of forming partnerships, associations and from the 1830s even joint-stock trading, banking, and manufacturing corporations. The market was bringing them increasingly together on the same platform, both for organization and agitation. Business communities and classes are not, therefore, mutually exclusive

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categories in our analysis. Community and class consciousnesses overlapped during our period. The former were building blocks of a class or classes in the process of their formation, a process that was still immature and weak.

Whatever new business personnel and leadership emerged in British India in that process were, by and large, from the same traditional business communities of the pre-British times. What was now in the circulation among them of the available economic opportunities -- both old and forthcoming -- was the distorting colonial circumstances and the fact that the Parsis had the best of it. For a long time, caste -- rather than nationality -- remained a major determining factor in the businessmen's group consciousness and habit of organization. This did not however prevent the different business communities from their simultaneously coalescing at the local level and merging into a larger class at the appropriate national level in due course, through interpenetration of their capital and acumen across the caste frontiers. For the period under review, the Gujarati-speaking Parsi business community is therefore viewed as a contingent of the still unconsolidated Indian bourgeoisie. It would have been worth while to examine exhaustively how, at the first instance, their consolidation was taking place at the regional -- linguistic level (Gujarat); and, secondly, also at the pan-Indian level. But this is beyond the scope of this paper

Urbanization

For an understanding of the business of the Parsis, some demographic features of this non-proselytizing, endogamous community need also to be noted. Their number in India was 85,397 in 1881; 89,887 in 1891; 93,952 in 1901; 100,096 in 1911; and 100,772 in 1961. In the light of these figures as well as the likely effects of the Gujarat famines of 1596, 1631, 1684, 1698, 1790 and 1813, it could be assumed that their total number had ranged between

half-a-lakh to one lakh during our period. The urbanization rate was as high as 94 per cent for the Parsis in 1961 as against 54 per cent for the Jainas, and 16 to 27 per cent for India's several other religions communities. In the same year, 71 per cent of the Indian Parsis lived in metropolitan cities (70 per cent in Bombay alone), 23 per cent in other cities and towns and only 5 per cent in the rural areas. At the State level, in Maharashtra where 77 per cent of them are today concentrated, their rate of urbanization was found still higher. There, 90 per cent of them lived in the metropolitan city of Bombay, 9 per cent in other cities and towns and only 1 per cent in the rural areas. In Gujarat, which accounted for almost the entire Parsi population till the close of the 18th century and where 17 per cent of it still live, the rate of urbanization was 73 per cent in 1961.

The above figures and available historical data for our period indicate not only a continuing rural-to-urban migration movement among the Parsis since the early 17th century, but also an urban-to-urban movement -- the latter particularly in favour of Bombay since about the 1790s. In fact, already by 1850 more than half the Parsi community had become urbanized, long in advance of their westernization in other respects; by 1881 it was 70 per cent urban.² The urbanization process involved not only place mobility, but also mobility from manual to non-manual occupations, from primary to secondary and tertiary economic sectors, and in particular, from agriculture and artisan crafts to trade and industries. In other words, what happened was an intra-community structural change, an embourgeoisment -- however immature -- of more or less the entire Parsi community. During 1650-1750, it was still in its pre-bourgeois phase, but it carried within it seeds that were sown by the Mughal monetization process and its commercializing impact. The process continued with some adjustment over a long period, 1750 to 1850 - a period that coincided with the British industrial revolution and the early phase of British rule in

India. Finally, this process gathered momentum in its third phase, 1850-1918, when the Parsi bourgeois led whatever limited and lopsided industrialization at private initiative took place within the colonial constraints. The first phase saw the slow growth of trading capital at various points of the Parsi society. The second phase saw its centralization in Bombay as well as spread and diversification of its investments. During the third phase, this trading capital was transformed largely into industrial capital and was increasingly deepened. Thereafter, signs of exhaustion and from the 1930s also a relative decline were visible in the role of the Parsi bourgeois.

Though latecomers in the business of trade and finance as compared to the Chettiars, Bohras and Gujarati-Marwari Baniyas, the Parsis were the earliest to enter the modern industries, and they were able to maintain their lead in this field well until the end of World War I. How did this happen and why? Their religious work ethic, their special minority position, their lack of caste prejudices, their production-oriented peasant-artisan background and, above all, their acceptability to British patrons as stable collaborators -- one or several such factors have been highlighted by sociologists and economic historians of diverse schools in their attempts at explaining the Parsi success. In our two published articles, "Parsi Seths as entrepreneurs: 1750-1850" and "The Comprador role of Parsi Seths: 1750-1850", we too made an attempt in 1970 to come to grips with these issues within a specific chronological frame.³ Our present survey is extended over a much longer period as the title of this paper suggests. The Parsi case will be examined here more thoroughly in its wider national context as well as with a reference to the aforesaid three distinct phases of the community's development. The objective is to understand it more in terms of the productive forces and relations inherent in the situation, both intra-societal and extra-societal, rather than of ethnic qualities, value systems or factors that are purely external.

I

Unlike the Muslim Bohra and the Jain-Hindu Bania castes, the Parsis constituted overwhelmingly an agricultural community before 1650 and remained so till the end of the 18th century, despite their increasing migration in trickles to the urban areas. They had their settlements along the marshy, irregular Gujarat coast, over a tract stretching for some twenty miles inlands between the two ports of Daman and Broach and dotted with small commercial centres like Navsari, Gandevi, Bulsar, Rander, Ankleswar and the great port of Surat. Nucleating around Navsari -- their religious nerve centre since 1516, they constituted an important minority in this region. Quite understandably, their villages were at a reasonable distance from the coast-line, "often broken by estuaries of the rivers and dotted with tidal flats which were submerged in high tide".⁴

Early Commercialization

Their proximity to the sea and its riverside ports, to the neighbouring timber-rich forests and to the Surat-Burhanpur caravan route that passed through Vyara in Navsari district -- such favourable conjunctural circumstances offered great business opportunities to the Parsis. In their black-soil region, interspersed with sandy, light red soil, they too like others, raised a variety of cash and non-cash crops. The date-plam, in particular, grew abundantly in plantations, mostly tended by Parsi toddy-tappers in and around Navsari. Besides, the region was endowed with a powerful breed of cattle stock believed by John Fryer to have been first raised by the Parsis.⁵ Vicinity to terminal points of the sea and caravan routes that provided business opportunities, an easy access to timber resources and a varied cropping pattern with scope of further micro-regional specialization -- all these factors combined to expose inter alia the Parsis to

the 17th century commercialization process of Mughal India. It was expedited by the progressive substitution of cash rents for rent in kind and the increasing bullion imports by the European companies into India to back up their demand for export goods.⁵

This process had an impact on all communities of Gujarat, but in different ways. In non-Parsi Gujarati society, this impact was largely absorbed along the caste lines. Many of the trading and artisan castes underwent stabilization and consolidation; even some new castes presumably came into existence by way of fission, as in Bengal, to accommodate further narrow specialization in occupation.⁷ But the Parsi society's response to this impact was of a different nature. In terms of strict rules of endogamy and commensality, it continued to constitute a single multi-functional caste as before, in relation to the society at large; but internally, it continued to maintain freedom of choice of occupation for all. Increased division of labour did not take the form of hereditary castes and sub-castes, though tendencies towards such formations were not altogether absent. The hereditary clerical (Mobed) clan tended to crystallize into a caste by setting up marriage barriers between themselves and the laity (Behdin) during the 18th century, but failed. The corpse-bearers (Nasasalar), working at the Towers of Silence, were treated almost as untouchables in the matter of religious and social intercourse.⁸ Besides, the pre-1750 orthodox Parsi society was neither permissive of long-distance sea-faring, nor of occupations like smithery that involved a defilement of 'sacred' fire, though cases of non-conformist practice were already there.⁹ Within such restrictions, all Parsis including members of the Mobed and Nasasalar clans could opt for any occupation.

Certain other aspects of the Parsi social structure may also be noted here before we come back to the theme of the Mughal impact on division of labour in Parsi society. With smiths of any kind and hereditary occupational castes conspicuously absent amongst themselves, the Parsis could hardly fit into the Indian village community system. If they had adapted themselves to such a commune system in combination with non-Parsi artisans, then their intra-village jajmani production relations remained tenuous and unstable in such cases. Under the circumstances, the Parsi peasantry could always bring to the expanding market a larger surplus than what their communized counterparts in Gujarati caste-society could, in response to Mughal India's commercialization process.

That is why commodity production and division of labour were more pronounced among the Parsi agriculturists than those of other communities. Spinning, weaving, carpentry, dairying, brewing, sugar-making and other such crafts began to be increasingly separated from crop cultivation. Parsi artisans and petty traders left their villages not only for the city of Surat, but also for the smaller ports and market centres like Cambay, Broach, Daman, Diu, Navsari, Gandevi and Bulsar. European travellers of the times took note of their conspicuous connection with a superior cattle breed, the newly introduced tobacco cultivation, the textiles manufactures, ship-building, preparation of toddy and the transport of goods by boats and ox-drawn carts to waiting ships.¹⁰

The perfumed oil of Navsari, also associated with Parsi enterprise, found a mention in the Ain-i-Akbari,¹¹ George Roques who visited Broach sometime during 1676-86 wrote that the Parsi weavers of the town "devote themselves greatly to this (i.e. cloth) manufacture, and excel therein over all other workers. Their baftas are much sought after and have a great market in the country for the use of Indians". According to him, they made both fine and course

varieties of bafta and also allegas, a mixed fabric of silk and cotton.¹² "In all their callings", J. Ovington observed in 1689, "they are very industrious and diligent and careful to train up their children to arts and labour. They are principal men at the loom in the country, and most of the silks and stuffs at Surat are made by their hands".¹³ Ship-carpenters (generally, Konkani Muslims or Parsis by ethnicity) of Surat were highly praised by him for their workmanship, and it is known that a Parsi master-builder named Cursetji was engaged by the English at Surat in 1672. Another Parsi master-builder of Surat, Lowji ✓ Nasservanji Wadia (d.1774) was invited to Bombay to build ships for the English East India Company there from the 1730s onwards.¹⁴

Fryer in the 1670s was not however impressed by the sight of Parsi petty traders who used to carry wood and water to the ships and bring supplies to the port of Surat in their ox-drawn carts. "These are rather husbandmen than merchants, not caring to stir abroad", he contemptuously said of them. Yet he was particular to include them along with the Banias in his abusive category of money-suckers -- a species of "Vermin ... that hang like horse-leeches".¹⁵

Throughout the second half of the 17th century then, the Parsis -- drawn though into the commodity circulation process -- were not yet generally connected with big trade. Those among them who took to trade were still, in general, operating only on a small scale in fields immediately related to their respective production bases -- cotton-processing, wood-processing, toddy-tapping and short-distance transportation. We know of one Cawasji Cawsi in the service of the famous Bania brokers, Bhimji Parekh (d.1686) and his brother Vitthal. The nature of assistance he provided to these merchants is not known. Jamsetji and Byramji Edulji worked as brokers for the English Company; the former at Broach in 1680, the latter and Bairamji Cowsi at Cambay in the 1730s. They must have been

respectable though not necessarily big merchants. But there were also several ship-owning traders among the Parsis. Rustomji Manok Dalal (d.1719), a broker since the 1670s and Dhanji Bairamji of Surat were two such traders. One ship of Rustomji and one ship of Dhanji were mentioned in contemporary Dutch shipping lists; the latter made her voyage from Surat to Hughli in 1702-03. A ship jointly owned by a Parsi and a Portuguese was mentioned to have been engaged in coastal trade in 1674.¹⁶ Tradition has it that Banaji Limji (d.circa 1734) and his son Bairamji Banaji (1681-1753) carried on from Bombay in early 18th century a lucrative trade with Pegu in timber, silk and opium in their own ships. The first Parsi to start Calcutta-based business was Dadabhoj Bairamji who came there in 1767. Like the Banajis, Dorabji Nanabhai Patel (d.1689), and his son Rustomji Patel (1667-1763) and ~~several other families~~ the founders of the Dadyseth and Cama families started trading houses in Bombay. Rustomji Manok's three sons, including the famous Nowroji Rustomji (d.c.1740), settled down as traders in Bombay permanently in 1728, with nearly Rs.6 lakhs realized as their dues from the English. Nowroji had meanwhile spent more than a year with his family in England in 1723-25 for settling the dispute with the company before coming back with a ~~kit~~ of equipments for liquor distillation.¹⁷ In 1756 Jivanji Readymoney visited China, in an Armenian vessel, for exploring trading opportunities.

Thus by the 1750s one could no more complain that the Parsi traders cared not "to stir abroad". Superstitious prejudices had begun to retreat by then before the power of wealth. Parsi artisans were daily defiling sacred fire in Bombay dockyards and gun-powder works; and traders were crossing the seas. According to the estimate of a knowledgeable contemporary Dutchman (see Table-1), the Parsis in 1746 accounted for nearly 10 per cent of Surat's total estimated trading capital -- a share that was much above their percentage ratio to the population of the region. However,

while only 6 and 38 per cent of the Surat-based Muslim and Hindu/Jaina trading capital had respectively become dependent on European protection by then, such dependence in the case of their Parsi counterpart was 100 per cent - 42 per cent under Dutch and 58 per cent under English protection. Thus, under the rapidly changing political circumstances, the Parsi traders had already decided to seek foreign patronage and they knew by 1750 whom to look forward to for such patronage. With the eclipse of the Dutch and the rise of the English as a major territorial power in India in the 1750s, it became obvious to them that they had much to gain as traders from an undivided loyalty to the English, on tactical considerations.

Table -- 1

A. Surat-Based Non-European Trading Capital:
1746 (Estimated in Rupees Thousand)

| | <u>Under European Protection</u> | <u>Independent</u> | <u>Total</u> |
|----------|----------------------------------|--------------------|--------------|
| Total | 2786 (31.86) | 5956 (68.14) | 8742 (100) |
| Jew | 100 (1.14) | -(0.00) | 100 (1.14) |
| Armenian | -- (0.00) | 515 (5.90) | 515 (5.90) |
| Parsi | 869 (9.84) | -- (0.00) | 869 (9.94) |
| Hindu | 1642 (18.78) | 2670 (30.54) | 4312 (49.32) |
| Muslim | 175 (2.00) | 2771 (31.70) | 2946 (33.70) |

B. Breakdown of Surat-Based Trading Capital Under European Protection: 1746.

| <u>Protected Under</u> | <u>Rupees Thousand</u> |
|------------------------|------------------------|
| Dutch | 1760 (63.2) |
| English | 886 (31.8) |
| French | 130 (4.6) |
| Portuguese | 10 (0.4) |
| Total | - 2786 (100) |

Source: Processed from Schreuder's estimate cited in Holden Furber, Bombay Presidency in the Mid-Eighteenth Century (Bombay, 1965), pp.64-65.

II

The 1750-1850 phase of the evolution of the Parsi business was dealt with in some details in my aforesaid 1970 articles. We had argued then that, inter alia, the growth of their ship-building skill, mercantile capital and also their manufactories was an indication of their ripeness for capitalist industrial transformation. The Parsis did not fail to understand that their immediate economic ends could be advanced best only through close cooperation with the then politically dominant British traders, in the absence of any other alternative in sight within the colonial frame. The latter, too, needed willing collaborators at different levels of their business. Those who picked up a smattering of English and the new style of business and readily agreed to work as brokers and agents for the foreigners were able to quickly adjust themselves to the changing circumstances. Such men were sure to succeed, provided their ambitions were limited to what colonialism permitted. The case of the Parsis exemplified this. They committed themselves to and achieved an all-round transformation -- social, economic and cultural, -- of their community to get fitted into the situation.

In this section of our paper, we shall take up only some select issues for a further scrutiny, rather than presenting once more a chronologically structured narrative of their progress over the period in all its details. The Parsi association with ship-building by itself of their comprador role as such would have hardly led them to whatever success they had, unless other circumstances had also conjuncturally favoured them at decisive moments. We shall argue that their artisan background, however important, was less so than their trade both in the matter of capital formation and the setting up of manufactories. The other point to be underlined here is that the Parsi businessmen were

"comprador" only in a limited sense and, more or less, to the same extent as other Indian business communities were. They were all "comprador" so far as they were directly employed by British firms, or they themselves set up firms, to sell imported British manufactures and buy raw materials for the British shippers. This was done more or less by all business communities of India, though the Parsis had taken the lead in this matter. However, all these business groups had by and large also independent lines of business and ships of their own, often in competition with the British traders. Thus, unlike their counterpart in China of the same period, the Indian comprador of the coastal ports was not merely a collaborator; he was also a competitor of the foreign merchant. Both collaboration and conflict were reflected in his vacillating political stand and economic position.

Roots of Entrepreneurship

According to the 1864 Census of the Bombay Island, the Parsis, though only 6 per cent of its population, accounted for 17 per cent of those enumerated in the occupational sector of wholesale trade, broking, banking and money-changing.¹⁸ This appears to have been more or less the pattern even in the earlier part of the century. Bombay attracted not only the Parsis, but also other business communities of Gujarat in large numbers. The fact, nevertheless, remains that the Parsis could make the best of the situation, while others lagged behind. As traders, both the Konkani Muslims and the Bohras had a background of production-orientation; the former in ship-building and the latter in saltpetre production.¹⁹ Again, as can be seen from Table 1 above, dependent Bania capital (under European protection) in 1746 was twice as big as dependent Parsi capital in Surat; and Bhimji Parekh, a headman of the Banias, had been in the good books of the East India Company as a broker, much earlier than Rustomji Manok the Parsi. The mere fact of an artisan background and early linkage with

alone
the British/do not therefore explain the Parsi success. What is significant in this context is that, when they responded to the challenge, they were not yet tied to a deep-rooted trading network of their own, even within their own region, as the Banias or the Bohras were. They, the Parsis, had neither any longstanding vested interest in the Gulf trade oriented to Surat, nor any stake worth mentioning in the local governments of the region they lived in. Nor were they involved in overland trade with the interior. Hence, they could extricate themselves from their local commitments more quickly than the Banias or the Bohras could, in the matter of opting for Bombay as their new haven and for new avenues of business. However neither the Banias, nor the Bohras, nor the Khojas and Bhatias did long lag behind the Parsis even in this respect. They followed the Parsis close on their heels to Bombay.

Initially, a majority of the migrant Parsis in Bombay worked as weavers, carpenters and artisans of other sorts, and a much lesser number as traders and contractors, catering to the needs of the various departments of the Company's Government. The relative importance of artisan crafts and trade as sources of capital accumulation in the hands of the Parsis is therefore worth examining. Weaving, liquor-brewing (from toddy and mowrah) and carpentry being the major crafts for the Parsis, let us first look into their potentialities in this respect during the pre-1850 period.

Parsi weavers' pecuniary condition was no better in Bombay than in Gujarat, where recurrent famines used to take a heavy toll periodically amongst them. Tied to advances and poorly paid, they neither had a capacity to save nor any initiative left to them for innovations. It is therefore no surprise that, later during the first half of the 19th century, they gradually left the crafts for other occupations. No Parsi was found practising

weaving as a handicraft, and only 366 of Bombay's 49,201 Parsis were recorded as belonging to the occupational category of textile workers in the Bombay Census of 1864.²⁰ There is also no evidence either of any cotton weaving manufactory being set up by a Parsi master weaver. Sir Jams~~h~~odji Jijibhai (1783-1859) is said to have been born in Surat in a poor weaver's family of priestly lineage. But he started his career, while still in his teens, as a China trader's employee and, later enriched himself by trading with China on his own account.

Toddy-tappers, in contrast, had better luck in the liquor distillation business. Some of them established distilleries in due course, but it was the retailing of foreign and country liquor that attracted most of them. Occupational category-wise, Bombay's 2421 Parsi liquor-dealers accounted for 21 per cent of all alcohol dealers in the Island. In the Bombay Presidency as a whole, this business was dominated by the Parsis. Carpenters other than those who built ships had gradually withdrawn from manual labour already by 1850, while many of them emerged as small-scale businessmen in the field of wood-processing. There were 5906 Parsis in the wood-processing occupational group, and they together accounted for 18 per cent thereof in 1864. But they were mostly middlemen, not toiling artisans as such. For, as early as in 1848, the Bombay Times had lamented: "Our shop-keepers are nearly all Parsis -- so are our furniture-makers also -- but the workmen employed in the manufacture of Bombay furniture of so exquisite design ... are nearly all men from Cutch and Gujarat". Their skill in carpentry helped several Parsis to set up manufactories making coaches and bullock carts.²¹ But all such activities, though a breeding ground of small capitalists and a capitalist outlook, accounted for only a small fraction of the community's wealth that had accumulated by 1850.

It appears that even for the master ship-builders, the scope of growing into full-fledged industrial entrepreneurs in their own line was more limited than what is generally believed. First, the docks where the Wadia master builders built ships for their customers were the East India Company's properties. Secondly, even the bulk of the working capital, for the material inputs used there, was not theirs. The terms of their contract with the Company are not fully known. Nevertheless, it is clear that they did not participate in risk-taking and that they worked for remuneration, a part of it being paid since 1789 as commission on the marine bills. Occasionally, they also received land grants as rewards.²²

The ship carpenters who worked under the Wadias apparently received wages paid through the latter and were organized on the basis of an elaborate division of labour. The Royal ships had the privilege of being repaired in the Bombay dockyards against the payment of a regular monthly rent to the Company. Some of the Royal ships were also built there, but not before 1804. Ships were in general, constructed on the basis of orders from customers. A rental for the use of the dock facilities was charged at the rate of Rs.10 per ton of tonnage capacity when ships were built on slips; and at a higher rate when built in docks. This is what we learn from John F. Mitchel, who gave evidence before a parliamentary committee in 1814. The Company supplied according to him, not only the dockyard facilities, but generally, also the main input -- timber, and for this it charged 20 per cent upon cost of the timber. When the customer was allowed to use his own timber, he had still to pay an extra 10 per cent upon the cost for this privilege. But this privilege of using one's own timber was withdrawn after 1813.²³

As the principle of costing is not very clear from the evidence, we cannot say definitely what was the basis and mode of payment to ship-carpenters in general or as to who advanced most material inputs other than timber, such as cordage, sails, articles of copper, anchors, guns, resins pitch and tar etc. All major material inputs excepting timber, light cordage and light sails, as Mitchell tells us were imported items supplied from the Company's stores. In any case, the actual manufacturing of the hull and its fitting-out were left to the master-builder, and the over-all control and ownership of the ship manufactory to the Company. There was a separate Parsi contractor to supply timber to the Company and a Parsi inspector to inspect the deliveries. Under the circumstances, even if the master builder's skills were of a high order, V.I. Pavlov's surmise that the working capital for ship-building was mainly supplied by them, does not appear to hold good. His view that the "sphere of application of private Indian Initiative was sufficiently extensive" in the Bombay Dockyard as such is questionable.²⁴ For the building of the Royal or Company's own ships, the plans generally came from the U.K. No special commission seems to have been paid to the master-builders over and above their usual remuneration, except for rewards from time to time. But, for all private work on the Company's dockyards, they used to receive, according to R.A. Wadia, a 2 per cent commission on the marine bill, following a London Court of Directors' decision of 1789.²⁵

Under the circumstances, profits of the Bombay dockyards went mainly to the Company and only partly to a number of contractors including the master-builders in charge of the labour force. There is no evidence of substantial accumulation of wealth in the Wadia family before several of its members had turned to trade in the 1780s and later also to landed properties. Although their initial trading capital had originated in artisan production, it was their participation in the China trade in cotton and opium that enabled them

in their third generation to become substantial shipowners and holders of real estates by 1809. Nasservanji Manokji (1754-1814), Pestonji Bomanji (1758-1816) and Hormusji Bomanji (1766-1826), who were the first Wadias to enter into trade, must have found their artisan background useful for getting their ships constructed or repaired in the best possible manner.²⁶ Not production, but trade nevertheless remained their chief concern.

What we want to highlight is that the Wadias failed to grow into owners of ship manufactories or other manufactories ancillary to these, or even of a shipping navigation company on modern lines. It was not a Wadia shipwright, but a Banaji trader, Rustomji Cowasji (1792-1852), at whose initiative was established a ship manufactory in Calcutta in 1836. Dhanjibhai Rustomji Wadia (1799-1854) the famous shipwright, first joined this concern. In 1843, he left it to join the Mazagaon Mughal Dock of Bombay which was established in 1835 and was owned by Age Muhammad Rahim Siraji, a Konkani Muslim trader. Finally, along with his services, the Mughal Dock was sold out to the P. & O. Co. in 1846. The Calcutta concern where he had earlier worked also did not survive long thereafter. Sir Jamsedji Jijibhai owned a big shipbuilding dock and, on the average, reportedly employed about 3000 hands. But he, too, was a trader. His investments in shipbuilding yards, newspapers and banks came from fortunes he made in China trade, and he belonged to a priestly clan. Incidentally, the Konkani Muslims also had several private docks at Mazagaon for building smaller crafts (dhows).²⁷ But like the Parsis, they too failed to grow into entrepreneurs on their own productive base.

Jamsetji Bomanji (d.1821) and his son Nowroji Jamsetji (1774-1860) were able to build a number of UK-designed sailing ships for active service in the British Royal Navy, even without a foreign training. Later, Nowroji Jamsetji, Jahanghir Naoroji (1821-66), Ardesir Cursetji (1808-77), Hirjibhai Merwanji (1817-83) and Rustomji Ardesir

(1828-?) -- the latter four had training in UK as engineers -- had also successfully assembled and launched a few steamers, during the years 1830-64. But the service-orientation of these Wadias did not take them far. Nowroji remained where he was, as a master-builder in the decadent Bombay Dockyard. Hirjibhai joined his elder brother's trading firm which later had the credit of introducing imported kerosene oil and sewing machines in the Indian market. Ardesir Cursetji, Fellow of the Royal Society, ended up his career as a salaried engineer in British concerns. An apprentice, draughtsman, pattern-maker, fitter and builder in turn in the Bombay Dockyard during 1844-64, Rustomji Ardesir, too, did not develop into a technician-industrialist.²⁸

Thus, though the Wadias were equal to the task of transferring new technology through adaptation, they failed to establish a modern shipbuilding corporation or, for that matter, even a coastal shipping line. It was not because of a dearth of skill or capital that they failed. By then the Wadias and several other Parsi families had accumulated enough trading capital which could be drawn upon. Indeed, they did not fail but were failed by the non-permissive colonial policy. By 1850 they knew that they would have to try their luck elsewhere than in the shipbuilding industry, which needed active state patronage. Others like Rustomji Cowasji Banaji tried a breakthrough and had their fingers burnt for their foolhardiness.

China Trade

In fact what brought a sharp turn to the fortunes of the Parsis -- this was more or less true also of other Gujarati trading communities -- was not artisan production or ordinary trade as such, but the circumstances of a suddenly expanding China trade in the wake of the UK industrial revolution. In the 1780s UK could afford to drink more tea than before. Hence, and also on considerations of re-export prospects, there were drastic cuts on her duties

on tea imports from China in 1784. This, in turn, led to big induced changes in the colonial trading pattern so that the balances of payments in the triangular trade of UK, India and China could be multilaterally settled with the minimal use of bullion and with maximum advantage to the UK. Since there was yet no large-scale demand for British manufactures in China, the Indian opium and raw cotton export promotion became henceforth the cornerstone of the British imperial policy and remained so throughout the 19th century. India's favourable trade balance arising out of raw cotton and opium exports to China could be utilized now to pay for China's tea exports to the UK and also to solve India's remittance problem at one and the same stroke.

China's opium imports from India were hardly 200 chests a year and the annual raw cotton imports not even two million lbs before 1767. As a result of the shift in ✓ UK's Imperial trading priorities, India's country ship tonnage increased from 44,865 tons in 1783 to 175,407 tons by 1791, and the number of the ships, from 128 to 575. Because of the active colonial trade policy, as explained above, India's exports of opium increased to 2,000 chests and of raw cotton to 31 million lbs by 1800. It was in 1773 that the East India Company had taken over the Patna opium monopoly. It also adopted the policy of marketing the drug abroad on a large scale on its own account. However, in the face of an increasing opposition from the Chinese authorities, the marketing of the Company-controlled drug abroad was finally left to private traders with effect from 1786. Having been in China trade since 1722, the Armenian private traders gained most from this policy change. They almost monopolized the China trade in opium until ✓ replaced by the Parsis in their role by 1809. There were 29 large ships trading from Bombay by 1812-13, 19 of them above 600 tons each. Of these large ships, apparently 12 belonged to Parsi and 17 to British country traders. Besides,

several of the ships trading from Calcutta also were Parsi-owned. Opium far surpassed raw cotton in importance in the China trade by 1823. The Company at first tried to restrict and suppress the Malwa opium exports. But this proved impossible. So, from 1830 onwards the Company introduced a new pass system which allowed Malwa opium to pass through Bombay to China on payment of a heavy excise duty. The Parsis, together with the English private traders (Beale and Magniace Co./Jardine, Matheson and Co.), maintained their dominance in the opium trade throughout 1810-42. Their share began to decline thereafter because of the entry of the Jews and other Gujarati trading communities.²⁹

The nature of the trade in raw cotton, however, was quite different. There was a legitimate demand for raw cotton in China following repeated cotton crop failures there since the 1770s. With the progressive destruction of the handloom industry during 1780-1880, large quantities of raw cotton became increasingly available in India for export. Until 1800 China remained practically the sole export market for this surplus raw cotton, and all this from the ports of Bombay and Surat. After 1800, and particularly after 1813, the UK emerged as another important market for Indian raw cotton, by then exported also from Calcutta and Madras. Consequently, the average quantum of raw cotton exports from western India to China and UK increased roughly six times between 1800 and 1850, even as total exports from India also increased in general. For an understanding of the origin and direction of India's raw cotton exports, let us take the 13-year period from 1833-34 to 1845-46, for which processed data are available. The annual average for the period was 153.2 million lbs, of which 76.5 per cent was shipped from the Bombay port, nearly 13 per cent from Calcutta and the rest from Madras and Tuticorin. Of the total exports, 61.6 per cent went to China and 40.2 per cent went to UK, In the case of the relevant exports from Bombay, these percentage shares were 53 and 47 per cent, respectively.³⁰ By

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1850 the structural change in India's trading pattern was more or less complete in so far as cotton and silk manufactures were replaced by raw materials like opium and raw cotton as major export items alongside of indigo.

Trade in opium and raw cotton was then the mainstay of the Parsi Seths. To China, they sent their goods mostly in their own ships. But to the UK, they had to send their consignments in British ships because of the prohibitive operation of the Navigation Acts that penalized the Asian ships if they ventured to go beyond the Cape of Good Hope (1646 to 1849). There is evidence that the Parsi export firms often outnumbered British firms in Bombay over the period from 1780 to the Opium War (1839-42) and that they had a larger share in the raw cotton and opium consignments sent from Bombay as well as in the ownership of shipping tonnage, registered in Bombay. Even so, a much larger share of the total gains from opium and cotton trade apparently went to the British private traders. For, they almost equalled -- and at times even surpassed -- the Parsis in the matter of owning country ships.

The British private traders were also disproportionately dominant in the fields of marine insurance and cotton-pressing. The bulk of shipping was insured by the Bombay Insurance Society, which was overwhelmingly dominated by European interests, even though by the early 1850s a majority of its shares were held by Indians. Raw cotton used to reach Bombay in loose or half-pressed bales from the interior and needed to be fully pressed in the port before shipping. The gigantic cotton screws, each worked by 240 men at a time for this purpose, were mostly owned by the British traders. Of the total cotton pressing done at the port during the 13 years from 1833-34 to 1845-46, the Apollo Press Company alone accounted for 63 per cent, Forbes and Co. for 15 per cent, the Colaba Press Company for 5 per cent, two Parsi firms for 11 per cent and Khimchand Motichand, a Gujarati Bania, for 5 per cent. With the sole exception of one Parsi-owned cotton

screw at Khangaon and ~~xxxxxxx~~ a few in Gujarat ports, there were no full-pressing facilities anywhere in western India outside the port of Bombay prior to 1850. The role of the Parsis in the cotton-pressing industry remained somewhat less significant than that of the British traders even if we take note of the fact that by 1848 a majority of the Apollo shares ~~xxxxxxxxxxxxxxxxxxxx~~ and ~~xxxxxxxxxxxx~~ probably also of the Colaba shares were Indian-owned. . . In any case, the domination of the British shareholders did not depend on the number of shares they held, but ^{on} the colonial connections they could tap, if vested with control.³²

Whatever fortunes the Parsis built in the raw cotton and opium trade under the circumstances were mostly derived from the exports to China. Other sources of their earnings were the sale of imported British manufactures in the home market and brokerage commissions. Even while acting as agents, brokers or partners of the British firms, they often maintained their independent existence, formed partnerships with other Indian firms, as and when needed, and found themselves constantly in conflict with British interests. They too were discriminated against like other Indians. Take, for example, the case of Jamsedji Jijibhai, a loyal admirer of the Raj and collaborator of the Jardine, Matheson and Co. in the opium smuggling trade. Once having sent a 1400-ton ship to UK, he was obliged under the discriminatory Navigation laws to recruit 70 English sailors on the top of his usual crew to qualify for a return journey to India. After this bitter experience, he decided not to send any more ships to the UK on such humiliating and ruinous terms.³³ His unpublished correspondence, now preserved in the Bombay University Library, shows his concern about Indian traders' interests in the face of British competition and domination.

Diversification of Investments

We may now turn to some opulent Parsi Seths to have an idea about their capital and its use before 1850. The wealth accumulated by the Banajis could be gauged from the

number of ships they owned -- more than 30 around 1840 -- and investments they made in such diverse fields as newspapers (Times of India), banks, coastal shipping lines, paper and silk manufactories, cotton screws, horticultural farms, salt pans, ship-building, docks and the insurance business, all these in Bombay and Calcutta. The docks were purchased from European owners at the cost of Rupees five and a half lakhs by Rustomji in the 1830s for the Calcutta Docking Company -- a joint-stock venture of which he was the Secretary. His 15 ships requisitioned by the Government during the Opium War fetched him an annual rental of Rs.115,000. The Banajis incurred heavy losses in China -- more than Rs.2 million by Dadabhai Rustomji alone -- during the Opium War and their remaining family fortunes were virtually wiped out by the economic crisis of 1847-48.³⁴

Of the three Wadias who first entered trade, Nasservanji Manokji, owner of four ships, failed in 1810 for Rs.12 lakhs. The other two Wadias, Pestonji Bomanji and his brother Hormusji Bomanji, both shipowning China traders, invested considerably in real estates so that in 1809 they were reported having an annual rent income of £ 15,000 each, besides their profits from trade. Pestonji's fortunes were inherited and expanded by Dadabhai Pestonji Wadia (1802-85), his adopted son. Continuing to trade with U.K. and China and broking for European firms, he had also investments in cotton screws, ships, banks, land and salt pans. He was reported to have purchased landed property worth about Rs.5 million, yielding a rent income of Rs.124,000 a year; he owned about a quarter of the Bombay Island and, at one time, also three/eighth of the share-capital of the Bank of Western India. His firm, too, could not withstand the 1847-48 economic crisis and failed in 1850 with a liability of Rs.33 lakhs.³⁵ His loss of Rupees one million due the failure of a European firm, his over-investment in illiquid assets and the shifting of the head office of the aforesaid bank from Bombay to London -- all these contributed towards the firm's failure. Hormusji's two sons -- Bomanji Hormusji (1808-62)

and Ardesir Hormusji (1812-82) --- and several other Wadias apparently survived the economic crisis and continued as traders even after 1860. The latter built a cotton textiles mill in Bombay.

Amongst the oldest and continuing trading firms, the Readymoneys were the first Parsi family to start trading with China in their own ships since 1775 or a little earlier. The family's fortunes were mostly inherited by Kawasji Jahanghir Readymoney (1812-78) and his brother Hirji Jahanghir Readymoney (1808-1901). Both remained basically traders and financiers. Sir Jamsedji Jijibhai, also a child of the China trade as mentioned earlier, put some of his money in newspapers, ships, ship-building docks and shares of jointstock banks. After 1850, the family's trading with the UK continued, while its interests in ships, ship-building and China trade lapsed. Kharshedji Fardunji Parekh (1812-96), a relation and once a partner in business of Jamshedji, also made his fortune in China trade. His purchase of properties was estimated at Rs.35 lakhs, inclusive of a famous diamond valued Rs.6 lakhs. Jijibhai Dadabhai (1786-49), son of a master tailor, made fortunes as a contractor supplying clothes to the East India Company and served as a guarantee-broker of 9 European firms. His capital was employed in China trade and to finance coffee, rubber and coconut plantations in the Malabar coast, Ceylon and Java. He also purchased shares of joint-stock banks and the Bombay Steam Navigation Company. His firm was not affected by the economic crisis, though it was dissolved after his death in 1854.³⁶

The above cases and other relevant data of the pre-1850 period suggest that the Parsi Seths put a sizable part of their trading profits not only in some proprietary manufactories with processing equipments, but also in several new joint-stock ventures in non-manufacturing lines. The Bombay Steam Navigation Co., established in 1845, with a proposed share-capital of Rs.10 lakhs, divided into 200 shares,

had 3 Indians (including Dadabhai Rustomji Banaji and Jijibhai Dadabhai) on its 8-member directors' board. In 1847, it had five steamers with regular services connecting Bombay with Karachi, Colombo and Surat. By 1854, of its 5 directors only one was European and one Parsi (Jijibhai Dadabhai). The venture, by then almost wholly under Indian control, staggered for many years and survived into the 20th century.³⁷

Several joint-stock banks were founded on the basis of Indo-British collaboration in Bombay between 1840 and 1850. The Bank of Bombay, established in 1840, had Dadabhai Pestonji Wadia as one of its promoters; Framji Cowasji Banaji and Jamshedji Jijibhai were also associated with it as its directors and/or promoters. The Parsis played an important role, next only to that of the Europeans, in promoting this bank with Government participation, as can be seen from Table-2.

Table 2

The Bank of Bombay : Structure of Share Capital

| | 1840 | | 1848 | |
|------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| | No. of share-holders (%) | Share-Capital Rs. 1000 (%) | No. of share-holders (%) | Share-Capital Rs. 1000 (%) |
| Ident Europeans | 173 (52.0) | 3261 (62.4) | 91 (29.0) | 1473 (28.2) |
| Non-Resident Europeans | - | - | 95 (30.3) | 2365 (45.2) |
| Parsis | 109 (33.0) | 1233 (24.1) | 38. (28.1) | 877 (16.8) |
| Other Indians | 50 (15.0) | 431 (.8.2) | 39 (12.6) | 210 (4.5) |
| Bay Government | 1 (-) | 300 (5.3) | 1 (-) | 300 (5.3) |
| | 333 (100) | 5225 (100) | 314 (100 .) | 5225 (100) |

The domicile of shareholding increasingly shifted to UK, as European shareholders, on retirement from service in India, returned home to UK. The general decline in Indian shareholding was largely due to the 1847-48 economic crisis, causing the failure of several big Parsi firms.

Source: C.N. Cooke, The Rise, Progress and Present Conditions of Banking in India (Calcutta, 1863), p.165-6.

The Parsi Seths also played an important role, together with European traders, in promoting two other joint-stock banks -- the afore-mentioned Bank of Western India, established in 1842 and renamed the Oriental Bank Corporation in 1845, and the Commercial Bank of India, established in the latter year. Dadabhai Rustomji Banaji, Jijibhai Dadabhai and Dadabhai Pestonji Wadia were among the promoters/directors of the first bank; and as we have already noted, the last-mentioned held at one time three-eighth of its share-capital. In 1845, its headquarters and control were shifted to London to facilitate its chartering as a limited company for lack of similar facilities then in India. Its Bombay directors tried their best to halt the decision; they even tried to stop the London Board from functioning in 1846, but infructuous. The dissatisfied Indian shareholders subsequently lost their interest in the bank. In contrast, the Commercial Bank of India, an Anglo-Parsi venture with a paid-up capital of Rs.5 million, remained much more Indian, since Bomanji Hormusji Wadia, Jijibhai Dadabhai, Cursetji Cowasji Banaji, Cowasji Nanabhai Davar (1815-1873) and Manokji Limji were five of its ten promoters, the other five being Europeans. Among the bank's 348 shareholders, the Parsis perhaps had an edge over the Europeans. For, of its 10,000 authorized shares, 8772 "were taken up almost in a day, by a large body of residents". However, the chairman and the majority of the directors were Europeans at the time Cooke wrote his book. The bank was incorporated in 1857 under Indian legislation and ^{was} granted a royal charter in 1864, with business jurisdiction spreading over from London to Shanghai and San Francisco. It crashed in 1866 due to over-speculation. That the Bombay Seths were looking forward to modern joint-stock banks as yet another field for their operations can be shown by another instance. When Robert Montgomari Martin made an infructuous attempt in 1841 to float the Bank of Asia in London with shares subscribed in UK and abroad,

"In Bombay alone the amount of shares applied for was about 4,000, although the number of shares allotted to Bombay was only 1,000. The shares were principally taken by native gentlemen, and they were at a premium of twelve per cent on the scrip being issued".³⁸

In fact, there was considerable interlocking and fusion of finance and merchant capital in the world of India's private trade, to which practice the Parsi Seths were no exception. We have already taken note of Jijibhai Bairamji's financing of plantations. The British country traders brought with them neither capital nor novel business methods until 1850. They had however a politically commanding position and, given this advantage, they could largely trade with borrowed capital. Parsi partners and brokers provided, in many cases, the bulk of this borrowed capital in Bombay. There were also Parsi bankers who financed princes of native states. Take, for example, the banking business carried on jointly by the two brothers -- Vicaji Meherji (1781-1853) and Pestonji Meherji (1799-1854). We shall give here some more details about this firm than what had been given in our August 1970 article.

The Land Nexus

The Meherji family had for centuries followed "the employment of husbandmen" (in the words of John Pyno, a British Officer), before they moved to trade and banking. The two brothers were in charge of the revenue management of the Konkan districts under the Peshwas. Their services were retained even after the British take-over of the northern Konkan in 1817. They were then entrusted for several years with the farming of land and sea customs over a large tract of the erstwhile Peshwa territories of the Bombay Presidency, until the farming system was abolished by 1836. Simultaneously functioning as traders, bankers and

revenue farmers; they undertook a number of rural development works to facilitate transit of cotton by land from the interior to the port of Bombay. For example, they cleared jungles in the collectorate of Khandesh and provided for bridges, wells, tanks, dharamasalas etc. along some stretches of roads in the Presidency. In 1825-26, they consequently succeeded in making the first-ever importation of Berar cotton to Bombay in 500 bullock loads (120,000 lbs or so) worth Rs.25,000. By 1836, the annual arrival of Berar cotton to Bombay reached the figure of two lakhs of bullock loads (40 millions lbs or so). The Meherjis, Jamsedji Jijibhai and several Bania traders were pioneers of this diversion of Berar's surplus cotton to a heretofore unused route to Bombay which was difficult, but shorter by 1000 miles than the 1500-mile land-cum-river route to Calcutta via Mirzapur.³⁹

The Meherjis also made several stretches of roads cartable and brought from Bombay upwards a hundred newly-designed bullock carts for distribution among the traders in Berar. Berar's lone cotton screw, set up at Khangaon in 1836, also belonged to them. In 1834-35, they purchased salt from the East India Company for sale in the Nizam's territory and, from 1836 onwards, undertook as bankers to provide advances towards the monthly pay of the Hyderabad Contingent. As a part of the deal, their firm was in turn put in charge of collecting revenue from Berar, the city of Aurangabad and certain districts of Ballaghat "not by way of farm", but on a commission basis. By an adjustment in 1841, they surrendered some districts, together yielding a gross annual revenue of Rs.10 lakhs. But they still retained on mortgage the remaining districts, yielding an annual gross revenue of Rs.13 lakhs, against the outstanding debt. But these districts too were forcibly taken away from them in 1845. On the whole, during the years from 1836 to 1845, the total of the debit side of the dealings amounted to Rs.108 lakhs gross, including the principal sum of Rs.83 lakhs. The earlier customary practice in Hyderabad used to be to

make up the accounts every two or three months and allow a quarterly rate of interest on the balance; this, when compounded, was seldom below 30 per cent per annum. The Meherjis, however, used to charge at first an 18 per cent rate of interest per annum and later only 12 per cent. The mode of advances was drawing bills on branches from time to time. They also set up a mint at Aurangabad for issuing legal tender coins. After the hitch of 1845, when the firm pressed for their outstanding claim of Rs. 41 lakhs, the Nizam's Government procrastinated and, finally, on 7 January 1848 admitted a debt of Rs. 31 lakhs only, exclusive of the advances to other parties on their security. To fulfil their commitments to the Nizam, the firm had earlier raised sums from bankers and other constituents in Bombay, Poona, Surat and other places. Now they all pressed for repayment. The aggregate amount of the firm's own debt to creditors was not more than one half of what the Nizam owed them in 1848. Yet, the year 1847-48 being one of an acute economic crisis, the firm was forced to close its doors in February 1848 in Bombay, Poona, Calcutta, Singapore, Canton and other places. The case of the Meherjis shows how the feudal milieu in a native state could initially help the growth of a firm's trading and usury capital under its patronage and, then, cause its collapse by a sudden withdrawal of that patronage.⁴⁰

There is a general belief that, since they were not associated as dominant landholders with the Mughal administration in Gujarat, the Parsi owners of capital did not develop any special aptitude for acquiring land. This is, however, not borne out by facts. The Baroda Gazetteer (1923) mentions that Parsis held desaigiri of Navsari and Panchol Parganas of south Gujarat as early as the 15th century and continued to hold it under the Mughals and the Marathas. They were also found as revenue farmers in the states of Vansda and Dharampur in south Gujarat in pre-colonial times, according to the Bombay Gazetteer (1880). Ancestors of Dadabhai Naoroji, Naoroji

Fardunji (1817-1885) and Pestonji Jahanghir (b.1831) were known to have received rent-free lands or small jagirs in Gujarat during the Mughal times. Kharsedji Jamsetji Mody (1755-1815) served Peshwa Bajirao II for a few years as the Sar-Suba of the Carnatic. Describing opulent Parsis as "merchants, shipowners and landholders" in 1820, Hamilton observed that there was no bar for a Parsi in Gujarat to become a Gerasia by way of purchases of claims, moneylending or farming-in of land revenue collection rights. Framji Cowasji Banaji and his brother Cursetji Cowasji (1790-1847) in 1830 and three Wadias in 1849 were granted by the British extensive Inam lands in the island of Salsettee. The Meherjis were granted not only land revenue collection rights as we have seen, but also Inam villages. It was therefore not without a reason that the Parsi newspaper, Rast Gaftar, was bitterly opposed to the work of the Inam Commission, and Naoroji Fardunji himself was active before the Commission on behalf of the landed proprietors of Surat in the 1850s.⁴¹

If there had taken place large-scale migration of the Parsis from their traditional villages to towns during the 17th-18th centuries, it only meant that landholding was thereafter concentrated in fewer hands and the peasantry were more differentiated within those Parsi villages. In that case, we could also reasonably assume that it was the higher productivity of a section of the Parsi peasants that had enabled them during famines to come to Bombay as migrants relatively unscathed, as compared to other migrant peasants from Gujarat. After all, the push and pull factors were, more or less, the same for both. Why should the Parsis then preponderate amongst the early migrants to Bombay, if not for this very reason? Many who came must have been viable peasant proprietors and small landlords while in Gujarat.

There is evidence that the Parsis of Bombay were quite keen on acquiring landed properties from an early date. In 1787 Dr. Hove, a Polish traveller, noted that the houses in the Malabar Hills were mostly owned by the Parsis and rented out to the Europeans. When retiring European officers sold their houses, the purchasers were generally the Parsis. Maria Graham also noted in 1812 that almost all European-occupied houses were Parsi property.⁴² That the craze for urban landholding and real estates persisted even thereafter is evident from the few examples, as given above, of Parsi Seths having extensive investments in land and real estates. A few more are given below.

Framji Cowasji, an active member of the Agricultural Society of Bombay, tried to grow silk and a number of other cash crops in his extensive Powai estate that yielded a net revenue of Rs.20,000 per year. His brother, Cursetji Cowasji, owner of six sailing ships, received seven villages from the Government at a rental of Rs.2,708 per year in 1830. He finally purchased this estate in 1843 at Rs.30,000. He also constructed at Colaba the 'Grant Buildings', which later became the property of Kharsetji Fardunji Parekh. Another Banaji and ship-owner, Bairamji Cowasji (1775-1828), took to cultivation in the village Assik which he rented-in from the Government of Bombay at the rate of Rs.800 a year. This kind of land nexus for the Parsis was not totally missing even in a later period. Ratanji Framji Daboo (1846-1908) -- at first a railway employee and postmaster in turn and then a forest and liquor-distillation contractor in the Baroda State -- took up for development 35,000 bighas of Government wastelands in Baroda, against an annual assessment of Rs.50,000. It is also known that Nasservanji Ratanji Tata (1822-86) left behind considerable landed property for his heirs at Navsari. It is true that the "landlordism of the great shetias did not extend far beyond the island" and that the interest some Parsis showed to agriculture during the 19th century was more an exception than the rule.⁴³ Yet the fact

remains that, contrary to general belief, Parsi capital was considerably involved in land and real estates, sometimes even to the extent of wild speculation and wasteful expenditure on country houses and mansions. In 1864, one-fifth of the se enumerated as real estate and house owners in Bombay Island were Parsis.

III

By 1850, the Parsis had already lost their lead in the opium trade after the entry of the Khoja and Jewish traders into the field; and by the 1880s, the Baghdadi Jews took over almost the entire trade. In 1901 Indian opium exports to China amounted to 51,000 chests; however, because of China's stiff resistance, these virtually came to an end by 1912.⁴⁴ Even in the cotton export trade, the Parsis were exposed to an increasingly stiff competition. The first two decades following 1850 saw rapid changes in transport and communications that had led almost to a revolution in the field of commerce. A big increase in the volume apart, there was now speed in the movement of commercial intelligence and commodities, both within and outside the country. For Bombay-based European firms, it was now more convenient to procure raw materials directly from the interior through their own agents, rather than through relatively independent Indian traders. To minimize railways transport cost, they ~~xxx~~ began to establish a network of steam-driven cotton presses in the interior market centres, so that raw cotton could travel in fully pressed form. They also increased their scales of operation since, with the advantages of their intimate contacts with the UK's commodity and credit markets, ^{they} could mobilize the necessary resources to cope with the changing situation.⁴⁵

But in all such vital matters, the Indian firms lagged behind. The European traders continued to enjoy an extra advantage, that of state patronage, since the administration and the public utilities in India were controlled at every level by officers of their own blood. For instance, 86 per cent of India's salaried civil service officers, drawing Rs.500 and above per month in 1887 and 74 per cent in 1913 were Europeans.⁴⁶

From Trade to Industries

Thus the foreign trade in opium and raw cotton after 1870 no more remained the most important fields for money-making for the Parsi traders in general. A recent study has shown how the Indian consignors' share of the total quantum of raw cotton exports from Bombay to Liverpool, the major receiver port for Bombay cotton, sharply came down to 27.8 per cent by 1875 from 55.6 per cent in 1851 and 67.2 per cent in 1861. A number of Indian cotton exporters -- Kharshetji Fardunji Parekh, B.H. Cama and S.N. Nanabhai included -- crashed in the financial crisis of 1865-66. Some of those who survived such as Dinshaw Manekji Petit (1823-1901), Merwanji Framji Panday and N.R. Tata and his illustrious son Jamsetji Nasservanji (1839-1904) -- they all clung to the rising textile industry.⁴⁷

Even as foreign trade in opium and raw cotton was slipping out of Indian hands throughout the late 19th century, the Parsis, along with other western Indian traders, made a bid to spread out into ~~and expand in~~ other fields of economic activities. After the Davars had shown the path, the Petits, the Wadias, the Pandays and the Tatas invested in the textile industry in a big way. As joint-stock companies could now be floated with limited liability under the new legislation, the base of shareholding expanded. Bankers, liquor-sellers, hoteliers, contractors, brokers and commission agents, owners of manufactories, ginneries, cotton presses and shops, even salaried and professional people --

they all contributed towards the capital formation in the textile industry. Hence, profits from China trade alone did not account for all the investments. Take, for example, the case of the Tatas. They were almost ruined by the crisis of 1865-66, but they somehow managed to survive by selling away the real estates. It was the fabulous profits they earned as contractors for military supplies during the Abyssinian War of 1867-68 that enabled them to enter the textile industry and revive their trade with China and Japan by 1872.⁴⁸

The years 1850 to 1918 saw not only a general expansion of trade and modern industries, but also a process of concentration of capital and control and a simultaneous growth of corporations and managing agency houses. In all these, the Parsis played a significant role together with members of other trading communities. The survey of this period has been made in a number of studies and, hence, we need not go into all those details. We shall touch upon only a few Parsi ventures, that too selectively, to the extent these are relevant to some of the debated general issues.

If their artisan background is to be associated with the entrepreneurial success and qualities of the Parsis, one has to look into its impact on the Parsi social outlook in general, rather than search for the artisan roots of the successful entrepreneurs. The Wadias, we noted, failed despite their roots in ship-carpentry, to grow into owners of a modern shipbuilding industry, or even a shipping line. Instead, they became great traders. They enriched themselves in that process and, then, stepped into the textile industry. In Indian conditions, both pre-colonial and colonial, even master craftsmen remained handicapped for shortage of capital which could be amassed only in trade. What was striking in the Parsi society was its density and the co-existence in constant social intercourse therein of numerous artisans and traders. They interacted and, through that interaction, an

entrepreneurial climate emerged. The role of the Bombay Dockyard is significant in this respect. Employing nearly 2000 workmen in 1850, it had created over the preceding decades a skill base that could be drawn upon by the textile and other industries after 1850. Bomanji Warden (1828-85), for example, was an ex-fitter of the Bombay Dockyard who later became a much sought-after mechanical engineer in the textile industry. In the absence of proper skilled personnel even wood carpenters were welcome since their skills as draughtsmen, fitters, pattern-makers, designers and painters, could be adapted to servicing metal appliances with a little effort.

There were also instances of manufactories growing into modern factories. Pestonji B. Press (1854-1930) was born in a coach-builder's family. His Fort Coach Factory, established in 1879, began to build motor car bodies after the advent of automobiles in Bombay early in the 20th century. The coach manufactory that was established in 1808 by P.B. Palhiwalla, on the other hand, closed down for lack of such adaptiveness. The case of Cowasji Howroji Chhoi (1853-1929), a silk trader and manufacturer of Surat, was "a unique instance of a handloom cloth manufacturer who ... rose to the position of an owner of four mills" in the silk textile industry. But the transformation in this case took place not directly and uninterruptedly from the artisan base as such, but via trade. In the face of stiff competition from machine-made products, Chhoi had to close down his silk manufactory around 1873 and begin selling the products of the Sassoon Silk Mill to his Arabian market. Only by 1892 was he able to found his own concern, the Chhoi Silk Mills Ltd. in Bombay and start also a managing agency firm of his own.

Many stepped out of carpetnry works to become entrepreneurs elsewhere. Dorabji Naegaumwalla (1804-82) did not provide the only instance of a carpenter being turned into a big entrepreneur. Another Bombay carpenter, Pestonji Nasservanji Godiwalla (1834-1909), made his fortunes as a contractor, owned a dry dock at Mazagaon for several years and later became a director of the Bombay-Persia Steam Navigation Co. Ltd. Nowroji Nasservanji Wadia (1849-89) provided the example of a foreign-trained mechanical engineer who was later turned into a successful industrialist, controlling three cotton textile mills. Shorabji Shapurji, a foreman of the East India Company's gun and ammunitions factory, established a small iron foundry in the 1850s, with machinery imported from the UK. He also established a cotton gin and a flour mill in Bombay. His foundry, however, just maintained a precarious existence and by 1919 his heirs had become primarily importers of machinery from the UK.⁵⁰

The career of A.B. Godrej (1867-1936) was interesting in another way. He first joined a European-owned solicitors firm after his graduation and, then, started a repair shop for surgical instruments. As the concern did not thrive well he began manufacturing cupboards, drawer-locks and safes and still later, vegetable toilet soaps, printing ink and boot polish. He also developed large soyabean plantations near Nasik.⁵¹ All these instances show the wide range of Parsi entrepreneurship (short of machine-making) and its diverse roots. J.N. Tata perhaps best symbolized the entrepreneurial spirit of the Parsis of the age, with his interest in all round national development. He did not rise from an artisan base, nor did he belong to an aritsan lineage.

We shall now resume, for a summing up, the discussion on the causes of the Parsi success to 1910. It was a combination of factors and a conjuncture of favourable circumstances that had led to this success. Together with other Gujarati trading communities, the Parsis shared the

advantages of belonging to the economically most advanced region of India. In contrast to another advanced region, Bengal, they also shared in common the advantages arising from the fact that the belated British imperial expansion in western India allowed for large-scale survivals of pre-British administrative structures. As a result, the numerically less imposing presence of Europeans in the Bombay Presidency was a boon for them. Two stray figures may be cited here as evidence. According to an official return ordered to be printed on 25 February 1830, the Company's European civil servants -- military and medical officers as well as convenanted assistants -- all of them together numbered only 237 in the Bombay Presidency, as against 731 and 338, respectively, in the Bengal and Madras Presidencies in 1827. In 1828, there were altogether only 286 private Europeans in Bombay as against 1595 in Bengal and 116 in Madras; the corresponding figures for 1815 were 240, 1100 and 115. Surely, because of these reasons, colonial capitalism was forced to leave more room to its partners in empire in western India than in eastern India. 52

That colonial intervention faced a bigger challenge from the traditional business communities in western India than in eastern India is largely to be explained with a reference to the difference in their respective cash-cropping patterns. Western India's major cash crop had a developed all-India market since the medieval times. Its further expansion in the modern times could not have been achieved otherwise than on the basis of accommodating the old market links under the compelling circumstances. But in eastern India, old cash ^{-crops} like silk and sugarcane declined early because of not only the competition of foreign products, but also intervention in production by the East India Company and privileged European private traders. Indigo since the late 18th century and low-land jute since 1850 were the new cash crops growing there under the shadow of British capital. These had extremely limited linkage effects as compared to the cotton of western India.

This was because of the nature of those crops, their market channels and the absence of a pre-existing traditional trade network for them. When Bengal's sugarcane cultivation got a new shot on its wings after 1784, its earlier traditional trade network had already been knocked off.

If the Parsis had an edge over other trading communities of western India, or if they had better adjusted themselves to the situation, the reasons are to be sought in the exigencies of circumstances, rather than in their intrinsic qualities and religious value-system. For example had the religious value-system or caste considerations been the crucial determinant, how is it that a Parsi was associated with an iron foundry as early as 1852 and that the establishment of India's biggest iron and steel industry awaited another Parsi who had his roots in a priestly lineage? One could still argue that such cases were an exception to the general rule. But that there was an early and total transformation in the attitude of the Parsis to 'the defilement of fire' and sea voyages could not at all be explained by this kind of vulgar sociology.

Compradors or Nationalists

If there was any difference between the business behaviour patterns of the Parsis and the non-Parsis, this was one of degree and not of kind. Neither the community feeling nor the collaborative attitude to colonialism was an exclusive monopoly of the Parsis. In business and politics, community and class feelings coexisted with one another -- not always parallelly, but often, also interlaced and dovetailed -- among the rising capitalists of all Indian communities. Similarly, even while collaborating with foreign capital and the Raj, both the Parsi and non-Parsi capitalists played also an oppositional role. C. Dobbin's "Shetias" and "intellegentsia" were but two sections of the Bombay-based contingent of the Indian bourgeoisie. Their conflicting attitudes were not only a

reflection of their diverse sectional interests, but also of opinions regarding what long-term policy the class should stand for. Even Dobbin does not fail to conclude that, irrespective of ethnicity, the Bombay "Shetias" and the intellegentsia were coming increasingly closer, as the educational gap between the two began to narrow down and a new interest in the cotton industry developed.⁵³

Colonial discrimination made no exception of the Parsis. The restrictive Navigation laws had been relaxed for a brief period during the Napoleonic Wars to enable Indian ships to carry goods to Europe. Within that brief period, the Indian shipping and ship-building industry made a big advance, with orders from the Royal Navy and private traders at home and abroad. Had this climate continued and state patronage extended, a breakthrough in this industry could have been possible. After 1850, the UK's navigation laws and protective tariff were no more there. Her mature economy and new imperialism no more needed them. In the age of the railways and steam ships, the Indian Marine Service and its Bombay Dockyard were abolished, and no state patronage was provided to make a transition to manufacture of steam ships with iron bottoms possible. In fact, all old-type dockyards, manufactories, and even a modern concern like Heathe's iron works (in south India), were allowed to perish when the railways construction drive could have actually brought them under its protective wings. But colonialism was not permissive of this kind of induced development.

If the Parsis were the beneficiaries of British rule, they were also victims of its policies, since British monopoly capitalism would not tolerate rivals in the same market. Take the bitter experience of the Tatas, for example, in the field of shipping. The new shipping line they established with Japanese collaboration in 1894 to carry goods between India and the Far East had finally to succumb to a fierce war

of rates launched by the P & O Company. The latter went so far as to offer even free carriage of cotton to Japan. Indeed, Tata's fate was no different from that of Chidambaram Pillai or of D.N. Tagore whose fledgling shipping ventures in Indian waters were crushed about the same time and in the same way by British monopoly capital. In fact most of India's 102 navigation companies, registered between 1860 and 1925, had to go into liquidation under similar pressures.⁵⁴

In such a setting, the Parsi capitalists were as much or as little nationalists as their counterparts in other trading communities until 1918. Both were under the spell of moderate politics, until peasant nationalism began to make an impact on bourgeois politics since then. In any case, as Dobbin noted, there was a transcending of local and communal concerns. Parsi and non-Parsi bourgeoisie were together involved not only in partnerships, joint-stock companies and chambers of commerce, but also in the Bombay Association (1852-79), the Bombay Millowners' Association (estd. 1875) and in the Indian National Congress (estd. 1885), at least in its moderate phase. When Dadabhai Naoroji, D.E. Wacha (1844-1936) and Ferozeshah Mehta (1845-1915) gave leadership to the Congress, S.S. Bengali (1831-93), Nowroji Pardunji and B.M. Malabari (1853-1912) devoted their attention to social reforms movements of an all-India dimension. The Parsi contribution to the modern Gujarati literature, too, deserves a special mention. The cotton duty controversy reflected an economic nationalism that was shared by all sections of the bourgeoisie. Dadabhai's exposure of the colonial drain was intellectual food even for the extremists. Hence, the Moderates' policy of tactical collaboration was not totally devoid of an oppositional role. It only revealed that this role was played with all the vacillations of a weak, yet-unconsolidated bourgeois.

Let us see, in this context, what role the Tatas played. If Dadabhai Naoroji was a pioneer of the ideology of economic nationalism in India, Jamsetji Tata and his sons gave it a tangible form through the founding of an iron and steel industry against all odds and through their promotion of the cause of electrification, technical education and science. Politically, Jamshetji had a dual role. "Through their peculiar position", he publicly declared, the Parsis had "benefited more than any other class by English rule, and ... their gratitude to that rule is, as it ought to be, in due proportion to the advantage derived from it ...".⁵⁵ Yet he was surely a nationalist, who remained close to the Congress through his contacts with Dadabhai and D.E. Wacha. That one of the textile mills of the Tatas was named after the Empress and another was named 'Swadeshi' signifies how tactical considerations dominated their nationalism and politics. Jamshetji's heirs too maintained close links of finance and friendship with the Congress and profited from the Swadeshi movement.⁵⁶ They stood for a smooth transfer of power through a compromise with British imperialism and thus reflected their own class character like the Birlas.

Many more Parsi capitalists maintained their links with the national movement, however tenuous and transitory those might have been. S.R. Bomanji, B.P. Wadia and J.E. Petit -- all of them rich -- were actively in the Home Rule movement, and Petit was amongst the financiers of the Swarajists in 1924. A.B. Godrej, whose entrepreneurial zeal owed much to Gandhian influence, was a big donor to the Tilak Swaraj Fund. Sir Ness Wadia, the textile magnate, too, was known to have funded the Swarajists in return for their support on the fiscal question. When, despite a boycott call, the wealthy Parsis voted the Prince of Wales an address of welcome in 1921, as many as 1,500 Parsis signed a protest document. Men like K.F. Nariman, S.D. Saklatwalla and Madame R.K. Cama contributed consistently even to left nationalism. It is true that only a minority of the Parsis came out in support

of the national cause and that this support was often ambivalent, hesitant and conservative.⁵⁷ But was the political behaviour pattern different in the case of other Indian business communities like the Khojas, the Bohras and the Marwari Banias ? Surely there was a difference, but it was one of degree, rather than of kind; and it was increasingly perceptible only after 1918. Parsi enterprise declined in significance after the crisis of 1929. Economic problems apart, the Parsis were by then increasingly facing many social problems of their own creation. These resulted from such things as their easy access to the Parsi Panchayat-controlled institutional charity, their inbreeding, their self-imposed checks on population growth and their high degree of Anglicization.

Today the community is seized seemingly with a sense of rootlessness, despite their basic Gujarati-linguistic identity. They took more than their due part in India's nation-building activities once. They nonetheless failed to integrate their community fully with the emergent nation at large. Their disproportionately large presence on all-India platforms of the Congress movement until about 1906 could be envied by the Khojas, the Bohras or even the Marwari Banias. They migrated to the west from time to time in considerable numbers, yet significant numbers remained to conserve a distinct Parsi community in India. In this respect they have been quite unlike the Indian Jews and Armenians.

FOOTNOTES

1. D.R. Gadgil. Origins of the Modern Indian Business Class : An Interim Report (New York, 1959), pp.i-iii and 16. Gadgil did not fail to note that the Indian business communities continued to form an integrated economic pattern and that the activities of any of them could not be studied in isolation from that totality. Yet, he confirms his earlier 1951 finding that historically, the members of the different communities did not "show a similarity of behaviour patterns or a degree of social cohesion which would justify their being called members of one business class".
2. We have dated estimates - whatever their worth -- of the number of Parsis in various towns before and after 1850. For example, the number of the Parsis in Bombay was estimated at 29,000 in 1844. It was censused at 49,201 in 1864 and 44,091 in 1872. For Surat, this number was 13,200 in 1807, 10,000 in May 1816 and 6,500 in 1872; for Broach, 3,101 in 1807 and about 2,000 in 1872. Amongst other sources, W. Hamilton, A Geographical, Statistical and Historical Description of Hindostan and Adjacent Countries (London, 1820), Vol.I, pp.616 and 722.
3. Economic and Political Weekly, Vol.5, 29 August 1970 and *ibid*, 28 November 1970, respectively. We raised some of the relevant issues also earlier in another paper entitled "Why industrial revolution did not take place in India? - a note for discussion", forming a part of the unpublished proceedings of the Seminar on Problems of Social and Economic History (Aligarh Muslim University, 16-20 December 1968). I make a mention of this working paper, even though unpublished, since it has been widely commented upon by V.I. Pavlov in his Historical Premises for India's Transition to Capitalism: Late 18th to Mid-19th century (Moscow, 1979) pp.27-31, 232-3, 243, 290 and 332-51.
4. Quote from A. Das Gupta, Indian Merchants and the Decline of Surat c. 1700-1750 (Wiesbaden, 1979), p.2.
5. Imperial Gazetteer (New Edn.), Vol.18, pp.423-5; Hamilton, n.2, p.615; John Fryer, A New Account of the East India and Persia, Being Nine Years' Travels, 1672-81, Vol.1 (London, 1909), p.295.

The strain of cattle, mentioned by Fryer appears to be what, according to Imperial Gazetteer, was known as 'hedia' in Navsari Prant. It can be identified with the famous Kankrej breed, also known *inter alia*, as 'Wadhia'. This breed originated in the south-east of

the Rann of Kutch amongst professional semi-nomadic cattle-breeders. Later it spread across Gujarat and was highly prized for draught and milk purposes, particularly, in the neighbourhood of Surat and Baroda. See B.L. Kaura, Indian Breeds of Livestock (Lucknow, 1952), p.16. That Fryer did note a special association of the Parsis with this cattle breed is significant, while his belief about its origins may be overlooked. I am indebted to H. Guha, Director of Animal Husbandry, Government of West Bengal, for drawing my attention to the last-mentioned source.

6. The mechanism of converting the surplus output, extracted from agriculture as rent, into commodity was varied and complex. Even in cases where the peasants paid their taxes in kind, the quantities of agricultural produce so extracted went largely into market circulation, rather than directly into consumption. In fact, in the later part of Aurangzeb's rule and under the Marathas, the peasants were asked to pay their dues in kind in Gujarat.
7. For example, the Tili caste in Bengal was split into two castes -- one specializing in the processing of oilseeds and the other specializing in the trade of oil and general trade. Similarly, the weaving caste of Bengal was also split into one of yarn and cloth traders (basak) and another of weavers (tanti).
8. E.Kulke, The Parsees in India (Delhi, 1974), pp.48-49; Hamilton, Vol.I, n.2, p.614.
9. Manucci's observation, "these people have made a vow never to go upon the sea", quoted in B.G. Gokhale, Surat in the Seventeenth Century: A Study in Urban History of Pre-Modern India (Bombay, 1979), p.38. Taboos regarding cooked food made long-distance sea voyages difficult for the Parsis, as in the case of the Hindus. For the other point, Hamilton, n.2, p.615; also, Kulke, n.3, pp.55, 79n and 106n.
10. J. Davies, trans., The Voyage and Travels of J. Alber de Mandelslo (London, 1669), p.59; Gokhale, n.9, pp.37-38 and 81; Alexander Hamilton, A New Account of the East Indies in V.J. Pinkerton, ed. Voyages and Travels in All Parts of the World, Vol.3 (London, 1811), p.320.
11. Abul Fazal, Ain-i-Akbari, Vol.II (trans. from Persian, Calcutta, 1949), p.262. The Parsi association with the oil can be inferred from the Parsi character of the town mentioned, and the fact that an ancestor of Dadabhai Naoroji from the same town won special favours from Nur Jahan in 1618 for his skill as a perfumer.
12. Indrani Ray, Of Trade and Traders in Seventeenth Century India: An Unpublished French Memoir by George Roques (Mimographed Occasional Paper No.26, C3550, Calcutta). p.48.

13. J. Ovington, A Voyage to Surat in the Year 1689 (H.G. Rawlinson, ed., London, 1929), pp.216-22. Another European traveller during the 16th century also noted the presence of an "inclination for hard work" amongst the Parsis. See Kulke, n.8p.30n.
14. Ovington, n.13, p.166; Gokhale, n.9, pp.90-91 and Surendra Gopal, Commerce and Crafts in Gujarat 15th and 17th Centuries (New Delhi, 1975), pp.214 and 215n.
15. Quotes from Fryer in Gokhale, n.9, pp.38-39.
16. Ibid, p.122; Gopal, n.14, pp.103, 184 and 206 and Das Gupta, n.4, pp.38, 278n and 81n; Om Prakash, The Dutch East India Company and the Economy of Bengal 1650-1717 (Unpublished Ph.D. thesis, Delhi School of Economics, 1967), p.471 and Appendix F (Tables 1 and 2) containing an analysis of the Hughli and Balasore shipping lists. Of the 215 non-European ship-owners' names entered for 1681-1718 in the Hughli lists, only two could be identified by him as Parsis, as against 33 as Hindus and 180 as Muslims. There was no Parsi name amongst the one hundred entries in the Balasore shipping lists for the same period.
17. W.H. Coates, The Old Country Trade of the East Indies (London, 1911) p.56; K.N. Banaji, Memoirs of the Late Framji Cowasji Banaji by His Great Grandson (Bombay, 1892), pp.6-8; D.F. Karaka, History of the Parsis, Vol.II (London, 1884), pp.54-55; Holden Furber, Bombay, Presidency in the Mid-Eighteenth Century (Bombay, 1965), p.4 per information on Naoroji Rustomji's purchase of 12 pewter distilling worms and 3 small stills. In 1737 Naoroji was once more back in Surat as the English Company's broker.
18. As analyzed and tabulated by Kulke, n.8, pp.51-54.
19. W. Foster, ed., English Factories in India (1646-50), pp.157 and 255 and ibid (1655-60), pp.76 and 162 cited by Gopal, n.14, p.225. The Bohras were originally a peasant community.
20. See n.18. For evidence on the low remuneration and oppression of weavers see Pavlov, n.3, pp.234-37. The weavers were completely dependent on their muquaddams, through whom they received advances.
21. Quote by Pavlov, n.3, p.334; also source mentioned in n.49 below. Pallonji Bomanji Palkhiwalla's carriage manufactory, established in 1808 with an initial capital of Rs.500, was a going concern till the end of the 19th century; some of its European-type coaches used to have a foreign market. The first manufactory to produce a new type of bullock carts, designed by a British revenue survey officer (Lt. Gaisford), was set up with the help of a Parsi at Timbaurni in Sholapur district.

22. W. Hamilton, East India Gazetteer, Vol.I (London, 1828), p.261; Hamilton, II (1820), n.2, p.155; R.A. Wadia, The Bombay Dockyard and the Wadia Master Builders (2nd edn., Bombay, 1957), p.170; evidence of John F. Mitchel in Minutes of the Evidence Taken before the Select Committee of the House of Commons on Petitions Related to East India Built Shipping (PP. No.115, London), pp.527-41.
23. Sources mentioned in n.22. In Surat during 1720-50, a master ship-carpenter's daily wage was one silver rupee, usually equivalent to 64 copper pice, as against 40 pice for other ship-carpenters and 28 pice for ordinary carpenters. Das Gupta, n.4, p.44.
24. Pavlov, n.3 p.331.
25. Wadia, n.22, p.170.
26. Ibid, p.69; Maria Graham, Journal of Residence in India (Edinburgh, 1812), p.44-45; for bio-data of the Wadias, H.D. Darukhana walla, Parsi Lustrc on Indian Soil, Vol.I (Bombay, 1939), pp.84-85 and R.A. Wadia, Scions of Lawji Family (Bombay, 1964).
27. Wadia, n.26, pp.48-52; Banaji, n.17, pp.18-19; B.B. Kling, Partner in Empire: Dwarkanath Tagore and the Age of Enterprise in Eastern India (University of California Press, 1976), pp.63 and 90-91; Mrs. Postans, Western India in 1838, Vol.I (London, 1839) p.122; Christine Dobbin, Urban Leadership in Western India : Politics and Communities in Bombay City 1840-1885 (Oxford University Press, 1972), pp.14, 18, 22-23 and 54.
28. For the bio-data, Wadia, n.26, pp.42-65; Darukhanawalla, n.26, pp.316-17; C.R. Low, History of the Indian Navy 1613-1863, Vol.I (London, 1877), pp.278 and 298.
29. Amalendu Guha, "Raw Cotton of Western India: Output, transportation and marketing 1750-1850" in Indian Economic and Social History Review, Vol.9, No.1, pp.2-4 and 33-34 (appended statistics); Compilation Group, The Opium War (Peaking, 1976), pp.8-9 and 37; for the data on ships, C.N. Parkinson, Trade in the Eastern Seas 1793-1813 (London, 1937), p.336; Karaka, n.17, Vol.I, pp.xx-xxi; on opium, Imperial Gazetteer, Vol.3, n.5, p.244.
30. Bombay Cotton Committee, 1847, cited in Guha n.29, pp.9-12, 28 and also, pp.33-34. For the 1833-34 to 1845-46 period, we have overlooked the quantitatively insignificant raw cotton exports from the port of Cochin.

31. EPW, 29 August 1970, n.3. During the period, it was difficult to determine the ownership of a ship from the declared owner's name, since ships were often jointly owned by European and Parsi firms and frequently changed hands; the declared owner was not always the sole or even the real owner. So was the case with the consignments. Yet, the limited data that are available, suggest that the Parsi firms had an edge over their European rivals until the Opium War.
32. Guha, n.29, p.19. The information that majority shares were held by Indians in the Bombay Insurance Society in 1852-55 and in the Apollo Press Company in 1848 is supplied by A.K. Bagchi. His source is Sir Jamsetji Jijeebhoy Papers, Vol.44 (Bombay University Library).
33. Evidence of W. Prideux in Report from the Select Committee on the Growth of Cotton in India together with the Minutes of Evidence, Appendix and Index (PP. No.511, London, 1848), p.47.
34. Darukhanawalla, n.26, pp.10-12 and 437; Banaji, n.17, pp.15-19 and 40-43; Pavlov, n.3, pp.329-30; Dobbin, n.27, pp.13-18 and 22; J.C. Bagal, "Rustomjee Cowasji" in Modern Review, Vol.54, No.1, July 1933.
35. Wadia, n.26, pp.67-69 and 92-116; Darukhanawalla, n.26, pp.84-87, Times of India, 21 July 1885.
36. Karaka, II, n.17, pp.132-33 and 140-41; G.A. Natesan (comp.), Famous Parsis (Madras, 1930), pp.1-19 and 45-56; Darukhanawalla, n.26, pp.93 and 340-41; Dobbin, n.27, pp.14, 18 and 54.
37. Coates, n.17, pp.159-60 and 203; R.S. Rungta, Rise of Business Corporations in India 1851-1900 (Cambridge University Press, 1970) pp.43n and 92; Gazetteer of Bombay City and Islands, Vol.I, p.393 and Bagchi, n.46 below, pp.263n and 350-1.
38. For quotes and the information, C.N. Cooke, The Rise, Progress and Present Conditions of Banking in India (Calcutta, 1863), pp.141-42, 329-36 and 342; Wadia, n.26 p.113; Darukhanawalla, n.26, pp.340-41; Rungta, n.37, pp.19n and 38n; Dobbin, n.27, p.18.
39. Viccajee Merjee and Pestonji Merjee: Copies of All Papers Relating to the Case of Viccajee Merjee and Pestonji Merjee, British Subjects and Parsi Inhabitants of Bombay and Hyderabad (PP. 996, House of Commons, London, 20 August 1853), pp.6-10, 31-38, 50, 86-92 and 104-13; Guha, n.29 pp.8-9.
40. The same as n.39. The Meherjis were also involved in the China trade and had ships. Two members of the family paid a short visit to UK in 1851 in connection with their dispute with the Nizam.

41. Dobbin, n.27, pp.96-97; Pavlov, n.3, pp.226 and 331; Darukhanawalla, n.26, pp.101-02; Hamilton, I, n.2 pp.607 and 615. My attention to Baroda Gazetteer, Vol.2 (1923), p.698 and Bombay Gazetteer, Vol.6 (1880), p.247 on the relevant points was drawn by David Hardiman who was kind enough to check these for me.
42. For Dr. Hove's comments, Selections from the Records of the Bombay Government (No.16, New Series, Bombay, 1855), p.8; Graham, n.26 pp.44-45.
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