

Sheth
Bankrolling Empire

Bankrolling Empire

Family Fortunes and Political
Transformation in Mughal India



Sudev Sheth

CAMBRIDGE

The Mughal Empire

Land based agrarian polity, 16–18th centuries



Fatehpur Sikri, a
capital city, 1573



Taj Mahal, a
mausoleum, 1632

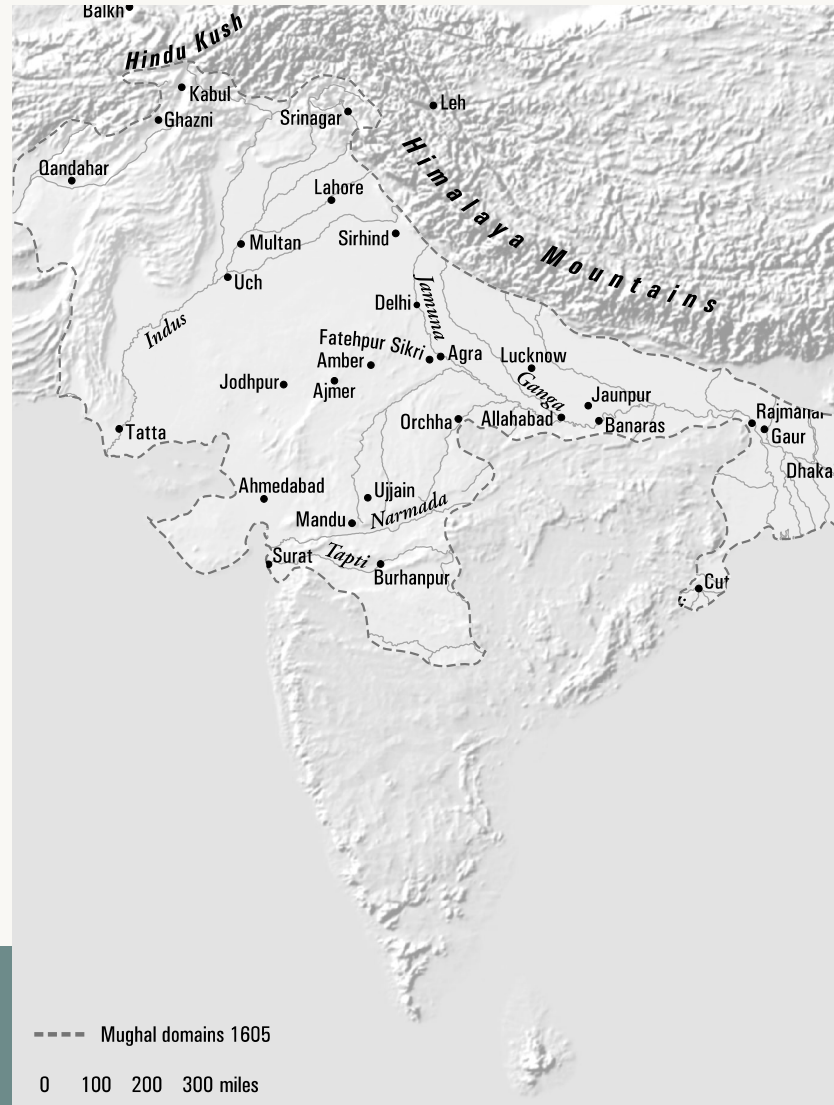


Akbar & the
Jesuits, c. 1580s



Imperial feasting &
music, c. 1600s

The Mughal Empire, c. 1605

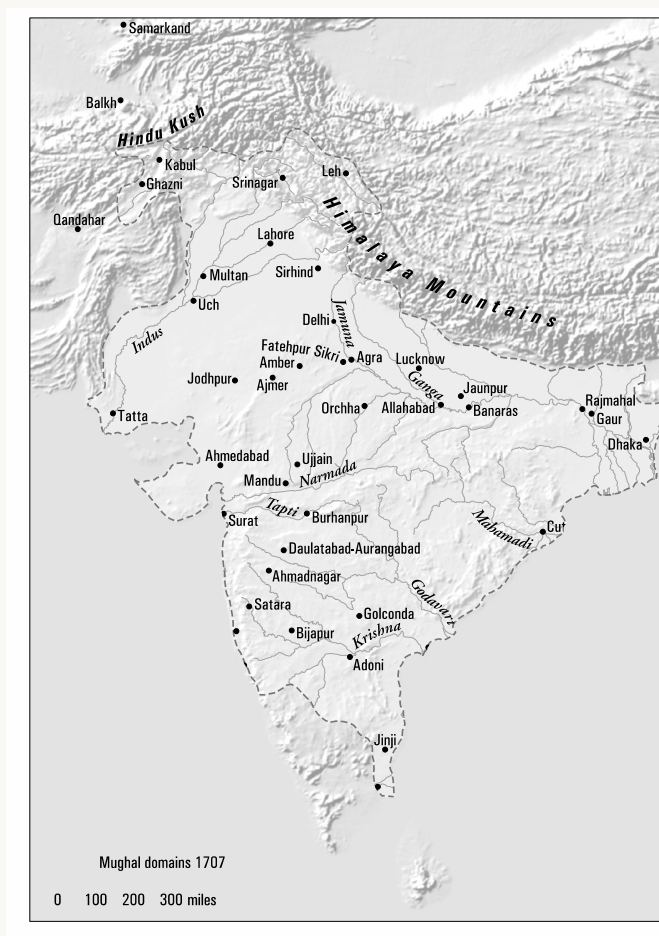




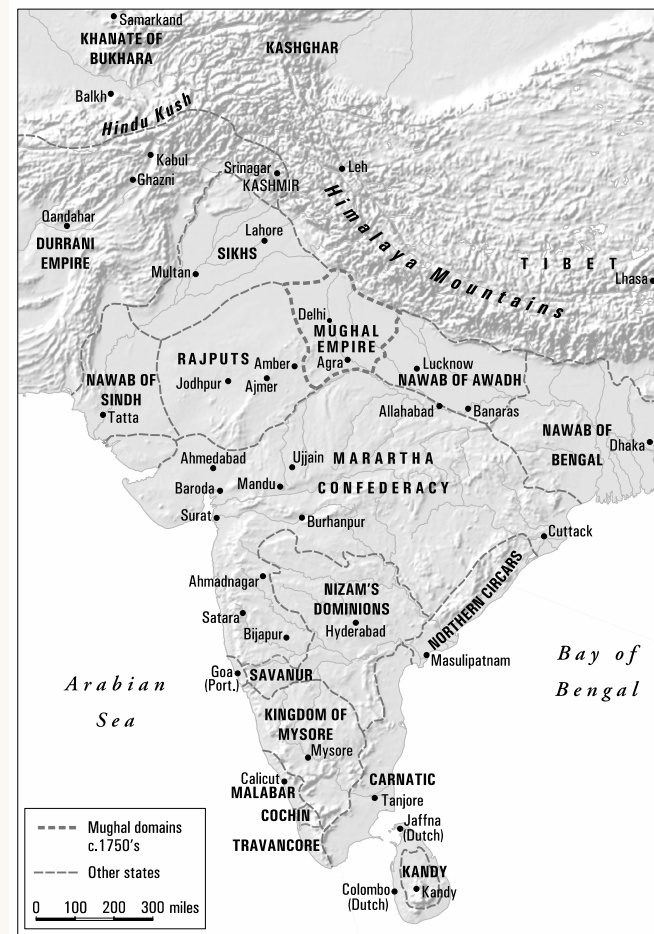
the questions

How did localities experience a deteriorating Mughal administration?

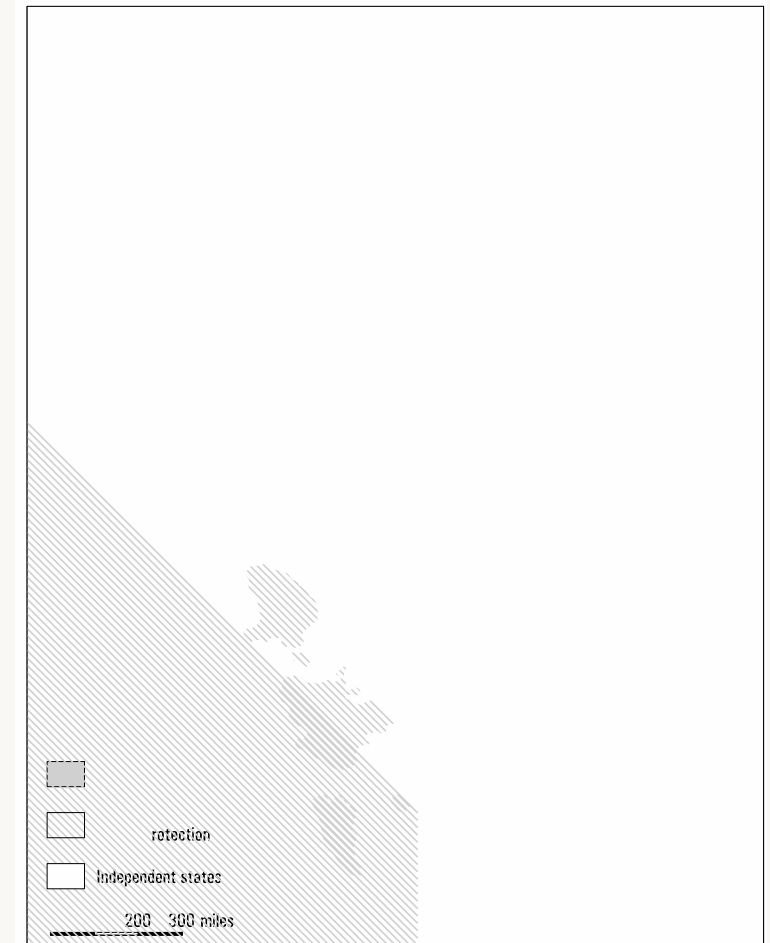
What processes enabled regional warlords, and then leaders of the British East India Company, to become significant nodes of public authority in its wake?



India
1700S



India
1750S



India
1810S

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the Jhaveris



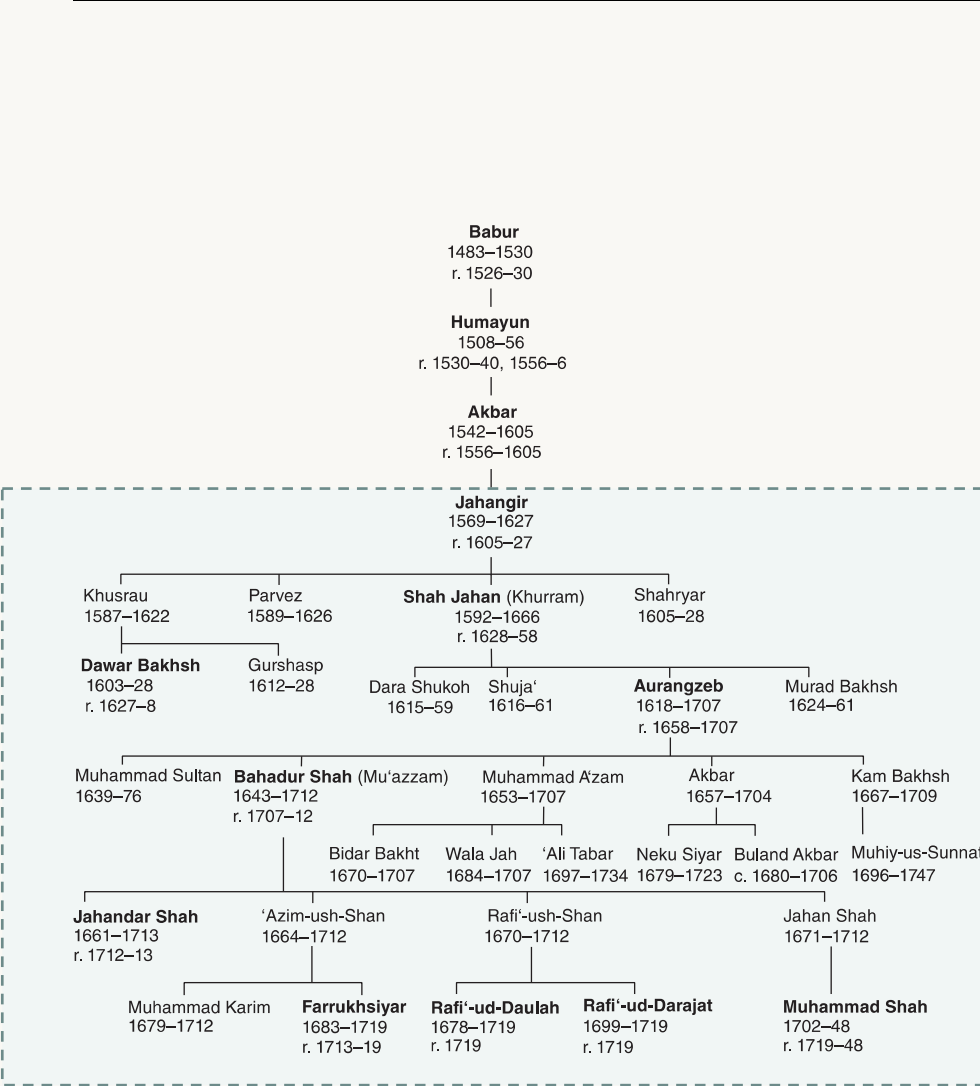
Shantidas Jhaveri, 1580-1659



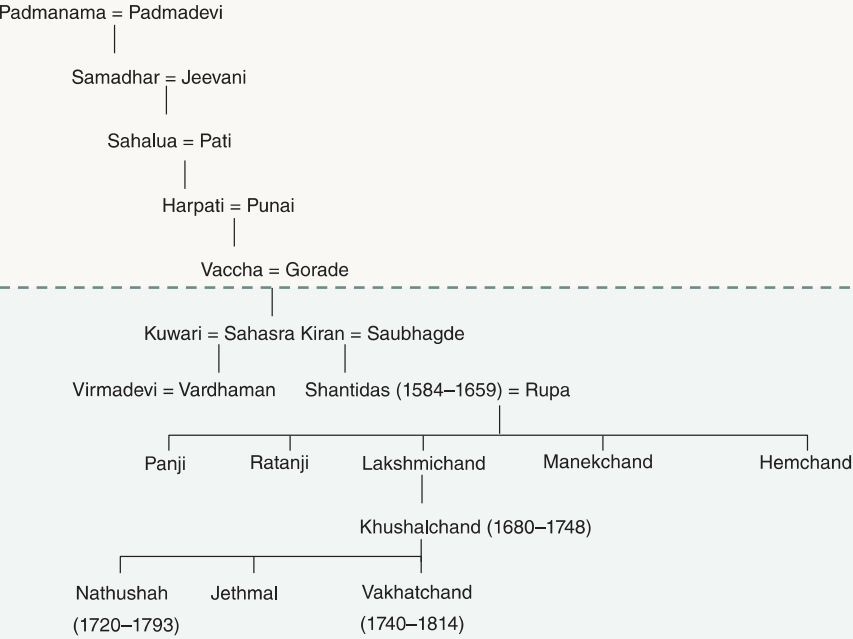
Khushalchand Jhaveri, 1680-1748
Shantidas' Grandson

the characters

Mughal Family Tree



Jhaveri Family Tree



‘શ્રી ચિંતામણિ-પ્રશસ્તિ’ની હસ્તપ્રતનું ‘ત્રીજું’ પાનું (શ્લોક ૩૧થી ૫૫)
(જુઓ પૃ. ૮૪થી ૮૭, પૃ. ૧૦૨ અને પૃ. ૨૧૧થી ૨૧૩)

[illegible][illegible]

Cintāmaṇi Praśastiḥ by Vidya Saubhagya (Sanskrit, 1640)

‘શ્રી ચિંતામણિ-પ્રશસ્તિ’ની હસ્તપ્રતનું ચોથું પાનું (શ્લોક ૫૫થી ૮૬)
(મુદ્રો ૫૦ ૮૪થી ૮૭, ૫૦ ૧૦૨ અને ૫૦ ૨૧૧થી ૨૧૩)



Itimad Ali Khan's Diary, 1717-1727, Persian, 489 ff. - Bodleian, Oxford

progression of argument

changing relations between state power & business elites over time

1

Courtly Mutualism

2

Political Commensalism

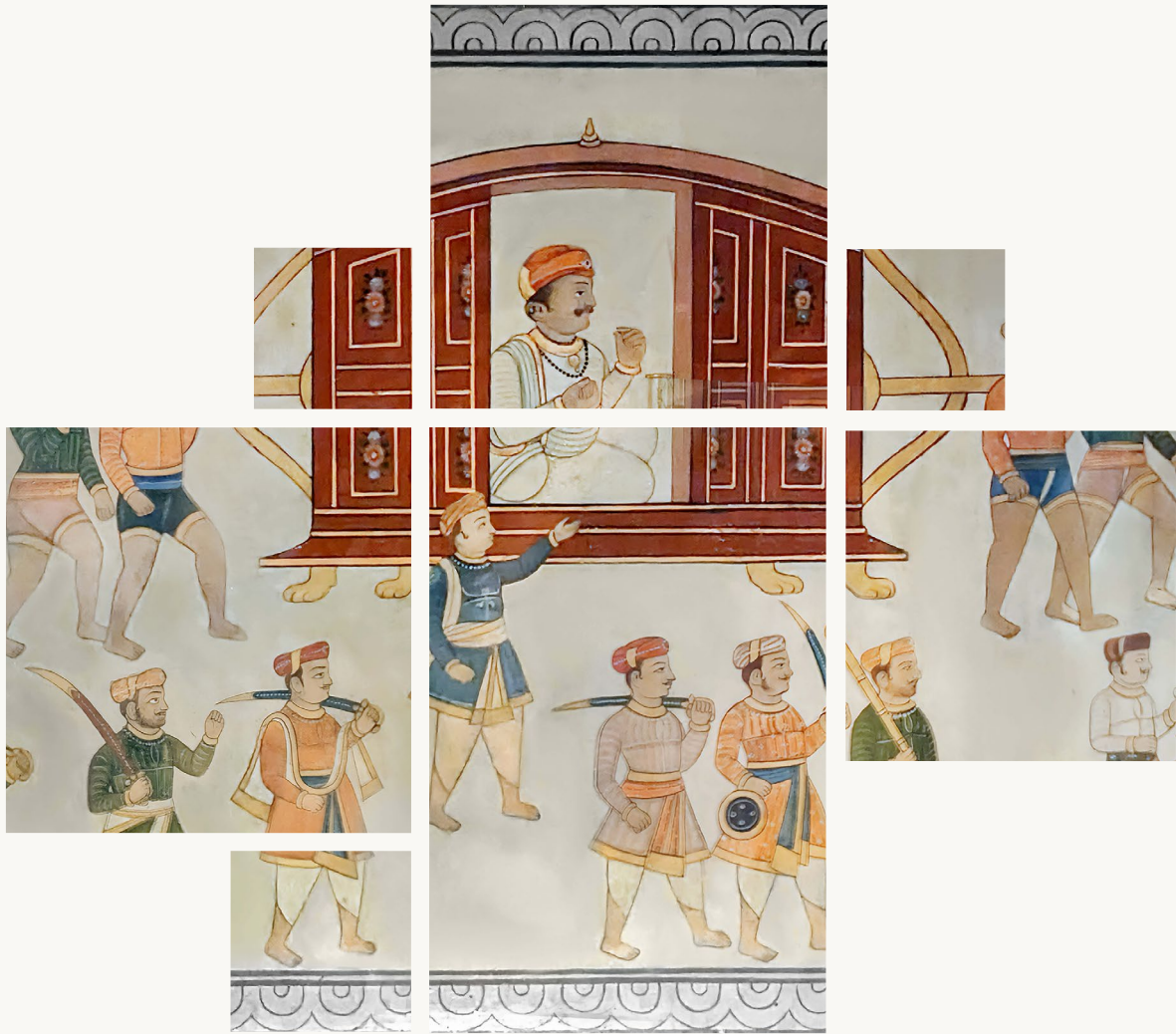
3

Expedient Extortion

4

Competitive Coparcenary





In the process of Mughal dissolution, bankers were first implicated, then extorted, and then finally adapted to new political circumstances to not only grow their business, but also use the power of finance to shape political possibilities.

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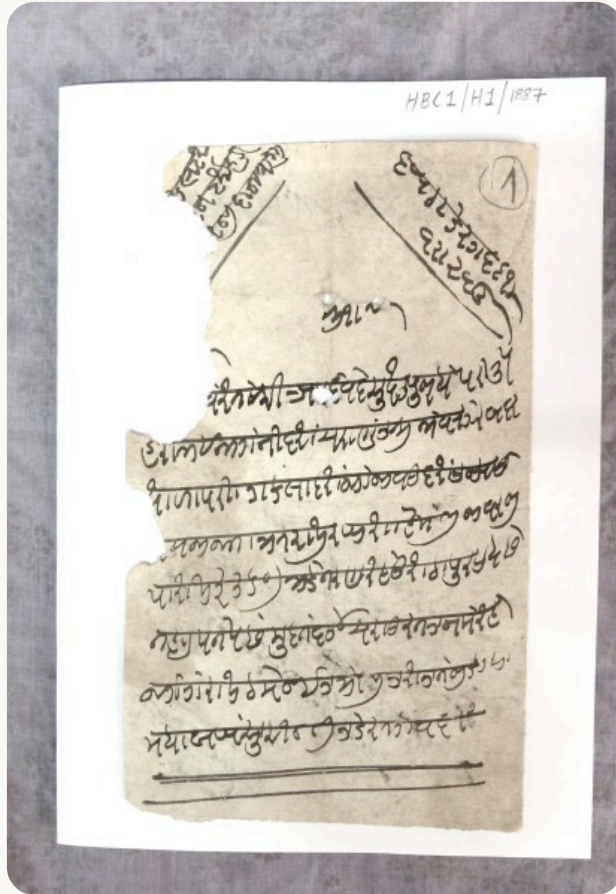
CAMBRIDGE



Paperback available for order.

Began journey with banking papers, 18–19th centuries

Gujarat



the sources & methods

Gujarati

Ganim no Pavado, 1706
Rustam no Saloko, 1725
Haribhakti Papers, 1762-1908
Rajasagar Suri Ras, 1666

Persian

Imperial Farmans, 1565-1662
Mirat-ul Haqaiq, 1717-27
Ijarah Documents, 1626-1743
Mirat-i Ahmadi, 1761
Ma'asir-ul Umara, 1780
Tarikh-i Dilkasha, 1707
Futuhāt-i Alamgiri, 1701

Sanskrit

Cintamani Prasasti, 1640

Marathi

Baroda State Archives, 1720-1850
Peshwa Daftar, 1700-1900

French

François Bernier, 1656-1668
François Martin, 1664-1670
Georges Roques, 1676-1691
Jean-Baptiste Tavernier, 1676
Jean de Thévenot, 1665-1684

Other

Niccolao Manucci, 1699-1709
John Albert Mandelslo, 1638-1640
English Factory Records, 1615-1684
Dutch Factory Records, 1617-23

the sources & methods

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Methodological challenges

- sources
 - State-produced vs. Private archives & collections
- technique & challenges
 - identifying, translating, and analyzing 'financial' data embedded in poetry & prose
 - numerical values and what they represent in premodern texts
 - working across different languages and genres of evidence ("inter-genre commensuration")
 - juggling uneven data across a century
 - E.g., Regional polities and the early colonial state produced vast paper documentation starting in the 1750s, but for the earlier period, we do not have the same velocity or kinds of data.

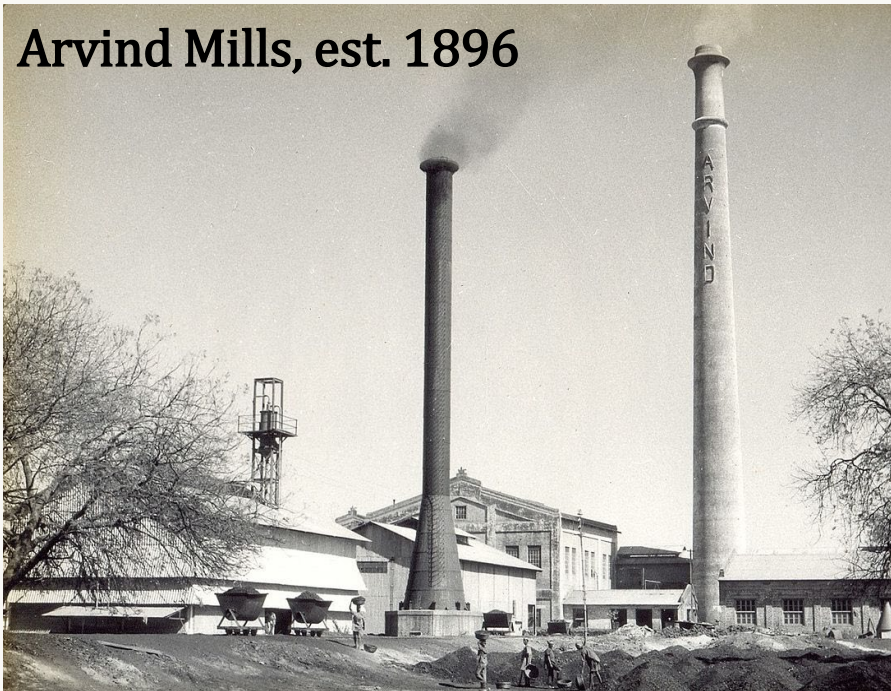
the Jhaveris

now



Arvind
STAY TRUE. STAY NEW.

Arvind Mills, est. 1896



JRD Tata

Kasturbhai Lalbhai

Arvind Mills, 2017



Sanjay Lalbhai & Sons

Simplified Tree of the Shantidas Jhaveri Family:

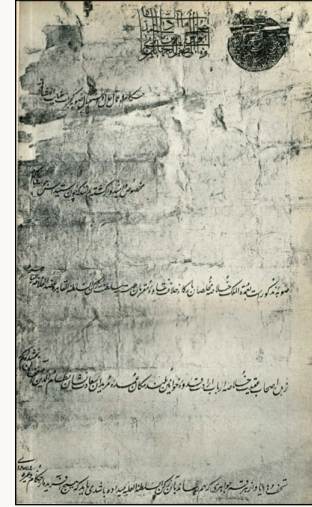


the progression of argument

Phase 1

Courtly Mutualism: The Emperor's Jeweler Shantidas, 1628–1658

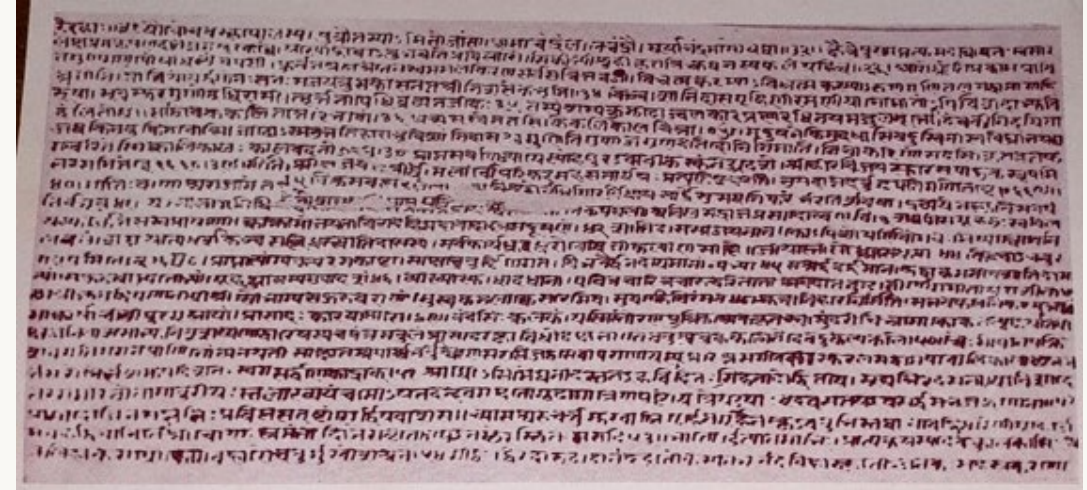




the present and future Governors and Officers of the Gujarat province, being favored with and hopeful of royal kindness, should know that Shantidas Jhaveri, a resident of that province, has been placed under the protection of the pillar of the state (*'umdatu 'l-mulk*) under Asaf Khan, the choicest of the devoted servants of the court of the caliphate, the cream of the devoted, the choicest of the faithful servants, the model of exalted Khans, and the best of the fortunate disciples and organizer of the faith, so that Shantidas should offer gifts and presents (*tuhfa va hadāyā*), and every type of jewelry he can procure (*har qism jauhari ke ham rasānad*) to the exalted Empire. No governors should interfere in his business (*dar saudā*)...[incomplete].¹³⁴

Let him, that man, the one who is a treasure house of wealth and repeatedly receives the support at the court or assembly of emperors, He (Shantidas) is made powerful by the favor of kings who are blazing with their wild horses and rutting elephants. (Shantidas) who undertook the establishment of public works and took away calamities that made people unhappy, may he be victorious for a long time, He is the shining jewel which radiates in the city of Ahmedabad. (42)

In order to lead him towards words which were true, beneficial, and desirable, for the sake of the Universal Kingdom (*sāmrājya*), on that date 1684 V.S. (1627) he (Shah Jahan) displayed his favor in the form of horses, elephants, and gifts, onto the shining (little) kingdom (*rājya*) of that Shantidas. (61)



the progression of argument

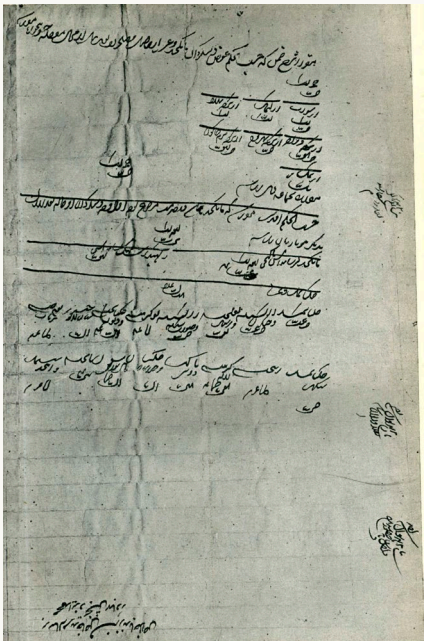
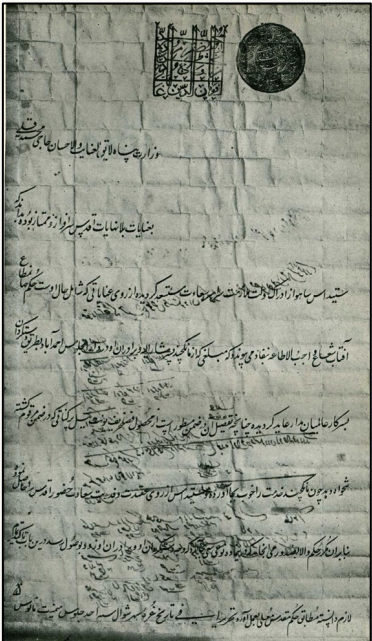
Phase 1

Courtly Mutualism: The Emperor's Jeweler Shantidas, 1628–1658

Phase 2

Political Commensalism: Manekchand and Bankrolling Bids to the Throne, 1658–1707

FARMĀN OUTLINING
TERMS OF JHAVERI
LOAN TO PRINCE
MURAD BAKHSH, 1658



Be it known to Haji Muhammad Quli (Murad’s eunuch deputy in Gujarat), Shantidas the banker (sāhu) who, with his own maturity (idrāk), made himself fortunate by providing services out of kindness and good nature. An order, acknowledged by the world, radiant as the sun, and necessary to be obeyed, was issued that a considerable amount (mablaghe) was taken from Manekchand, son of Shantidas, and his brothers, at the place of accession to the throne (dār-ul julūs) at Ahmedabad, which is the epicenter of mankind, in the manner of a loan (be тариq dast gardān) ... and the details of that loan’s recompense (tafsīl-i ān zamān) given in this endorsement should be paid back from the revenues of the autumn season (mahsūl-i fasli kharīf), derived from the districts mentioned in the endorsement. Since Manekchand has rendered meritorious service, and Shantidas has been, out of faithfulness and devotion, blessed with the emperor’s favor, therefore, on that basis, the order is repeated to the effect that in this month that he (Haji Muhammad Quli) should make such efforts that the loan advanced by him (Manekchand) and his brothers (Lakshmichand) may soon be paid. It is fully emphasized that this matter is very urgent, and he must act in accordance with this exalted and holy order.

Loan repayment plan to Shantidas and his family,
from Revenues raised from the following sources:

From Surat’s Port Revenues	150,000
Cambay’s Port Revenues	100,000
Pargana <u>Petlad</u>	100,000
Pargana <u>Dholka</u>	75,000
Pargana <u>Bharuch</u>	50,000
<u>Viramgam</u>	45,000
<u>namaksār</u> (salt pans)	30,000

Total 550,000 Rupees

the progression of argument

Phase 1

Courtly Mutualism: The Emperor's Jeweler Shantidas, 1628–1658

Phase 2

Political Commensalism: Manekchand and Bankrolling Bids to the Throne, 1658–1707

Phase 3

Expedient Extortion: Governor's Golden Goose Khushalchand, 1719–1730

the progression of argument

Phase 3

Expedient Extortion: Governor's Golden Goose Khushalchand, 1719–1730



Bhadra Fort, Ahmedabad, 15th century



Governor Sarbuland Khan



Khushalchand Jhaveri



Episode 1 [June 25, 1725]

Governor Hamid Khan (a renegade Mughal noble) told Khushal Chand Jhaveri that ten lakh rupees is required to pay the soldiers. Either raise the amount through *biware* (illegal taxes & fines, بيواری or बीवरह) from the people, or give the amount from your own house.

Episode 2 [July 8, 1725]

For the payment of the soldiers, the dīwān (paymaster of soldiers) of Hamid Khan clamored excessively. Through the ma'rifat (acquaintance) of Khushal Chand the jeweler, one lakh rupees was raised in sums of ten thousands.

Episode 3 [September 16, 1726]

*a year later...
and simultaneous lending
to a rival governor...*

Governor Sarbuland Khan (official Mughal governor) gave a message to Khushal Chand Jhaveri that money to pay soldiers' salaries is required.

In his reply, Khushal Chand said that [all of the] moneylenders, grain merchants, have wealth, if you order, what they are capable of giving will be raised and I shall hand it over to you.

Sarbuland Khan lost his temper and said 'am I some enemy, am I a rebel like [the other governor] Hamid Khan, I am a servant of the King's authority, and I am asking you for a loan.

If you please, in exchange for the loan, you can take precious jewels from the government as collateral, and you can even take up to twenty-five percent (25%) on top of what you loan as interest, and God Willing, when we return the money back to you, the matter shall be cleared'. Khushal Chand was happy with this reply, and stayed one night in the fort, paid 100,000 rupees and returned home.

Part I:

*The Emperor of Delhi Muhammad Shah lives, his candle burns across nine provinces.
On the head of those ruling in Gujarat, he appointed Hamid Khan to the governorship of Gujarat. (3)*

*The kingdom rules over the city and in the sixteen surrounding villages.
The Gujarati Mughals are witty and clever, I praise all the three brothers (Shujaat, Ibrahim, Rustam). (4)*

*Soon the Emperor pondered, why did I grant the Gujarat area to Hamid Khan?
He sent five messengers by horse, and Shujaat Khan received the Royal Order. (9)*

*He gave the leadership of Gujarat to (Shujaat Khan), distancing Hamid Khan.
This appointment of Shujaat Khan startled Hamid Khan, and he wrote a complaint (to Nizam-ul Mulk). (10)*

*“Arise Hamid Khan, ready yourself, free from intoxication head out (and fight)!”
In hearing that, Hamid Khan battled Shujaat Khan. (11)*

*Face to face they shouted at one another, parasols protecting cannons in action.
Bullets fire and heap lay strewn, cowards unable to stand. (12)*

*Shujaat Khan sat playing cards (strategizing), Ibrahim Quli was in the war ground.
Having killed Mewasis (local ethnic soldiers fighting for Hamid Khan), he took their property and land. (13)*

*Ramdad Khan fought bravely in the war, and took lives to protect his leader (Shujaat Khan)
Hamid Khan lost the battle, and in anger sought advice from Safdar Khan Babi. (14)*

*Nizam-ul Mulk heard this news, and said ‘you old man breaking a sweat?’
‘Why did you run away cowardly’, that was the message he sent to (his deputy) Hamid Khan. (17)*

*There were two armies, there was a competition. They were fighting in opposition.
Hamid Khan cheated and declared victory, but the Gujarati warriors continued fighting. (23)*

*Shujaat Khan himself entered the war, arrows, quiver, and gunpowder blazing.
His own elephant’s were boisterous, and all the enemy warriors scattered away. (24)*

*Khushal Chand turned, opening the gates of the city walls.
Hamid Khan entered Bhadra Fort, and Ibrahim Quli fell into worry. (35)*

*Ibrahim Quli met Hamid Khan, and returned and alerted his colleague.
Why are you sitting around, we have been cheated. Our banker (Khushal Chand) is a traitor. (37)*

Selected verses translated from
vernacular ethnographic poem

Rustam no Saloko (1725, Old Gujarati)
describing a Mughal civil war

the progression of argument

Phase 1

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Expedient Extortion: Governor's Golden Goose Khushalchand, 1719–1730

Phase 4



Competitive Coparcenary: Vakhatchand and Financing State Formation, 1730–1818

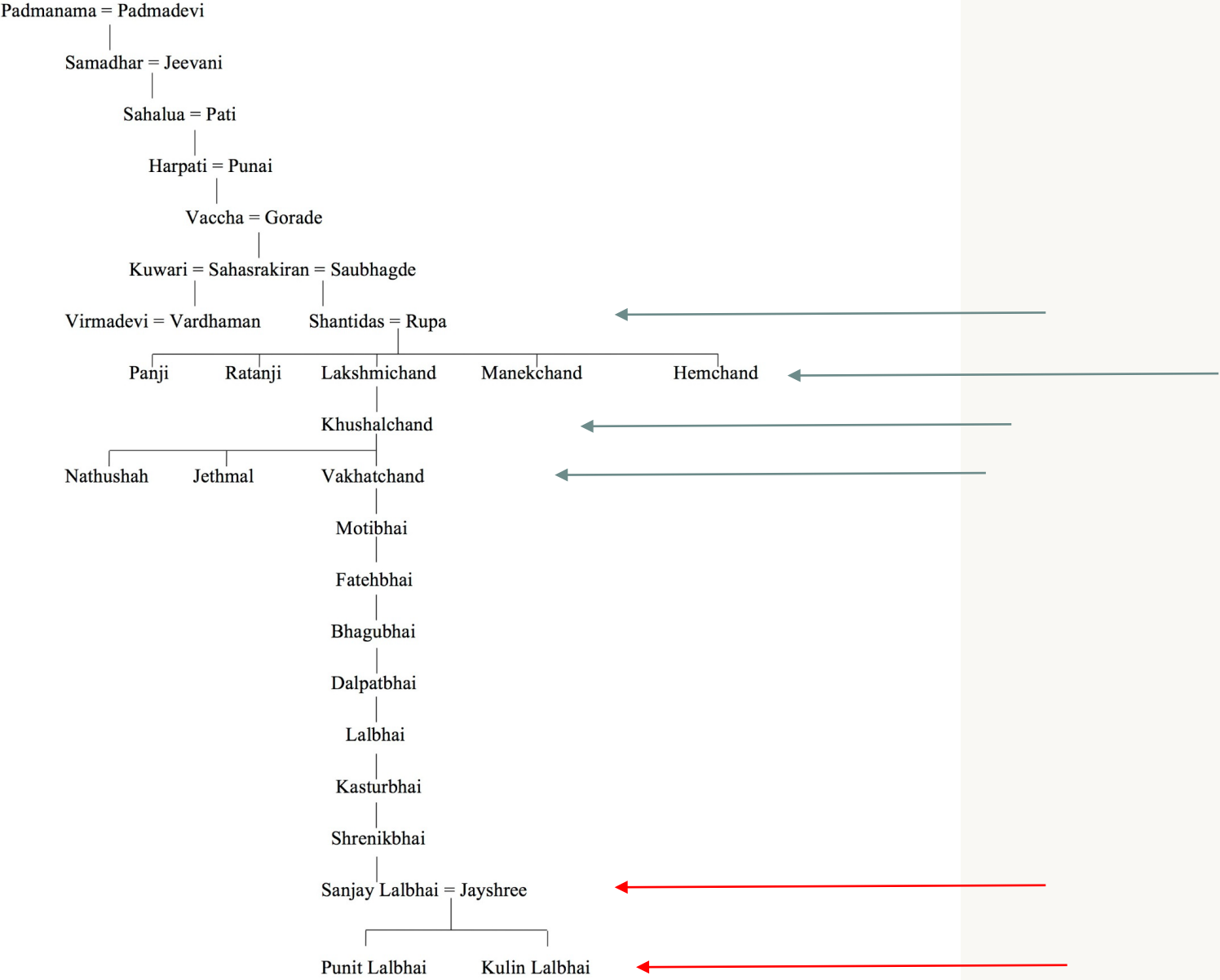


In a letter to the East India Company's Bombay governor Jonathan Duncan dated September 18, 1802, General Walker writes:

I have the honour to inform you that Malharrao having offered Vakhatchand Khushalchand, a respectable merchant, as his security for the Company's revenues... I have accepted his bond, deeming it one of the most unexceptionable in the country for the payment of this demand.

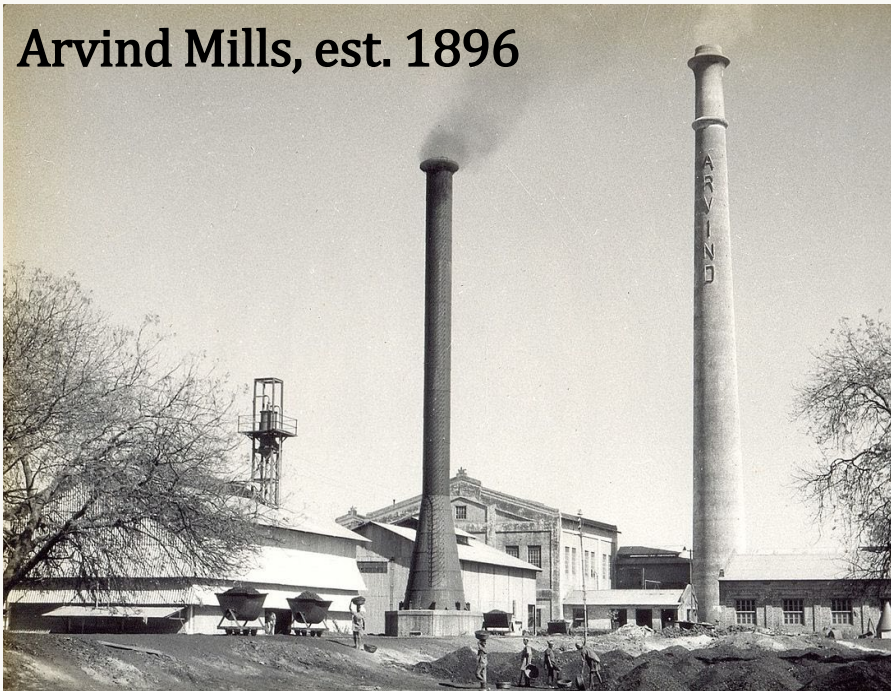


Simplified Tree of the Shantidas Jhaveri Family:





Arvind Mills, est. 1896



JRD Tata

Kasturbhai Lalbhai

Arvind Mills, 2017



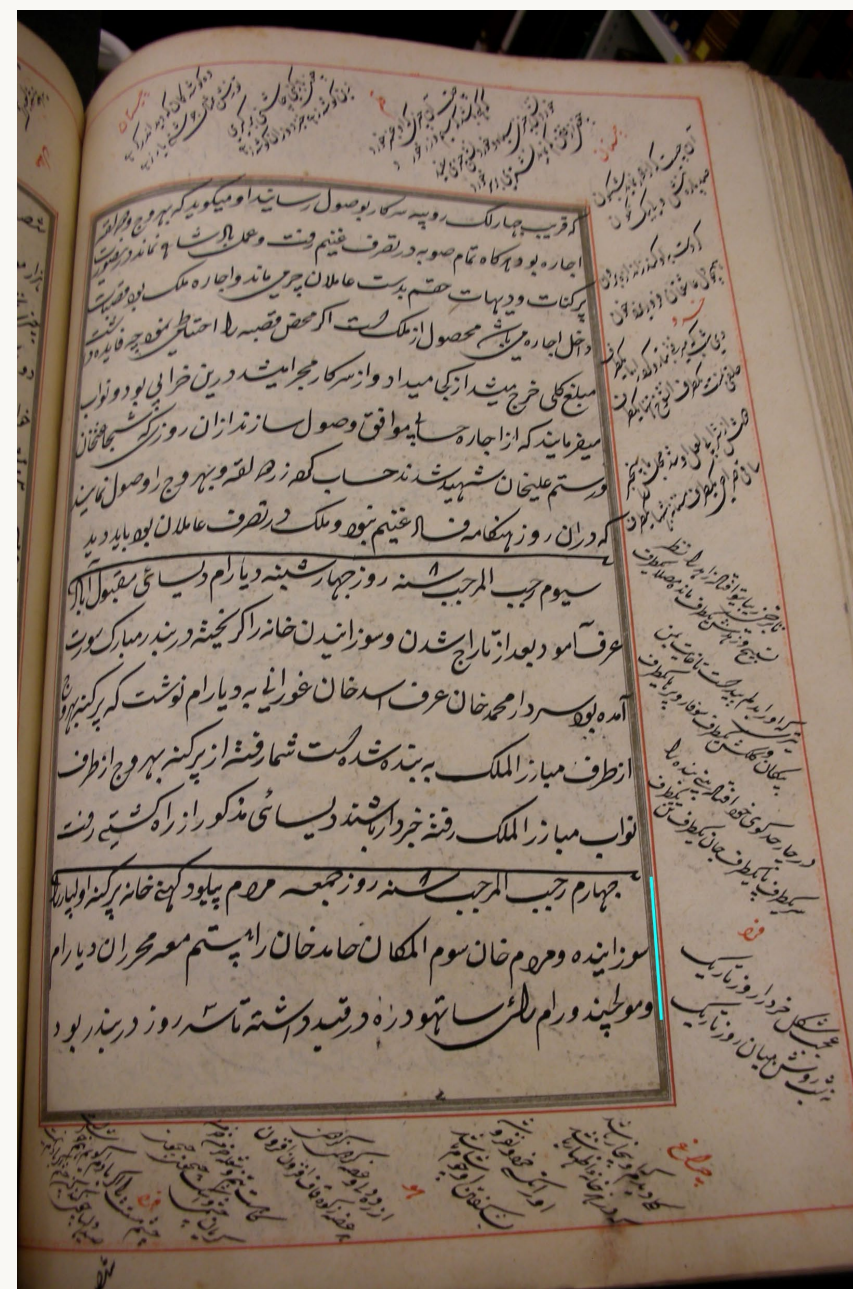
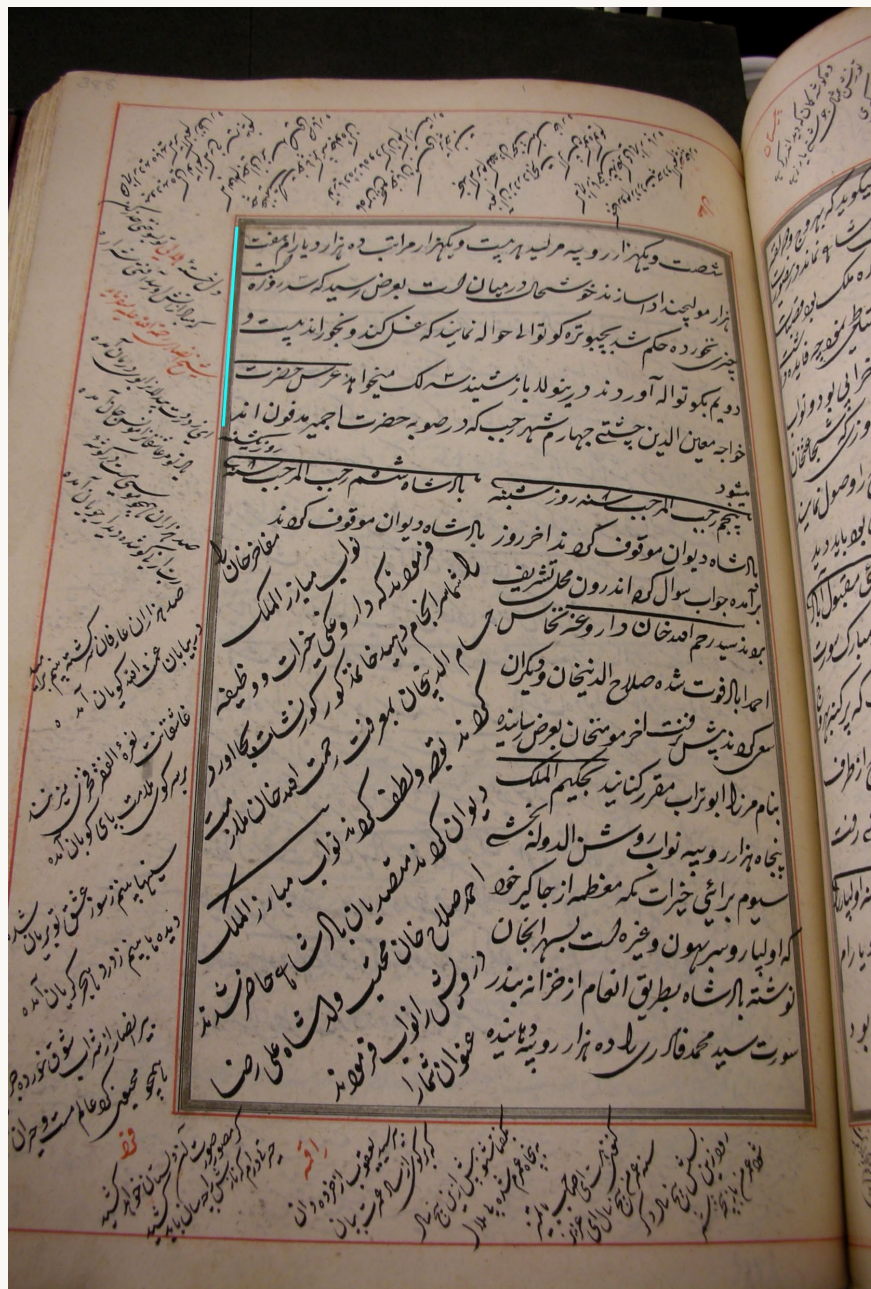
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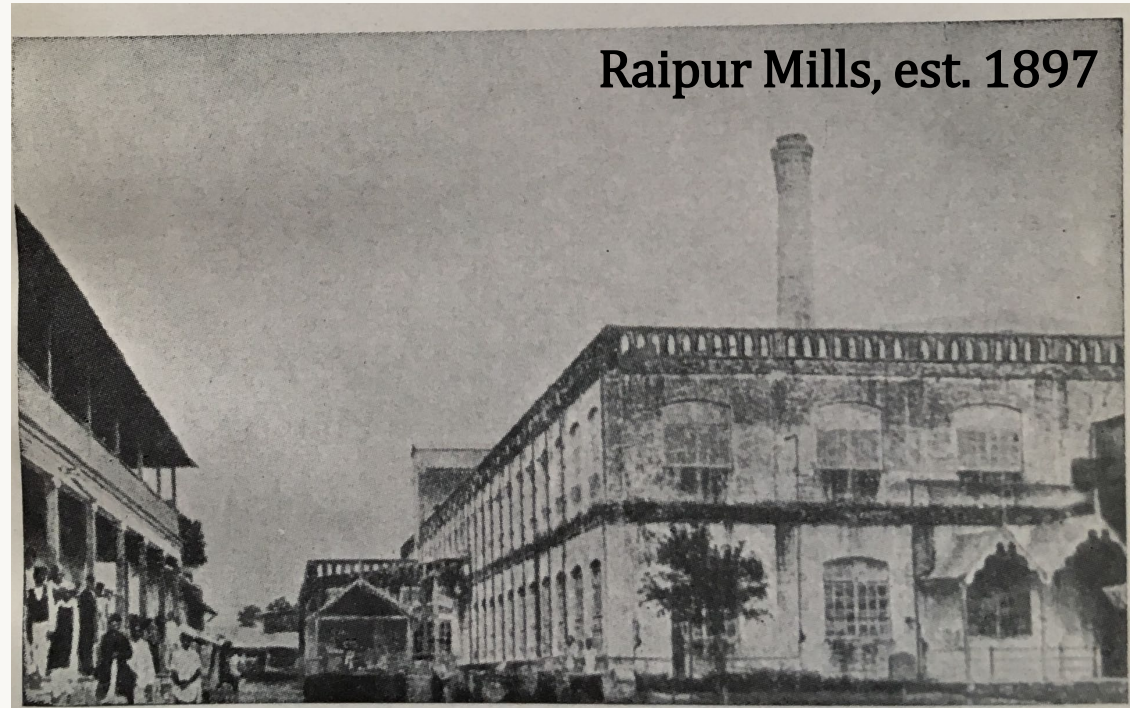
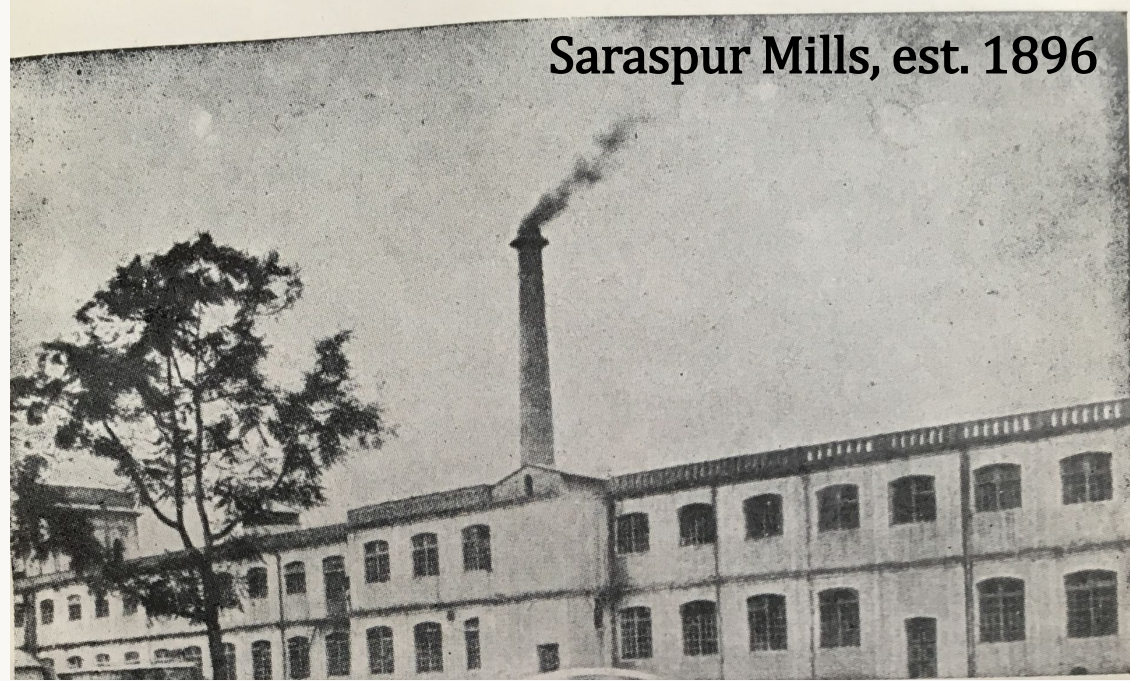
Methodological challenges

- sources
 - Private archives & collections
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 - identifying, translating, and analyzing financial data couched in poetic prose
 - numerical values and what they represent in premodern texts
 - working across different languages and genres of evidence (“inter-genre commensuration”)
 - balancing my analysis of relatively less numerical data with observations made by an older generation of economic historians who have presented their argument as a series of tables, formulas, regressions, and values
 - juggling uneven data across a century. Regional polities and the early colonial state produced vast paper documentation starting in the 1750s, but for the earlier period, we do not have the same velocity or kinds of data.

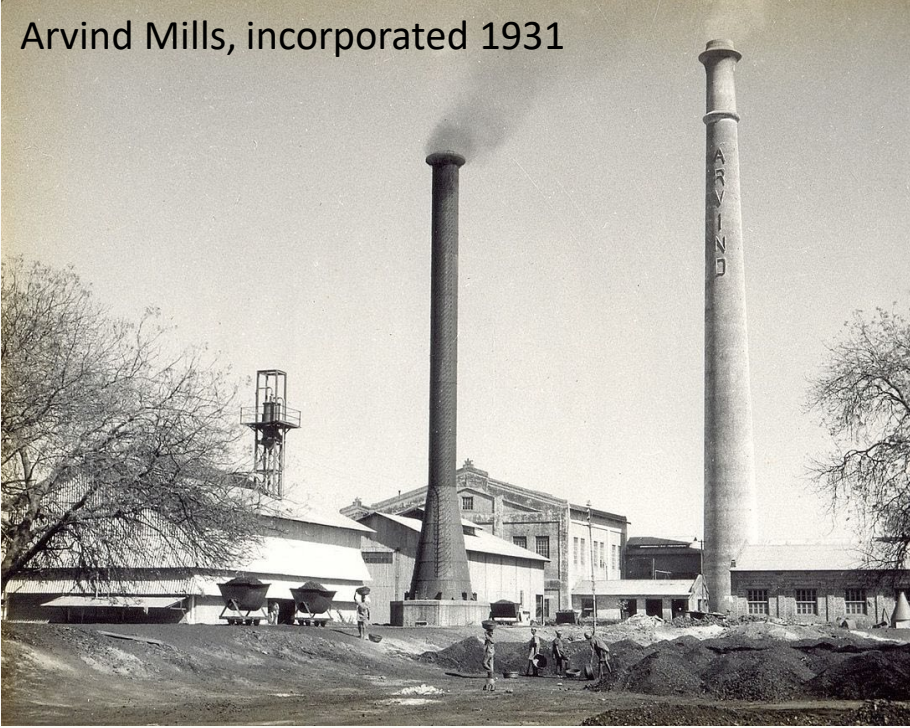




Lalbhai Dalpatbhai
1863-1912



Arvind Mills, incorporated 1931



Lalbhai Group

Arvind Limited

Atul Products Limited

Cibatul Limited

Arvind Telecom

Anup Engineering

Lalbhai Realty

Amtrex Appliances

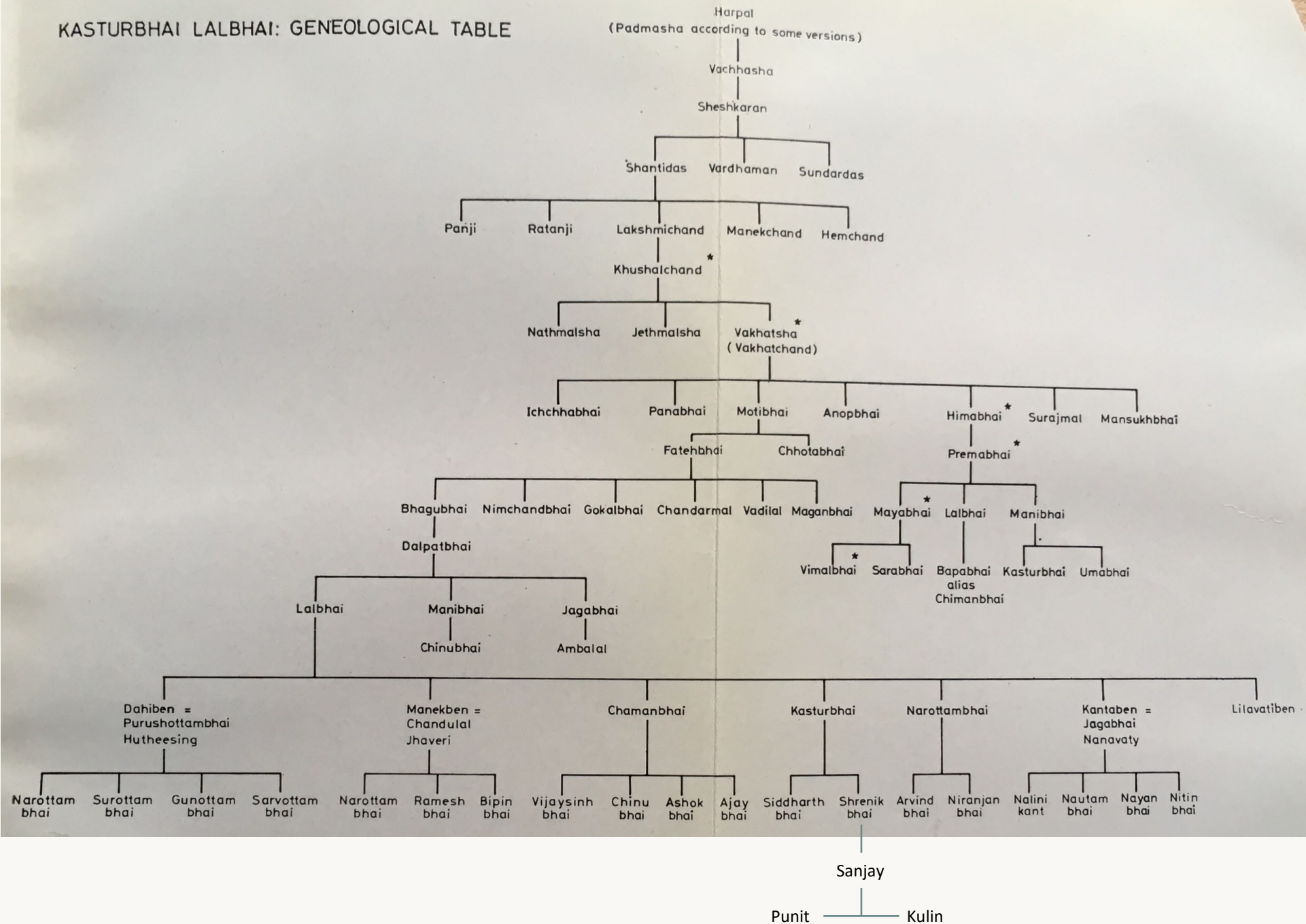


Annual capacity:
100 million meters of Denim

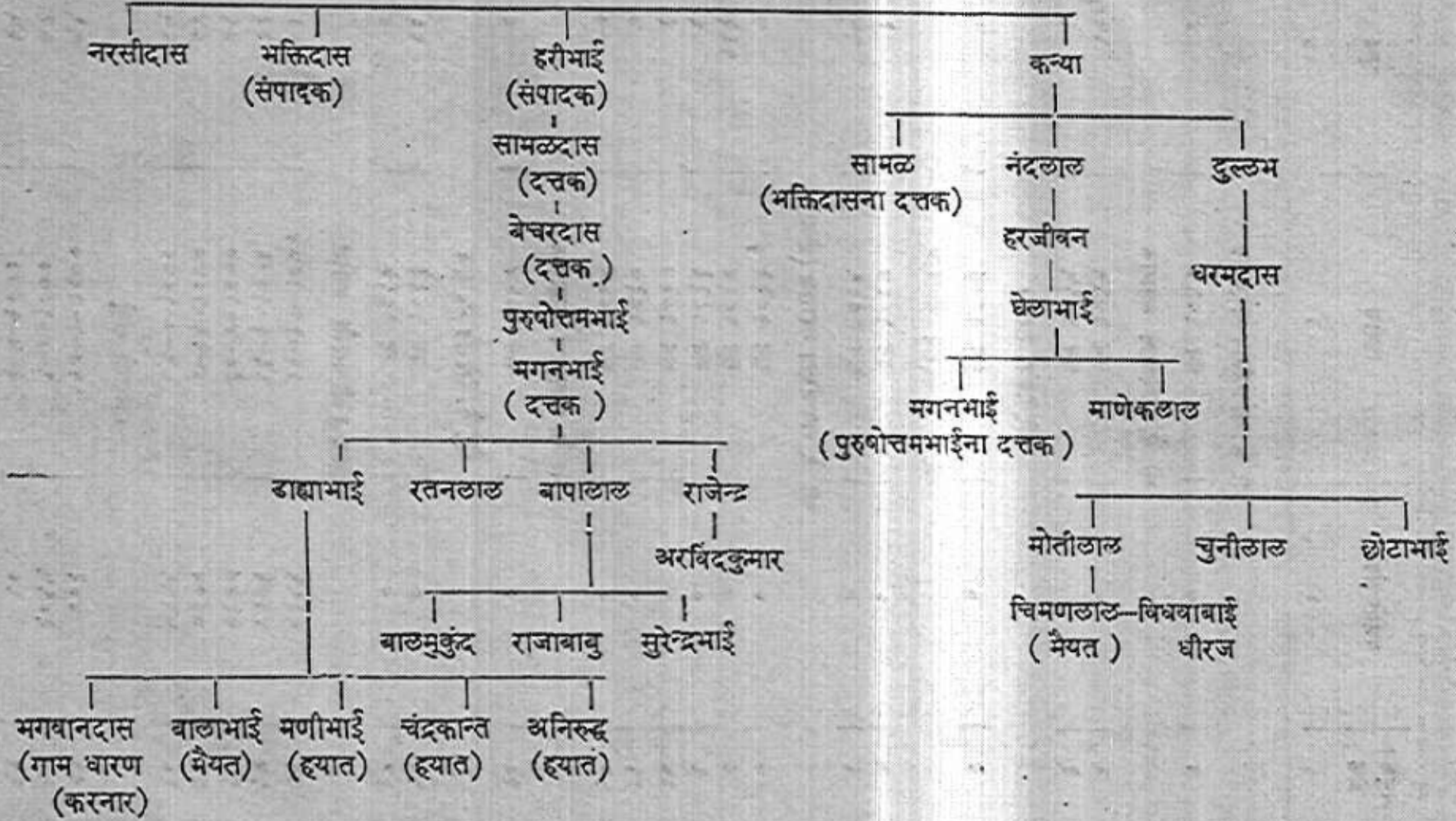
Valuation: \$1.6 billion
Revenue: \$800 million (2016)

Sanjay Lalbhai (MD) with his sons Punit & Kulin

KASTURBHAII LALBHAI: GENEOLUGICAL TABLE



हरिभक्ति घराणानुं पेढीनामुं लक्ष्मीदास



Episode 1A [June 25, 1725]

Nawab Hamid Khan (a renegade Mughal noble) told Khushal Chand Jhaveri that ten lakh rupees is required to pay the soldiers. Either raise the amount through *biware* (illegal taxes & fines, बीवरे or बीवरह) from the people, or give the amount from your own house.

Episode 2A [July 8, 1725]

For the payment of the soldiers, the dīwān (paymaster of soldiers) of Hamid Khan clamored excessively. Through the ma'rifat (acquaintance) of Khushal Chand the jeweler, one lakh rupees was raised in sums of ten thousands. Some men [of his] went from neighborhood to neighborhood to raise the amount, when they were shown the letter from the authority, they tore it up.

Episode 3A [September 16, 1726]

Nauwāb Mubaraz ul-Mulk Sarbuland Khan (official Mughal governor) gave a message to Khushal Chand Jhaveri that money to pay soldiers' salaries is required. In his reply, Khushal Chand said that [all of the] moneylenders, grain merchants, (Bohras?), et al. that have wealth, if you order, what they are capable of giving will be raised and I shall hand it over to you. The Nauwāb lost his temper (upon hearing this) and said 'am I some enemy, am I a rebel like Hamid Khan, I am a servant of the King's authority, and I am asking you for a loan. If you please, in exchange for the loan, you can take precious jewels from the government as collateral, and you can even take up to twenty-five percent (25%) on top of what you loan as interest, and God Willing, when we return the money back to you, the matter shall be cleared'. Khushal Chand was happy with this reply, and stayed one night in the fort, paid one lakh rupees and returned home.

Episode 4A [September 28, 1726]

Khushal Chand Jhaveri Seth (banker) has been kept to raise money. Earlier, Nauwab Sarbuland Khan (Mughal governor) ordered Khushal Chand to quickly provide sixty thousand rupees sum. Khushal Chand split the loan into ten thousands (lead lending system?) among moneylenders, and sent his collector to receive the cash. These sarrafs (moneylenders) went and complained to the Nauwab (Sarbuland Khan) against Khushal Chand. Nauwab Sarbuland Khan, as an objection, called Khushal Chand and kept him, and said “I asked you for the loan, and you, like a looter, why are you raising it from others”? In anger, Khushal Chand was also slapped two or three times, and Beas his gomastha (agent) was also lashed. These two were put in jail, and people say that they are being asked to pay lakhs (hundred thousands of rupees), and it has been heard that Ganga Das the silk merchant was, in lieu [of Khushal Chand], given the title and position of nagarseth (head of the city’s businesspersons).

Episode 5A [October 7, 1726]

Murlidhar Das and Shri Vallabh until date have remained in jail, and there is no hope of their escape. Khushal Chand Seth on the ninth was lashed with leather straps many times, that everywhere you have kept hidden money and wealth, in the house or somewhere else buried, bring it forth. Due to the lashes, he called his own agent from his home and sent him with the officials of the government and instructed him to go and show them, and all that was hidden and buried in the house was shown and put forth and given to the government. How much money was present? And the belongings of (or those related to) the aforementioned Seth from all over were brought and a confiscated, and due to the good graces of the public, he faced this.

Selected verses from Samal Bhatt's Rustam no Saloko (1725)

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Why are you sitting around, we have been cheated. Our banker (Khushal Chand) is a traitor. (37)*

Episode 2B – Written in 1794 from Sankheda, a small town 55 km east of Baroda. Letter addressed to Bhakti the banker from one Atmaram. Issue related to dango, or a dispute. We can tell by the quality of ink and writing that it was not written by a firm, but a private individual. There is smudging of the ink and blotting.

There is a dispute pertaining to Ganpat Rao and he has been kept in prison with the guards. No one is opening their stores because of the chaos being caused by this. My business is going down. Send some influential people. Desai Mithalal, Rughanath Desai, Vachiyat, and Kishan Das Dalal - - those four have been surely given handcuffs and kept in prison. I cannot speak of this in my Sankheda, I am only telling you. I do not want to speak about it in my own Sankheda, since I am also from there.

Episode 3B – Summary of letter from private individual living in Nanderiyu village to Bhakti the banker in Baroda written in 1794.

To the glorious city of Baroda, and to the exalted banker Shri Bhaktidas to whom I send my salutations and good wishes. Second, I am writing because in my village, some government officials are sitting on the land and extorting 100 rupees per day from me. We are unable to resist such unfair treatment from the government officials and request you to intervene and help.

Episode 4B – Letter from 1794 related to mehsul, or land tax in Matar village of Kheda district.

To the glorious city of Baroda and to the respected Hari Bhai and respected Bhakti Bhai from the (fort?) of Kheda I, Tukoji Patel, am writing and please read my regards. Everything here is fine, and I hope that you will always remain well. Second, the reason I am writing is that I am requesting you to please send a special order with the government's approval on one Jasood of Matar village. He has pushed all of the animals away, and second, he has taken 12.5 rupees from me which I would like returned. An earlier letter said that 12.5 rupees should be taken from the land and given to the *kamavisdar* (official in-charge of district). Because of this letter, this Jasood is after my life now. I am writing to ask that you help get the money back from the district official. If you can help with this, I will never take the name of this village. If I do not get this money back, I will not let the other villages rest. Whatever Jasood has said about the animals, it is in that way that they should be returned to Jasood. However, the truth of the matter is that what he says belongs to Kheda are not in fact from there.

Episode 5B – Translation of a summary letter sent from Surat to Baroda providing information about a trip taken to Nasik in Maharashtra where agents of the Haribhakti Firm witnessed a skirmish between Maratha officials and the Mughals.

To the glorious city of Baroda, to the exalted firm of Haribhakti, I am writing from the branch office of Haribhakti at Surat. Everything here is alright, and we have received your two previous letters with relevant summaries. Second, I want to inform you that we have returned safely from our trip to Nasik (234 km south east of Surat). Third, there are disputes going on although we are for the most part safe. One Rajashri Haripanth's lawyer was at Calcutta, and he has also come to Nasik along with 50 men. He also has a spy with him, and there was a fight that broke out in Nasik in which Rajashri Baba and Parashuram lost their lives. Holkar and some Sidis were able to fight off four Mughal officials. I just wanted to inform you. Otherwise, we are all fine and you need not worry about us. If there is any other work, please write to us. On this Monday morning of 1851-Fagan the tenth (corresponding to 1794), written by Raghunath Das.



Maganbhai Haribhakti, 1866-1929



the Haribhaktis

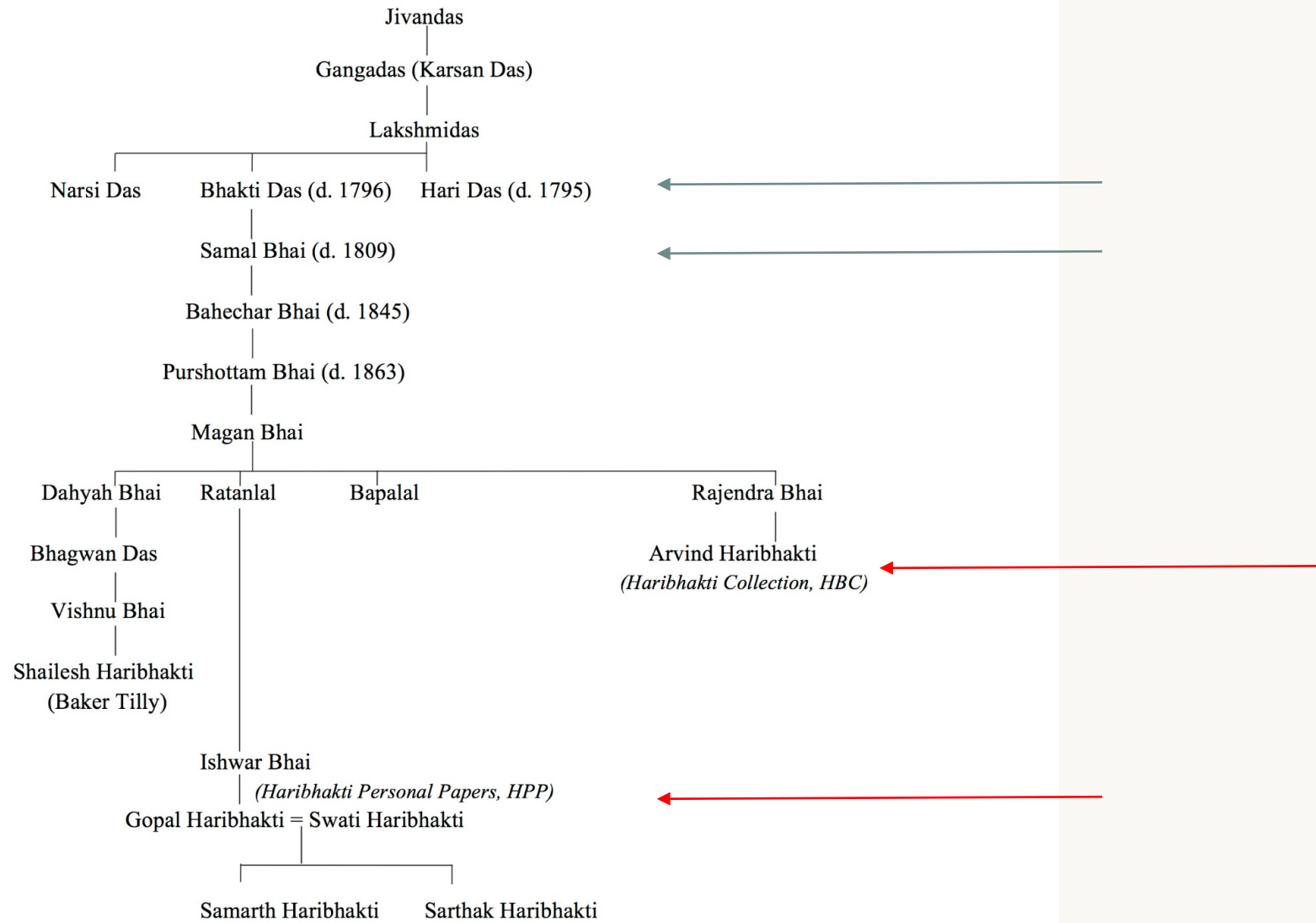


Bhakti & Hari, c. 1775



Hari & Samal, c. 1785

Simplified Tree of the Haribhakti Family:



[The page contains several lines of handwritten text in Devanagari script, which appears to be bleed-through from the reverse side. The handwriting is cursive and somewhat difficult to decipher due to the angle and ink quality. There are also some small markings or symbols interspersed between the lines of text.]

[illegible]