

# Bombay's International Linkages

**By Sifra Lentin**



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# Contents

Acknowledgements

Introduction

## 1

### *Part 1: The World Comes to Mumbai*

- 1...The Sea and Civilisation: Origins of a globalised world
- 2...Ottoman ship Ertuğrul's Bombay connection
- 3...The story of the Sassoons
- 4...Breaking the ice: the US trade with Bombay
- 5... Mumbai's War Memorials
- 6...Bombay's tryst with destiny
- 7...Partition 1947: the navy we didn't see

## 2

### *Part 2: The International City*

- 1...Revisiting Khilafat House
- 2...When Bombay was home to the Aga Khans
- 3...Memorial museum for 26/11 victims
- 4...India, Israel and the chosen people
- 5...Partition: those who stayed behind
- 6...Partition's Punjabi imprint on Bombay
- 7...The making of Bombay's mini Sindh
- 8...Bombay, Karachi, linked by sea and refuge
- 9...More than a whiff of France in Bombay
- 10...Bombay-Burma links run deep
- 11...A German renaissance in Bombay
- 12...Mumbai's historic diplomatic enclave

# 3

## *Part 3: Mumbai in the world*

- 1...Modi on the India-Africa dhow route
- 2...Soft power of Israel's Indian Jews
- 3...Bibi's visit shores up business synergies
- 4...Bombay and the founding of Shanghai
- 5...Bombay and the City of London
- 6...Bombay's Chinese cultural links
- 7...Indian Chinese diaspora: from Calcutta to Toronto
- 8...Can soft diplomacy bridge the India-China divide?
- 9...Mumbai-Shanghai Sister Cities
- 10...Rationale for the return of the global rupee
- 11...Indian banking's chequered history
- 12...Realising the vision of fusion

# 4

## *Part 4: Mumbai today and tomorrow*

- 1...Raghuram Rajan: Making Mumbai Great Again
- 2...Heritage on the brand wagon
- 3...26/11: lest we forget
- 4...Bombay's past and future as an International Financial Centre
- 5...Interweaving the old Cotton and Silk Routes
- 6...Bombay's Blue Synagogue, restored



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*Sifra Lentin*  
*Mumbai,*  
*August 2019*



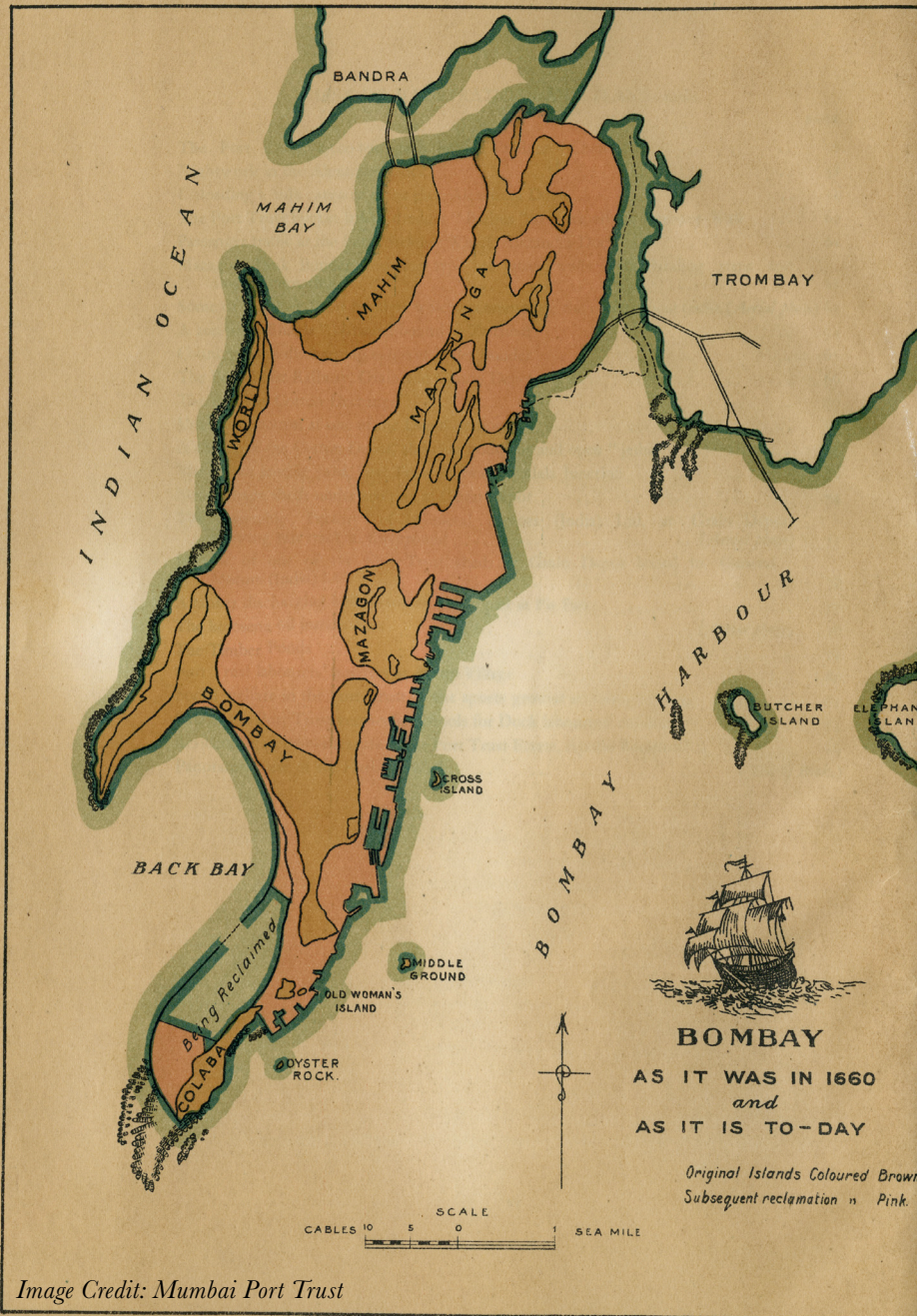
## About the Author

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Sifra Lentin is Bombay History Fellow at Gateway House: Indian Council on Global Relations. She graduated in English from Elphinstone College, Mumbai, and went on to complete her Bachelor's in General Law (BGL) from Government Law College, Mumbai. She has written for a wide spectrum of Mumbai-based newspapers and magazines – most notably Mid-Day, Reuters, The Times of India, The Sunday Observer, Hindustan Times, Taj Magazine, JetWings and One India One People. The books written by her are: the Indian Navy's Western Fleet coffee table book, *A Salute To The Sword Arm – A Photo Essay On The Western Fleet* (April 2007), and more recently, *Our Legacy: the Dwarkadas family of Bombay* (March 2018) on the 250-year-old history of the eminent Halai Bhatia Dwarkadas Khimji family of Mumbai. She has also contributed to three books: MARG's *Indian Jewish Heritage – Ritual, Life-Cycle & Art* (2002), One India One People's book on Communities of India (2006), and Primus Publications' *Mumbai Socio-Cultural Perspectives: Contributions of Ethnic Groups and Communities* (2018) with a chapter on Mumbai's Jewish community. Lentin was recently awarded a one-month fellowship (October 2018) to the Herbert Katz Center for Advance Judaic Studies in Philadelphia for a project on the 'Jews of Karachi'. She is also on the Board of Trustees of the Sir Jacob Sassoon School (Byculla, Mumbai).







## INTRODUCTION

## Mumbai Snapshots

Mumbai is not just the business and arts capital of India but the most global of all cities in South Asia today. The international flavours of the city are so varied and its economic growth story so multi-faceted that it is impossible to capture the many dimensions of its spectacular success in a linear narrative. Hence this collection of articles, which I wrote for Gateway House: Indian Council for Global Relations from 2013 to 2018.

The essays cover not just aspects of the geopolitical, economic and strategic history of the city, but some of the many micro-histories of its diverse people, who at various times settled in the city to seize the business and work opportunities it offered. These little-known stories tell us about communities that gave particular precincts of the city the flavours of their homelands while contributing to the city's economy and culture in many ways.

Consider the Sikhs from Hazara district in today's Khyber Pakhtunkhwa Province of Pakistan<sup>[1]</sup>, who fled *en masse* during Partition in 1947 and reached the city on the express Frontier Mail from Peshawar to Bombay, as the city was known until 1995. They largely settled in Sion-Koliwada Camp<sup>[2]</sup>, bringing with them cultural treasures ranging from the sounds of the Khyber mountains in their *Gumbhar* dance to the unique cuisine of their homeland. The first restaurateur from this community invented the *Koliwada*, a fish dish now identified with Mumbai itself. Seventy years later, Sikhs form an important part of the city's transportation sector, driving trucks and taxis, and owning many petrol stations and auto parts and tyre shops.

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[1] The capital city of Khyber Pakhtunkhwa province, Abbottabad, became notorious as the hideout of Al Qaeda Chief Osama Bin Laden.

[2] Formerly a Second World War army barracks.

The Sikhs' story, and countless others like them, might be lost in a sweeping, macro-history of the city, but together they tell the bigger story of how a diverse population fused a set of islands through extensive landfill to create what became the fourth most populous urban region in the world and the undisputed financial, commercial and entertainment centre of India.

The movement of people and capital into the city and from the city outwards is a recurring theme in all the articles. Although Mumbai's image of tolerance and coexistence was frayed by terror attacks that followed the demolition of the Babri Masjid in Ayodhya on 6 December 1992, the constant circulation of people through the city has kept it humming for hundreds of years. This has given it its dynamic economy, and made it a creative hub for theatre, music, art, literature and film. Indeed, Mumbai's Hindi film industry has been India's soft diplomacy calling card since India gained its independence. Even in times of tension between India and her northern neighbour, China, Hindi films, particularly actor Aamir Khan's movies beginning with *Three Idiots*, have been a rare point of convergence between the two nations.

### **The seven islands and the sea**

Mumbai's story begins with the sea. The city's position on the "highways of the oceans" fuelled its economy, starting with a thriving shipbuilding sector, and growing through countless influences – including some unsavoury ones, like piracy and the opium trade – until the city became an international financial hub in the 1870s (a development driven by European colonisation).

The city's primacy during this time is proudly proclaimed by the allegorical statue of *Urbs Prima in Indis* (foremost among cities in India) or Bombay itself, which stands aloft the entrance gable of the Brihanmumbai Municipal Corporation headquarters<sup>[3]</sup> holding a ship in her left hand, which underscores the centrality of the seas to the city's success.

Mumbai's global role and reach are still evident today. Within just the Fort area in the south of the city are the Bombay Stock Exchange, the oldest stock market in Asia; the Reserve Bank of India; the Bombay Mint, the original location of the city's shipbuilding industry; and the headquarters of India's first blue-water navy, the Western Fleet (formerly the Bombay Marine).

Fuelling Mumbai's early growth was the English East India Company, a tenant of the English Crown<sup>[4]</sup>. From 1687, when it shifted its headquarters southward from the increasingly vulnerable Mughal port of Surat to Bombay, the company adopted a *laissez faire* approach that encouraged trade on the islands and attracted trading communities and artisans from outside. The promise of religious freedom and tolerance was an added attraction, as was the promise of economic security ensured by British naval power and currency.

From the late 17<sup>th</sup> to early 19<sup>th</sup> centuries many key trading communities settled on the islands – the Parsis, Baghdadi Jews, Armenians, Kutchi-speaking Bhatias, Jains, Marwaris, Memons, Bohris, Khojas and Brahmins. These diverse merchant communities brought with them an entire trading ecosystem, linking producers of raw cotton and textiles, indigo, opium and teakwood in the hinterlands to overseas markets. Over time, the shipping industry made the Mumbai islands a hub for trade, finance and later, manufacturing in the entire Indian Ocean Region, and an important transshipment port for goods headed between Europe and the Americas in the west, and China, Japan and Australia in the east.

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[3] The term Brihanmumbai Municipal Corporation literally translates to the Greater Mumbai Municipal Corporation. The former name was Bombay Municipal Corporation.

[4] England acquired the islands in dowry on the marriage of King Charles II to the Portuguese Princess Catherine da Braganza in 1661. The EEIC rented the islands for annual payment of £10 in 1667.

Besides enhancing the influence of Mumbai in the Indian Ocean region, the indigenous trading network played a role in bankrolling the spread of British imperialism. Many of Mumbai's big merchants doubled as bankers. The credit they provided through a financial instrument they called the *Hundi* percolated through the entire supply chain down to the farmers, ensuring that Mumbai's bazaars and export trade were never starved of goods. Along with the few English agency houses, the merchants also acted as bankers to the English East India Company, financing not only trade but the Company's wars against the Marathas, the Kingdom of Mysore, the Amir of Sindh and the Afghans.

The pervasive political and economic influence wielded by Mumbai's big merchants distinguished the city from Kolkata (formerly Calcutta), the political capital of British India until 1911. In Kolkata, the Company regulated or even directly undertook most economic activities, including the indigo and opium trades.

### **Keys to Mumbai's growth**

Mumbai's central economic role in the Indian Ocean, particularly among the littoral states of the Arabian Sea, can be traced to the establishment of its port and shipyards, its currency (Bombay Rupee) and its navy (Bombay Marine). All had their beginnings in the 17<sup>th</sup> century.

Shipbuilding was the city's first large-scale industry. It began with the migration of Lowjee Nusserwanjee Wadia, a master shipbuilder, to Bombay from Surat in 1736. A Parsi Zoroastrian, Wadia (and later his descendants) helped make Bombay's dockyards globally famous for building the sturdiest teakwood sailing ships in the world. Wadia-built ships had an average lifespan of 60 years, compared to just 30 years for European ships that were built at the time. Testimony to their



superiority is the HMS (His Majesty's Service) Trincomalee, which was built in 1817 and is the oldest Leda-class British frigate still afloat. It now is the highlight of the National Museum of the Royal Navy Hartlepool, UK.

Large ships built in Mumbai's dockyards carried the city's main trading commodity – Deccan cotton – from as early as the 18<sup>th</sup> century to China, South East Asia, West Asia, East Africa and England.

Bombay's dockyards also were the headquarters of the Bombay Marine since 1687. This marine service constitutes the roots of the Indian Navy's Western Fleet, India's first blue water<sup>[5]</sup> naval fleet, which was headquartered in the city. It played many roles: combatant fleet, anti-piracy and anti-slavery patrol fleet, and even hydrographic surveyor of the Indian Ocean. The city's navy, once a bridgehead for British imperialism, eventually became one of the major triggers for Britain to leave India when, as the Royal Indian Navy, its warships turned their guns on the city during the naval uprising of 1946.

In the 18<sup>th</sup> century, Mumbai became an important source of warships for the Royal Navy after Britain's incessant wars with France and The Netherlands throttled its access to oak timber, tar, pitch, hemp and flax – essential raw materials that it had acquired from the Baltic states. Historic Royal Navy warships built in Bombay included the *Minden*, aboard which lawyer and poet Francis Scott Key composed the American national anthem, *The Star-Spangled Banner*, and the *Cornwallis*, on which the 1842 Treaty of Nanking, the first of the so-called Anglo-Chinese unequal treaties (so named because they favoured Great Britain over China) was signed, ending the First Opium War.

Another key to the city's growth involved finance. The first silver Bombay Rupee was minted in 1677 soon after a mint was set up in Bombay Castle, the

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[5] A blue water fleet is distinguished from a brown water or coastal fleet in the fact that it can sustain itself out at seas for days without the need to enter a port for refueling and victualling. A blue water fleet is the fighting arm of a navy.

original administrative headquarters of the Company on the islands. The Bombay Rupee insinuated itself into a multi-currency global trading world by piggy-backing on the credibility of the Mughal Surat Rupee, whose weight, size and Persian script it seamlessly adopted by in fact calling itself ‘Surats’. In the trading arena of the western Indian Ocean in particular, the Bombay Rupee<sup>[6]</sup> was not only a popular currency of trade but was in common usage among Indian diaspora communities in East Africa and West Asia, who maintained, and still do, strong business and family connections with the city. This facet of the city’s soft sphere of influence is brought out in articles like *Rationale for the return of the global rupee* and *Modi on the India- Africa dhow route*.

India was a latecomer to modern banking (see *Indian Banking’s chequered history*), but the institutional framework set up in Mumbai during the 19<sup>th</sup> century in the city enabled it to become an international financial centre from the late 19<sup>th</sup> to mid-20<sup>th</sup> century. The first British overseas bank, the Oriental Bank Corporation, was originally founded in the city as the Bank of Western India in 1842. It was intended by its founders, local Mumbai merchants Dadabhai Pestonji and Juggonath Shankarsett, to provide Indian traders foreign exchange credit, then the exclusive purview of the English East India Company and foreign trading establishments known as agency houses. Mumbai also became the biggest rupee money market and played a complementary role to London’s money markets. Articles that touch upon these financial linkages, in particular, *Mumbai and the City of London*, underscore how Great Britain leveraged its Indian Empire to balance its accounts.

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[6] After uniform coinage was adopted in 1835 the distinct currency circles for the Rupee which corresponded to the Presidency (Bombay, Bengal, Madras) they were minted in, was removed.

## What's next?

While the collection of articles printed here is kaleidoscopic in nature and the lens keeps changing, they all demonstrate not only that the story of this great mega city is complex, but that diversity is the *reason* for its success.

Perhaps the city's history can serve as a roadmap to its future. In much the same way as the People's Republic of China has leveraged the history of the Ancient Silk Road to jumpstart its economic hegemony through the Belt & Road Initiative, Mumbai needs to revive its connections across the seas to build on its rich history.

But now a modern megapolis, Mumbai has its fair share of challenges. Today, the Mumbai metropolitan region is bursting at its seams, with a population of about 21 million people – more than half of whom live in slums. Sanitation, clean drinking water, education and medical facilities all present major challenges. Overstretched road and rail infrastructure have made commuting in Mumbai during peak hours and monsoons a nightmare. However, improvements are under way, many with the help of countries like Japan that Mumbai had deep business ties with in the past. The Mumbai Metro project, funded with the help of the Japanese Japan International Cooperation Agency, is expected to change the way Mumbaikars travel.

As in the past, Mumbai is looking today to the seas to support its growth. The Municipal Corporation of Greater Mumbai (MCGM) has launched the ambitious Coastal Roads project on the city's western foreshore, which will give the city a major leg up in terms of multi-modal transport connectivity through its entire length and breadth. This project aims to connect Marine Drive in south



Mumbai with Kandivali in the north of the city, through a network of highways that are to be built on extensive landfills running along much of the length of the city's current western shores. Just as in the past the city is leveraging the seas not only to improve connectivity and ease traffic but make the leap into becoming a world-class city by improving the quality of life of its residents as this project also envisages extensive open spaces for recreation.

Meanwhile, although Mumbai's original manufacturing industries – shipbuilding and textile mills – are a shadow of what they once were (with the exception of the naval shipyard at Mazagaon Docks Limited) the city is developing new infrastructure to make it a base for international financial services and markets. While the central government has put plans to establish Mumbai as an international financial centre on the back-burner, an International Arbitration Centre now operates at Bandra-Kurla Office Complex, as does an international diamond exchange. To give foreign investors access to Indian shares and bonds the Bombay Stock Exchange and the National Stock Exchange (NSE), both headquartered in Mumbai, have long initiated special financial instruments, like Masala Bonds on the London markets, American Depository Receipts, and more recently, a connection between NSE and Singapore's SGX.

But the defining quality of the city built on the seas, and the source of its enduring strength, remains the varied people who still come to Mumbai from different parts of India and the world to work, invest, celebrate their cultures and transit to the outside world, just as many who preceded have done for 300 years. This volume tells some of the countless stories they have written through their courage and hard work.





*Image credit: Jehangir Sorabjee*



# Part 1

## The World Comes to Mumbai

**M**umbai's position astride the shipping routes, linking West (Persian Gulf, Red Sea, East and South Africa, West Africa, Europe, the Americas), South (Mauritius and Sri Lanka) and East (S.E. Asia, Philippines, Australia, China and Japan), has brought it great prosperity over the last 300 years. The opening article of this section, *The Sea and Civilisation: Origins of a globalised world*, is based on a conversation with American writer Lincoln Paine on how the seas are the highways of the oceans, which carry with them not just goods but capital, labour, contagions, ideas, cultures and religions.

Great port cities like Mumbai are the major junctions on these oceanic highways, and thus the places where trade occurs. *Breaking the ice: U.S. trade with Bombay*, which traces the beginnings of the American ice trade that was to become a lucrative global business in the 1850s, is a case study.

Ports also are where ocean travellers meet and interact. In 1889 a visit to Mumbai by the personal envoy of the Ottoman Sultan Abdülhamit II, the spiritual head of the Muslim world, had an electrifying effect on the city's Muslim communities and made the island part of a pioneering diplomatic mission to Japan, a voyage that was retraced 125 years later by the Turkish naval frigate TCG Gediz. This theme of overseas influences is woven into articles in this section.

# The Sea And Civilisation: Origins of a globalised world

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*Gateway House co-hosted a panel discussion on the influence of the sea on civilisation and globalisation over a period of 10,000 years, and the linkage between two ancient civilisations — the Indus Valley and Mesopotamian.*

Maritime history teaches us that history is not ‘event-based’. In fact, when viewed from the sea, history reveals ‘linkages’ and ‘circulations’ between geographical regions that one never knew existed.

One of several examples that were discussed at a recent panel discussion, hosted by Gateway House along with Avid Learning and the U.S. Consulate in Mumbai, was the linkage between two contemporaneous ancient civilisations — the Indus Valley and the Mesopotamian. The former was based in the valley of the Indus river and its tributaries,

and the latter in that of the Tigris and Euphrates rivers (in present-day Iraq).

Both these civilisations were urban societies that prospered due to the annual flooding of the rivers that resulted in rich alluvial silt being deposited on their banks: this made agriculture flourish. However, most would not be aware that there was an active sea trade between both these complex urban civilisations that extended from the mouth of the River Indus to the Persian Gulf.

These sea routes that date back over 5,000 years are the earliest known maritime trade routes in the Indian Ocean.

In further reiterating the importance of the seas (including rivers) as conduits for trade, migrations, culture, religion, contagion, explorations and conquest, maritime historian Lincoln Paine spoke about the voyages of the Norsemen (Vikings) from the Scandinavian countries of present-day Sweden, Denmark and Norway.

Sometime during 700 CE to 1100 CE, the Vikings travelled on the mighty rivers of Europe (then unexplored) that resulted in connecting the Baltic Sea to the Black Sea. This brought them into contact with people from the Eurasian landmass and with the trading worlds of the Mediterranean and Indian Ocean.

However, the best preserved written records of maritime trade in the Mediterranean Sea and Indian Ocean (stretching from the Coast of East Africa to South East Asia), are the Cairo Genizah Records. These are letters written by seafaring Jewish merchants from

900 CE to 1800 CE, which survived the vagaries of time largely because they were kept in a *genizah* (a store room in a Jewish synagogue).

These Hebrew letters, written in Judaeo-Arabic, exemplified a very cosmopolitan and global world of seafarers, merchants and mendicants, who travelled across the seas to port cities of the Mediterranean and the Indian Ocean. More importantly, the early letters throw light on the medieval port cities of India (like Mangalore) and the lives of these merchants on the subcontinent.

The fact that the language used in these letters is Hebrew, but written in the Judaeo-Arabic script, highlights the inherent cosmopolitanism of a seafaring world.

Taking this point further, cultural theorist, Ranjit Hoskote brought in the idea of cosmopolitanism vis-a-vis 'cultural interiority' (or boundaries prescribed by religion and community), and how merchants had to draw a fine balance between the two.



BOMBAY FORT FROM THE HARBOUR. 1665-1700.

*This image is a view from the harbour of the custom house and bunder (pier), and to its left are the walls and flag-staff of the Bombay Fort. Behind the custom house is the bell-tower of the St. Thomas Cathedral, the first Anglican church in the city. The island city's expansive, sheltered harbour was chiefly responsible for the commercial success of its port, foreign trade, and the growth of its navy – the erstwhile Bombay Marine (headquartered in the city since 1687), the progenitor of the Indian Navy's Western Fleet. Image credit: Jehangir Sorabjee*



For example, the legendary Bombay merchant David Sassoon's son, Elias, who was posted in Shanghai for 14 years soon after the opening of China in the aftermath of the First Opium War (1839-42), sailed for China, taking his shochet (a Jewish person trained in the ritual slaughter of certain mammals and birds for food) with him. This ensured that the orthodox Elias could observe the tenets of his religion in (then) remote Shanghai, but not shut himself away from fellow merchants and the local Chinese.

### **The dominance of western historiography**

Another interesting facet of the conversation was Paine's recounting of what inspired him to write the encyclopaedic *The Sea & Civilisation* (2013). For one, it addressed a lacuna in his earlier book, *Ships of the World*, namely, the deep and rich maritime history

of South and South East Asia. Very few ships from the Indian Ocean (with a few exceptions) were covered, largely because of the absence of archival material, plenty of which is available on European ships since the Middle Ages.

This required recourse to the study of ethnographic, religious (the Gita) and literary sources (*Arthashastra*, *Manusmriti*) for references to shipbuilding, seafaring communities and the rules and laws that governed the navigation of the seas. According to Paine, these varied sources give an insight into the early beginnings of maritime law, as we know it today.

In the final count, this nuanced engagement with the past will result in an honest and holistic approach not just to the study and understanding of world history, but also local histories.

~ *This article was first published on the Gateway House website on 7 April 2016*

## Ottoman ship *Ertuğrul*'s Bombay connection

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*The Turkish naval ship, TCG Gediz, was in Mumbai, retracing the Ottoman frigate Ertuğrul's 126-year-old voyage from Istanbul to Yokohoma. The Consulate of Turkey in Mumbai and Gateway House hosted a lecture by the author to commemorate the 125<sup>th</sup> anniversary of this historic passage*

Amidst the dust, noise and crowds of the by-lanes off Mohammed Ali Road in south-central Mumbai, stands a white and green mosque, the Ismail Habib Masjid. It is an oasis of tranquillity, with a tinkling pool of water and shaded courtyard, and is the headquarters of the Kutchi Memons, a community of traders originally from Kutch in Gujarat.

It is at this mosque, 126 years ago, that the 609 personnel aboard the *Ertuğrul*, including Rear Admiral Osman Pasha, the personal envoy of Ottoman Sultan Abdülhamit II, attended the Friday *namaz*.

The *Ertuğrul* — named after the father of Sultan Osman I, who founded the Ottoman Empire in 1299 CE — had stopped over in Bombay for refuelling from 20 to 28 October 1889. She had sailed in from Istanbul and was on her way to Yokohoma in Japan.<sup>[1]</sup>

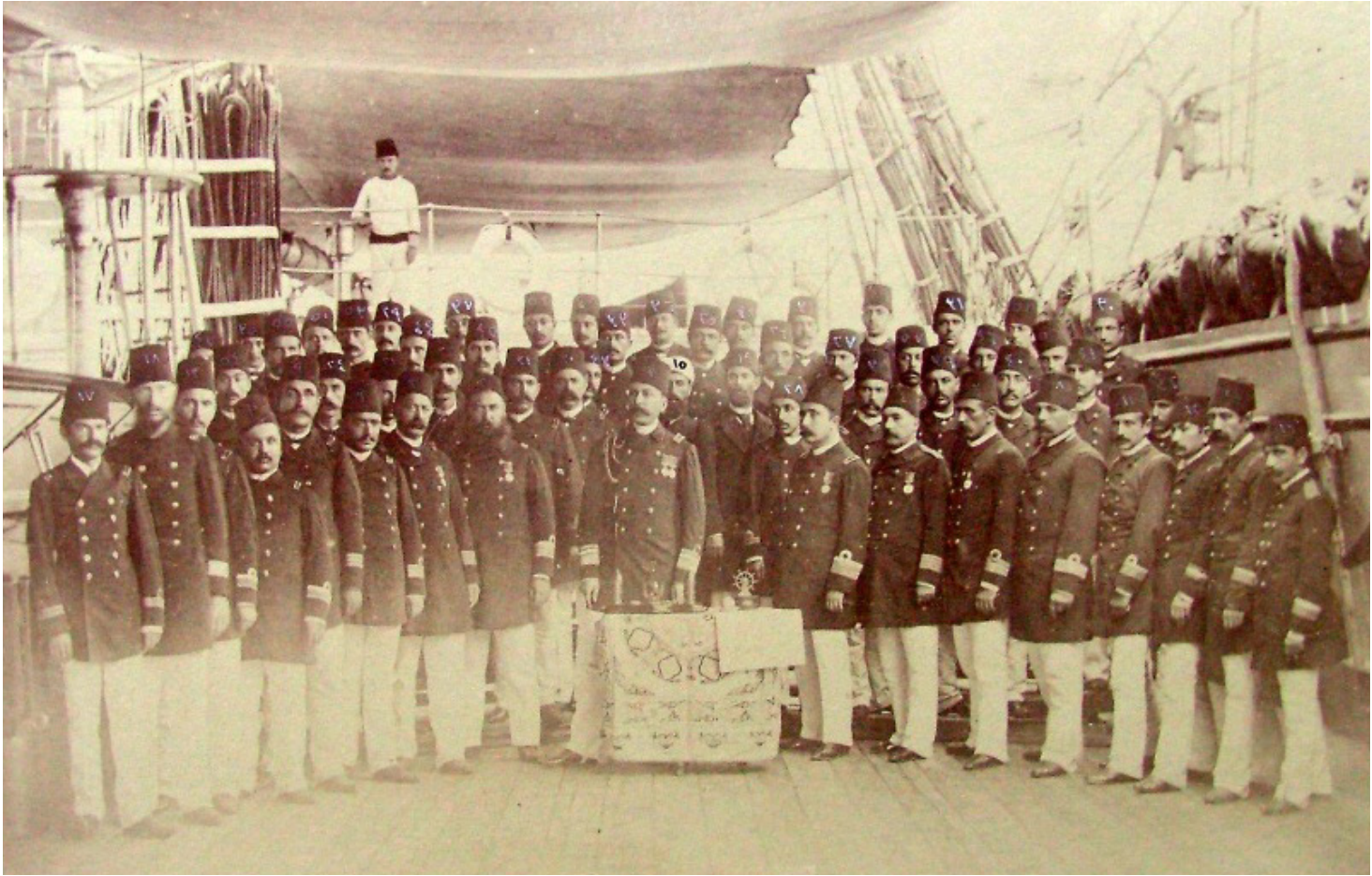
Upon arrival in Bombay on October 20, the ship and its crew had received a rapturous welcome. A report, in a local newspaper, the *Advocate*, stated that thousands, mostly the city's Muslims, crowded the port to catch a glimpse of the imperial frigate, sent by the *Sublime Porte* (the Ottoman Sultan).<sup>[2]</sup>

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[1] Nutku, Süleyman, Ertuğrul Firkateyni Faciasi, in *History of the Turkish Frigate Ertuğrul* (Istanbul), p. 5.

[2] Aras, Lt. Cdr. Serhan, and Lt. Mehmet Yuksel, Ertuğrul: For The Commemoration Of The 125<sup>th</sup> Anniversary Of The Frigate Ertuğrul's Voyage To Japan (Istanbul: Turkish Naval Forces, 2015) p. 101.





*A photo of the crew of the imperial Ottoman Frigate Ertuğrul. The Ertuğrul docked in Bombay port for eight days whilst enroute on a diplomatic mission to Imperial Japan. Photo credit: Turkish Naval Museum Photography Archive.*

To commemorate the 125<sup>th</sup> anniversary of *Ertuğrul*'s voyage from Istanbul to Yokohoma, the Turkish naval frigate *TCG Gediz* is retracing its route by stopping at every port on the *Ertuğrul*'s original route. The *Gediz* (named after a river in western Turkey) was in Mumbai from April 20 to 23. It is now on its way to Colombo in Sri Lanka, and it will be at Tokyo (near Yokohoma) from June 5 to 9.

The author's talk, titled, "Commemorating 126 years of the Bombay visit of the Ottoman frigate *Ertuğrul*", was held on April 20 aboard the *TCG Gediz*. It was jointly hosted by the Consulate of Turkey in Mumbai and Gateway House.

The lecture retraced the milestones of the Ottoman naval ship's visit to Bombay. The *Ertuğrul* reached Yokohoma seven months after it was in Bombay, on 7 June 1890, mak-

ing this year the 125<sup>th</sup> anniversary of the frigate's visit to Japan. It was the first Ottoman naval warship to enter Japanese waters<sup>[3]</sup>

When the *TCG Gediz* eventually reaches Yokohoma, a series of programmes will commemorate what both countries view as a foundational event in Turkish-Japanese friendship.

However, the commemorative events will have a sombre note — there will be a memorial for the crew members who lost their lives aboard the *Ertuğrul*. This ship sank on 16 September 1890, while battling a typhoon off the island of Oshima in south-west Japan, just as it had embarked on its journey back to Istanbul. Of the crew of 609 only 80 survived.

Their memory remains enshrined in *Ertuğrul*'s Tomb of the Martyrs and the *Ertuğrul* Memorial Monument in the town of Kushimoto, south of Yokohoma.

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[3] History of the Turkish Naval Frigate *Ertuğrul*, p. 8.

## **The importance of *Ertuğrul's* voyage**

The story of the *Ertuğrul* and recollections of its 'diplomatic mission' to Japan play a key role in reaffirming Turkish-Japanese friendship even today.

In 1985, a Turkish Airlines plane was flown into Tehran, during an escalating Iran-Iraq crisis, to rescue 215 Japanese citizens. When the mission was successfully completed, the Turkish government stated, "We have not forgotten the rescue of the sailors of the *Ertuğrul*."<sup>[4]</sup>

*Ertuğrul's* voyage falls in a little-known category of naval fleet activity known as benign or naval 'diplomatic missions'. Navies across the world (including the Indian Navy) engage in building bridges of friendship with other navies and nations through friendly visits, joint naval exercises and international fleet reviews.

To mark the *Ertuğrul's* friendly touchdown, Rear Admiral Osman Pasha bestowed the 'Order of the Imtiaz', the highest Ottoman honour, on the Meiji Emperor of Japan. Just

two years earlier, in 1887, Prince Komatsu Akihito, the emperor's brother, had established official contact with the Ottoman empire. On behalf of the Meiji Emperor, he had bestowed Japan's highest honour — the 'Order of the Chrysanthemum' — on Sultan Abdülhamit.

These gestures of friendship, between two centuries-old empires at extreme ends of the Asian continent in a world that was rapidly globalising and changing, and on the threshold of the First World War (1914-1919), were unique.

## **Bombay and the Ottoman empire**

From the middle of the 19<sup>th</sup> century, while Japan was gradually transforming into the first modern Asian industrialised economy, the vast Ottoman empire was weighed down by external pressures (particularly the Balkan Wars of 1877 and 1912-13), internal dissidence and fiscal debts. Yet, it was a force to reckon with till the turn of the 20<sup>th</sup> century. This was amply evident in the welcome the *Ertuğrul* received in Bombay.

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[4] Wikipedia, Japan-Turkey relations, <[http://www.en.wikipedia.org/wiki/Japan-Turkey\\_relations](http://www.en.wikipedia.org/wiki/Japan-Turkey_relations)>

Trading activities between the west coast of the Indian subcontinent and West Asia are almost two millennia old. The islands of Bombay became a primary centre of this trade after the decline of the Mughal port city of Surat by the late 18<sup>th</sup> and early 19<sup>th</sup> centuries. Ottoman trading communities, like the Arabs and the Baghdadi Jews, made Bombay their home during this period.

The West Asian trade of the 19<sup>th</sup> and early 20<sup>th</sup> centuries was predominantly in Arabian horses (prized by the British Indian army), Basra pearls, food grains, coffee, sugar candy, cotton piece goods and dried fruit. The most well-known Bombay merchant with origins in the Ottoman empire, who dominated this trade, was David Sassoon (1792-1864).

The city was also the main port of embarkation for the annual Haj pilgrimage to Mecca, Medina and Karbala (for Shias) — all these places were located within the Ottoman empire. The Ottoman consulate in the

city, established in 1849, was often busy issuing visas not just to Muslims from the subcontinent, but also from the Central Asian regions of Bukhara and Turkestan-Kashgar.

Rapid strides in communications (telegraph and postal) and transportation (steam navigation and the opening of the Suez Canal) not only multiplied the trade between Bombay and the Ottoman empire, but also increased the number of pilgrims undertaking the then arduous Haj.

The visit of the *Ertuğrul* to Bombay in 1889 and the warm welcome the crew received from local communities was a result of these long-standing ties. The friendly visit this month of the *TCG Gediz* to Mumbai, whilst retracing the route of the *Ertuğrul*, once again foregrounds the importance of these historic trade and cultural linkages between Turkey and our city.

~ *This article was first published on the Gateway House website on 27 April 2015*

## The story of the Sassoons

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*On January 24, Gateway House and the National Gallery of Modern Art, Mumbai, hosted a talk by the author on 'The Jewish community of Bombay: Diaspora, Identity and History'. This article, which is based on it, tells the story of the Sassoons, a prominent Baghdadi Jewish family*

Well before politicians started reimagining Mumbai in the image of Shanghai, the city had extensive trade links with its counterpart in China as well as with Canton and other Chinese cities. An exhibition, on till February 13 at the National Gallery of Modern Art (NGMA) in Mumbai, highlights the city's centuries-old trade with China in cotton, cotton yarn and opium.

The exhibition, titled *Across Oceans and Flowing Silks: from Canton to Bombay —18<sup>th</sup> Century to Early 20<sup>th</sup> Century*, brings to the forefront a slice of Bombay's economic history that is rarely discussed, except in academic forums, because of the taint associated with

the opium trade. Opium was initially contraband, smuggled by merchants from Bombay, Calcutta and Karachi to the east coast of China in league with the English East India Company and the local Chinese Hong merchants.

One of Mumbai's minority communities, the Baghdadi Jews, were an integral part of the trade with China which consisted of various items. The Baghdadis were the earliest Jewish immigrants to Mumbai; they came from Surat, a Mughal trading post then in decline. Joseph Semah was the first Baghdadi merchant to make Bombay his home in 1730. Most of the early migrants were merchants involved in trade with Persian Gulf ports.



*David Sassoon, founder of the Sassoon business empire, is seen here with his three oldest sons. To his right is Elias (with glasses), who founded E.D. Sassoon & Co., and Abdullah (anglicised to Albert), who headed the parent company of David Sassoon & Sons after his father's death. On his left, dressed in western clothes is Sassoon David, who was sent to England in 1855 to establish a branch office of the parent company in London. Photo credit: 'Baghdadian Jews of Bombay: Their Life & Achievements, A Personal And Historical Account' by Rachel Manasseh*



The turning point for this early, loosely-organised group of Jewish merchants came with the arrival of David Sassoon. He was a spiritual and community head of the West Asian Jews; in 1832, he fled religious persecution in Baghdad to make the flourishing port city of Bombay his home.

This was a time when the trade in cotton and opium with China was growing rapidly. By 1834, the English East India Company's charter, granting it exclusive rights over the China trade, came to an end and opened the field to merchants and adventurers. All kinds of articles began to be extensively traded between Bombay and China — tea, silks, opium, yarn, cotton, textiles, spices, muslins, metals, camphor, indigo, dates and woollens. Later, these trade ties expanded to include merchant banking, insurance, real estate and manufacturing.

An estimated 40% of the 'China merchants' at the time of Sassoon's arrival in Bombay, were Parsis. But with early trade barriers, and later, the Opium Wars between China and Britain, by the 1880s the Parsis completely withdrew from the trade. This gave way to merchants such as the Sassoons, who had already begun building a base in

Shanghai soon after the Treaty of Nanjing opened the port to foreigners after the First Opium War (1839-1842) between China and Britain.

According to an unofficial 1944 biography of the family, *The Sassoons*, by Cecil Roth, "The most lucrative part of the trade from India to China and beyond and, much later on, much of the direct trade from England to the Far East, came in the hands of David Sassoon, Sons, and Company." Their Bombay base was well suited to this trading activity — the city was the axis of the maritime trade route between East and West.

It was David Sassoon's second son, Elias, who spent 14 years in China from 1844 and built not only the Sassoon trade from China to the west but also eastwards, to Japan. Elias established the Baghdadi merchant community in Shanghai.

This grew to include not just other merchants but also workers for the warehouses, offices and the real estate development that the Sassoons pioneered on the Shanghai Bund (an embanked quay, now an upscale commercial and residential precinct fronting the Huangpu River).



*An early 20<sup>th</sup> century view of the Shanghai Bund. This section was part of the International Concession and was largely developed by the Sassoon family, particularly E.D. Sassoon & Co., and other Baghdadi Jewish merchants with India connections. Photo credit: Sifra Lentin*

Some of the big Jewish families in China today began by working for Sassoon-owned firms. For example, the Kadoorie family of Hong Kong owns the Peninsula Hotel and the China Light and Power Company, now based in Hong Kong. Another legendary name who worked for the Sassoons is Silas Hardoon; he too spent time in Bombay before moving to Hong Kong, and finally, to Shanghai. Hardoon made his fortune in real estate and opium; his legacy is evident in the Shanghai Exhibition Centre (or the Hardoon building).

By the 1930s, most of the Shanghai Bund was owned by Baghdadi Jews, though in terms of numbers they never crossed more than 1,000 in Shanghai. The legacy of this merchant community to Shanghai includes: the Fairmont Peace Hotel (formerly the Cathay Hotel). It is a 1929 art deco landmark on the Bund built by David Sassoon's great-great-grandson, Victor Sassoon. The Shanghai Children's Palace (the former Kadoorie family home) also remains a landmark.

When the Chinese People's Republic was established in 1949, the Baghdadi Jews began to migrate out of Shanghai. Almost simultaneously in Bombay, the dawn of Indian independence triggered a migration of the community to London, Israel and Australia.

The parent Sassoon firm had shifted headquarters to London in the 1870s, but Elias' company, E. D. Sassoon & Co, stayed in Bombay till the early 1940s. The company is now headquartered in the Bahamas, a tax haven.

Though there are now less than 150 Baghdadi Jews in Bombay (according to estimates by the American Jewish Joint Distribution Committee), their legacy to this city is kept alive through various institutions. The Magen David Synagogue in Byculla and the Knesset Eliyahoo Synagogue in Fort still hold services. The schools they established, such as the Sir Jacob Sassoon School and the Sir E. E. E. Sassoon School in the Byculla-Nagpada area, are still functioning. The Sir Elly Kadoorie School is operational too. Its building was endowed in 1934 by the Kadoories to the former Israelite School (which was founded by the Bene-Israel Benevolent Society for

the Promotion of Education in 1875).

The Sassoons' endowments — the David Sassoon Library, the equestrian statue of Prince Edward VII (Kala Ghoda) and the Sassoon Building of the Elphinstone Technical Institute, for example — are city landmarks. The family was also the largest donor to the Institute of Science building and the construction of the Gateway of India.

Interestingly, both Mumbai and Shanghai are now acknowledging this past — and the contribution of the Baghdadi Jews — in different ways. In 2011, a portrait of Sir Victor and Lady Sassoon was installed in his former home, the Cathay Hotel.

During the annual November-February 'Bombay season', groups of Baghdadi Jews visiting from other countries, rediscover their Indian roots and try to reconnect with community members who continue to live in Mumbai. The ongoing exhibition at NGMA and the events around it are an opportunity for researchers and other audiences to revisit this little-known section of the city's history.

*~ This article was first published on the Gateway House website on 7 February 2014*

## Breaking the ice: U.S. trade with Bombay

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*The trade between Bombay and America's north eastern ports 200 years ago was unique as it coexisted with the period's territorial colonial monopolies. Those early routes to riches, seen in light of the Indo-U.S. Strategic Partnership, show that it was trade mainly that yoked Bombay and America together*

The Oval Office's new occupant will soon be known, but regardless of the election's outcome, the India-United States Strategic Partnership across 51 bilateral areas of common interest, of which defence and trade are foremost, will continue to be a reality in the foreseeable future.<sup>[1]</sup>

The changing geopolitics in the Indian Ocean with a militarily assertive China, a sluggish U.S. economy in search of markets and a dynamic, highly skilled Indian American diaspora make the India-U.S. partnership a perfect fit. Their shared political ideology of constitutional democracy is an additional bonus.

These commonalities have emerged rather more recently compared to the 200-year-old business, cultural and people-to-people connections between the Indian subcontinent and the U.S., which, in the late 18<sup>th</sup> century, was centred on the port cities of Calcutta and Bombay, and to a lesser extent, Madras.

It was trade mainly that yoked Bombay and America together whereas the country's Calcutta connections were far more nuanced and diverse, encompassing culture and religion, such as the influence of the Brahmo Samaj movement on American transcendentalism<sup>[2]</sup> of the early 19<sup>th</sup> century.

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[1] Embassy of India, Washington D.C., USA, *Brief on India-U.S. Relations* <https://www.indianembassy.org/pages.php?id=41> (Accessed on 23 October 2016)

[2] Transcendentalism is a philosophical and social movement, which developed in New England (an area comprising the states of Maine, Vermont, New Hampshire, Massachusetts, Connecticut and Rhode Island) around 1836 in reaction to rationalism.

## Early American trade

American trade with the Indian subcontinent began after the American War of Independence (1775-1783) and the Treaty of Paris (1783) between Britain and its former 13 American colonies, which resulted in the bestowing of most-favoured-nation status (MFN) to the country. This meant that the Americans were now ‘free traders’ who could sail into any British colonial port in spite of the English East India Company’s monopoly over trade with both India and China. This had prevented private British traders from entering these markets till the Company’s monopoly over Indian trade ended in 1813 and over the China segment by 1834.

The nifty American clippers (ships of 400 to 600 tonnes), with their small crew and supercargo or business manager, were initially welcomed at British colonial ports, particularly Bombay and Surat<sup>[3]</sup>, where they brought in huge amounts of silver specie (coins) in the early years in exchange for Surat piece goods (cloth). This silver was

what the Company used to pay for its China trade and its mint at Bombay. For example, in 1804 during the early years of this trade, American imports into these two ports were made up of silver (specie) coins of the value of Sicca Rupee 2,07,564<sup>[4]</sup> as compared to the value of the merchandise they brought which was worth only Sicca Rupee 9,071<sup>[5]</sup>.

The balance of trade began changing almost imperceptibly in favour of the Americans. Each voyage generated profits, with a clipper spending an average of one to three years, out on the Indian Ocean, laying anchor at port after port: 20% or more of the proceeds had to go to the investors.

America’s first millionaire, Elias Haskett Derby, who made a fortune trading in Deccan cotton, sourced from Bombay, serves as illustration. It was during the second voyage of his clipper, *Grand Turk*, in 1787-88, that his son, Elias Haskett Derby Jr., in his capacity as supercargo, returned with a cargo of Deccan short-staple cotton from Bombay. The Derbys tried to sell this in Salem, but were unsuccessful. This was the first cargo of

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[3] The formal title was ‘The Treaty of Amity, Commerce & Navigation between His Britannic Majesty and the United States of America’.

[4] The Sicca rupee is the currency that circulated in Bengal Presidency. Each of the three presidencies (Bengal, Bombay, and Madras) had their own currency and currency circle at that time.

[5] Milburn, William, ‘*Oriental Commerce; Containing a Geographical Description of the Principal Places in East Indies, China, and Japan, with their Produce, Manufactures and Trade Volume I*’ (London, Black, Parry & co, 1813), p 201.

Deccan cotton to arrive in the United States, which was then made up of only 13 states.

Instead of disposing of this cotton at a loss, Derby Sr. sent it on to Canton (Guangzhou), where there was an established market for it. Now, having stumbled on the valuable country trade in Deccan cotton from Bombay to Canton, he backed this up by purchasing more raw cotton in Bombay and sending it directly to Canton, where he exchanged it for Chinese tea and silks. These, in turn, along with Indian goods, like indigo, ginger and saltpetre (potassium nitrate used in gunpowder), were sold at various ports in Europe, in the Caribbean and South America, as the American market was too small to absorb the volume of this trade.

Simultaneously, the Americans' import of silver specie into Bombay almost stopped by the first decade of the 19<sup>th</sup> century as goods that they brought in, such as brandy, claret and port wine; metals; cordage, oil and sugar, generated for them the money to buy cotton, and later Malwa opium, in Bombay, for the China market.

## **The attraction of ice**

The American merchants were constantly looking out for saleable merchandise, and ballast for the clippers, that were setting out of the ports of Salem, Newburyport, Boston, Philadelphia, Baltimore and New Castle, to the East. Wish fulfillment came when Boston businessman Frederick Tudor devised a way to transport large blocks of ice across the Atlantic into the Indian Ocean ports of Calcutta in 1833, and Bombay in 1834.

The blocks, which were cut from the frozen ponds of Boston and its vicinity, were insulated with pine dust and wrapped in felt. Further, the holds of the clippers themselves were insulated to ensure that at least three-fourths of it reached the various destinations.

In Bombay, the recipient of the first consignment of ice was Jehangir Nusserwanjee Wadia, the son of Nusserwanjee Maneckjee Wadia, a merchant who transacted all the American business in the city. The Wadias were the famous Bombay shipbuilder family that was responsible for building the





*A streetscape postcard of Dockyard Road that shows the circular structure of Bombay's ice-house, constructed in 1843 from a public subscription of Rs 10,000. Ice was imported into Bombay from New England, USA, and the voyage in the age of sail took roughly four months. Image credit: Eminence Designs Pvt Ltd*

Royal Navy warship, *HMS Minden*, aboard which the American national anthem, ‘The Star-Spangled Banner’, was composed by poet Francis Scott Key, while being held prisoner on board during the 1812 British-American war.

That first consignment of ice created quite a stir in the city, it being allowed to bypass customs. It was unloaded at night to prevent melting, and its consumption (as reported by the Gujarati newspaper, *Bombay Samachar*) at a party, hosted by Jamsetjee Jeejeebhoy, merchant and philanthropist, resulted in the host and his guests coming down with colds the next day<sup>[6]</sup>.

This did not dampen the enthusiasm for American ice in the city, with an ice committee being set up to supervise its storage and

distribution, and an ice house being built in 1843 outside the Naval Dockyard gate at the same spot that the K.R. Cama Oriental Institute now stands.

The ice trade ended in the 1880s, with ice factories being set up in Bombay. In a sense, it marked the transition of American trade — from its early years when it enjoyed MFN status — to when tariff barriers were set up by both sides to protect a nascent American and Bombay cotton mill industry.

The comprehensive U.S.-India Strategic Partnership, though it doesn’t do away with tariffs, will revitalise this important historic relationship.

~ *This article was first published on the Gateway House website on 27 October 2016*

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[6] Dwivedi, Sharada, and Rahul Mehrotra, *Bombay: The Cities Within* (Bombay, India Book House Pvt Ltd., 1995), p 33.

## Mumbai's war memorials

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*Two memorials, located in the heart of Mumbai, serve as a reminder of the crucial role the city's docks played in the First World War. Over 1 million Indian soldiers and sailors fought on behalf of the Allied powers in the Great War*

A late morning walk through the leafy environs of Mumbai's most well-planned business district, Ballard Estate, will inevitably draw one to a memorial of the First World War, erected by the erstwhile Bombay Port Trust, outside the gate of Alexandra Docks, now renamed 'Indira Docks'. On it are the words, "This memorial commemorates the employees of the Bombay Port Trust who fell during WW1, 1914-1918, and also the Port Trust's contribution to the war effort."

This beautifully carved sandstone memorial, with brass plaques on three sides, is a reminder of the extent to which the city, especially her docks, was part of the Allied efforts during the Great War.

The numbers mentioned are staggering — '18,70,000 troops and personnel embarked and disembarked at the docks; 3,046 transports and 668 hospital ships dealt with, and 22,28,000 tons of military stores shipped from Bombay Port'. The first transport ship left the city on 21 August 1914, barely 17 days after Britain entered the War.

The Port Trust railways also ran 2,073 troop and hospital trains to Bombay to facilitate troop movement and that of the injured to and from the city. And her docks repaired and refitted 494 ships involved in the war effort.

It was inevitable that once war broke out, Bombay Harbour and her ports would be critical to the success of the Allied efforts in





*The Bombay Port Trust's First World War (1914-1918) memorial stands at the junction of Soorji Vallabhdas Marg, Sprott Road and Narottam Morarji Marg in the city's Ballard Estate, a European Renaissance style business district developed by the Port Trust. The Memorial commemorates the enormous work done by Port Trust employees during the war years, given the City's key position as a naval and military hub in the eastern war theatre. Photo credit: Sifra Lentin*

the eastern war theatre, particularly in West Asia and Africa, where many thousands of Indian soldiers fought for the Allied Powers against the Central Powers (Germany, Austro-Hungarian Empire, Ottoman Empire and Imperial Russia).

The city was a fulcrum of the war effort, as it had not only an expansive, sheltered harbour and the best port facilities east of the Suez, but was also the headquarters of the Royal Indian Marine (RIM) that played a critical role. Many of the RIM ships, supported ably by the merchant navy, fought in the waters of the Tigris and Euphrates, off the coast of East Africa. More notably, Bombay's *HMIS Hardinge* fought against the Turks to thwart their efforts to blockade the Suez Canal.

A visit to a little known First World War memorial, located in the Indian Sailors Home Society at Masjid Bunder, gives an insight into the lives of the sailors who died fighting. A stately, domed structure, the Home is located in the midst of rows of warehouses between Delhi Street and Thana Street, literally in the gut of the city.

The memorial's caretaker is Binoy Nakulan, who is the resident manager of the Sailors Home. He informs me that the site is maintained by the Commonwealth War Graves Commission and is listed as a First World War memorial on their website. It lies exactly under the dome of the Home; its circular ceiling bears the words, 'Heaven's Light Our Guide' and the motto of the five-pointed Star of India, an insignia used on the Imperial Indian blue flag of the Royal Indian Marines.

Also written in bold is the line: "Here are recorded in lasting honour and the remembrance the names of the 2223 seamen of the Royal Navy, the Royal Indian Marine and the Merchant Navy who fell in the Great War and whose grave is the sea."

The walls are lined with brass plaques, listing the names of the deceased sailors in alphabetical order, along with the names of the ships they belonged to. A recent addition is a Second World War memorial in the form of a brass casket, enclosing a book commemorating the names of 6,531 lives lost at sea.

For naval history buffs, the flags that line this octagonal hall will be of great interest. There are the old flags of the Royal Indian Marine (blue ensign with the 'Star of India'), the Royal Indian Navy (white ensign), the merchant navy and the Royal Navy.

The pristine silence and the church-like quality of the dome, with its skylight, add to the general air of solemnity. It is well worth the effort to discover this little-known gem of Mumbai — a living reminder of how deep an impact a war in Europe one hundred years ago had on the lives of over a million Indian soldiers and sailors. It was meant to be a war to end all wars, but as we all know, history repeated itself 21 years later.

~ This article was first published on the Gateway House website on 17 July 2014



*The Sailors Home War Memorial, located just off Dockyard Road and between Delhi and Thana Streets, is maintained by the Commonwealth War Graves Commission and is listed on the Commission's website as a First World War memorial. The Memorial Hall also has a small section dedicated to those sailors and officers from the Royal Indian Navy and Indian merchant navy who died fighting during the Second World War.*

*Photo credit: Sifra Lentini*



## Bombay's tryst with destiny

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*The Royal Indian Naval uprising of 1946 in Bombay was a catalyst for the final countdown to India's independence on 15 August 1947. It is fitting that this uprising began in the island city, the gateway into the Indian subcontinent for the British 300 years ago*

On 15 August 1947, when independent India's first prime minister, Jawaharlal Nehru, delivered his famous 'Tryst with destiny' speech in Parliament House, New Delhi, a parallel celebration was unfolding in Bombay.

The chief minister of erstwhile Bombay State, Balasaheb Gangadhar Kher, unfurled the Indian tricolour at the Bombay Civil Secretariat (today the City Civil and Sessions Court, across from the Oval Maidan). His words to the assembled crowd, though not as memorable as Nehru's, were: "Citizens of Free India, you are now free."<sup>[1]</sup> Perhaps not too many people caught the import of those words in a city, besieged by crowds celebrating for two whole days.

Two days later, by August 17, the first battalions of British troops began boarding ships at Ballard Pier in south Bombay to leave Indian shores forever.

It was a moment of profound symbolism. Bombay was the first British Royal Possession (territory) on the Indian subcontinent. Though the original seven islands were gifted in dowry to King Charles II of England when he married the Portuguese princess, Infanta Catarina de Bragança in 1661, the 'gift' had to be wrested from the islands' resident Portuguese community, which was reluctant to let go of it. By 1665, a special royal expeditionary force occupied the islands, and Bombay became England's first territorial acquisition on the subcontinent.

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[1] *The Times of India*, 15 August 1947, 'B.G. Kher, Prime Minister of Bombay Province hoisted the flag over the Secretariat'

But the British rulers at the time had not yet recognised the geopolitical and geoeconomic significance of the location of the islands. To them, it seemed that Bombay and its surroundings were hopelessly located for trade and ill-equipped even to feed a resident population. The city's deep and spacious harbour was deemed unsuitable because it was isolated from the main overseas trade routes that culminated at the Mughal entrepot of Surat, located north of Bombay.

It must, therefore, have been with some relief that the Crown leased the islands to the English East India Company for an annual rent of £10 in 1668. The strategic importance of Bombay by the late 18<sup>th</sup> and early 19<sup>th</sup> centuries — as an entrepot, as the capital of a Presidency named after it and also, the headquarters of the Royal Indian Navy — made it the nerve centre of the Indian nationalist movement.

And the city helped hasten Britain's departure from its most cherished colony: India. Many milestones of the country's struggle for independence were launched from Bombay: the founding of the Indian National Congress

(1885); Gandhi's early residence in the city at Mani Bhavan on Laburnum Road; and the launch of the Non-Cooperation Movement (1920-1922), the Khilafat Movement (1919-1924) and the Quit India Movement of 8 August 1942.<sup>[2]</sup>

### **The Royal Indian Naval uprising in Bombay**

The event that really accelerated Britain's exit from India was the mutiny by sailors of the Royal Indian Navy (RIN) from 18 to 25 February 1946, in Bombay — a moment in history that is marked by the Indian Navy's 'Naval Uprising Memorial' in Colaba.

British colonialism's rule in South Asia, as elsewhere across the world, depended greatly on the British-Indian armed forces. When the British government could no longer depend on these forces to enforce its rule, it was a turning point.

The mutiny began innocuously, with a thousand sailors going on a flash sit-down and hunger strike aboard signal training ship, *HMIS Talwar*, on the morning of Feb-

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[2] Lentin, Sifra, Revisiting Khilafat House, Gateway House: Indian Council on Global Relations, 13 August 2014, <<https://www.gatewayhouse.in/\revisiting-khilfat-house/>>

ruary 18.<sup>[3]</sup> The headline in the *Times of India* of 19 February 1946 stated: 'Indian Ratings on Strike in Bombay: Better Conditions Demanded'. The simmering tensions went much deeper than that headline revealed. They spread like wildfire across every branch of the armed services — naval ships anchored in Bombay harbour (some of them raised Congress flags), every major naval establishment (Karachi, Calcutta, Visakhapatnam, Cochin, Lonavala, and even New Delhi), Royal Indian Air Force stations (Sion, Madras, Kanpur and Ambala) and even army units in Bombay, Karachi and Calcutta.<sup>[4]</sup>

The timing of this mutiny explains why it spread so rapidly. The Second World War (1939-1945) had just ended. Indians had been reluctantly dragged into the war — this was unlike the support of nationalist parties for Great Britain during the First World War (1914-1919). This time, despite negative public opinion, Indian soldiers were sent into a war that India did not want to fight.

Post-war tensions were further complicated by the unequal terms on which British and Indian military personnel were demobilised or let off. British troops were given better perks and pay, while Indian troops lost their livelihoods on patently unfair terms.

Another important factor was the ongoing trial at the time of the soldiers of Subhash Chandra Bose's Indian National Army (INA) at Red Fort in Delhi. Many Indian soldiers were captured by the Japanese army in theatres of war across Burma and South East Asia. Many of these prisoners of war chose to join Bose's INA in Singapore, which had been formed and financed by expatriate South East Asian Indians to free India from British rule.

The court martial of roughly 23,000 INA soldiers for high treason, especially of the 'Big Three' (Major General Shah Nawaz Khan, Colonel Prem Sahgal and Colonel Gurbaksh Singh Dhillon), created great unease among the Indian armed forces.

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[3] Chaudhari, K.K., ed., *Maharashtra State Gazetteers, Greater Bombay District, Vol 1*, Bombay, Gazetteers Department, Government of Maharashtra, (1986). p. 582

[4] Ibid.

It culminated in the RIN mutiny of 1946,<sup>[5]</sup> whose high point came on February 21, when, for the first time in Indian naval history, the guns of the RIN warships were trained on the city itself. It was only in the evening that the mutineers hoisted the cease-fire flag.

The mutiny was called off on February 25 after Vallabhbhai Patel and Nehru intervened.

Coincidentally, it was during the week of the RIN mutiny that British prime minister Clement Atlee announced that he would send a Cabinet mission to India to break the deadlock on setting up the Indian Constituent Assembly. The arrival of this last cabinet mission began the countdown to Indian Independence.

*~ This article was first published on the Gateway House website on 13 August 2015*

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[5] National Archives of Singapore, Historical Journey of the Indian National Army, 2003, <[http://www.nas.gov.sg/archivesonline/online\\_exhibit/indian\\_national\\_army/redfort.htm](http://www.nas.gov.sg/archivesonline/online_exhibit/indian_national_army/redfort.htm)>

## Partition 1947: the navy we didn't see

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*15 August 1947 saw the division of more than a country. Splitting the Royal Indian Navy involved not merely a division of assets, but also of staff trained by the British Royal Navy, and this resulted in a piquant situation*

Every year, the countdown to Indian Independence Day sees a spate of media features on the political milestones to freedom (like the Quit India movement of 8 August 1942) and the horrors of Partition, which resulted in thousands of Hindu, Muslim and Sikh families being splintered, massacred and displaced while crossing the border between the two countries.

One story that is overlooked is the partition of the erstwhile Royal Indian Navy (headquartered in Bombay from 1686 to 1944) into the navies of India and Pakistan, and the impact that this division had on the fluid geopolitical situation post-1947 in the Arabian Sea and the Bay of Bengal.

A depleted and truncated post-indepen-

dence Indian Navy now patrolled two vast seas — the Arabian Sea, as it was contiguous to West Pakistan (today's Pakistan) and the west coast of India, and the Bay of Bengal, which was close to erstwhile East Pakistan (today's Bangladesh), and the east coast of India and its archipelago of islands of the Andaman and Nicobar.

To contextualise this, it is important to return to the period just prior to the formation of these two navies, the happenings on Independence Day, and more importantly, the years of infancy (1947-65), when the Indian Navy made a conscious shift from British acquisitions to Russian defence platforms (ships, submarines), technology and training protocols.





*V. Krishna Menon, High Commissioner of India to the UK, and Lord Louis Mountbatten with the commissioning crew of HMIS Delhi. Photo credit: 'Salute to the Sword Arm: A photo-essay on India's Western Fleet'*

## Partition's challenges

Mahatma Gandhi, and Lord Louis Mountbatten, last viceroy of India, tried till the very last to bring freedom to a united India rather than a partitioned subcontinent, but by June of 1947, it was inevitable that two separate countries would get independence from British rule — Pakistan on August 14 and India on the 15<sup>th</sup>.

In a report dated 26 June 1947 in the *Times of India*, to facilitate the division of assets of the British Indian army, navy and air force between the two countries, an Armed Services Reconstitution Committee, with a sub-committee for each service, was established.

The two navies' early commanding officers had been groomed in the traditions of the British Royal Navy, but armed services personnel, like all British Indian citizens, could choose the country to which they wanted to go. This created a particularly piquant situation for the future Indian Navy, as most gunners and gunnery ratings were Muslim, who opted to go to Pakistan, while the Pakistan Navy faced a dearth of signalmen, who were mostly South Indian.

This skewed 'skills' demographics almost delayed the commissioning of India's first post-independence acquisition, the Leander class cruiser, *INS Delhi* (formerly *HMS Achilles*), which was undergoing a refit in Chatham (England).

Recalls Lt. Cdr. V.A. Kamath (later Vice Admiral), "Partition came in August 1947, and the only gunner I had with me at Whale Island (UK), Sharif Khan, and all the Muslim ratings who opted for Pakistan, were returned to Karachi. Unfortunately, those who opted for Pakistan formed the bulk of the gunnery ratings and we had to wait a few months before fresh batches of ratings who had opted for India were sent to England to start (training) all over again..."<sup>[1]</sup>

The two navies, upon their formation on August 14 and 15, continued with the prefix 'Royal' as both countries, till the adoption of their respective constitutions, were dominions under the British Commonwealth. Hence, in India's case, there was no change in name for the Royal Indian Navy (RIN). Additionally, to ensure a smooth transition for both navies, they were headed, till the mid-1950s, by Brit-

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[1] Singh, Rear Admiral Satyindra, *Under Two Ensigns: The Indian Navy 1945-1950* (New Delhi/Bombay/Calcutta, Oxford & IBH Publishing Co., (1985), p. 57.

ish commanding officers: the first to head the independent RIN was Rear Admiral J.T.S. Hall and the Royal Pakistan Navy was headed by Rear Admiral James W. Jefford.

The Indian Navy had to urgently evolve into a blue water fleet that could sustain itself at sea for many days without touching port because its role changed with independence — from playing a supportive role to the East Indies Fleet of the Royal Navy (headquartered in Trincomalee, Sri Lanka) to operating on its own.

Then there were the challenges of a vast coastline (7,500 km) and its territorial seas that required rigorous patrolling from incursions, infiltrations and smuggling. Also, the country's then remote and most critical maritime asset were the Andaman and Nicobar islands, which were closer geographically to Burma (Myanmar) and Sumatra (Indonesia) than they were to the Indian mainland, an argument that the UK made in order to retain them as a naval and air force base, much like the present American naval base in Diego Garcia in the Indian Ocean.

## **How naval thinking changed**

By 25 August 1947, the first plan paper on the reorganisation and development of the Indian Navy by Commodore Martin Nott was submitted to the government. The recommendations of this first report dominated Indian naval thinking for decades: its central theme was developing two fleets (western and eastern) around two light fleet carriers, supported by surface warships, four submarines and smaller miscellaneous supporting ships.

Notably, most Indian naval acquisitions were sourced from the UK for the first 15 years, based on this plan. But there was an exception: Britain withheld its submarines and the training of submarine personnel.

This was a critical factor in India turning to the Soviet Union in 1965, at first for the acquisition of submarines and anti-submarine boats. The Russian-built OSA anti-submarine boats were expedited first due to the continuing threat to Bombay from the Pakistan Navy's long-range submarine, the *PNS Ghazi*.

The spectre of the *PNS Ghazi* was first sensed during the 1965 India-Pakistan War<sup>[2]</sup>

The sightings of *PNS Ghazi* and its periscope lurking in the seas off Bombay, and its stalking of newly inducted aircraft carrier *INS Vikrant* during this war, was a psychological turning point for the Indian Navy. It was compelled to break away from its dependence on the UK and the West for sourcing naval hardware and look to more willing sources, like the Soviet Union.

This change in naval acquisitions policy had a cascading effect through every tier of the Indian Navy. Where once the Royal Navy's legacy on the subcontinent affected everything — from training, acquisitions and protocols — now, for the first time, the Indian Navy had the flexibility to choose what was best for it. Its stunning naval victory in the 1971 India-Pakistan War was the outcome of these choices.

~ *This article was first published on the Gateway House website on 11 August 2016*

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[2] Johnson, Commodore Oddakal, *Timeless Wake: the Legacy of the Royal Indian Navy during World War II*, (Mumbai, Maritime History Society, 2013), pp. 316 —17.





Photo credit: Sifra Lentin



# Part 2

## The International City

Mumbai's residents come from all parts of the subcontinent and the world, bringing with them many languages, cuisines, cultures and religions. Migrants include not only people from foreign lands, but people from other parts of India as well, who came to Mumbai because of its relative security, tolerance and economic opportunities.

Articles in this section describe some of the early immigrants (*India, Israel and the chosen people*), as well as internal migrants like the refugee Sindhi and Sikh communities. Offering further proof of the city's allure are one-time temporary residents – members of the foreign diplomatic corps – who ultimately made Mumbai their home.

Diversity had many interesting and important side effects. *Revisiting Khilafat House*, for instance, describes how Mahatma Gandhi, in launching the first non-cooperation movement from Mumbai to oppose British colonialism, simultaneously demanded the restoration of the Ottoman Caliphate, effectively bringing Hindus and Muslims together on the same nationalist platform. Also, linkages with faraway France are still alive in the city, as are those networks that link Mumbai with Myanmar (formerly Burma), which also once was part of the British Empire.



# Revisiting Khilafat House

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*The Khilafat movement started in Mumbai nearly 100 years ago in response to the dismantling of the Caliph-headed Ottoman Empire by the Allied powers. The present revival of the office of the Caliph by the Islamic State in West Asia, although rooted in a different context, evokes this sliver of Mumbai's history*

**K**hilafat House, a major landmark located on a leafy Byculla lane in south Mumbai, has an entrance arch proudly bearing the name: All India Khilafat Committee (AIKC). The original bungalow was rebuilt many years ago and the compound now houses the Khilafat College. Its new role belies Khilafat House's historic importance — both to the Indian nationalist movement and to an international pan-Islamism during the First World War and its immediate aftermath. It was a time when the fate of the Ottoman Caliphate was being decided.

Now, when events of global importance are unfolding in West Asia, the militant Islamic State is relentlessly advancing and its leader has resurrected the office of the Caliph, it is interesting to look back on the reverberations felt in Mumbai when the Ottoman Caliph-

ate as well as its temporal control over Islam's most holy sites, were both endangered.

In the decades prior to independence, Mahatma Gandhi achieved a coup of sorts — despite opposition from within the Congress and other political groupings — when he combined the Khilafat (Caliphate) cause with the Indian people's anger and frustration at the British government's response to the Jallianwala Bagh massacre (on 13 April 1919), to launch his first Non-Cooperation Movement from Bombay.

Most of the standard works, such as the *Encyclopaedia Britannica*, which refer to Mumbai during the Great War, talk of the ambivalence of Indian Muslim communities towards Britain going to war with the Ottoman Empire. Although various political parties supported the First World War, feel-

ings were mixed when British Indian troops launched a campaign in Mesopotamia in October 1914 at the Shatt-al-Arab, then a part of the Ottoman Empire.

This personalised the war — triggered by the Balkan States — and made it a Holy War because the Ottoman Caliph was the temporal head of a vast territory and the spiritual head of the Islamic world too. Accordingly, the office of the Caliph moved from Cairo to Damascus to Istanbul at various periods in history, across empires that were responsible for the security of Islam's holiest sites.

In West Asia now, the leader of the Islamic State, Abu Bakr al-Baghdadi, has declared himself Caliph in the captured city of Mosul. This highlights the still emotive appeal of the Caliphate, a spiritual and temporal position ordained in the Koran.

In South Asia, nearly a hundred years ago, Indian Muslims became increasingly disaffected with the prolonged campaign of the British Indian Army in Mesopotamia. Delegations from the subcontinent appealed to the Amir of Afghanistan to launch a Holy War to defend the Caliphate. Then too, the call to war led many Muslim peasants to

abandon their village homes and trudge over the frozen high passes in a perilous journey from India to Afghanistan. This is perhaps reminiscent of the young men from neighbouring Thane recently taking the leap into the Iraqi war zone — as have many from across the world today.

The Khilafat movement, though, was formally launched only after the end of the First World War, when the fate of the Ottoman Empire hung in the balance. It coincided with the imposition of the draconian Rowlatt Act in February 1919. Instead of greater autonomy for the subcontinent, as promised at the beginning of the War, the Act left nationalist leaders feeling cheated.

Gandhi's embrace of the Khilafat movement, founded by the fiery Ali brothers, Maulana Mohammed Ali (after whom Mohammed Ali Road in Mumbai is named) and Shaukat Ali, and Maulana Abul Kalam Azad (all well-known nationalists), made it one of the main planks of the Non-Cooperation Movement. It became a movement that showcased Hindu-Muslim unity.

Gandhi was elected president of the first All-India Khilafat Conference in 1919. The



*The first Id-e-Milad procession from Khilafat House was led by Mahatma Gandhi in 1919, when he fused the Khilafat movement with the first Non-Cooperation Movement (also launched in 1919). Today this annual tradition continues, albeit from the present premises at Byculla. Photo credit: Sifra Lentin*

first Id-e-Milad procession from Khilafat House (originally Chhotani House in the Masjid area in south Mumbai) to Haj House behind Jyotiba Phule Market (Crawford Market), was led by Gandhi as head of the conference. The tradition of this annual procession has continued uninterrupted all these years, though it now starts from the AIKC headquarters in Byculla and then goes to Haj House.

Both movements — Khilafat and Non-Cooperation — ended abruptly. The Khilafat movement was cut short by Kemal Ataturk, the first president of Turkey, in 1924, when he declared post-war Turkey a secular state. Two years earlier, sporadic outbreaks of violence on the subcontinent, culminating in the Chauri Chaura incident, also led Gandhi to call off the Non-Cooperation Movement.

These crucial five years (1919-1924) in India's nationalist history are now depicted on the walls of Khilafat Hall: framed photographs of the Ali brothers, the first All-India Khilafat Conference and Gandhi addressing rallies. They remain silent witnesses to an epochal slice of global history that is linked to Mumbai.

*~ This article was first published on the Gateway House website on 13 August 2014*

# When Bombay was home to the Aga Khans

*The Aga Khan IV, Prince Karim al-Husayni, religious head of the Ismaili Shia Imamat, celebrated the diamond jubilee year of his leadership with the launch of many development projects. Over a century prior to this achievement, Bombay was a centre for the consolidation of the community and its religious leaders' influence*

Philanthropy has always flourished in Bombay, and the Ismailis — there are 15 million of them globally — owing allegiance to His Excellency Aga Khan IV, Prince Karim al-Husayni, practise it diligently, giving of their time and talent as and when sought by their leader. Nineteenth-century Bombay was where the Aga Khans emerged as public figures and leaders of a philanthropic community, dispersed across West and Central Asia, the Indian subcontinent and East Africa.

This is the diamond jubilee year of His Excellency Aga Khan IV, anointed the 49<sup>th</sup>

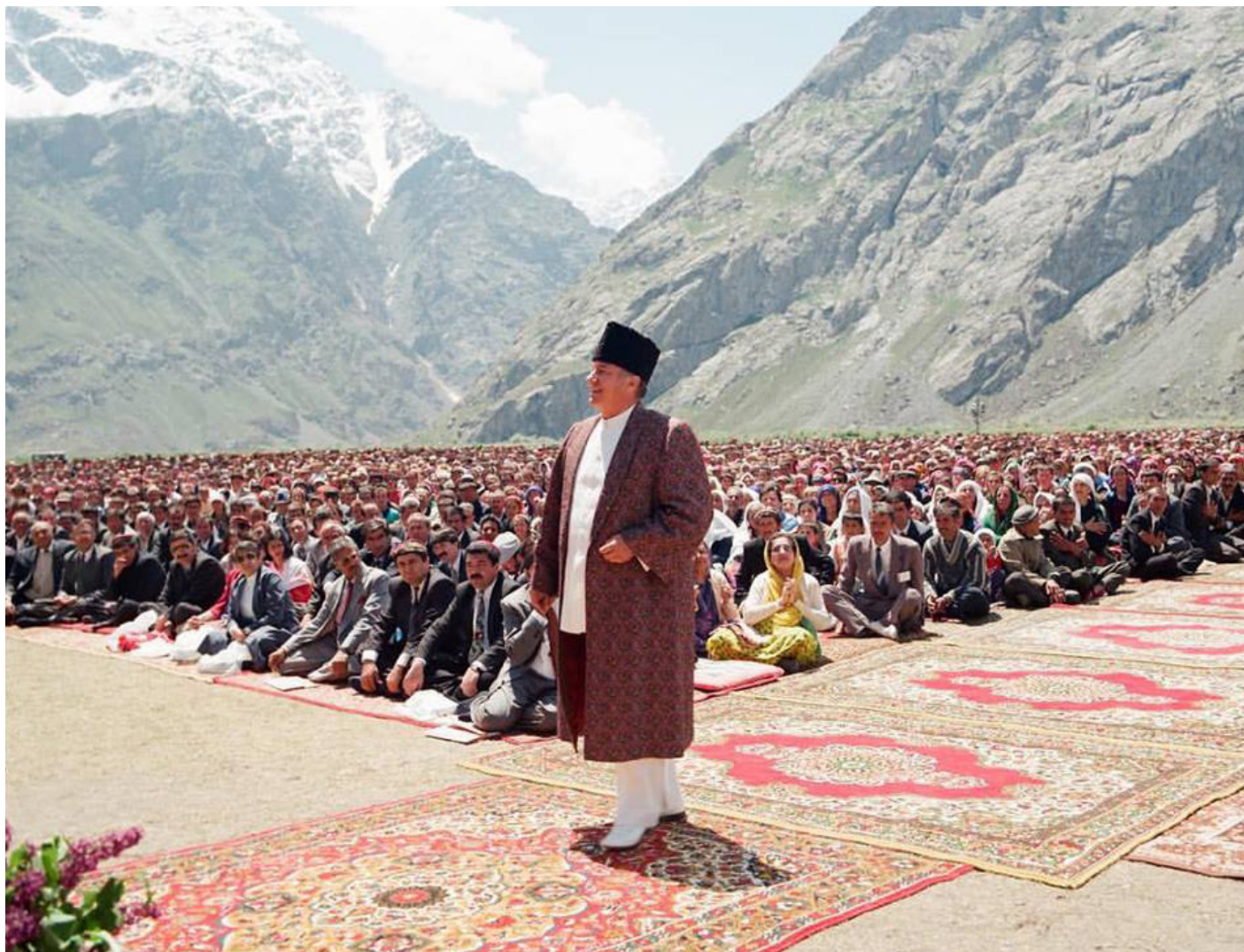
Imam of the Ismailis by his grandfather Sir Sultan Mahomed Shah Aga Khan III. To mark the occasion, he launched numerous non-denominational development projects<sup>[1]</sup>, on July 11, all with a primary focus on poverty alleviation. This is work that has already won him much appreciation.

These projects will, as always, combine an astute business model — the Prince is an alumnus of Harvard University — with good causes,<sup>[2]</sup> directed both at their own people and the communities in whose midst they live. This approach has worked particularly well both in multicultural, pluralis-

[1] According to an Aga Khan Development Network (AKDN) press release, Diamond Jubilee priorities include the promotion of early childhood and primary education, strengthening institutions and invigorating civil society. Aga Khan Development Network, <[www.akdn.org/press-release/update-aga-khans-diamond-jubilee-marks-60-years-of-commitments-faith-pluralism-and](http://www.akdn.org/press-release/update-aga-khans-diamond-jubilee-marks-60-years-of-commitments-faith-pluralism-and)>, (Accessed on 13 July 2017)

[2] The Aga Khan does not consider his work philanthropy, but his spiritual mandate. In the understanding of the Imamat (office of Imam), the Imam (in this context, the Aga Khan) is responsible for the improvement of the quality of life of his followers, the citizens amidst whom they live and the needy.





*H.E. Aga Khan IV addressing Ismailis in Central Asia.. Photo credit: AKDN/Zahur Ramji.*



tic societies, like India and Canada, and in Pakistan and Afghanistan, where the Ismailis are regarded a peace-loving community, integrating seamlessly into society, while also giving back to it.

The edifice that exists today sprang up from certain foundational events in 19<sup>th</sup>-century Bombay, which effectively legalised the hereditary temporal and spiritual power of the Aga Khan. The first Ismaili Rule Book<sup>[3]</sup> came about in 1905. Community institutions were established. This period also saw the beginning of an administrative structure that is today known as the Aga Khan Development Network (AKDN). This is an umbrella organisation for the Aga Khan's non-profit work, which is funded by businesses such as hotels and airlines that it also runs. This is the largest private development organisation in the world, employing 80,000 people, and disbursing \$925 million annually.<sup>[4]</sup>

## Aga Khan I comes to Bombay

Hasan 'Ali Shah, the 46<sup>th</sup> Imam, was the first Aga Khan — an honorific bestowed on him by the Persian emperor, Fath Ali Shah — to settle in Bombay city in 1848 and the first Ismaili Imam to set foot in the Indian subcontinent, say historians.<sup>[5]</sup> His arrival marked the beginning of the modern period in the community's history. Prior to the 1800s, the Ismaili Shia Imams were based in Persia.<sup>[6]</sup> They had limited contact with the Ismaili communities, scattered across Central Asia and Afghanistan, where they were concentrated along the Silk Road — the Middle East and South Asia.

With the Imamate shifting from the province of Kirman (Iran)<sup>[7]</sup> to Bombay, the Ismaili Imam came into full public view, his presence having an invigorating effect on local Khoja Ismailis and many distant com-

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[3] The historic meaning of Rule Book (Constitution) is that it outlines the spiritual relationship between the Imam and his followers, which is different from an Ismaili's secular loyalty to the country in which he lives. Today, the Global Constitution (rule book) additionally regulates the relationship \ between various community institutions globally between themselves, and their relationship with the Aga Khan Development Network (the umbrella institutions.

[4] Aga Khan Development Network, Update — *Aga Khan's Diamond Jubilee marks 60 years of a commitment to faith, pluralism and improved quality of life* (Geneva, AKDN, 2017) [www.akdn.org/press-release/update-aga-khans-diamond-jubilee-marks-60-years-of-commitment-faith-pluralism-and](http://www.akdn.org/press-release/update-aga-khans-diamond-jubilee-marks-60-years-of-commitment-faith-pluralism-and) (Accessed on July 12, 2017)

[5] Daftary, Farhad, Ed., *A Modern History of the Ismailis: Continuity and Change in a Muslim Community* (London, I.B. Tauris Publishers in association with The Institute of Ismaili Studies, 2011), p. 7.

[6] Prior to 1935, Iran was known as Persia. At the time Aga Khan I immigrated to Bombay, it was Iran.

[7] The Institute of Ismaili Studies, *The Ismaili Imam History* (UK, IIS, 6 July 2015) <[iis.ac.uk/about-us/his-highness-aga-khan/ismaili-imamat-history](http://iis.ac.uk/about-us/his-highness-aga-khan/ismaili-imamat-history)> (Accessed on 13 July 2017.)

munities from Central Asia, who sent missions to the city to meet him.<sup>[8]</sup>

Many Ismaili communities on the Indian subcontinent (mostly in Sindh, Kutch and Saurashtra) adopted Ismailism sometime between the 14<sup>th</sup> and 15<sup>th</sup> centuries through the efforts of Ismaili *pirs* (missionary-saints) who had travelled here, according to historian Zulfikar Hirji<sup>[9]</sup>. Some converts came to be called Khoja, a Gujarati transposition of the Persian term *Khwaja*, meaning ‘lord and master’. “Until the 19<sup>th</sup> century, these convert communities practised their faith in a dissimulated manner,” Hirji writes. “Hence their religious beliefs and practices displayed a complex interface with other traditions.”

Gathering a dispersed flock on the subcontinent and reforming their social institutions and religious practices was not easy. The authority of the Ismaili Imam was challenged in three cases that were adjudicated by the Bombay High Court.

The first, in 1847, concerned whether female rights of inheritance of property were governed by customary practices or the Sharia (Mohammedan law).<sup>[10]</sup>

The second, known as the Great Khoja Case (1851), arose when a reform group (*Barbhais*, or “12 brethren”) challenged the authority of the Aga Khan.

The third, the Aga Khan Case (1866), legally delineated the Ismaili Imam’s authority over British Indian Ismailis. This resulted in a schism within the community. Thereafter, a period of consolidation ensued.

In Bombay, the oldest and chief *jamaatkhana* (congregational hall) of the Ismailis is Darkhana<sup>[11]</sup> on Samuel Street, in the Dongri area, where most of the community originally settled. This is a grand structure, complete with a stately clock tower. It was during Sir Sultan Mahomed Shah’s leadership (1885-1957) that his travels through the subcontinent resulted in many *jamaatkhanas* being set

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[8] Ibid.

[9] Hirji, Zulfikar, “The Socio-Legal Formation of the Nizari Ismailis of East Africa, 1800–1950”, Chapter 6 (Part 2), from Daftary, Farhad, Ed., *A Modern History of the Ismailis: Continuity and Change in a Muslim Community* (London, I.B. Tauris Publishers in association with The Institute of Ismaili Studies, 2011), p. 130.

[10] The 1847 case consisted of two cases pertaining to whether customary practices or the Sharia law was applicable to succession (inheritance) in the case of the Ismailis. The Aga Khan was not party to the suits but was represented.

[11] The present building was inaugurated by H.E. Aga Khan III on January 22, 1915. It was built by Megji Mulji Mukhi. However, it appears that there existed an older jamaatkhana on this site. Heritage Society: Ismaili. Net, 74. Meghji Mulji, Mukhi <<https://ismaili.net/heritage/node/20736>> (Accessed on 11 July 2017.)

up. The first Aga Khan School also opened in 1905 in Mundra (Kutch).<sup>[12]</sup>

Noteworthy during this period is the spiritual leader's outreach to communities settled in East Africa, largely Kutchi-speaking Khoja Ismaili families, whose early pioneers had immigrated in the early 1820s much before Aga Khan I settled in Bombay.

The community's first rule book, titled "The Rule Book of the Khoja Shia Imami Ismaili Council: Part 1&2, by Hussein Chapkhano" was instated for the local community by Aga Khan III in 1905, in Zanzibar.<sup>[13]</sup> It was here too that the first Supreme Council to regulate community life was set up.<sup>[14]</sup> Both the Rule Book and council governance are features of Ismaili community organisations worldwide. It was in Kisumu (Kenya) though, that the first *jamaatkhana* in Africa was inaugurated the same year. Well known Khoja merchant, Seth Allidina Visram, who made his fortune, building shops at every major station along the 580-mile long Uganda Railway Line, funded it.



*The mausoleum of H.E. Hasan 'Ali Shah, the 46th Imam and the first Aga Khan to settle in Bombay city in 1848. Known as Bombay's Taj Mahal, Hasanabad or Shah Hasan Ali's Maqbara (mausoleum). It is located on Mazagaon Hill. Photo credit: Sifra Lentin*

## Imamat's shift from Bombay

After almost a century of the Imamat being headquartered in Bombay, Sir Sultan Mahomed Shah Aga Khan III took up residence in Switzerland, a neutral country, during the Second World War (1939-45). It was also a period when political turbulence due to the Indian nationalist movement and the inevitability of Partition, loomed over India. The seat of the Ismaili Imamat has been located in different parts of the world during its 1400-year-old existence.<sup>[15]</sup> While its history in Bombay marked the beginning of its modernisation, these Geneva years, largely under the stew-

ardship of the present Aga Khan IV, were marked by global outreach and major growth in its development work.

The Imamat has now indicated that the headquarters may shift from Geneva to Portugal: the Portuguese government granted it special status in 2015 to operate globally from its territory.<sup>[16]</sup>

The Aga Khan and his followers have worked selflessly across borders and communities — and his diamond jubilee celebrations will have reverberations across them.

~ *This article was first published on the Gateway House website on 13 July 2017*

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[12] The Aga Khan School, Mundra <[www.agakhanschools.org/India/AKSM/Index](http://www.agakhanschools.org/India/AKSM/Index)> (Accessed on 11 July 2017)

[13] Hirji, Zulfikar, "The Socio-Legal Formation of the Nizari Ismailis of East Africa, 1800–1950", Chapter 6 (Part 2), from Daftary, Farhad, Ed., *A Modern History of the Ismailis: Continuity and Change in a Muslim Community* (London, I.B. Tauris Publishers in association with The Institute of Ismaili Studies 2011), p.146.

[14] Today, the Ismailis worldwide have national councils for each country, with the number of administrative layers being determined by the size of the community. In India, the National Council has three administrative layers and covers the regions of Western India, Southern India, North Eastern Gujarat, Northern Saurashtra, Southern Saurashtra and Central & Eastern India.

[15] The Ismaili, *Imamat Day Mubarak* <https://the.ismaili/imamat-day-mubarak-1> (Accessed on 13 July 2017.)

[16] Aga Khan Development Network, *Historic agreement establishes Global Seat of Ismaili Imamat in Portugal* <[www.akdn.org/event/historic-agreement-establishes-global-seat-ismaili-imamat-portugal](http://www.akdn.org/event/historic-agreement-establishes-global-seat-ismaili-imamat-portugal)> (Accessed on 12 July 2017)

## Memorial museum for 26/11 victims

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*The newly restored Chabad House in Mumbai will be the site of a museum-memorial dedicated to the victims of the 26/11 terror attacks — while also serving as a reminder of the Jewish community's vibrant presence in Mumbai 50 years ago*

On August 26, Nariman House, the Colaba-based India headquarters of Chabad Lubavitch, the worldwide orthodox Jewish movement, was rededicated as Chabad Centre. The building was left ravaged after it was targeted during the 26/11 Mumbai terror attack nearly six years ago. The Chabad Lubavitch has a presence in over 3,000 cities around the world, and the attack and murder of Rabbi Gavriel Holtzberg, his wife Rivka, and their four guests, added a global dimension to the incident.

After a soulful rendition of 'El Male Rachamim' (Jewish prayer for the souls of the dead), followed by a lively benediction for the reopened centre, came the announcement

that the Chabad Lubavitch would spend \$2.5 million towards building a Nariman House museum and memorial.

The idea is unique to Mumbai even though the city has lost hundreds of innocent citizens in a spate of deadly terror attacks. The concept is more familiar within the Indian armed forces, whose museum-memorials are a treasure trove of history, memories and eventual healing for those who have lost their loved ones in action.

The tragedy of 26/11 and the outpouring of grief that the city witnessed in its aftermath have made the once obscure Nariman House and the Chabad Lubavitch an indelible part of Mumbai's history.



“This is the first museum in India dedicated to the 26/11 siege and the only memorial dedicated to all the victims,” said Rabbi Israel Kozlovsky, present director of the Mumbai Chabad House, at the ceremony.

The museum-memorial will be designed by Ralph Appelbaum Associates, the world’s largest museum exhibition design firm based in New York. The firm has also designed the United States Holocaust Memorial Museum in Washington D.C., which is dedicated to the 6 million Jews who lost their lives in Nazi labour camps during the Second World War.

The highlight of the Mumbai site will be a wall set up on the outdoor roof deck of Nariman House, which will be specially designed to represent the climactic moments of the attack. Called ‘Memorial to the Innocent’, it will list the names of all the victims alphabetically, with a special prism highlighting each name.

The choice of the roof deck is especially fitting as it was here that Indian commandos descended from helicopters in the final hours. From the deck one also gets a view of all the other sites that were targeted, the

Taj Mahal Palace Hotel and Tower, Oberoi Hotel, Chhatrapati Shivaji Terminus and Cama and Albless Hospital.

The museum-memorial will highlight the seven virtues of morality common to all religions and the daily rituals of the Jewish community. The fifth floor, where the late rabbi and his family lived, will be recreated like a traditional Jewish home, with symbols like the *mezuzah* (hollow cylinder holding a small prayer scroll usually fixed to the main door), and a kosher kitchen, with a separate wash basin for dishes used for cooking meat.

These details become even more poignant when one remembers how Mumbai was once home to a vibrant Jewish community, comprising West Asian Baghdadi Jews and local Bene-Israelis from the mainland Konkan littoral for a good 300 years. Their presence has significantly reduced due to large-scale migration to Israel and the West.

Until the middle of the 20<sup>th</sup> century, BEST trams and buses would issue special passes to Jews so they could travel on Sabbath (a Holy day of rest ordained by the Old Testament) without having to exchange money.

The Sabbath period extends for 24 hours, starting from before Friday sunset and ending after sunset on Saturday. Government colleges in the city would declare a holiday on Yom Kippur, the Day of Atonement. This shows just how enormous their influence was. Institutions built by the community, especially the wealthy and orthodox Sassoon family, are still intrinsic to city life: awareness of this is virtually non-existent today.

This site will therefore play an important role. It will memorialise the tragedy and educate visitors about the Jewish way of life, something that was so vividly present in our city only 50 years ago.

*~ This article was first published on the Gateway House website on 5 September 2014*

# India, Israel and the chosen people

*Prime Minister Narendra Modi's visit to Israel (July 4-6) marks 25 years of India's diplomatic relations with the State of Israel. Forging these political and economic ties has not been smooth sailing, and the Indian Jewish community has helped keep a tenuous relationship going*

Prime Minister Modi's tight schedule during his official visit to Israel has a special event pencilled in. On July 5, he will meet the Indian diaspora in Tel Aviv, Israel's financial capital. It will be an audience made up largely of Indian Jews, who number approximately 85,000<sup>[1]</sup> in Israel today, and for whom this promises to be a historic and emotion-laden moment as they consider India their motherland, and the State of Israel, which was formed in 1948 soon after India won its independence, their spiritual and religious one.

Despite this symbiotic connection, the two

countries have shared a tenuous political relationship. Prime Minister Jawaharlal Nehru's *de jure* recognition of Israel in 1950 may have paved the way for the opening of a consulate in Bombay in 1953, but it was explicitly to cater to the immigration needs of India's Jews and did not result in a reciprocal gesture from India.<sup>[2]</sup> It was only 42 years later (in 1992), that Prime Minister Narasimha Rao's Congress-led government opened full diplomatic relations with Israel, normalising travel and business — diamond trading, in particular — and defence interests between the two countries.

[1] Embassy of India Tel Aviv, *Bilateral Relations* <https://www.indembassy.co.il/pages.php?id=10#.WVONFdDhWhA>. Accessed on 24 June 2017.

[2] This First Period (1948-92) witnessed the *de jure* recognition of the State of Israel in September 1950 by Indian prime minister Jawaharlal Nehru, while refusing to establish full diplomatic relations and a reciprocal Indian mission. Israel first appointed an honorary consul in Bombay, followed by a career consul in September 1953. In January 1992, Indian Prime Minister Narasimha Rao's Congress-led government opened full diplomatic relations with the State of Israel.

Abhyankar, Rajendra, The Evolution and Future of India-Israel Relations, Research Paper No.6, March 2012, The Daniel Abraham Center for International and Regional Studies, Aspen Institute India, and The Harold Hartog School of Government and Policy, pages 8 and 13. ] <http://132.66.16.6/humanities/abraham/india-israel.pdf>. Accessed on 22 June 2017.



*The family of Abraham Reuben Kamarlekar, a Bene Israel from Karachi, on pilgrimage in Jerusalem (then in Palestine) in 1902. Note the Turkish guard. Photo credit: from the collection of Dr Sarah Israel. Published in 'India's Jewish Heritage: Ritual, Art, & Life-Cycle' by Marg Publications, Mumbai, 2002*

The history of India's Jewish communities has shown that they faced no anti-Semitism on the subcontinent, except from the Portuguese. This holds true of both the older groups, the Marathi-speaking Bene-Israel (lit. 'children of Israel') and Malayalam-speaking Malabar Jews, as also the more recent immigrants, such as the urbanised Baghdadi Jews and the internationally well-known Paradesi (White) Jews of Cochin. The Bnei Menashe community, tribals from Manipur and Mizoram who practise Judaic rites, and a group of Andhra Jews, claiming Lost Tribe origins,<sup>[3]</sup> also constitute the community from India, one that has enjoyed a privileged position in the political, economic and social hierarchy of native kingdoms in Mughal India and even under colonial rule, whether Dutch or British.

### **Bombay's Jews: a case study**

The island city of Bombay under English rule was representative of the Jewish experience on the subcontinent, drawing the

Bene-Israel, popularly known as the *Shanwar Tellis* (Saturday oil-pressers),<sup>[4]</sup> from the villages of the Konkan. They were also a martial race, having joined the armies of Shivaji, the Marathas and the Angres in large numbers. They began settling in Company Bombay from the early 18<sup>th</sup> century because of job opportunities in the Bombay Army. They had lived in the Konkan for centuries after being shipwrecked (sometime after 175 BCE, but before 70 CE),<sup>[5]</sup> but were only discovered as a Judaic community in 11 CE by Baghdadi Jewish merchants, trading with the north Konkan ports.

The Bene-Israel underwent years of destitution before being discovered and re-amalgamated into the global Jewish mainstream as one of the Ten Lost Tribes of the Kingdom of Israel. Their oral tradition speaks of the linkages of this community to the Jewish Holy Land. Soon after their shipwreck, the survivors are believed to have had a visitation from the Prophet Elijah. The Eliyahu Hanabi ceremony, practised only by this community,

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[3] Weil, Shalva (Edited), *India's Jewish Heritage: Ritual, Art & Life-Cycle* (Mumbai, Marg Publications, 2002), p. 12.

[4] Bene-Israel are known as *Shanwar Tellis* (lit. Saturday oil-pressers) because the predominant occupation of the community in the Konkan villages was oil-pressing. Moreover, they refrained from work on Saturday, the Jewish Sabbath.

[5] The arrival of the Bene-Israel on the Indian subcontinent is placed sometime after 175 BCE, when the Kingdom of Israel was destroyed by the Assyrians, and before 70 CE, as the community was ignorant of the destruction of the Second Jewish Temple in Jerusalem. This, among other observations, has led to the conclusion that the community belongs to the Ten Lost Tribes of the Kingdom of Israel and not to the two tribes of the southern Kingdom of Judah.



is regarded as a thanksgiving to the Prophet and is also performed prior to a celebration.

The essentially rural Bene-Israel had their first sustained contact with the mercantile and more religiously conversant Baghdadi Jews in Bombay: the most famous of them was the David Sassoon family, originating in the Middle East. Like other Baghdadi Jews who migrated to Bombay from the early 18<sup>th</sup> century, either from the Mughal port of Surat, the Middle East and North Africa, many settled in the city for its business opportunities and the Company's guarantee of religious freedom.

With Bombay becoming a node for the circulation of capital, trade and people during the 19<sup>th</sup> century, it also became home to the largest concentration of Jews on the subcontinent. The Census of 1891 shows 5,021 Jews resident in the city, but it makes no distinction between the different communities.<sup>[6]</sup> Smaller communities were formed across British India in Aden, Karachi, Poona, Cochin, Madras, Calcutta and Rangoon. This led to the building of community institutions: Bombay has in operation

seven synagogues (including one in Thane), two prayer halls and three Jewish schools — despite the community's reduced numbers.

More than the built heritage, it is the political, economic and military contributions of this small community that stand out. The Erulkar brothers, Dr. Abraham and David,<sup>[7]</sup> and Maurice D. Japheth, were ardent Indian nationalists. The Sassoon family, which owned 14 mills in Bombay, the B.N. Elias family of Calcutta and the Koder family of Cochin, had a substantial presence. In the armed services, Vice Admiral B.A. Samson and General J.F.R. Jacob, a hero of the Indo-Pak War of 1971, are part of naval and military lore.

## **The Jewish cultural imprint**

The Indian movie buff will have fond memories of the many Jewish actors and actresses who worked in Bollywood of the 1940s-1960s, enjoying a degree of freedom for being outside the Indian caste hierarchy. An early entrant during the silent era was the actress Sulochana (originally named Ruby Myers) from Poona,

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[6] Isenberg, Shirley Berry, *India's Bene Israel: A Comprehensive Inquiry and Sourcebook* (Bombay, Popular Prakashan, 1988), p. 291.

[7] Dr. Abraham Erulkar was Mahatma Gandhi's personal physician during many of his fasts. He was a founder of the Jewish Nationalist Party, which was affiliated to the Indian National Congress. His brother, David, defended Bal Gangadhar Tilak during the 1916 sedition trial as a junior counsel, and along with Joseph Baptista, assisted Sr. Counsel Mohammed Ali Jinnah during the trial in the Bombay High Court. Both brothers were ardent Indian nationalists.

followed by two Calcutta cousins, Miss Rose (Rose Musleah) and Pramila (Esther Abraham)<sup>[8]</sup>. Bombay had Nadira (Farha Ezekiel) and David, the popular loved actor from the Bene-Israel community.

In literature and the fine arts, was the post-colonial Indian English poet, Nissim Ezekiel (whose poem “The Night of the Scorpion” details the simplicity of life in the Konkan); the Kalakshetra-trained Bharata Natyam exponent, Leela Samson; and author and artist, Esther David.

## Indian Jews in Israel

Much before India won its independence or Israel was formed, Paul Tolkovsky, the first Zionist leader to visit Bombay in 1919, came to gauge the Indian Jews’ attitude to Zionism<sup>[9]</sup>, many other missionaries following in his wake. This was a time when many Jews were being drawn into the Indian nationalist movement. They were shaken by news of

anti-Semitism in Europe, a reality that hit home with the influx of some 2,000 European Jewish refugees (largely to Bombay), from the late 1930s to early 1940s. These events made for a heady mixture, when combined with the Zionist appeal for a Jewish homeland.

Immigration to Israel peaked in the 1950s to 1960s, emptying the villages of Malabar and Konkan of its Jewish residents. Currently, Dimona, Beersheba in the Negev, Lod, Ashdod and Ramle in central Israel, all have large Indian Jewish populations, while the famous Moshav Nevatim,<sup>[10]</sup> on the outskirts of Beersheba, is the headquarters of the Malabar Jews. It is here in the synagogue at Nevatim that a piece of India from a Malabar village — the Holy Ark or *hekhhal*, an ornately carved wooden enclosure for Torah scrolls — finds pride of place, transplanted on Israeli soil.

*~ This article was first published on the Gateway House website on 29 June 2017*

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[8] Pramilla (Esther Abraham) was crowned the first Miss India in 1947.

[9] Zionism is a Jewish nationalist movement whose goal is the creation and support of a Jewish national state in Palestine, the ancient homeland of the Jews. The First World Zionist Congress was convened in 1897.

[10] The Moshav and the Kibbutz are two forms of Jewish agricultural settlements. The Kibbutz is a unique, worker-controlled, agricultural production cooperative, and the Moshav is a service cooperative in which the members are individual farmers, who reside within the settlement.

## Partition: those who stayed behind

*Bombay's Parsis, Bene-Israel Jews and Goans settled in Karachi, Lahore and other cities and provinces that the British had annexed since the mid-19<sup>th</sup> century. The Bene-Israel chose to leave after the Partition of India in 1947, but the Parsis and Goans who stayed back flourished in Pakistan*

The eruption of violence on the sub-continent early 1947 onwards — prior to Partition in August — led to the displacement of 15 million people (Hindus, Muslims, Sikhs) on both sides of the border.<sup>[1]</sup> But these numbers obscure the narratives of communities, like the Pakistani Goans (a few Christian Mangaloreans too), Parsis and Bene-Israel Jews, who were early migrants to East India Company Bombay in the 17<sup>th</sup> and 18<sup>th</sup> centuries, and used the island city as a springboard for job and business opportunities in the newly annexed provinces of Sindh (1842) and the Punjab (1849).

All three communities once formed the bedrock of the educated middle class in urban

centres of what was to become Pakistan, holding important jobs in the Karachi Port Trust, North Western Railways, postal services, civic and provincial administrations. The Parsis, in particular, opened businesses in shipping, hotels, breweries, construction, general provision stores and liquor shops, into which Goans went too, and built institutions just as they had done earlier in Bombay. Karachi had its Magen Shalom Synagogue (b.1893) to cater to its 1,051-strong congregation in the early 20<sup>th</sup> century<sup>[2]</sup>; two Parsi fire temples and *dokhmas* (Towers of Silence), and its majestic St. Patrick's Cathedral and a church for every parish, a pattern that was repeated in Lahore and Multan.

[1] Talbot, Ian, and Gurharpal Singh, *The Partition of India* (Delhi, Cambridge University Press, South Asian Edition 2013), p. 15.

[2] Reuben, Yoel Moses, *The Jews of Pakistan: A Forgotten Heritage* (India, Bene Israel Heritage Museum And Genealogical Research Centre, 2010), p. 75. (The population of Karachi was 1051, rest of Sindh 148, and Peshawar 100. This is based on the Census of 1941.)

The seamless integration and setting down of roots by these three communities, and the fact that they were all non-Hindu minorities, meant that Partition did not impact them immediately. In fact, Quaid e-Azam Mohammed Ali Jinnah, a Bombay lawyer and the founder of Pakistan, declared barely three days (11 August 1947) before the formation of the new state, “You are free; you are free to go to your temples, you are free to go to your mosques or to any other place of worship in this state of Pakistan.” What he envisaged was a secular state in a Muslim-majority nation.<sup>[3]</sup>

### **Geopolitical triggers and Islamisation**

“Religious tolerance was maintained and no noticeable tension existed between Jews and Muslims, and this feeling was mutual because of Governor General M.A. Jinnah’s friendship towards them,” according to Yoel Moses Reuben, a Lahore-born Jew

and author of *The Jews Of Pakistan: A Forgotten Heritage* (2010). Yet, the first community to uproot itself was the Marathi-speaking Bene-Israel. The pressure on them to leave actually began with the inflow of community members from Peshawar and Multan, who fled to Karachi on their way to Bombay because of anti-Zionist rhetoric in mosques and demonstrations following the UN General Assembly’s vote on 29 November 1947, sanctioning the partition of Palestine.<sup>[4]</sup>

Then in January 1948, Partition riots broke out for the first time in Karachi, Pakistan’s first capital city, followed soon after by the ransacking, partial burning down and encroachment on the premises of its synagogue. This impelled the migration of the community to Bombay and Israel.<sup>[5]</sup>

Rebecca (nee Mendrekar) Samuel, who was 13 years old when her family left Karachi, recalls that uncertain time. “Our Muslim neighbours were very good. During curfew, when no one could go out, one lady whose father was a minister, would procure fresh

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[3] Ispahani, Farahnaz, *Purifying The Land Of The Pure: Pakistan’s Religious Minorities* (Noida, Harper Collins Publishers India, 2015), p. 5.

[4] National Archives, United States Government, *U.S. Recognition of the State of Israel* <<https://www.archives.gov/education/lessons/us-israel>> (Accessed on 7 September 2017.)

[5] Ibid. Reuben, pp. 76 — 77. It is not clear which month miscreants damaged the Karachi Synagogue and encroached on its premises, but signs exist of it having happened soon after President Truman’s de facto recognition of the State of Israel on 14 May 1948.

vegetables and milk for everyone in the building. We even had a Sikh family who lived there. They made sure the building gates were bolted and no mobs were allowed in.”<sup>[6]</sup>

According to the Central Jewish Board in Bombay, 130 families had arrived by April 1948, and by the end of that month almost another 1,000 people.<sup>[7]</sup>

These events did not impact the Christian community, which was largely Goan and not considered Indian even, as Goa was then a Portuguese colony. The Goan Christians and Parsis had a privileged life initially in the new state, with the post-independence generations reaping the benefits of schools, colleges and hospitals that their forefathers had founded in the late 19<sup>th</sup> and 20<sup>th</sup> centuries. They travelled by sea to Goa during Christmas and New Year’s and moved in the best social circles in Karachi. “But even in these early years, Muslims were given preference for top jobs,” says Yvonne Mascarenhas, whose husband Anthony (Tony) was chief correspondent in New Delhi for Pakistan’s *Morning Post* (1963-65) and very friendly with the future prime minister Hussain S.

Suhrawardy, “who was then law minister and loved to dance and party”.<sup>[8]</sup>

Tony’s reportage of the genocide in East Pakistan (Bangladesh) before the outbreak of the 1971 Indo-Pak War led to the family leaving its home in Karachi.<sup>[9]</sup> The Mascarenhases lived in Karachi for 10 years (1952 to June 1971), a period when Karachi society was still very cosmopolitan. However, as Farahnaz Ispahani frames it in her book, *Purifying The Land Of The Pure: Pakistan’s Religious Minorities*, “For thirty years after Independence, Pakistanis at least debated the role of Islam in matters of state, even as the political balance shifted against secular and pluralist ideas.”

Not everything went as Jinnah had nobly imagined. The new state did not look favourably upon Punjabi converts to Christianity, as Mascarenhas points out, and in one instance, even sought the forfeiture of their lands in West Punjab, which led many to flee south to Karachi: today, it is they who largely form the clergy and run its community institutions.

The Islamisation of Pakistan began as early as 1949 when the Constituent Assembly

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[6] Telephonic interview with Rebecca Samuel on 5 September 2017. Her recollection specifically of a curfew points to the Karachi massacre of January 1948.

[7] Ibid. Reuben, p. 77.

[8] Telephonic interview with Yvonne Mascarenhas on 3 September 2017.

[9] Evans, Harold, *My Paper Chase: True Stories of Vanished Times, an autobiography* (London, Abacus, 2010), p. 355.



declared that the objective of the Pakistan Constitution was the creation of an Islamic State. This process reached its apogee during the military dictatorship of General Muhammad Zia-ul-Haq from 1977 to 1988. General Zia's missionary zeal received added vigour from the foreign funds pouring into the country to fight the Soviet occupation of Afghanistan in 1979. The creation of sub-national, right-wing militia groups, mentored by the Pakistan Army's Inter-Services-Intelligence (ISI) during this period, to fight a proxy war in Afghanistan, resulted in a violent backlash on its minorities too – both non-Muslim and Muslim, such as the Shias and Ahmadis.<sup>[10]</sup> Consequently, there was a large migration of Pakistani Goans to Canada and Australia, and the fortification of their churches.

### **Karachi's Parsi community**

The Parsis of Pakistan, who number about 1,100, are also showing increased migration rates, more so as the Karachi Parsi Anjuman Fund is helping those under 45 years of age to move to Canada for better opportunities.<sup>[11]</sup>

Today, senior members of this community are confident, though, of a reverse migration. Percy Gazder, trustee, Jehangir Rajkotwala Baug Trust (Karachi), says, "The opportunities are in Pakistan today because of the China Pakistan Economic Corridor, which has resulted in an economic upswing. Some of our prominent Parsi business groups, such as the Avari group of hotels and B.D. Sethna Provision Stores, are benefiting from this."

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[10] Ibid. Ispahani, p. 111. Also: Walbridge, Linda, *The Christians of Pakistan: The Passion of Bishop John Joseph* (New Delhi, Routledge, 2003), p. 70.

[11] Telephonic interview with Percy Gazder on 3 September 2017 on Parsi-founded and run institutions, trusts and socio-economic conditions of the community in Karachi. Supplementary information from *Parsiana* magazine, dated 7 May 2015 (Loyalty to Lahore, pp. 22–25), 21 October 2015 (The Pride of Pakistan, pp. 16–19) and 7 July 2016 (Karachi's cost-free clinic, pp. 20–21).

The Parsis and Goans in Pakistan, who are mainly concentrated in Karachi, continue running their institutions and businesses despite the political and demographic disadvantages they face — the number of non-Muslim minorities has dwindled to 3% today from 23% in 1947.<sup>[12]</sup> But the socio-cultural facets associated with them — western classical music concerts, English theatre and a range of cuisines — have brought much needed diversity to what has become a monochromatic Islamic State.

*~ This article was first published on the Gateway House website on 7 September 2017*

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[12] Ibid. Ispahani, p. 6. The 1947 population includes a sizeable number of Bengali Hindus from former East Pakistan (Bangladesh). With the formation of Bangladesh, they became part of that country. By the 1972 Census, out of a total population of 62.4 million in Pakistan there were 60.4 million Muslims, 907,861 Christians, 899,000 Hindus, 4,318 Buddhists and 9,589 Parsis.

## Partition's Punjabi imprint on Bombay

*The Sikh and Punjabi community of Sion-Koliwada Camp, Mumbai, hailed more from the Muslim-majority North West Frontier Province (NWFP) than undivided Punjab. They brought to their adopted city, and to India, a wealth of cultural influences*

A majority of the Sikhs and Punjabis who made the abandoned military barracks of Sion-Koliwada Camp (renamed Guru Tegh Bahadur Nagar, or GTB Nagar), Mumbai, their home hailed from the hilly tracts of NWFP, district Hazara, specifically, and its three tehsils or administrative divisions, namely, Hari-pur, Mansehra and Abbottabad. This area is now part of Pakistan and was renamed Khyber Pakhtunkhwa in 2010. They came directly to Bombay, having no relatives in

East Punjab or Delhi, on BB&CI Railways<sup>[1]</sup> famous train, the Frontier Mail. The train, renowned for its punctuality and astonishing speed, covered the distance of 2,335 km from Peshawar station to the BB&CI terminus at Bombay Central in 72 hours.<sup>[2]</sup>

“Military trucks came in the middle of the night to collect everyone (non-Muslims) from Fuljriyan village, Hazara District.<sup>[3]</sup> The entire community, my mother included, left the same night just before Partition, as riots had already begun in the Punjab,”<sup>[4]</sup>

[1] The abbreviation, BB& CI, stands for Bombay, Baroda & Central India railways, or today's Western Railway, whose headquarters are located opposite Churchgate Station. Today, the Frontier Mail, renamed the Golden Temple Mail runs from Mumbai's Bombay Central Station to Amritsar Station.

[2] S. Shankar, 'Classic Trains of India: Frontier (Golden Temple) Mail', Indian Railways Fan Club, <<http://www.irfca.org/~shankie/famoustrains/famtrainfrontier.htm>> (Accessed on 30 August 2017.)

[3] The British divided Hazara District into three Tehsils and annexed it to the Punjab. In 1901, when the North-West Frontier Province (NWFP, now Khyber Pakhtunkhwa) was formed, Hazara was separated from Punjab and made a part of NWFP.

[4] “The precipitating event which triggered the violence in Punjab was the resignation on 2 March 1947 of the cross-community coalition government led by the Unionist PM Khizr Hayat Khan Tiwana. The Muslim League's six-week agitation from 24 January 1947, ostensibly in the name of civil liberties, but in reality, to unseat the Unionist administration, heightened communal tension in the Punjab's twin cities of Lahore and Amritsar.” Talbot, Ian, and Gurharpal Singh, *The Partition of India* (Delhi, Cambridge University Press, Reprint 2013), p. 75.



*The BB&CI's Frontier Mail (recently renamed Golden Temple Mail) is seen leaving Ballard Pier in this early 20<sup>th</sup> century photograph. In the background one can see a passenger cruise ship. The Frontier Mail used to begin its journey during the winter months from Ballard Pier's Mole Station, as many British personnel (especially after the Christmas vacations) preferred to proceed directly to their postings in the Punjab and North West Frontier Province. Photo credit: Western Railway Archives, Public Relations Department.*

recalls Manmohan Singh, secretary, Sri Guru Singh Sabha, Dadar, widely known as the Dadar Gurdwara. They took refuge *en route* in Gurdwara Panja Saheb (in Hasan Abdal, 48 km from Rawalpindi), one of the holiest of Sikh shrines, that is even said to have a boulder sporting Guru Nanak Dev's handprint or *panja*.<sup>[5]</sup>

From here, the refugees proceeded to Hasan Abdal station to board the Frontier Mail, with the option to either proceed directly to Bombay or take another train to Kashmir, where many NWFP Punjabis had relatives. Sikh, and Punjabi Hindu residents of the predominantly Pashtun-speaking NWFP region, which lies close to Kashmir, had originally settled here in the wake of Maharaja Ranjit Singh's annexation of these territories. At the height of his rule, the Sikh Empire extended from the Khyber Pass in the north-west to the Sutlej River in the east, and from the Kashmir region in the north to the Thar Desert in the south.<sup>[6]</sup>

Along with these refugees from Hazara district, there arrived in Bombay a large community of Punjabis from Peshawar, located on the eastern end of the Khyber Pass and close to the Afghan border. Refugees from West Punjab (which became part of Pakistan) appear to have arrived in the city only after living for short periods in East Punjab, Delhi, Dehradun (Uttarakhand), Jagadhri (Haryana), Kashmir, and Ahmedabad, all of which have sizeable Punjabi populations even today.

### Starting out in Bombay

Old-timers of GTB Nagar<sup>[7]</sup> recount how when they first arrived in Bombay, *langar* (or food from the community kitchen) was being served in the city's first gurdwara, the Sri Guru Singh Sabha, said to have been established in 1919<sup>[8]</sup> on Dockyard Road (Shahid Bhagat Singh Road). It housed many refugee families. Punjabi Sikh and Sindhi refugees

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[5] Gurdwara Panja Saheb, Sindhi Wiki, <[http://www.sikhiwiki.org/index.php/Gurdwara\\_Panja\\_Sahib](http://www.sikhiwiki.org/index.php/Gurdwara_Panja_Sahib)> (Accessed on 30 August 2017.)

[6] Singh, Khushwant, 'Ranjit Singh', Britannica, <<https://www.britannica.com/biography/Ranjit-Singh-Sikh-maharaja>> (Accessed on 30 August 2017.)

[7] Information based on interviews with Nanak Chand Alag, Sardar Harcharan Singh Ratti, and Sardar Manmohan Singh, who is secretary of the Sri Guru Singh Sabha, Mumbai, a trust that runs the Dadar and Chhatrapati Shivaji Terminus (C.S.T., formerly Victoria Terminus) gurdwaras in the city. Ishwar Lal Uppal of Hazara Society, Chunarhatti, was also spoken to. The non-GTB Nagar refugees spoken to were Romesh Sethi of Cuffe Parade and Sumitra Sethi of Marine Drive. The interviews were done over three days (25-27 August 2017).

[8] The earliest written record of the C.S.T. Gurdwara is 1919; its centenary will be celebrated in 2019.





*An interior view of the Sri Guru Singh Sabha's Dadar Gurdwara.  
Photo credit: Sifra Lentin*

also lived in shanties along Dockyard Road, where a traditional *langar* of black *dal*, rice, *roti*, *sabzi* (vegetables) and sometimes, a sweet, would be served to the hundreds who assembled. By all accounts there were about 10,000 refugees, mostly Punjabi Sikhs, who occupied the barracks at the Koliwada Camp.

The concept of sharing food went hand in hand with charity. “The reason why Punjabis have large bodies is because they house large hearts,” said an interviewee. During emergencies, like the 26/11/2008 terror attack, the Dadar Gurdwara provided food at site for the Mumbai police and commandos. Closely located as it is to the Tata Memorial Hospital, it also offers lodgings to numerous outstation cancer patients for a nominal fee.

Sharing food is also how Punjabi cuisine became a staple in restaurants across Bombay. The famed Langar Dal, the recipe for which has since figured in almost every well-regarded Indian cookbook, had its humble origins in these community kitchens.

More widely known, though, is the Fish Koliwada,<sup>[9]</sup> created by Bahadur Singh, owner of Mini Punjab (Koliwada), one of the

early Punjabi restaurants in the city. Other dishes that are evergreen on restaurant menus, are Tandoori Chicken, Naan, Dal Bukhara, Baingan (eggplant) Bharta, and many versions of paneer (cottage cheese).

Besides entering the restaurant business, in the early days, most refugees began earning a livelihood by hawking peppermints on trains, or became coolies, peons, and by the early 1950s, drivers of taxis and trucks. They attribute their success to support from already established community businesses, such as Mangaldas Verma’s, after whom Bombay’s Mangaldas Cloth Market is named. This helped many Punjabis get a foothold in the city’s cloth trade.

Similarly, Mangatram & Sons, Ishardas & Sons, and Dewanchand Ramcharan, were in the trucking business, or as one interviewee put it, “*Sab tyre ke chakkar mein lag gaye*,” (Everyone became involved in the automobile business), which included automobile spare parts and tyre shops, petrol pumps and taxis.

Quite in opposition to these low-key, physically demanding professions, the flamboyant Punjabi personality found expression in

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[9] Fish is not a staple in the Punjabi repertoire, but the Punjabis, having settled in an island city and in the midst of a fishing village (*Koli wada*, lit. ‘village of the Kolis’, who are largely fishermen), they adapted themselves, making the abundantly available local fish their own by creating the dish, Fish Koliwada.

the city's Hindi film industry, with a string of actors, from the 1940s onwards (or even earlier, if one includes pre-Partition stars, like Prithviraj Kapoor), such as Raj Kapoor, Dev Anand, Sunil Dutt, Rajesh Khanna, and Dharmendra, finding enduring popularity.<sup>[10]</sup> Among the prominent Punjabi film directors are, Ramanand Sagar (of the tele-series, *Ramayana*) and Baldev Raj Chopra (of the tele-series, *Mahabharata*). Another facet of Punjabi culture that stands out is the Bhangra dance, and from the NWFP came the Gumbhar dance, whose beat is slower, but just as feisty.

So, as the fourth-generation descendants of refugees from the former NWFP and Punjab grow up in Bombay, the city they call home, they should not forget the Partition stories passed down to them and the pioneers who adapted to the city — and changed it as well.

*~ This article was first published on the Gateway House website on 31 August 2017*

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[10] Other famous actors in the Hindi film industry are Manmohan Krishna, Madan Puri, Amrish Puri and Vinod Khanna.

## The making of Bombay's mini Sindh

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*Many of the Hindu Sindhi refugees who fled to India after Partition succeeded in recreating their lives afresh, a native entrepreneurial spirit and a well-dispersed, generous Sindhi trading network coming to their aid. Ulhasnagar, Thane district, a refugee camp 70 years ago, is an example of how the community rehabilitated itself*

Ulhasnagar, a township in Thane district, Mumbai Metropolitan Region, located 58 km to the north west of Mumbai city, was once a Hindu Sindhi refugee camp. Today, it's a concentration of low-slung dwellings and unplanned high-rises, spread over 13 sq km and bursting at the seams with 8 lakh people, of which less than half are Sindhis.

Remnants of the military barracks, used during the Second World War and then converted into dormitory-style shelters for the refugees who arrived by sea in 1947-48, are

still visible and many continue to live where they were born in Ulhasnagar's Sectors 1 to 5, such as Hardas Makhijaa, a former mayor of Ulhasnagar.<sup>[1]</sup>

He was four months old when he came to what was earlier known as the Kalyan Camp, from Kumbar Taluka (Larkana District), and now has his office in the very place he grew up: Camp 2, Nehru Chowk. His late father, Sanmukh Duromal Makhija, a freedom fighter, was the founder of the Sindhi newspaper, *Azaadi*, in 1942, and among the few who visited the Camp before bringing his family to settle there.

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[1] Hardas Makhijaa was the Mayor of Ulhasnagar from 3 May 1999 to 5 April 2002. Interviewed on 19 August 2017, in Ulhasnagar.



The most attractive aspect of the Kalyan Camp (renamed as the new township of Ulhasnagar by Governor General C. Rajagopalachari on 8 August 1949), was its proximity to Bombay — even if it had no roads, water taps, flour mills, electricity or sanitation facilities, recalls Makhijaa. Other camps, like the one in Pune, to which refugees arriving at Bombay port were also sent, were considered too far away for the city’s business and employment opportunities.

*The foundation stone of Ulhasnagar township. Formerly known as Kalyan Camp, it was transformed into a township for Sindhi refugees on 8 August 1949.*

*Photo credit: Sifra Lentin*





*Former Mayor of Ulhasnagar, Hardas Makhijaa at Kuchoomal Mithaiwala, whose owner (standing behind the counter) also originally hails from Larkana District, Sindh.*

*Photo credit: Sifra Lentin*

Sarla Kripalani, author of the book, *Aaya Pir, Bhagga Mir and Other Sindhi Proverbs* (2012), remembers her father-in-law's nieces living in a refugee camp beyond the Kalyan Camp. "We visited them often. He told them he could help them, but he was being pragmatic when he also said that they should not depend on him entirely," she adds. "These girls were so good at embroidery work, making *achaar* (pickles), *papads*, and *mithai* (sweetmeats) at home, that the younger sister would call on well-to-do Sindhi families, like the Advanis of Blue Star in the city, to sell their wares."

Sindhi girls began working after their migration to India, and only because their families were in dire financial straits, Kripalani points out. In Sindh, most Hindu families belonged to the urban middle class, while the wealthy few were *zamindars* (landowners), well established merchants and bankers, or employed in key positions in the British colonial government.

In spite of displacement from their homeland in 1947-48, there were two reasons why the success of this community was almost a cer-

tainty. The Shikarpuri Sindhis from the land-bound city of Shikarpur, Sindh, in particular, had a pre-colonial global trading and financial network that extended from Astrakhan on the Caspian Sea to the Straits of Malacca.<sup>[2]</sup> It was this community of merchants and bankers who introduced and popularised the promissory note, known as the *Hundi*.

"This network was dealt a blow by the Great Game (late 19<sup>th</sup> century) in Central Asia, by the competing powers of Imperial Russia and Great Britain, jostling for influence. And ultimately, by the Russian Revolution when many Shikarpuris were ruined, as they had large holdings of Russian roubles," says Sindhi anthropologist and author Nandita Bhavnani.<sup>[3]</sup>

The Sindhis classify themselves by their city of origin, being a mostly urban community, such as the Amils and Bhaibands from Hyderabad, Sindh; the Shikarpuris; or the Thattai Bhatia merchants (from the city of Thatta, a former capital of Southern Sindh). Sometimes, they had more generic names, like Uttaradi (a resident of Northern Sindh).

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[2] Agarwal, Saaz, 'The Sindhworkis Unique Global Diaspora', Sahapedia, 2016, < <https://www.sahapedia.org/the-sindhworkis-unique-global-diaspora> > (Accessed on 24 August 2016.)

[3] Bhavnani, Nandita., '*The Making of Exile: Sindhi Hindus and the Partition of India*' (New Delhi, Tranquebar Press, 2014).

The Bhaibands (lit. ‘brothers in arms’)<sup>[4]</sup> were traders, and it wasn’t long before they built new business networks, connecting colonial port cities. Initially, with the Central Asian markets disrupted by political instability in the late 19<sup>th</sup> century, and native kingdoms impoverished by British rule, they began selling ‘Sindh work’ (ivory, wood and enamel carving, lacquer work, textiles and embroidery made by Sindhi Muslim artisans) to British soldiers, who turned out to be a ready market: they called them the *Sindhworkis*.

These *Sindhworkis* began travelling abroad from the late 1850s and early 1860s, eastwards to Canton (Guangzhou), Hong Kong, Japan, and westwards to Cairo, Malta, Gibraltar and the Caribbean islands.<sup>[5]</sup> Before Partition the men travelled for two or three years, leaving their families home. Often, there was a *sethia* (boss), who set out with a group of young men from his family and an extended friends’ circle. They traded across the seas, meeting not just the demand for Sindh work, but

selling Malta lace in Japan and vice versa: Japanese curios in Malta.

Relatives abroad formed a bedrock of support while the camps bred their own success stories, which resulted in the betterment of the community. For example, the owners of the Colaba-headquartered Kailash Parbat chain of restaurants, who once lived in the Kalyan Camp, have donated munificently to educational, social, business and community infrastructure.

Many of the young men left the camps to seek their fortunes abroad, only returning to collect their families. However, many have flourished in the numerous home, cottage, small- and medium-scale manufacturing units, and trading businesses in Ulhasnagar that now service the Indian market.

## The Sindhi influence in Bombay

Most old-timers in the city vividly remember young Sindhi boys hawking knick-knacks, trinkets, and eatables made in Ulhasnagar,

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[4] The Sindhis are classified not according to caste, but by profession. The Amils, or Sindhi Hindus who belong to the educated segment of the pervasive Lohana caste (although there are tribals and other groupings too), are largely from Hyderabad, Sindh. Hyderabad, Sindh, was the former capital of Sindh and the educational and cultural hub of the Province. It was the British who shifted the capital city from Hyderabad (Sindh) to Karachi. The Amils were treasurers and book-keepers to the Balochi Talpur rulers of Sindh. When Sindh came under the English East India Company Rule in 1843, they took up key posts as administrators in the colonial government.

[5] The *Bhaibands* (Sindhworkis) also travelled to Africa, Europe (going as far north as Scandinavia), the United States of America, South America, Central America,, Australia and South-East Asia.

on trains running between Ambarnath in the north east of Bombay, and V.T. Stations (now Chhatrapati Shivaji Terminus). Much before Chinese goods came to be manufactured at cheap rates, the Sindhis at Ulhasnagar were making just about anything at less than half the market price.

Although, these goods were pejoratively referred to as “Made in USA” (lit. Ulhasnagar Sindhi Association), they met the demands of a vast price-sensitive Indian market—and do so even today. Trade in jeans, confectionery, pre-fabricated furniture, paper and textiles are some goods over which this township still has an edge.<sup>[6]</sup>

The Sindhis are also attributed with popularising the concept of the co-operative housing society in Bombay. In 1914, Bombay got its first residential co-operative society at Gamdevi, pioneered by Rao Bahadur S. S. Talmaki, a Maharashtrian, but Sindhi housing societies, like Navjivan Society,<sup>[7]</sup>

and Nanik Nivas and Shyam Nivas at Warden Road,<sup>[8]</sup> which were all built during the 1950s, set up a new paradigm for community housing. Bombay had been dominated until then by the tenancy model.

Philanthropy and education are other areas that bear the Sindhi stamp. Much after the imprint left by 19<sup>th</sup>- and early 20<sup>th</sup>-century merchants, such as Jamsetjee Jeejeebhoy and the Tatas, and prior to the corporate philanthropy practised today, was the establishment from the 1950s to the 1980s of Sindhi hospitals, like Jaslok and Hinduja, and educational institutions, such as Jaihind, Kishinchand Chellaram and National Colleges.

Ulhasnagar, and the parent city of Mumbai, are rightfully called ‘mini Sindh’ because this city is today the headquarters of a community that has made a mark worldwide.

*~ This article was first published on the Gateway House website on 24 August 2017*

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[6] Manufacturing units in Ulhasnagar are largely in the informal sector and data on their volume of sales is difficult to source. Most manufacturing is located in Sector 5 of this township.

[7] There are five Navjivan Societies within Greater Mumbai, all set up by a Congress politician from Sindh, Jethiben Sipahimalani, who became the first vice chairperson of the Bombay Legislative Council (Vidhan Sabha). The first Navjivan Society at Mahim was intended for Sindhi refugees and was completed in 1959. Bhavnani, pp. 204 — 05.

[8] Ibid, p. 205. These were set up by Bhagwansing Advani.

## Bombay, Karachi, linked by sea and refuge

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*The 70<sup>th</sup> Independence Day for India and Pakistan — August 15 and 14 respectively — is a reminder of how Partition displaced 15 million people. But the cities of Karachi and Bombay have had a shared colonial history and economy: the parting of ways left one city bereft of a host of spirited citizens, who went on to rebuild their lives in the other*

This is the platinum jubilee year of India's independence from British rule — and the country's Partition, which resulted in the most large-scale migration in 20<sup>th</sup>-century history: 15 million people crossed to and fro.<sup>[1]</sup>

The approximately 1 million refugees<sup>[2]</sup> who came by sea to Bombay, leaving behind home and property, carried with them memories of Sindh, its cities (Hyderabad,

Shikarpur) and its vibrant capital, Karachi, once considered Bombay's twin. The reasons for the strong similarity between Bombay and Karachi were many. Both cities were once joined by a common colonial history — Sindh was part of Bombay Presidency from 1847-1936 and governed from its island capital city. They also shared a similar economy, trading communities and a cosmopolitan milieu.

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[1] Talbot, Ian, and Gurharpal Singh, *The Partition of India* (New Delhi, Cambridge University Press, 2009), p.2. Till date there is no agreement on the number of people who died during Partition.

[2] Figures regarding refugees in Bombay and its surroundings vary. Two recent books pin the Hindu Sindhi refugees to India between 1.2 to 1.4 million, of which the majority came to Bombay port, although many disembarked at Okha, Navlakhi, Porbander and Veraval on the Kathiawar (Kutch) Coast. Bhavnani, Nandita, *The Making of Exile: Sindhi Hindus and the Partition of India* (Chennai, Tranquebar Press, 2014), p. 169. Also: Aggarwal, Saaz, *Sindh: Stories From A Vanished Homeland* (Pune, Black-And-White Fountain, 2012), p. 134.



## **Karachi, Sindh: a gateway to prosperity**

Karachi city and its port were as much a colonial creation (though 200 years later) as the city of Bombay and its docks were. If Bombay was the gateway to India, Karachi port and harbour were, geopolitically, the gateway for the British to Central Asia and Afghanistan. The Talpur (Balochi) rulers of Sindh<sup>[3]</sup> were willing collaborators in the Malwa opium trade that bypassed the tariffs of Bombay Presidency by being conducted via caravans from Malwa (in Central India) through the Thar desert into Sindh, and by sea from Karachi to the Portuguese ports of Diu, Daman and Goa, before proceeding to China. Malwa opium was cheaper and outsold British-controlled Bengal or Patna opium in the Chinese markets. Many of Bombay's successful 19<sup>th</sup>-century merchants were actively engaged in the Malwa trade, transiting through Karachi to Portuguese ports, where their country ships<sup>[4]</sup> lay anchored to load the precious cargo.

Karachi came under British rule in 1839, followed by the region of Sindh in 1842: by 1847, Sindh had become part of the Presidency of Bombay. It is from this period onwards that the fluencies between the two cities began, with one big difference: Karachi port soon turned into the preferred destination for the grain trade of Punjab, and, in fact, for trade in North India, in general.<sup>[5]</sup>

This triggered the growth of financial institutions, markets, the establishment of a Royal Indian Navy base at Manora Island, south of and part of an archipelago, sheltering the natural harbour of Karachi, and social institutions, such as clubs, all of which was almost parallel to Bombay's own growth. Most importantly, Karachi too acquired a mix of trading communities. There were Parsis, Jews, Armenians, Christians, Bhatias, Banias, Marwaris, Memons, Bohras, Khojas, along with local Sindhi traders, like the Sindhi Lohanas — both Hindu and Muslim — who dominated its cotton trade.

In an article, 'Sassoons and the Doongur-sees: a Relationship', Pushpa D. Bhatia (née

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[3] <https://www.britannica.com/place/Karachi>

[4] Country ships were large ships specially built in Bombay and Calcutta dockyards to carry cargoes of raw cotton. Alongside the bales, they also carried opium (a banned substance) to China.

[5] The Punjab emerged as the granary of India in the 1890s and Karachi port became the region's principal outlet. By 1914, it had become the largest grain exporting port of the British Empire.

Doongursee), recalls how her grandfather Seth Doongursee, broke away from the family business in Bombay to start something on his own in Karachi. The Doongursees in Bombay were the sole cotton brokers and *mukaddams* for the E.D. Sassoon Mills, whose personnel naturally appointed someone they knew — Seth Doongursee — to handle their import and export trade at Karachi in 1901. In much the same way, other companies, businesses and banks, headquartered in Bombay, had also opened offices in Karachi because of its growing commercial importance.

With the shadow of Partition looming large — it was to be reality after Lord Mountbatten’s announcement on 3 June 1947 — many immigrant trading communities from Bombay Province who had made Karachi and Hyderabad (Sindh) their home, began sending their families back to India. They also moved out, by early July the same year, an estimated sum of Rs 200 to 300 million to banks in Bombay and Delhi. According to one study on Partition, “Muslim politicians

were anxious to stem this flood (of capital) and to ensure that the wealthy Hindu elite retained their role in the city’s and province’s economic life, but reports of violence in Punjab in the weeks after Partition unnerved many; and by mid-September around 1,000 persons a day were departing by boat for Bombay and the Kathiawar.”<sup>[6]</sup>

The Sindh Legislature was the first to vote to join Pakistan, largely on the understanding that the Muslim League’s 1940 resolution spoke of a federal set-up that would give a great degree of autonomy for its provinces, and hence secure their ethnic identity. But this expectation was belied: the emerging political and security concerns regarding the India-Pakistan border led to the eventual imposition of the policy of One Unit (a strong central government) in 1956.<sup>[7]</sup>

Contrary to popular perception, not all Hindu Sindhis fled to India: there were 1.98 million of them, according to a Pakistan census of 1998.<sup>[8]</sup> The bulk of the community left because riots erupted in Quetta (August

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[6] Talbot, Ian and Gurharpal Singh, *The Partition of India* (New Delhi, Cambridge University Press, 2009), p. 121.

[7] Rajagopalan, Swarna, *State and Nation in South Asia* (USA, Lynne Rienner Publishers, 2001), p. 134. For a more detailed background on the same: Shah, Mehtab Ali, *The Foreign Policy of Pakistan: Ethnic Impacts on Diplomacy 1971-1994* (London, I.B. Tauris, 1997), p. 49 — 51.

[8] Pakistan Census 1998 [www.pbs.gov.pk/sites/default/files/other/yearbook2011](http://www.pbs.gov.pk/sites/default/files/other/yearbook2011) (Accessed on 14 August 2017). Also, according to the Pakistan Hindu Council, approximately 94% of Hindus in Pakistan live in Sindh Province and about 4% in Pakistan Punjab. In Sindh Province they constitute 17% of the population. [pakistanhinducouncil.org.pk/?page\\_id=1592](http://pakistanhinducouncil.org.pk/?page_id=1592) (Accessed on 14 August 2017).

1947), followed by communal disturbances in the cities of Nawabshah (November), Hyderabad-Sindh (December), and finally in Karachi, in January 1948.<sup>[9]</sup>

### **Making Bombay home**

The Hindu Sindhis from the former British Province of Sindh were the largest community of refugees to make Bombay their new home. It was only natural that they should take the sea route from Karachi, a mere 589 nautical miles away, and the safest way across the Radcliffe Line, which carved up the sub-continent into two nation-states.

For the more affluent, who had business and family in Bombay, the transition was easier. Most, though, had it tough. The community is today known for its spirit of enterprise and contribution to the building of modern Bombay. Where they once strained the city's limited housing and infrastructure, Sindhi builders, like the Hiranandanis, have constructed huge townships. Sindhi colleges, under the umbrella of the Hyderabad (Sind)

National Collegiate Board, are considered among the most progressive in the city for their introduction of globally relevant academic courses.

Alongside the Sindhi influx, were Punjabis, Sikhs and refugees from the North West Frontier Province, who constituted about 5% of the total number, those who had chosen to travel via the Sindh and Karachi route rather than cross the dangerous land border.

Refugees in Bombay were housed in camps on Queens Road (on the Japanese Gymkhana grounds, located between PVM Gymkhana and the Nariman buildings opposite Cooperage Gardens)<sup>[10]</sup>; along Frere Road (today's Shahid Bhagat Singh or Dockyard Road behind the General Post Office); at Sion-Koliwada, where mostly refugees from Punjab and the North West Frontier Province stayed; and at a sprawling camp called Ridley's Siding (lit. a railway siding), just beyond Kalyan Station, which, because of its Sindhi population and the river on whose banks the camps were built, was called Ulhasnagar (or 'city of joy').<sup>[11]</sup>

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[9] Aggarwal, Saaz, *Sindh: Stories From A Vanished Homeland* (Pune, Black-And-White Fountain, 2012), p.132-33.

[10] Queen's Road once extended all the way up to the Indian Navy Sailors Institute, Sagar.

[11] The Ulhasnagar-Kalyan Camp grew out of pre-existing abandoned Second World War military barracks.

The Bombay government's funds were stretched, resulting in difficult living conditions in the camps in Bombay as also those across Bombay State (Poona, Thana, Ahmedabad), but it ensured that there was peace in the financial capital by appointing an old Sindh hand, Jamshed Darabshaw Nagarvala (Indian Police) as head of the Special Branch CID, Bombay. J.D., as he was popularly known, spoke and wrote Sindhi fluently, a mastery he had gained during his postings in Upper Sindh, and later, as district superintendent of police in Karachi, and was vital to maintaining peace between the host population and the newcomers. The Annual Report of the Greater Bombay Police (1948, 1949, 1950) lists everything from minor skirmishes (unpaid bills at restaurants) to mini riots that took place during the peak years of the refugee influx.

Viewed in hindsight, these now seem like inevitable rites of passage for a community that enriched Bombay variously. Bombay lost its twin, Karachi, whose demographics and socio-cultural ethos changed irretrievably, but gained much through the people who came to its shores.

*~ This article was published on the Gateway House website on 15 August 2017*

## More than a whiff of France in Bombay

*All eyes are on the outcome of the French elections with its portents of a far right president coming true. Bombay forged its French connection 200 years ago. With trade links came literary ones while the city's early nationalists were drawn to the French Revolution's political philosophy of 'Liberty, Equality and Fraternity'*

The search for a whiff of France in Bombay has inevitably to begin at Le Cercle Littéraire, the oldest, and perhaps the only private French library in India. the Kala Ghoda precinct of Fort. Located on the third floor, in the south west corner of a building as old as itself (it was founded in 1886), the premises were awash with sunshine, a pleasant breeze wafting through its many open windows.

The once large, open hall of this library holds all the charm of antiquity, with its teakwood book cabinets and their well-worn contents. It is now partitioned, but once upon a time, doubled up as a performance space for

Molière plays, enacted by the city's cognoscenti. The patrons were mostly Parsis, but by end-19<sup>th</sup> century, there were a few British, Jews, Portuguese Christians, Muslims and Hindus too.

The only archival record of the library's history is a one-page article by the French Avesta scholar, James Darmesteter, written for the *Journal Des Débats*, dated 2 November 1891. The article congratulates Mr Davar (secretary and founder of Le Cercle Franco-Parsi de Bombay<sup>[1]</sup> or the Franco-Parsi Literary Circle, as it was then called) for his recent French government honour, Les Palmes d'Officier d'Academie, bestowed on

[1] Dara Mehta (solicitor), president, Le Cercle Littéraire, and an active member of the managing committees of the Indo-French Chamber of Commerce and Alliance Française; and Prof. (Mrs) Aban Davar, secretary, Le Cercle Littéraire, and professor of French, who translated James Darmesteter's article, shared valuable insights on France's linkages with Bombay.



him for his services to the French language.

Interestingly, this account, which elucidates the early roots of French literature, language, theatre and music in Bombay, points out how the elite among Parsi youth was keen on studying French. Two French citizens, visiting Bombay for the scientific study of ‘fire-worshippers’ (Parsis), responded by donating books (in French) on the Zoroastrian religion, culture and history. This formed the original collection of books at Le Cercle. A large donation of 10,000 francs from Sir Dinshaw Manockjee Petit, the first baronet, helped boost the early efforts of this small group of French enthusiasts.

### **French trade with Bombay**

Though the islands of Bombay hold the distinction of being the first British royal possession in the East (they were gifted in dowry by the Portuguese to the English Crown in 1661),<sup>[2]</sup> they were soon leased to the English East India Company in 1668. This was the year that the French East India Company, a

latecomer to Indian Ocean trade, set up its first factory (trading establishment in a foreign port or mart) on the subcontinent in the Mughal entrêpot at Surat. It later acquired Mahé on the southern Malabar Coast, its second outpost on the west coast.

In spite of the intermittent Anglo-French conflicts in Europe,<sup>[3]</sup> which often spilt over into the Indian subcontinent, French shipping increasingly began using Bombay port instead of Surat, en route to colonies on the east coast — Pondicherry, Yanam, Karaikal, Chandernagore and onwards, to French Indo-China (today’s Laos, Cambodia and Vietnam).

One example that illustrates Bombay port’s growing importance to French trade is the migration of Sir Dinshaw’s grandfather, Nasarvanji Kavasji, to Bombay in 1785.

As an agent and *dubash* (interpreter) for all French shipping that passed through Bombay, he was referred to by French ship officers as ‘*le petit Parsi*’ (the small-built Parsi), which was soon shortened to the nickname, ‘Petit’.<sup>[4]</sup> This nickname became the surname that his son, Manockjee, and grandson, Sir Din-

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[2] The seven islands of Bombay were gifted to King Charles II of England on his marriage to the Portuguese Princess Catharine da Braganza in 1661.

[3] The 18<sup>th</sup> century witnessed many wars and skirmishes between England and France, which peaked in the Napoleonic Wars (1793-1815).

[4] Edwardes, S.M., *Memoir of Sir Dinshaw Manockjee Petit, First Baronet, 1823-1901*, (England, Frederick Hall at The Oxford University Press, 1923), p. 3.

shaw, both pioneers of Bombay's cotton mill industry, adopted. (Sir Dinshaw confessed — when making his donation to Le Cercle — that though he did not know French, he was proud of the origins of his name!)

By the mid-19<sup>th</sup> century, France's business engagement with the city was important enough for it to open a consulate in 1865, barely four years before the opening of the Suez Canal that the French built. The dramatic shortening of the sea route to the East from Europe in 1869 catapulted Bombay into an important financial and diplomatic hub. France's first consul to Bombay was Monsieur Albert Thenon, whose letter of appointment was signed by Napoleon III.

Bombay had only a few French residents in 1865, though the French bank, Comptoir National D'Escompte (today's BNP Paribas) had a branch as early as 1861, and so did the Lyon-headquartered shipping company, Messageries Maritimes. By the late 19<sup>th</sup> century, Bombay's home-grown multinational company — the Tata Group — had a heightened engagement with France.

## A slice of Bombay in Paris

A poignant reminder of the historic Bombay-France legacy is in the well-known Paris cemetery — Père Lachaise — where Ratanji Dadabhai Tata (known as 'R.D.' and a young cousin of Jamsetji Nusserwanji Tata), his French wife Suzanne (Soonie) Brière,<sup>[5]</sup> and their son Jehangir R. D. Tata (J.R.D. Tata), lie buried next to one another.

Though it is well-known that J.R.D. Tata (chairman of Tata Sons from 1938 to 1988) had a French mother, not many are aware that, as a child, he spent his holidays in Hardelet, a beach resort near Boulogne, on the French side of the English Channel. Young J.R.D.'s friend in Hardelet was the son of the legendary Louis Blériot, the first man to fly across the Channel in 1909.

It was in the sleepy town of Hardelet that J.R.D. Tata took his first joy ride in a plane at the age of 15, an experience that made up his mind that he wanted to be a pilot, and inspired him (along with his friend, Neville Vintcent, an ex-Royal Air Force pilot) to

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[5] Lala, R.M., *Beyond The Last Blue Mountain: A Life of J.R.D. Tata* (New Delhi, Viking/Penguin Books India, 1992), p.7; Lala, R.M., *The Creation of Wealth* (Bombay, IBH Publishing Company, 1981), pp 59-64.



*Juhu Aerodrome, October 15, 1932. Arrival of India's first regular scheduled airmail service from Karachi to Bombay, piloted by JRD. Nevill Vincent is wearing a pith solar topee. Photo credit: Tata Central Archives*

start an air mail service in 1932 on the Karachi-Bombay-Madras route. This was the early beginning of Tata Airlines and, what was later to become Air India Ltd., when this company, a division of Tata Sons, went public in 1946.

Much before J.R.D.'s time, though, there was another feisty young Bombay Parsi, Bhikaiji Cama, better known as Madame Cama<sup>[6]</sup> who perforce had to make Paris her home in 1909, when it was rumoured that she would be arrested in England for her nationalist activities and deported to India. She was a member of the British committee of the Indian National Congress, headed by Dadabhai Naoroji, and now, she founded the Paris Indian Society with two fellow nationalists. It was from this platform, her Paris home doubling as headquarters for the Society, that she continued her agitation for Indian independence till the outbreak of the First World War

when she was interned from 1915 to 1918 by France, which was under pressure from its ally, the British. Madame Cama returned home to Bombay only in 1936, aged 73 and very ill; she passed away a year later.

Today, the Bombay-France connection spans chambers of commerce and technology, a network of Alliance Française classes across the city and a wide spectrum of cultural activities. Most importantly, 400 French companies are active largely in the Mumbai-Pune belt either through manufacturing facilities or branch offices. These tangible networks, as history reveals, are built on the foundations of a long history of people-to-people contacts and the fragrance of many shared ideas and ideologies between the two countries.

~ *This article was published on the Gateway House website on 16 March 2017*

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[6] Encyclopaedia Britannica, *Bhikaiji Cama*, <<https://www.britannica.com/biography/Bhikaiji-Cama>> (Accessed on 15 March 2017).

## Bombay-Burma links run deep

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*Mumbai and Myanmar share a historically significant, but little-known link, which weakened after the military takeover of Myanmar in 1962. Its newly acquired democratic status and aims to globalise now offer Indian businesses a window of opportunity*

The Global Vipassanā Pagoda in north Mumbai is, first and foremost, an awe-inspiring sight, a glittering and golden Burmese dome, standing in splendid isolation on a verdant peninsula between Gorai village and the Arabian Sea. It is an exact replica of Myanmar's 11<sup>th</sup>-century Shwedagon Pagoda in Yangon (erstwhile British Rangoon), but unlike it, is made of stone and is hollow at the centre to house one of the largest pillar-less halls in the world, with a seating capacity of 8,000.<sup>[1]</sup>

Secondly, it's a piece of Myanmar in Mumbai, suggesting that Vipassanā meditation retained its pristine form only in Theravada Buddhist Burma for centuries before returning in the 1960s to India, the land of Gautama Buddha. The importance of this pagoda, though, is not in this narrative of return, but more in the many stories that led to its construction in Mumbai, stories that also reference the geopolitical and economic connections between Mumbai and Myanmar.

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[1] Global Vipassana Pagoda, *Concept and Planning*, <<http://www.globalpagoda.org/concept-and-planning>> (Accessed on 7 October 2016).



*The construction of the Global Vipassana Pagoda at Gorai, Mumbai, epitomizes India-Myanmar friendship through the Burmese Indian diaspora. The pagoda is built from stone blocks from Myanmar and the Indian state of Rajasthan. All wooden decorative motifs and doors are carved of Burma teak and produced in Myanmar Photo credit: Sifra Lentini*



## **A trading arc — Rangoon to Bombay**

The connections between British Bombay and Burma began soon after the Second Anglo-Burmese War of 1852. This not only consolidated the territory that the British gained on the Arakan<sup>[2]</sup> coast during the first war of 1824-26, but also led to their occupation of what came to be known as Lower Burma and its strategic ports, situated in the valley and on the delta of the Irrawaddy river.

Though Calcutta, the capital of British India, was the natural nodal port for the Burmese rice trade due to its proximity to the Burmese ports of Sittwe, Pegu (Bago), and Bassein (Patheingyi), Bombay's stake in the lucrative Burmese commodities trade began with its demand for Burma teak.

This came from the city's shipbuilding yards and exporters to West Asia, Britain and Europe. It was also needed in the 1850s for the building of the Indian railways. By April 1853, the first railway line on the sub-

continent was inaugurated between Bombay and Thana (today's Thane), and the newly incorporated London-headquartered Great Indian Peninsula Railway (today's Central Railway) had plans to lay tracks, connecting the city to its cotton-growing hinterland.<sup>[3]</sup>

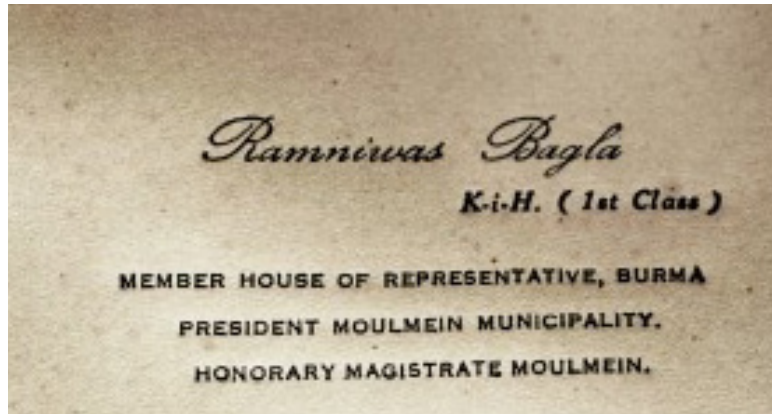
This profitable/lucrative trade with Burma gave rise to numerous Bombay-based agencies doing business in rice, pulses and teak. Alongside the merchants who travelled to British Burma, there was an influx of small traders, shopkeepers, labourers and civil servants, who later manned the administration, ports and police force of British Burma. Their settlements extended till Mandalay, which was the capital of Imperial Burma. Upper Burma was annexed by the British after the Third Anglo-Burmese War of 1885-86.

Some of the Indian communities that were prominent in British Burma, which, at first, was annexed to British India, and later, administratively separated in 1937, were the Bengalis (both Hindu and Muslim); the Chettiars (who became rice traders, land-owners

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[2] The Arakan coast refers to the coastal strip of territory that the British acquired under the Treaty of Yandabo, signed in the aftermath of the First Anglo-Burmese War in 1826. It runs along the eastern seaboard of the Bay of Bengal, from the Naaf estuary, on the borders of Chittagong (in the Presidency of Bengal), to Cape Negrais. The region was noted for its rice and timber exports. Modern day Rakhine State in Myanmar includes the colonial Arakan coastal division.

[3] Aklekar, Rajendra B., *Halt Station India* (Mumbai, Rupa, 2014), p. 22.



*An image of Ramniwas Bagla's visiting card. One branch of this Marwari family belongs to the Burmese Indian diaspora. The K-i-H in this card stands for the British civilian distinction Kaisar-i-Hind. Photo credit: Sifra Lentin*

and money-lenders); Tamilian, Telugu, and Malayali workers; Hindi-speaking labourers from the British United Provinces; and Sikhs, Marwaris and Parsis from the subcontinent's west coast.

The history of the Marwari diaspora represents how the linkage between Bombay and Burma was established through community-based trading networks. The Marwaris are central to the spread of the diaspora from Bombay to Rangoon. This community settled in Burma as a natural expansion of its trading network, which extended from the east to the west coast of the subcontinent, with Calcutta as headquarters.

It was the descendant of one such family, the Baglas of Moulmein (Mawlamyine) and Rangoon (Yangon), who was a fund of information on the pagoda complex. The Baglas trace their roots to Churu village in Rajasthan and have family settled along a part-sea, part-land route that stretches from Rangoon to Moulmein, then onto Kolkata, Varanasi, Churu and Mumbai. That the family has deep roots in Myanmar is evident from the fact that its patriarch, Ramnivas Bagla, was a former member of Burma's parliament. This network of businesses and homes, common among traders who stayed behind, exists even today.

Like most community-based merchant networks from the subcontinent, these trade routes circulated much more than merely commodities. They sent along suitable brides; children travelled for higher education to Calcutta and Bombay; staff from the community pool and domestics were other regulars. The pioneers, who explored and set up businesses in new regions, like erstwhile Burma, were the alpha male members from these joint families.

## Mumbai-Myanmar today

This brings us back to the Global Vipassanā Pagoda — and its significance for this 150-year linkage between the city and Myanmar. Apart from the overt message of the Pagoda itself, which denotes the return of non-sectarian Buddhist Vipassanā meditation to the Indian subcontinent from Myanmar, it also reaffirms the existence of strong economic, social and cultural bonds between the two countries.

These confluences come through in the story of Satyanarayan Goenka, the founder of the Global Vipassanā Pagoda, a Burmese Indian of Marwari descent and a Vipassanā teacher who trained under Sayagyi U Ba Khin, an ethnic Burmese and civil servant. Goenka, whose family history follows the trajectory of the Bagla family, returned to Bombay in 1969.<sup>[4]</sup>

Most Burmese of Indian descent, who fled Burma (Myanmar) at various inflexion points in that country's history — whether it was the Japanese invasion in 1942 during the Second World War or the military junta's takeover

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[4] Global Vipassana Pagoda, *S N Goenka*, <<http://www.globalpagoda.org/s-n-goenka>> (Accessed on 7 October 2016).

in 1962 or thereafter — returned to India as uprooted Burmese. Even today, many nurture the hope of revisiting the country of their childhood now that Myanmar has emerged from five decades of military rule.

Many Burmese Indians, like Goenka and the scion of the Bagla family, practised non-sectarian Buddhism in their daily lives alongside Hinduism, a legacy from Myanmar where many Hindu temples also host an idol of the Buddha. Other convergences too exist: many are fluent in spoken Burmese and its script while also knowing how to cook Indian dishes, like the *tirangi* (or tricoloured) rice in which they use black, red and white Burmese rice.

Today, people of Indian origin (PIO) in Myanmar form about 4% of its total population. In 2004, their number was estimated

to be 2.9 million, of which 2,500,000 were PIO, 2,000 Indian citizens and as many as 400,000 deemed stateless. Only a fraction of the PIO are Myanmar citizens; many remained unenumerated as citizens after Burma's independence in 1948.<sup>[5]</sup>

With strengthening bilateral ties between the two countries and the recent formation of a civilian government in March 2016 by Aung Sung Suu Kyi's National League for Democracy, the legal status of the historically significant Indian diaspora should be addressed. It is this community of Indians that has provided the soft fluencies of economic, social and cultural commons between the two countries.

~ *This article was published on the Gateway House website on 13 October 2016*

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[5] Chaturvedi, Medha, 'Indian Migrants in Myanmar: Emerging Trends and Challenges', *Ministry of Overseas Indian Affairs*, 2015 <https://www.mea.gov.in/images/pdf/Indian-Migrants-Myanmar.pdf> (Accessed on 9 October 2016).

## A German renaissance in Bombay

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*Germany's presidency of G20 in 2017 comes at a time when the country is in a state of deep flux. But its relations with India have always been unshaken. Even 80 years ago, German-speaking immigrants, fleeing the Second World War, greatly enhanced Bombay's cultural life*

On December 1, Germany officially takes over the presidency of G20 from China for the year 2017. The responsibility comes at a time of considerable political, economic and social flux, what with over a million Syrian refugees to be integrated; Brexit; and a national election in October.

Yet, Germany's relationship with India has been ever stable. The end of the Cold War in 1991 and the reunification of a divided Germany on 3 October 1990 helped revive the warm, 150-year-old relationship that the two countries have shared. This is partly reflected in the current bilateral trade and investment

statistics: Germany is the seventh largest foreign direct investor (\$8.64 billion from January 2000 to March 2016) in the India growth story, with 1,600 Indo-German collaborations and over 600 joint ventures.

Indian companies have, in turn, invested \$7 billion since 2000, with 200 of them having manufacturing facilities, subsidiaries and/or outright acquisitions of local firms.<sup>[1]</sup>

This frenetic pace of activity in the last 16 years encompasses the political, cultural, and educational spheres too. Today, Indian students in German universities, particularly in science, technology, engineering and mathematics, number over 12,000.

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[1] Embassy of India, Berlin, 'Economic & Commercial Relations' <<https://www.indianembassy.de/pages.php?id=37>> (accessed on 28 November 2016)

This takes us back to the two countries' shared history from the mid-19<sup>th</sup> to the first half of the 20<sup>th</sup> century when business and cultural connections were established between Germany and the British Indian cities of Calcutta and Bombay. An important milestone that marks this was the establishment of an honorary Prussian consulate,<sup>[2]</sup> first in Calcutta (1851) and then in Bombay (1856). The need for consular services indicated a sizeable German expatriate community, mostly merchants and missionaries, in these colonial port cities.

The inter-war years and the period of the Second World War brought innumerable German and German-speaking refugees to Bombay, resulting in an artistic, intellectual, and cultural renaissance.

### **Berlin and Bombay: the two B's**

In the aftermath of the First World War, when a defeated Germany was rebuilding itself under the Weimar Republic (1919-1933), the capital city of Berlin became the

scientific and cultural hub of Continental Europe. There was an edgy creativity palpable in Berlin because of the charged political atmosphere then prevalent. It was both the nerve centre for Communism in Europe and its opposite number, a resurgent German right-wing, militaristic nationalism, which often led to violent clashes on the streets.

It was during this time, the 1920s and 1930s, that numerous Indian scientists and artists visited and worked in Berlin. A well-known name from Bombay was physicist and founder of the Tata Institute of Fundamental Research, Dr. Homi Bhabha, while from the Hindi film industry, there were directors Mohan Bhavnani, and Himanshu Rai, who, with his wife and actress Devika Rani, all trained and worked in Berlin's Universum-Film-Aktiengesellschaft (Ufa), a grouping of Germany's leading film studios.

In Vienna, during the same period, a young Parsi art student, Silloo Vimadalal, who was studying painting under Professor Walter Langhammer, was instrumental in bringing him and his wife to Bombay.

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[2] The Kingdom of Prussia was the largest state in a loose confederation of German-speaking states from 1815 to 1866. The German missions in Mumbai and Kolkata date their origin to the founding of the Prussian Honorary Consulate, although the smaller Hanseatic states, like Hamburg in Bombay, were established much earlier. In 1857, these consulates came under the North German Federation, the authority responsible for foreign diplomacy of the German states.



Such friendships and connections made Bombay a refuge for Jews fleeing Fascism in Europe. It was then imperative for each immigrant to have a guarantor to vouch for his or her political affiliations and permanent maintenance in British India. Although this was substantively amended in late 1938 by the India Office (London), numerous conditions had to be fulfilled before immigrants, and later, refugees, were allowed into British India.

Just before the Second World War began, in mid-July, there were 2,153 registered foreigners' resident in Bombay. This number excluded consular staff and children (below 16 years). Of this total, 1,051 were European (550 Germans), 886 Asiatics (from Afghanistan, Bukhara, Central Asia), 211 Americans, and five Africans.<sup>[3]</sup>

### The European imprint

The European, as distinct from British, influence was of two types: those who brought back new ideas from Europe, like those in the film fraternity, and implemented them

in Bombay with the help of their immigrant friends; and European immigrants who had a profound influence on local art, music and film-making.

In the first category, when Himanshu Rai and Devika Rani returned to Bombay from Germany in 1934, with the Hindi version of their talkie film, *Karma*, directed by Franz Osten, and produced as an Indo-British collaboration<sup>[4]</sup>, they also set up the same year the city's first professionally run film studio, Bombay Talkies, in Malad, a suburb of north Bombay. Modelled on Berlin's Ufa studios, it introduced a structured internship programme for the first time. Osten and cameraman Helmut Wirching both worked there before they were interned at a camp in Ahmednagar during the War years, and many luminaries of the film industry too, including actors Ashok Kumar, Raj Kapoor, Dilip Kumar, Sashadhar Mukerjee (a film producer, actor Kajol's grandfather and one of the three founders of Filmistan Studios), and Khwaja Ahmed Abbas (well-known script-writer and director of Raj Kapoor's films).

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[3] Bhatti, Anil and Johannes H. Voigt, eds., *Jewish Exile In India 1933-1945* (New Delhi, Manohar and Max Müller Bhavan New Delhi, 2005), p. 28.

[4] Himanshu Rai co-produced and directed his first three films (*The Light of Asia*, 1925; *Shiraz*, 1928; and *A Throw of Dice*, 1929) with Emelka Studios, Germany. The deteriorating political situation in Germany made it difficult for him to raise finances in Germany for his film, *Karma* (1933).



*Bombay's Progressive Artists Group surrounded by their supporters at the Bombay Art Society Salon.  
Photo credit: Chemould Prescott Road, Mumbai, India*

Mohan Bhavnani, whose early films include *Mazdoor* (The Mill, 1934) and *Jagran* (The Awakening, 1935), both considered too provocative because of labour unrest across India in the 1930s and early 1940s, was the guarantor for music composer Walter Kaufmann and script-writer Willy Haas.<sup>[5]</sup>

Kaufmann composed the signature tune for All India Radio, but he is best remembered for introducing orchestral music — the use of Indian musical instruments, specifically — in Hindi films and documentaries made by the Information Films of India.<sup>[6]</sup>

A core group of European emigrés — Walter Langhammer (a mentor and teacher) and his wife, Kathë (who became secretary of the Bombay Art Society); Rudy Von Leyden (art critic and cartoonist at the *Times of India*); and Emmanuel Schlesinger (art collector) — fostered the growth of Bombay's Progressive Artists Group (PAG), whose original mem-

bers were F.N. Souza, M.F. Husain, S.H. Raza, S.H. Gade, K.H. Ara and S.K. Bakre.

The impetus to move away from the realism of the British academic school of art and revivalism of the Ajanta fresco style was already under way in the city when the PAG began forming in the early 1940s. The Europeans exposed the group to different modern, predominantly western schools of art, like Expressionism, at the weekly Sunday salons, held at the Langhammer home on Nepean Sea Road, and provided them feedback on their work.

Bombay's German-speaking immigrants left the city by the 1960s and early 1970s, but they gave the city its internationalism, a feature that will surely add depth to the existing commercial and business ties that bind Germany and Mumbai.

~ *This article was first published on the Gateway House website on 1 December 2016*

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[5] Gangar, Amrit, *The Music that Still Rings at Dawn, Every Dawn: Walter Kaufmann in India, 1934-1946* (Mumbai, Goethe Institute/Max Müller Bhavan Mumbai, 2013), p. 82.

[6] Information Films of India (IFI) was set up by the British Indian government in the 1940s to originally support the War effort through war documentaries. This later expanded to topical subjects that were first showcased in the government sponsored *Indian Movietone News*, later renamed *Indian News Parade*. IFI was the precursor to the Films Division of India.

# Mumbai's historic diplomatic enclave

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*A vibrant foreign diplomatic corps, in Mumbai for the last 200 years, has contributed to its political and economic life and added to its social and artistic cachet*

Not many are aware that it was in Mumbai that the first American consulate on the subcontinent was established in 1838 — much before even one in British India's capital city of Calcutta. More recently, in November 2011, the city of Hamburg, part of the Federal Republic of Germany, appointed an ambassador to Mumbai (Hamburg Representation Mumbai), where once the city-state of Hamburg had its own consulate in 1844. This was even before the Prussian consulate, predecessor of Germany's consulate, was established.

While the United States consulate general has had an almost continuous stint in the city (until recently, Lincoln House, the art deco

city palace of the royal family of Wankaner at Breach Candy, Mumbai, housed the U.S. consulate general from 1957 to 2015), the re-establishment of the Hamburg Representation Mumbai (at a Cuffe Parade address) is more in line with global trends in economic and cultural diplomacy, specifically city-to-city bilateral relations.<sup>[1]</sup>

It is also an indication of Mumbai's evolving stature as host to an increasing number of diplomatic representations. There are 46 consulates and 54 honorary ones in the city, according to the Consular Corps Association of Mumbai Directory (2013), with a few more having opened since, like the Norwegian consulate general in Bandra-Kurla Complex.

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[1] The political and economic clout of global cities and their mayors was most evident during the 2015 COP21 Paris summit, when 400 city mayors came together for the Climate Summit for Local Leaders. The importance of city-to-city para-diplomacy may prompt India's Ministry of External Affairs (MEA) to open a representative office in Mumbai to leverage the island-city's historic centrality not just to the Indian Ocean's trade world and as location of the country's second global financial centre, but as a megalopolis (super city) that needs independent representation on international forums.





*A photograph taken on 14 July 1904 at the French National Day celebrations in Bombay. From left to right, Monsieur Harold Martin, Consul Monsieur and Madame Louis Vassion, and Mr Jamsedji Sorabji Sethna. Photo credit: Consulate Général De France À Bombay*

## Historic Mumbai's diplomatic corp

Mumbai's engagement at the vanguard of India's economic diplomacy, though very much in keeping with current trends, is not new to the city itself. It was part of a globalised world, albeit an imperial one, during the period 1870 to 1914, which is termed by world historians as the 'First Globalisation'. It was a nodal port and international financial centre during this time.<sup>[2]</sup>

In 1875 there were 14 consulates in the city, largely located in the Fort precinct. Europe predominated with nine diplomatic missions<sup>[3]</sup>; West Asia (Turkey and Muscat) accounted for two; and the Middle East (Persia), Far East (Siam or present day Thailand) and North America (the United States), one each.

In contrast, by 1909, other regions of the world established their consulates in the city, indicating a vibrant trade between Mumbai and these countries 100 years ago. Among the new names are two South American

countries (Brazil and Chile), one Central American (Nicaragua), one West African (Liberia), one from the Far East (Japan), Russia, and additionally, Denmark, among the European countries.

This growing diplomatic presence was a natural transition from the many foreign trading houses, which informally represented their countries and international clients in trade, and sometimes, political matters, with the East India Company's government, and after 1858, with the British Indian government.

The need for a political representative in Mumbai resulted in most countries recognising their business representatives as honorary consuls, as happened in the case of The Netherlands, Switzerland, and Sweden and Norway (before Norway parted from Sweden in 1905). By the early 20<sup>th</sup> century, honorary consuls were drawn from among heads of companies; for example, the head of WIMCO (a subsidiary of the Swedish Match Company) represented Sweden from 1947 to 1990.

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[2] Overly, Richard, *The Times Complete History Of The World* (London, Harper Collins Publishers, reprint 2011), pp 276-77.

[3] The nine European consulates are: Austro-Hungary, Belgium, France, Italy, Netherlands, the German Empire, Portugal, Spain, and Sweden and Norway.



In time, many honorary consulates were transformed into full-fledged diplomatic missions, headed by a career diplomat. The geographical reach of these Mumbai-based consulates exceeded the boundaries of erstwhile Bombay Presidency — large, in itself, as it included Aden and Sind — to cover Rajputana (the princely kingdoms of Rajasthan), the British Central Provinces, and Portuguese Daman, Diu and Goa. In practice, as these consulates were very often the only representatives of their countries in South Asia, the city became an important node for foreign diplomatic activities.

### **Mumbai: home away from home**

How did Mumbai measure up compared to its contemporaries, Tokyo, Shanghai and New York as host and home to its foreign diplomats?

The writings of Ottoman consul, Abdülhaq Hâmid, who lived in Mumbai from 1884 to 1886, offer a glimpse. Hâmid, who is considered the finest exponent of Turkish dramatic poetry, remarks in his letters from Mumbai that life in the city was easy-paced in spite of the commute from the suburbs of

Malabar Hill (his home) to his office in Fort, leaving him enough time to write poetry. However, he complains, “Everything is far too costly. There is the necessity of keeping horses and carriages and about 20 servants... Dinners and return dinners have to be given and the 15-room mansion has to be kept lit at night.”<sup>[4]</sup>

Hâmid’s letters reiterate what Dennis Kincaid, a British civil servant who worked in the city’s courts, wrote in his book, *British Social Life in India 1608-1937*. The rhythm of social and cultural life for Mumbai’s European, diplomatic and anglicised civilian community was dictated by the movements of the governor-general and his council.

The highlight of the Mumbai (November to March) and Pune (June to October) seasons, was the Governor’s Ball, where ladies vied with each other to show off the latest in London and Parisian fashion, while the proximity of one’s dinner seat to that of the governor and his wife determined one’s place in Mumbai’s social hierarchy.

A breakaway from this circuit of parties, clubs — Byculla Club, Bombay Gymkhana, Royal Bombay Yacht Club — horse-racing,

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[4] Wasti, Syed Tanvir, The Indian Sojourn of Abdülhaq Hâmid, in *Middle Eastern Studies*, Volume 34.4, October 1998, p 35

picnics and hunts, occurred in the 20<sup>th</sup> century when other cultural avenues opened. Most of these inputs came from the city's diplomatic community itself. In addition to National Day celebrations (see photo), the consulates showcased the cultural and artistic life of their countries by hosting theatre troupes, musicians, writers and artists, which enriched Mumbai's cultural life. Some visible influences on the city's art fraternity during the early 20<sup>th</sup> century were visiting American jazz bands and European Expressionism.

The city's expatriate and diplomatic community did partly influence the Indian departure from British design sensibilities in art, architecture, interiors, theatre, music and films. Patrons of the Bombay Progressive Artists Group were diplomats, such as Consul General Jacob van de Gaag of the Netherlands (1958-1965) and heads of foreign companies.<sup>[5]</sup>

Many foreign consulates closed in the 1960s as the globalised world economy of the early 20<sup>th</sup> century was replaced by a Cold War economy. Mumbai itself was confined to being the financial capital of India and was no longer a centre for the circulation of international capital, trade and people.

The liberalisation of the Indian economy 25 years ago, combined with the globalisation of the world economy — since the 1980s — opened opportunities for the city. Such a history apart, its many current strengths — such as, manpower and institutions, cosmopolitan nature and revival as a diplomatic hub — could give impetus to the idea of Mumbai hosting an international institution, like the BRICS headquarters. It's an idea for which the city may just be ready.

~ *This article was first published on the Gateway House website on 6 October 2016*

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[5] Zitzewitz, Karin, *The Perfect Frame: Presenting Modern Indian Art, Stories and Photographs From The Collection of Kekoo Gandhy* (Mumbai, Chemould Publications, 2003), pp 30 — 31.





*Photo credit: Rafeeq Ellias.*



# Part 3

## Mumbai in the world

**W**hile absorbing many external influences, Mumbai also had a substantial impact on other parts of the world. The city wielded influence in various ways, including through the popularity of its currency, foreign trade, military support for neo-imperialism, its banking systems and its diaspora.

The role of Mumbai's merchants in the founding of Shanghai underscores the depth of Mumbai-China linkages, a connection that began in the early 18<sup>th</sup> century through the cotton trade, with Guangzhou (Canton). A natural outcome of this centuries-long trading connection was the exchange of people between the two shores, with Indians settling in Hong Kong and Shanghai, and Chinese workers finding their way to Mumbai's dockyards.

Indian diasporic communities with roots in Mumbai and settled across West Asia and East Africa played an important role in popularising the Indian Rupee by using it not only in overseas trade but locally too. This inextricably connected these regions of the Arabian Sea with the city.

However, what really made Mumbai the powerhouse of the East during the period of the first global economy beginning in the 1870s was the critical financial relationship the city shared with the City of London, a relationship that proved mutually beneficial to both, though more so to Great Britain.

By 2050, cities are estimated to be home to 68% of the world's population: global governance policies are therefore being tailored to this reality. Although, Mumbai, a megacity with a population of 15 million, does not represent itself yet on multilateral forums the way other global cities do, its 15 sister-city relationships now assume significance. The executive summary of the report, Mumbai-Shanghai Sister Cities Agreement: Challenges & Opportunities, reproduced here, stresses how Mumbai can leverage sister-city agreements to attract global businesses, investments, appropriate financial and climate technologies and foster cultural understanding with its counterparts.

# Modi on the India-Africa Dhow Route

*Indian Prime Minister Narendra Modi's visit to Rwanda and Uganda en route to the BRICS Conference in South Africa (July 25-27) will bolster ties with the Indian diaspora in these countries through cooperation in defence, finance, education and other sectors. The Presidency of Bombay once played a key role in the development of the East African region*

Africa has been home to several Indian communities and they have been pivotal to the economic prosperity of regions that were formerly colonies. Even after these African nations got independence, Indian immigrant communities chose to stay on in their adopted homeland. They were forced to relocate to London between the 1960s and late 1980s when civil strife in Uganda, Kenya, Tanzania and Rwanda intervened. Many big East African Indian businesses have returned to these countries since the 1990s, reviving the rich legacy of

economic and cultural ties that East Africa shares with the west coast of India, and Mumbai, in particular.

The Gujarati-speaking Jain community was the earliest to establish itself in the Portuguese colonies of East Africa, namely the ports of Mombasa and Kilwa, and Mozambique. They were successful because they adapted to different milieus and mores, even endowing mosques for their fellow Arab and African traders in Gujarat's medieval port cities of Cambay and Bhadreswar.<sup>[1],[2]</sup>

Kutchi-speaking Hindu Bhatias and Mus-

[1] Vastupal (1169-1240), a wealthy Jain merchant and administrator of the port of Cambay (known in the medieval period as Stambhatirth), ordered the construction of a mosque for Arab settlers in this port. His contemporary, Jagdu (1193-1266), a Shrimali Jain, built a mosque at Bhadreswar.

[2] Before the rise of Surat, the great Mughal port in the late 16<sup>th</sup> century, Jain merchants were concentrated in Porbandar, Jamnagar, Diu and Cambay from where they exported cotton piece goods (cloth), indigo, wheat, rice and even leather goods, to Hormuz, Mocha, Jiddah (Jeddah), Muscat, Aden, Zanzibar and Kilwa. The Kiswahili terms, *bafta* and *kaniki*, which are still in use, have their origins in local Gujarati names for particular types of cloth.

lim communities (such as, the Memons, Bohris and Khojas<sup>[3]</sup>) from Sindh, Kutch and Saurashtra followed. Zanzibar, and Pemba, an archipelago of islands north of it, held promise after Sultan Sayyid Said decided to shift his capital there from Oman between the years 1832 and 1840. Many Indian traders were coopted into his mission to have unrivalled control over the slave trade.<sup>[4]</sup> Zanzibar and the Portuguese colony of Mozambique were both major slave marts in East Africa during the 18<sup>th</sup> and most part of the 19<sup>th</sup> centuries. Swahili-speaking merchants ventured into the interiors of the mainland in search of slaves, who formed the bulk of the labour supplied to plantation economies, such as the French Mauritius and Reunion Islands. They were also used to transport ivory to the coast as beasts of burden were vulnerable to attack by the deadly tsetse fly.

Slaves and ivory apart, the Indian traders were engaged also in a lucrative export trade

in gold while their imports included Indian cotton cloth, spices, food grains, Chinese porcelain and silk. The arc of coastal trade (also called the dhow trade) stretched from the East African coast and further east to Aden, Muscat and Hormuz, before reaching the west coast of India, and by the late 18<sup>th</sup> century, Bombay.

### **The transition to plantations**

When the slave trade ended in 1873<sup>[5]</sup> the decline of Zanzibar, Pemba and the Mrima Coast, with their Indian communities, had already set in. To stop the slide in their fortunes, Indian traders began investing in clove plantations in these islands. A few families, such as the Karimjee Jivanjees, and Seth Allidina Visram, shifted operations westward to the mainland. Opportunity beckoned in the form of the first big-ticket infrastructure project, undertaken by the British government in East Africa: the ambitious, 582-mile Uganda railway line from

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[3] The Khojas, a Shia community, suffered a split in the 1860s after the Aga Khan Case (1866) in the High Court of Bombay. Although there are many sects within this community, the two largest and most well-known in East Africa (and across Africa) are the Ismailis (followers of the Aga Khan) and the Ithna Asheris. Also see <https://www.gatewayhouse.in/bombay-home-to-aga-khans/>

[4] The Omani Sultan's dominions roughly encompassed the Mrima Coast (extending from Tanga on the mainland opposite the Pemba archipelago, to the Rufiji River), the Pemba archipelago, Zanzibar island, Kilwa and Mombasa from the 18<sup>th</sup> to late 19<sup>th</sup> centuries. Later, the Mrima Coast, Kilwa and Mombasa were handed over to the British or Imperial British East Africa Company (IBEAC) through a treaty.

[5] The first anti-slavery treaty between Britain and Oman was signed as early as 1803, but most were simply on paper as the trade went on unabated till the Anti-Slavery Treaty of 1873. Sustained pressure exerted by a series of anti-slavery treaties, combined with British naval anti-slavery patrols, which culminated in a final treaty signed between Zanzibar's Sultan Seyyid Barghash bin Sa'id and Sir Bartle Frere, a former governor of Bombay, in 1873, finally ended slavery in Zanzibar.



Mombasa (Kenya) to Kisumu (Port Florence, Uganda) on Lake Victoria, which called for massive human resources.<sup>[6]</sup>

The British conceived of this railway line as “a Wedge of India driven into the heart of Africa”. According to Thomas R. Metcalf, in his book, *Imperial Connections: India In The Indian Ocean Arena (1860-1920)*, they sourced coolies, surveyors and clerks; tracks, sleepers and coaches; training manuals; and later, staff to man the line, from Bombay, and Karachi, which was part of the Presidency of Bombay. The city’s Great Indian Peninsula Railways (GIPR) and Bombay, Baroda & Central India Railways (BB&CI) were examples to replicate.

The terrain was treacherous, the deadline tight (1898-1905) and the conditions under which Indian labour had to work sub-human, leading to loss of life and livelihood. Imperial policy was ruthless: of the roughly 32,000 workers, more than 6,400 were declared unfit to work and nearly 2,500 died due to their exertions.

### **The *dukkawalas* (Indian shopkeepers)**

The construction of this railway line also attracted new merchant communities to the region. Among the few who successfully transitioned from Zanzibar to the British Protectorates (of Kenya and Uganda) was the ‘Ivory King’ and Ismaili Khoja trader, Seth Allidina Visram, once the biggest *dukkawala*, or shopkeeper. The way in which he scripted his own fortunes shows how entire Indian communities came up around the shops that Indian traders set up. Writes Manubhai Madhvani in his autobiography, *Tide of Fortune: A Family Tale*, “As each section of track was completed, he (Visram) followed with commercial premises. He opened a shop at every large station along the 580-mile railway, provided food, clothes and all necessities for the workers on the railways; set up a branch of his trading empire in Kampala in 1898, and then opened stores in Jinja, up along the Nile in southern Sudan, and also

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[6] It was to German Tanganyika and northward to the British East Africa Protectorate (Kenya) and Protectorate of Uganda that a few of the old merchant families from Zanzibar shifted too. The British East Africa Protectorate (Kenya) was formed when the British Crown took charge of Sir William MacKinnon’s ambitious IBEAC in 1895, while Uganda became a Protectorate in 1896. Sir William MacKinnon was one of the founders of the shipping agency, MacKinnon MacKenzie, and its British India Steam Navigation Company. Both companies were headquartered in Calcutta but had a strong presence in Bombay.



*A photo of Kakira Sugar Works (Uganda) in 1957.  
Photo credit: Tide of Fortune: A Family Tale by Manubhai Madhvani.*

in Kenya and Congo.” (Belgian Congo became Rwanda.) Provisions and clothing items were sourced from Bombay mostly.

Visram mentored young men from the Khoja community and from the newer migrant communities, like the Lohanas<sup>[7]</sup> who dominate the business world of Uganda even today. These large merchant families, that diversified into tea, coffee and sugarcane plantations, succeeded because of the business and family connections they retained with Bombay and their communities in present-day Gujarat, which continue to be a source of their staff. They formed the backbone of the economies of Kenya, Uganda and Tanzania (includes Zanzibar) after their independence in the 1960s and fought alongside native Africans in the nationalist and labour movements of these countries, having been a colonised people themselves.<sup>[8]</sup>

Civil war followed closely on the heels of independence in East Africa, the worst part

of it being the brutal regime of General Idi Amin in the 1970s, which consisted of a mix of internecine tribal warfare (300,000 Ugandans died) and the acquisition of properties and businesses of affluent East African Indians.<sup>[9]</sup> Most Indians fled to the UK, United States and Canada.

Political and economic stability returned to this region in the 1990s. African leaders wooed back the big Indian plantation owners and industrialists with the offer of restitution of their businesses. This began a virtuous cycle of skilled Indian workers from the sub-continent moving to East Africa — just as they had in the past.

Prime Minister Modi’s visit to Rwanda and Uganda may well result in a deeper engagement: a shared history at many levels offers lessons.

~ *This article was first published on the Gateway House website on 26 July 2018*

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[7] Many other Gujarati-speaking trading communities too migrated to East Africa at the turn of the 20<sup>th</sup> century, like the Patidars (Patels), Parsis and Halar Oswal Jains.

[8] The Mombasa Indian Association, founded by L.M. Savle, was the precursor of the East African Indian National Congress (established 1914) in Kenya, Tanzania and Uganda, which took its cue from the subcontinent’s Indian National Congress. In 1924, the Kikuyu Central Association, headed by Manilal Ambalal Desai, encouraged indigenous Africans to join forces with the Indians in their quest for equality. This Association had branches in all three East African nations.

[9] Madhvani, Manubhai with Giles Foden, *Tide of Fortune: A Family Tale* (Noida, Random House, 2009), pp. 134 — 37. Also, Kotecha, Bhanubahen, a translation by Leynore Reynell, *On The Threshold of East Africa* (privately published by the Jyotiben Madhvani Foundation), pp 224 — 37.

## Soft power of Israel's Indian Jews

*Israel's Prime Minister Benjamin (Bibi) Netanyahu's official visit to India from January 14 to 19 will lay accent on the many commercial ties that bind the two countries. Less visible, but no less important, is Israel's Indian Jewish diaspora, the beneficiaries of full diplomatic relations being established between the two countries*

Prime Minister Benjamin Netanyahu's first visit to India, beginning January 14, in New Delhi, coincides, significantly enough, with the first International Bene-Israel Festival<sup>[1]</sup> being held at Navgaon beach, Raigad district, Maharashtra, across the harbour from Mumbai. A highlight of the programme is that the congregated global Bene-Israel (lit: 'children of Israel') community — many of them Israeli from having settled there — will visit the spot where their forebears first arrived on the Indian subcontinent. The immediate agenda is to raise funds

for the restoration of a 1980s memorial<sup>[2]</sup> that marks the site where their predecessors were washed ashore after a shipwreck about 2,000 years ago.<sup>[3]</sup>

Such an event speaks eloquently of the strong ties that India and Israel have shared since 1992 and which have been strengthened after Prime Minister Narendra Modi took office in May 2014. For example, the simplification of Indian visa forms, combined with many Israeli Indian Jews opting for Overseas Citizenship of India (OCI) — which eliminates the need for a visa — has eased travel between the two countries.

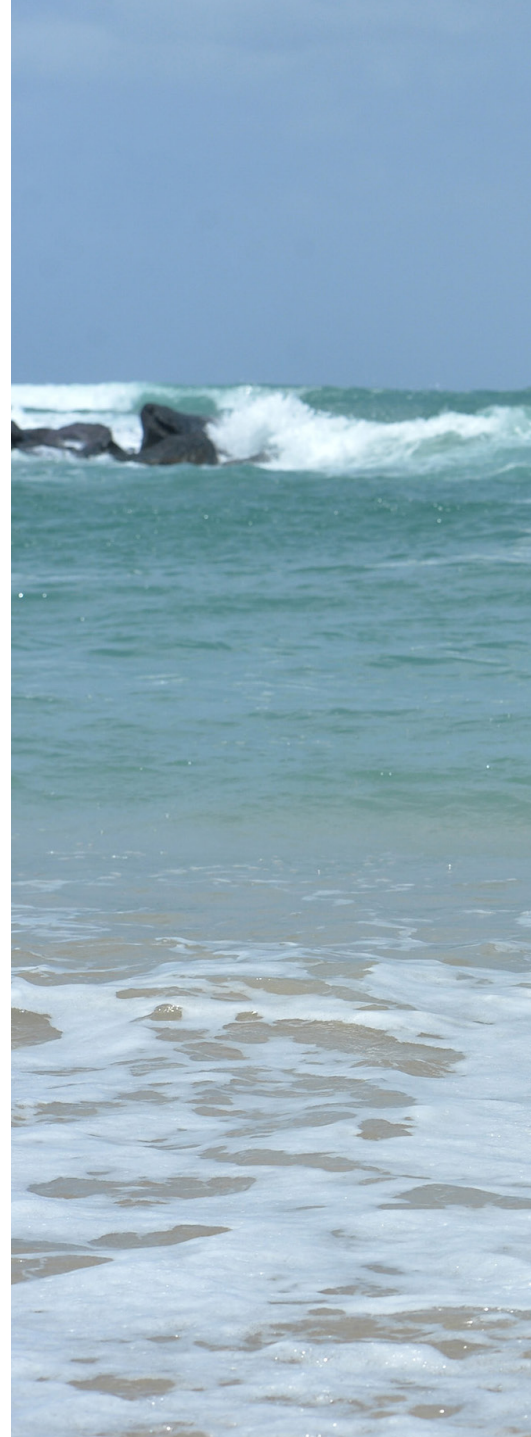
[1] The International Bene-Israel Festival is being organised by the International Organisation of Bene-Israelis (IOBI) with the Mumbai-based Indian Jewish Federation. The objective of the present festival is to raise funds for the restoration of the Navgaon memorial and cemetery.

[2] The Navgaon Memorial was designed by Joshua Benjamin, chief architect (1972-78) of the Government of India as also the Indian Parliament Annexe, the Defence Headquarters building and the Judah Hyam prayer hall in New Delhi.

[3] The Bene-Israel believe that only seven men and women each survived this shipwreck, and the bodies of those who drowned are buried under two mounds at Navgaon cemetery, one each for men, women.

*Prime Minister Modi with Israeli Prime Minister Netanyahu taking a leisurely stroll along Olga beach in northern Israel, on the last day of the Indian PM's historic visit in July 2017.*

*Photo credit: Kobi Gideon / Israeli Government press office.*









The Israeli Indian Jews are particularly excited also about<sup>[4]</sup> the modification of a rule — compulsory army service for all Israelis after high school — that kept their children from acquiring an OCI. This has now been done away with.

The prospect of Air India starting a direct flight from Mumbai and Delhi to Tel Aviv has also raised expectations. “This will give a fillip to tourism to India both by Israelis, and Indians, who can make more frequent visits here. There is talk already about Israeli budget airlines tapping into this big market,” says Anil Abraham, a Malabar Jew from Ernakulam, a Non Resident Indian who regularly brings tour groups to India.

The benefits of closer ties are greater for Israel’s 85,000 Indian Jews<sup>[5]</sup>, who are made up of Bene-Israel (the Marathi-speaking Jews from the Konkan), Baghdadi Jews (Arabic-speaking), with roots in Bombay and Kolkata, the Malabar and Paradesi (lit. foreigner) Jews (Malayalam-speaking) from Cochin, and the tribal Jews of Mizoram

and Manipur from India’s North East (who speak a Burmese dialect).

“Relations between India and Israel being recognised is nice because now we can be proud of India, which has always been good to the Jewish people and shown tolerance for all religions,” says Shulamit Koder, an Israeli belonging to the Paradesi Jewish community.

The Paradesi number only 150. Modi’s gift to Netanyahu, a *Sefer Torah*, a handwritten prayer scroll, dating back to 1908-9, from the oldest surviving synagogue in India, the 450-year-old Paradesi Synagogue in Mattancherry, Kochi,<sup>[6]</sup> made a major impression on them as it underscored the fact of this Indian diaspora having linked the two countries for centuries. (This gift is now housed in the Beit Hatfutsot or Museum of the Jewish People on the Tel Aviv University campus.)

Noah Massil, editor of the popular Israeli Marathi magazine, *Mai Boli*, has readers who are mainly from the largest Indian community in Israel, the Bene-Israel, who ‘made Aliyah’ (immigrated to Israel) in large num-

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[4] The Indian Prime Minister made this announcement in his 5 July 2017 address to the Israeli Indian community in Tel Aviv.

[5] The Bene-Israel community leaders estimate that there are about 25,000 Israelis with one Indian Jewish parent and about 100,000 with one Indian Jewish grandparent. Wald, Shalom Salamon, and Arielle Kandel, India, Israel And The Jewish People: Looking Ahead, Looking Back 25 Years after Normalization (The Jewish People Policy Institute, Jerusalem, 2017), pp 153—54. Also India, Israel and the Jewish people (Accessed on 3 January 2017.)

[6] The Paradesi Synagogue, built in 1568, in Mattancherry, Kochi is a UNESCO World Heritage Site. The last para of the Dedication Plaque that PM Modi gifted to his Israeli counterpart, says: “the Paradesi community (of India) has offered this Torah to be gifted to the people of Israel, and housed with the Paradesi Jewish community in Israel, in the name of solidarity and brotherhood between our two great nations”.

bers in the late 1960s and 1970s. He recalls how ties between the two countries were not very open until 1992. “When we began the Festival of Indian Song and Dance in 1987 in Jerusalem, my practice, year after year, was to go up on stage and say that next time, we will have the Indian ambassador as our chief guest. Our wish has been fulfilled since 1992.”

The establishment of the Indian Embassy in Tel Aviv (in 1992) brought cohesion to the four distinct Indian Jewish communities, thus fostering an Indian identity. Former Indian ambassador, Jaideep Sarkar,<sup>[7]</sup> encouraged them to unite under a single umbrella association. In 2013 the first National Convention of Indian Jews was held in Ramle, near Tel Aviv, with the support of the Indian Embassy in Israel. This has now become an annual event, held during the Sukkot holidays, with an exception in 2017, when it was held on Hanukkah.<sup>[8]</sup>

The Israeli Indian communities did network informally: a Paradesi Jew will

most likely celebrate Onam with a childhood friend from the Malabar Jewish community; or Diwali may bring together a Bene-Israeli and a Baghdadi Jew, both hailing from Bombay.

Different settlement patterns kept these communities to themselves. As a thumb rule, most Malabar Jews settled in *Moshavs* (cooperative farms) and *Kibbutz* (a collective farm), while the Bene-Israel lived in development townships, like Beersheba and Dimona, with many in Lod, Ashdod and Ramle, to the south and south east of Tel Aviv. Baghdadis and Paradesis tended to settle in the big cities of Jerusalem, Haifa and Tel Aviv.

Also, they were building their lives afresh in a relatively new nation under tough circumstances, including war, like the 1967 Six Day War (or Third Arab-Israeli conflict). The Indian diaspora, therefore, tended to find stability, connecting with immediate family and community.

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[7] Interview with Noah Massil on 5 January 2018; with Shulamit Koder, 8 January 2018.

[8] Interview with Noah Massil on 5 January 2018. The Convention is normally held in cities or townships where there is a large concentration of Indian Jews. Also, the Indian Embassy website: <http://www.indembassy.co.il/pages.php?id=18#.WIXGEqiWbIU> (Accessed on 10 January 2018.)

## **A unique legacy**

Today, these immigrant families are well assimilated into Israeli society and the knowledge that India-Israel relations can only move forward has given them greater confidence to reinforce their cultural identity and preserve their legacy in the subcontinent. Members of the Baghdadi Jewish congregation recently restored and rededicated Kolkata's Beth El and Magen David synagogues. The forthcoming international festival of the Bene-Israel is also a joint effort in much the same direction.

Noticeable too is the yearning among third and fourth generations of immigrant families, many of whom are of mixed Jewish parentage, to connect with their Indian roots. They know that the Indian subcontinent was the only region in the world where their ancestors could live for generations as Jews without religious persecution, irrespective of whether they lived in Hindu or Muslim princely kingdoms. It is in this unblemished history and collective memory that the real soft power of the India-Israel bilateral lies.

*~ This article was first published on the Gateway House website on 11 January 2018*

## Bibi's visit shores up business synergies

*Israeli prime minister Benjamin Netanyahu's recent visit to India, with a large trade delegation in tow, showed a purposeful shift in focus from defence to business. It was also a fitting finale to celebrations marking the silver jubilee year of diplomatic relations having begun between the two countries*

Prime Minister Netanyahu's visit to Mumbai had at least one concrete outcome: the signing of an MoU between the Maharashtra government and an Israeli government-owned company, Mekorot Development & Enterprise Ltd for a Rs 15,000-crore water grid project in Marathwada. This is the largest project undertaken by an Israeli company in India, the ten-year-long undertaking having all the makings of a successful partnership: it matches Israel's advanced water technologies to the vast canvas of Marathwada district, an area three times the size of that country, and is aimed at making water abundantly available in an arid region.

Appropriately enough, water was an important theme of the visit, a gift in these parched, climate-changed times. Prime Minister Netanyahu came bearing for his friend and counterpart, Indian Prime Minister Narendra Modi, the very same dune-like buggy — a mobile desalination unit<sup>[1]</sup> — that they had ridden on Olga Beach (Haifa) during the Indian PM's visit to Israel in July 2017. The two leaders raised their wine glasses of desalinated sea water, purified instantly by the machine in tow, and drank to the health of the India-Israel bilateral.

With this prototype<sup>[2]</sup> being gifted to India, the message was even more precise: Israel's innovative technologies were seeking Indian

[1] This mobile desalination unit (according to PM Netanyahu's office soon after the Olga Beach walk and ride) can provide drinking water to 22,000 people per day.

[2] The mobile desalination and purification unit is called Gal-Mobile. The unit was dedicated to the people of Suigam village in the border region with Pakistan for pure water to be given to BSF soldiers, guarding the borders and people of the surrounding villages.

partners for execution and scaling up. In PM Netanyahu's words, "It is a match made in heaven."<sup>[3]</sup>

Ever since the two countries established full diplomatic relations in January 1992, it's not their similarities as much as synergies built on their differences that have been propelling the bilateral forward. Both are democracies and protecting intellectual property rights is an important facet of these ties.

Israel is a very small (20,770 sq km)<sup>[4]</sup> nation of 8.34 million people<sup>[5]</sup>, while India is territorially and geographically vast with a diverse population of 1.25 billion. Israel has ideas and innovative technologies<sup>[6]</sup> to offer at competitive prices — competitive when compared to military hardware from America, for example — while India gives Israeli

companies and their Indian partners the opportunity, manpower and market to scale up production. One has only to look at drip irrigation majors, NaanDan Jain Irrigation, which has an Israeli CEO, and Netafim, a wholly Israeli-owned company that now manufactures in India.

Correspondingly, this particular state visit adopted a more holistic business approach: the focus stayed deliberately away from defence sales (except for the attempt to revive a \$500-million Spike tank missile deal). Of the 59 companies (most with multi-product and services portfolios), only nine had defence and homeland security among their offerings and seven had cyber security.<sup>[7]</sup> This was a clear attempt to widen and deepen trade ties, to go beyond selling only military hardware to India.<sup>[8]</sup>

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[3] PM Netanyahu mentioned this in his keynote address at the India-Israel Business Summit 2018 held in Mumbai (18 January).

[4] CIA World Fact Book. This territory does not include areas occupied since the 1967 War. See: <https://www.cia.gov/library/publications/the-world-factbook/geos/is.html>. However, according to the Israel Foreign Ministry website the nation is 22,145 sq. km in size. See: About Israel, Israeli Ministry of Foreign Affairs, *The Land: Geography and Climate*, <http://www.mfa.gov.il/mfa/aboutisrael/land/pages/the%20land-%20geography%20and%20climate.aspx>

[5] <https://www.livepopulation.com/country/israel.html> Accessed on 26 January 2018.

[6] Some relevant statistics given by Chief Scientist (Ministry of Economy and Industry) and Chairman of the Israel Innovation Authority, Dr. Ami Appelbaum, at the India-Israel Business Summit 2018 (18 January Mumbai) are: (1) Israel had 1,400 start-ups in 2017, of which 600 succeeded; (2) 4.3% of Israeli GDP is invested in R&D, and of this, the lowest contribution is the government's as most of this investment comes from foreign private companies; (3) 300 multinational companies have their R&D facilities in Israel; (4) the country has 65 bilateral international R&D Agreements.

[7] Israel Economic & Trade Mission, *Business Delegation Accompanying H.E. Prime Minister Benjamin Netanyahu (17-18 January 2018)*, (Mumbai, Israel Trade Mission in India, 2018), pp 8 — 11.

[8] The total bilateral trade between India and Israel is \$4.16 billion, which does not include about \$1 billion in defence sales (2016). The bilateral trade for 2017 is about the same as 2016 as mentioned at the India-Israel Business Summit in Mumbai (18 January 2018). See Bilateral Trade Relations, Embassy of India, Israel, *India-Israel Economic and Commercial Relations*, <http://www.indembassy.co.il/pages.php?id=14#.WmsWz6iWbIU> (Accessed on 26 January 2018)



Israeli CEOs, who travelled in PM Netanyahu's entourage, extended opportunities for tie-ups with Indian entrepreneurs in products and services, ranging from water purification and energy (solar), irrigation technologies, agricultural innovations, food processing, smart cities, infrastructure, telecom, automobiles and cutting-edge medical diagnostic tools. There were also Israeli law firms and venture capitalists.

This was the first time that such large B-to-B meetings, such as the Mumbai conclave, were being organised,<sup>[9]</sup> but the foundations for these heightened engagements between Indian and Israeli entrepreneurs were laid in the early 1970s, when diplomatic relations were non-existent between the two countries. It was only on 29 January 1992 that such relations were fully established.

### **Pre-1992 India-Israel trade**

Early trade ties between the two countries began with the Israeli government's sale of

military hardware (guns) to India during the 1965 Indo-Pakistan War.<sup>[10]</sup> It was a covert purchase since the two countries had no diplomatic relations then.

The first breakthrough in economic ties occurred quite accidentally. In 1972, Dead Sea Works (DSW), which became part of Israel Chemicals Ltd (ICL) in 1975, a government-owned company that pioneered the extraction of minerals from the Dead Sea in the Negev Desert (in southern Israel), increased its capacity for manufacturing bromine (used in pharmaceuticals, dyes, pigments, paints and allied chemicals) from 2,000-3,000 tonnes to 70,000 tonnes annually. This huge jump in capacity and output led the company to send its representatives abroad to assess potential markets. One of them came to India and met Narahari B. Handur-Kulkarni, well known as a pioneer of India-Israel trade and the biggest bulk importer of chemicals in those days. "I used to indent (import) these products for the license holder,"<sup>[11]</sup> he recalls.

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[9] Business-to-business meetings were also organised during Israeli president Reuven Rivlin's visit to India in 2016.

[10] Shindler, Colin, eds., *Israel and the World Powers: Diplomatic Alliances and International Relations beyond the Middle East* (London, I.B. Taurus, 2014), p. 15. Evans, Daniel, 'India-Israel Bilateral Relation', *Journal of the International Relations and Affairs Group*, Volume V, Issue 1, 19 June 2015

[11] 'License Raj' was a term used to describe the regulation of the private sector in India between 1947 and the early 1990s, a time when one needed the approval of numerous agencies to set up a business legally. Manufacturing particularly, was heavily regulated, as were imports. The License Raj was the result of a mixed economy that used a government planning commission, established after India's independence. India began to liberalise its economy in the 1980s, which ended the License Raj.

This meeting was the beginning of a decades-long business relationship between India and Israel through Kulkarni's company, Technochem, and ICL, which absorbed Dead Sea Works, and is today a multinational conglomerate that trades on the New York Stock Exchange.

An interesting aspect of the import of bromine and its compounds from Israel was that it was mostly conducted through 'switch' business<sup>[12]</sup>. This meant that consignments from Israel, headed for India, came via a third country, and more pertinently in the early 1970s, via rupee payment, from Eastern Bloc countries, such as Romania, Bulgaria and Czechoslovakia. India then had a policy of issuing 67% rupee payment licenses, the remainder being in sterling payment, to conserve foreign exchange.

That this early trade quickly achieved scale and depth points to the potential of the

India-Israel business profile even today. In 1972, DSW's business from India was nil. In three years' time, it was doing business worth \$1 million. This had many positive outcomes for businesses in both countries.

It led to the creation in India of numerous small units, making bromine compounds, which are supplied to a wide range of manufacturing industries. It also resulted in the country's self-sufficiency in a vital industrial and pharmaceutical raw material.

Next, more and more Israeli businessmen, who saw DSW's financial statements, were emboldened to come to Kulkarni with business proposals, seeking Indian partners, says the entrepreneur.<sup>[13]</sup> Notable among them were textile manufacturers from Israel who engaged with Mafatlal Industries, and Israel's micro-irrigation specialist, Naan Dan, which collaborated with Jain Irrigation (it is today NaanDanJain Irrigation Ltd).

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[12] 'Switch' business or trading in this specific context refers to sourcing imports from free-currency areas via countries termed as Rupee payment areas (the Soviet Union and other Eastern Bloc countries), whereby adjustments in trading accounts were made between the switch countries and the Free (Sterling) currency countries.

[13] Interview with N.B.H. Kulkarni on 19 January 2018.

These early experiences of business collaboration between the two countries and together overcoming barriers, such as obtaining licenses, switch trading and shipping via Sri Lanka and Singapore, were factors that built the foundations of trust in the business relationship.

A Free Trade Agreement (FTA) that is being negotiated currently and has the potential to spur an economic boom in both countries, may well turn out to be a superstructure for such a foundation. If achieved soon, given the window of opportunity in the special friendship between the two prime ministers, it has a good chance of having the biggest positive impact in the shortest possible time.

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## Bombay and the founding of Shanghai

*The inauguration of the New Development Bank in Shanghai has made the city a focal point of international financial transactions between the five BRICS countries. History shows that Shanghai has had a strong Bombay connection*

The recently concluded 8<sup>th</sup> BRICS summit in Goa (October 15-16) marked the beginning of operations by the BRICS' New Development Bank (NDB), headquartered in Shanghai. The implementation of its Contingency Reserve Arrangement also came into force to further trade and financial integration between its member countries (Brazil, Russia, India, China, South Africa).<sup>[1]</sup>

An immediate outcome of the Summit was the signing of the 'BRICS Inter-Bank Co-operation Mechanism' two days later (18 October) in Shanghai, between the (NDB) and a representative bank from each country, which will facilitate, among other practices, interest and currency swaps between member states.<sup>[2]</sup>

All these calibrated steps by BRICS are aimed at establishing a multilateral geoeconomics global order, and importantly, for emerging economies to be able to avail of alternatives to the International Monetary Fund (IMF) and World Bank (WB), the twins conceived in 1944. The interesting fact is that the Chinese port city of Shanghai has emerged as an axis for financial linkages between the five-member nations, with the NDB headquartered there.

Historically, Shanghai emerged as a financial centre much after the British colonial port city of Bombay did, but in similar fashion. Its early colonial history, built heritage and fortunes too were the result of pioneering Indian, English, European, and Amer-

[1] <http://ndb.int/brics-leaders-speak-on-the-new-development-bank-in-goa.php#parentHorizontalTab2> (Accessed on 18 October 2016.)

[2] <http://ndb.int/NDB-MEMBERS-OF-BRICS-INTERBANK-COOPERATION-MECHANISM%20.php#parentHorizontalTab2> (Accessed on 18 October 2016.)

ican traders, trading with China. Its early founding years as a colonial port city<sup>[3]</sup> were greatly affected by Bombay and its merchant community.

### **The First Opium War (1839-1842)**

The entry of Bombay's cotton exports in the English East India Company's trade with China was crucial in the larger scheme of the 18<sup>th</sup> century's global trading world as it provided a tradable commodity — other than silver bullion and specie (money in the form of coins rather than notes), which the Company used to purchase its annual tea imports.

An indication of this drain of silver from England to China during this period comes from the manifest of four English ships that went to China in 1751; they carried £119,000 worth of silver as against only £10,842 in goods.<sup>[4]</sup> This ratio — 11:1 — persisted till the late 18<sup>th</sup> century: Shanghai was not open to foreign trade at this time.

The introduction of Indian opium — a banned substance in China — turned the

balance of trade at Canton in favour of England by the turn of the 19<sup>th</sup> century. Within a period of three years only (1806-9), approximately \$7 million worth of Spanish silver was shipped in the opposite direction from China to India.

Bombay played a primary role in this trade, 1830 onwards, as Malwa opium, shipped from Bombay, was not only cheaper, but more profitable than its Bengal variant. So when Chinese Commissioner Lin Zexu finally cracked down on this illicit trade at Canton in March 1839, of the 20,000 chests confiscated and destroyed, as many as 7,000 belonged to Bombay merchants.<sup>[5]</sup>

This destruction of the contraband triggered the First Opium War (1839-1842), the first war between the Chinese empire and the West. Prior to this, foreign merchants were confined to their walled enclave for 47 days, which too caused aggravation. But the increasing outflow of silver from China, combined with the rapidly expanding market for opium among its people, alarmed the imperial Chinese court.

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[3] The term 'colonial' is used loosely here as Shanghai was, strictly speaking, never a colony. The Chinese gave property along the banks of the Huangpu river to the English, French and Americans as 'concessions' much like a diplomatic enclave, whose residents had immunity from Chinese laws.

[4] Greenberg, Michael, *British Trade And The Opening Of China 1800-42* (UK, Cambridge University Press, Reprint 2008), p. 6.

[5] Thampi, Madhavi, and Saxena Shalini, *China and the making of Bombay* (Mumbai, The K.R. Cama Oriental Institute, 2009), p 40.





*An image of cotton bales lying strewn at the Bombay terminus of the Great Indian Peninsula Railway. Cotton from Bombay's hinterland began the Bombay-China trade and remained its mainstay since the 18<sup>th</sup> century. Photo credit: Jehangir Sorabjee.*



## Sailing into Shanghai

Shanghai became a treaty port, one that was open to foreign trade under the Treaty of Nanjing (1842). This treaty, which marked the end of the war, also saw five ports (including Canton and Shanghai) opening to foreign trade and confirmed the 1841 transfer of Hong Kong Island to the British.

Situated on the banks of the Huangpu River, Shanghai was an unwelcoming mass of marshy, malarial mudflats — quite similar to the archipelago of seven islands that the city of Bombay once was — but it offered the best access to the Chinese market: Hong Kong was overcrowded and the locals in Canton hostile to foreigners after the war. Shanghai's location on the north east coast of the Chinese empire was also a factor in its success as it was at the cross-roads of both the Chinese and the newly opened Japanese markets.

According to an account of this early period, the first to arrive in Shanghai were 50 British traders with their wives. A few Americans followed, and by 1850, there were a few Parsi merchants and a Jew, Elias Sassoon, from Bombay.<sup>[6]</sup>

It was during this period that two significant changes took place in Bombay's China trade. A few prominent traders, like David Sassoon & Sons and Tata & Co from Bombay<sup>[7]</sup>, monopolised it. Now, both the Sassoon and Tata firms opened branches in the Japanese ports of Kobe and Yokohama, while keeping Shanghai as their base in the Far East.<sup>[8]</sup>

Secondly, the merchandise mix of the trade between Bombay and China became more varied. It now included: cotton yarn from Bombay's mills, textiles, spices, muslin, metals, camphor, indigo, dates, woollens and teakwood.

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[6] Jackson, Stanley, *The Sassoons* (London, William Heinemann Ltd., 1968), p 23.

[7] Thampi, p. 42

[8] [http://www.strategyand.pwc.com/media/file/Shanghai\\_2020\\_en.pdf](http://www.strategyand.pwc.com/media/file/Shanghai_2020_en.pdf) (Accessed on 19 October 2016.)



## The Shanghai Bund

One enduring legacy of the Bombay-China trade is the Shanghai Bund, an embanked quay that is today an upscale commercial and residential area. By the 1930s, most of the property on the Bund (part of the international settlement) was owned by the Bombay-headquartered E.D. Sassoon & Co. and its employees in China, such as Silas Hardoon and the Kadoorie family, (now living in Hong Kong), who had opted to open their own businesses. Unfortunately, this branch of the Sassoon family (headed by the great-great-grandson of David Sassoon, Sir Victor) miscalculated the turn of events in China's long raging civil war (1927-1950). Having shifted the headquarters of E.D. Sassoon & Co. from Bombay to Shanghai on the eve of Indian independence in 1947, Sir Victor had to shift headquarters yet again from Shanghai to the Bahamas after the Communist Party of China's takeover of Shanghai.

*(Left) The iconic, art deco Cathay Hotel, now renamed the Fairmont Peace Hotel, on the Shanghai Bund. This hotel was built by Sir Victor Sassoon, a great great grandson of Bombay's David Sassoon.*

*Photo credit: Sameer Patil*

Now, Shanghai has many factors in its favour, including: its re-emergence after the opening of the Chinese economy in the 1980s; it becoming the headquarters of the new BRICS Bank; its glorious restoration of heritage buildings on the famous Shanghai Bund — the former Sassoon-owned Cathay Hotel is today the Fairmont Peace Hotel — and the aim to convert the city into an international financial centre by 2020.

In fact, the Shanghai road map to financial preeminence mirrors Mumbai's own ambitions to become India's second global financial centre. Mumbai needs to mine from the Shanghai model the manner in which it has resurrected its financial history, albeit a colonial one, and restored its heritage buildings to milestone this past.

~ *This article was first published on the Gateway House website on 20 October 2016*



*A 90-year-old jazz musician performs at the Peace Hotel, where he was a regular in the 1930s and 1940s, when the hotel was called The Cathay. Shanghai Jazz was a genre of jazz music that flourished in Shanghai when it was an International Concession.*

*Photo Credit: Sifra Lentin*

# Bombay and the City of London

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*British Prime Minister Theresa May, who visits India from November 6 to 8 — the first time she is visiting a country outside Europe — will focus on increasing bilateral trade and investments. Three hundred years ago, London and Bombay shared a critical financial relationship*

It was at the British Conservative Party's conference in early October that Prime Minister Theresa May stated that the Brexit vote "should make us think of a Global Britain...to look beyond Europe and at the economic and diplomatic opportunities of the wider world".<sup>[1]</sup>

India was one among eight countries she mentioned with whom the possibility of a Free Trade Agreement with the UK was being explored, given that diplomatic ties between the two were upgraded to a "strategic partnership" in 2004. The broad contours of this bilateral relationship are largely determined

by financial transactions through robust bilateral trade (\$14.33 billion in 2014-15)<sup>[2]</sup>, investments and foreign direct investments (FDI).<sup>[3]</sup>

The Indian government plans to raise funds for its infrastructure projects in the City of London. The 'City' refers to a county, the financial district, or as is well known in local parlance, 'the Square Mile'. This is a name that also evokes a grey area where wheeling-and-dealing of all kinds takes place. It houses the world's oldest markets for international banking (money), equity and foreign exchange.

These very same markets were accessed 150 years ago when the Great Indian Penin-

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[1] Text of British PM Theresa May's speech to the Conservative Party conference 1 October 2016, <http://www.independent.co.uk/news/uk/politics/theresa-may-conference-speech-article-50-brex-it-cu-a7341926.html> (Accessed on 2 November 2016.)

[2] The High Commission of India, London, UK, 'India-UK Political Relations', <https://www.hcilondon.in/pages.php?id=19>, (Accessed on 1 November 2016.)

[3] UK's cumulative investment in India is \$ 22.56 billion (April 2000 to September 2015), making it the third largest investor after Mauritius and Singapore, while India continues to be UK's largest source of foreign direct investment in projects, with investments of £1.9 billion in 2013 from only £164 million in 2004.

sula Railway (renamed Central Railway and headquartered in Mumbai), a corporation initially based in London, sold its bonds on the London Stock Exchange.<sup>[4]</sup>

This time around, the Indian Railway Finance Corporation is slated to sell its Masala (Rupee-denominated) bonds for the very same purpose, namely, railway infrastructure.

Although Bombay leveraged the global markets in London, past and present, the relationship between the two has been an interdependent one. By the late 19<sup>th</sup> century, Bombay itself possessed the largest international market in rupee paper (securities issued by government), and in bonds, issued not only by local institutions, like the Bombay Port Trust, but even French municipal bonds.<sup>[5]</sup>

The City reached its position of pre-eminence in the global financial world, beginning in the 18<sup>th</sup> century, largely because of the India trade. To facilitate the creation of credit and remittance of funds by the English East India Company (EEIC), the English agency houses,<sup>[6]</sup> and later, the British overseas banks in India, a cluster of financial intermediaries, banks and

markets, became concentrated in the City. This made it the centre for money and credit requirements of world trade even if such trade did not touch England's shores.

## **The world's first corporation**

When the Company was founded by a royal charter signed by Queen Elizabeth I on 31 December 1600, it marked the birth of the world's first limited joint stock company. The royal charter itself, in the absence of a company's act, effectively limited the liability of the Company's stockholders only to the extent of their investment. European companies and traders did business at entrepôts, like Surat, during the 17<sup>th</sup> century, using the bullion they had brought with them, in the absence of financial instruments, like bills of exchange.

This system existed at a time when products manufactured in the subcontinent, such as silk and cotton piece goods (cloth), were in demand, and when banking in England was at a nascent stage. Native banking (as this was called, in colonial literature) seemed

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[4] Betts, Frank C, *Railways and railway securities; a study of all the railway companies whose securities are quoted on the Stock Exchange, London, with details concerning capital and resources* (London, Mortimer, Harley & aCo., 1922), p 145.

[5] Edwardes, S.M., *The Gazetteer of Bombay City And Island, Volume 1* (Bombay, The Times Press, 1909), pp 295-97

[6] The grant of licenses to private British businessmen by the English East India Company to shield itself from criticism for its monopoly of the India trade resulted in the formation of agency houses. These were Britain-based and acted as business agents for which they charged a fee.



more advanced at this stage, and the Company made extensive use of local bankers and their *hundis* (promissory notes) to raise funds to purchase Indian merchandise, and later, even to fund its wars on the subcontinent.

In Bombay, by the early 18<sup>th</sup> century, the EEIC, and Forbes & Co., a multi-purpose trading house, were both functioning on a system of bills payable on the court of directors of the EEIC at London or the supreme government at Calcutta. Forbes was the first British agency house in the subcontinent to be founded by private traders and expatriates in 1767, and to also offer banking services to its clients.

These bills of exchange were extremely popular before the advent of the telegraph in the 1870s as they facilitated the triangular trade between Bombay-Canton-London by providing a safe means of remitting funds to the subcontinent and London. They contributed greatly to the growth of the London inter-bank money market: the London corre-

spondent bank or EEIC would endorse them upon receipt whereupon they were traded in the money market at a discount through the London bill (discount) brokers till maturity.

The purchase and sale of these bills in the money market — the bulk of them were document bills issued on ships' bills of lading — had the effect of matching surplus to deficits between participating banks and correspondents of foreign banks. European, Japanese and American banks, all except the Indian presidency banks, established a branch or agency in London to access funds on this market.

A good example of this was the financing of Japanese raw cotton purchases from Bombay and the sale of Japanese silk in France and the United States, which the Yokohoma Specie Bank (YSB) largely facilitated by the 19<sup>th</sup> century. The YSB had a branch office in Bombay, London and New York, with the one in London acting as an axis for this trade by either raising funds at competitive rates or lending the surplus in the London market.<sup>[7]</sup>

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[7] Nishimura, Shizuya, Toshio Suzuki, and Randal Michie, eds, *The Origins Of International Banking In Asia: The Nineteenth and Twentieth Centuries* (United Kingdom, Oxford University Press, 2012), p 25.

## **The first British overseas bank**

When the EEIC lost its charter of monopoly over the India trade in 1813, it brought in many British (later, European) private traders to the subcontinent. In Bombay, as elsewhere in British India, the EEIC and the established British agency houses jealously guarded this monopoly over the foreign exchange business which furthered India's valuable external trade.

At first, when the presidency Bank of Bombay (a quasi government-chartered bank) was founded in 1840 by a mix of British and native merchants, its charter (as also those of the presidency banks of Bengal and Madras) excluded the business of foreign exchange.

This propelled a group of merchants in the city, like the Pathare Prabhu banker, Sir Jugonnath Sunkersett, to form a joint stock bank — Bank of Western India — in 1842. Its portfolio included dealing in foreign exchange, but without a charter from the EEIC or a royal one, it could not participate

in the exchange business. In its desperation to acquire a charter, it first bifurcated its head office between Bombay and London in 1845 and renamed itself the Oriental Bank. Eventually, it shifted its head office to London and later transformed itself into the Oriental Bank Corporation in 1851 upon the acquisition of a charter.<sup>[8]</sup>

The irony of the Bank of Western India's long legal battle in London is that it became the first British overseas (exchange) bank: this meant that it was a unique specialised bank that was headquartered in London, but whose branches conducted the bulk of its business on the subcontinent. The only British overseas bank existing today is the Standard Chartered Bank, which was originally established in Bombay as the Chartered Bank of India, Australia and China in 1858.

By the 1870s, foreign trade in Bombay was largely facilitated through British overseas banks and foreign banks which specialised in trade between Bombay and their country.

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[8] Ibid, pp 89 — 91.



*A postcard image of one of Bombay's earliest British overseas banks — Standard Bank of India, Australia, and China — which is today's Standard Chartered Bank. The bank opened for business in the city in 1858 but this office near Fountain Circle was operational at the turn of the 20th century. Photo credit: Jehangir Sorabjee.*

The Bank of Bombay, which merged with the other two presidency banks to form the Imperial Bank of India in 1921 — it was renamed the State Bank of India in 1955 — was permitted direct access to the London money markets only in 1934.

Given that these deep financial networks between the two cities survived three centuries, its buoyancy in a 21st-century globalised economy should come as no surprise. Today, India is the second largest source of foreign direct investment in the City of London and the third largest in the UK. In 2014-15, Indian companies undertook 122 FDI projects in the UK, creating 9,000 jobs. With the presence of large Mumbai-headquartered companies, like the Tatas in the UK, the Mumbai-London relationship, in spite of its colonial beginnings, assumes great significance.

*~ This article was first published on the Gateway House website on 9 November 2016*

## Bombay's Chinese cultural links

*Bombay city's penchant for everything Chinese comes from the early Parsi merchants' cotton and opium trade in the second half of the 19<sup>th</sup> century. Today's reinvigorated economic engagement sees a Chinese bank setting up base in the city and Chinese goods flooding its markets while Indian conglomerates in China are not lagging behind either*

The unresolved border issues notwithstanding, the economic relationship between India and China has revived since the early 1990s. Trade with China encompasses everything — from household items to heavy machinery — and today, a Chinese bank and companies too have set up base in Mumbai.

The city has always had a soft corner for everything Chinese because its early builders — mostly Parsi merchants, the most prominent among them being Sir Jamsetjee Jeejeebhoy — made their fortune in the cotton and opium trade with China.<sup>[1]</sup> They created a

taste among the city's well-heeled, the Parsis mainly, for Chinese porcelain, furniture, silk and paintings, besides the rather more ubiquitous paper lanterns, once available in the city's Crawford Market.

Many of these merchants withdrew from the China trade, financially bruised after the First Opium War (1839-1842),<sup>[2]</sup> but the love for all things Chinese continued, with a resident Indian Chinese community catering to local demand. Some descendants of these early migrants remain in Bombay though their numbers diminished greatly after the India-China War of 1962.

[1] In the early phase of the China trade (before the First Opium War), the Parsis were prominent because there were no religious restrictions on crossing the seas. Moreover, many already worked as brokers, guarantee brokers, managers, and later, even partners to the few European trading houses that were permitted by the East India Company to trade from Bombay. They appeared to dominate that period as ship-owners and traders even though almost all communities in Bombay — such as, the Marwaris, Bhatias, Banias, Ismailis, Memons, Jews, Armenians and Goans — was doing business with China. This was because the consignment system enabled everyone, even small investors, to send goods aboard a ship to China. It is noteworthy that even today, many old Parsi homes still have heirlooms of Chinese porcelain, silks, inlaid furniture and paintings that point to their forefathers having been in the China trade.

[2] Thampi, Madhavi, and Shalini Saksena, *China and the Making of Bombay* (Mumbai, The K.R. Cama Oriental Institute, Mumbai), p. 33.



## Beginnings of a community

There is no confirmed date on when the Chinese community first came to Bombay, but two milestones remain. There is a Chinese cemetery atop Antop Hill (in Sewri, at the city's eastern edge); five Chinese merchants bought the land for it on 10 November 1889 at 6 annas per yard. It became functional after a boundary wall was erected three months later.<sup>[3]</sup> The other cemetery, now defunct, is in Kamathipura, central Bombay, a neighbourhood that, at the turn of the 20<sup>th</sup> century, came to be designated New China Town.

The second milestone is the Chinese Temple on Nawab Tank Road (Mazagaon), dedicated to the legendary Chinese warrior king, Kwan Tai Kung (lit. 'the Great One'),<sup>[4]</sup> which was consecrated in 1953, but located in a 19th-century building that once housed a Chinese-run marine institute.

Albert Tham, caretaker of the temple and a caterer by profession, explains the connection between these seemingly disparate markers. "The Tham (Cantonese) clan was among the earliest to immigrate to Bombay sometime in the 19<sup>th</sup> century," he says. (A common surname indicates common ancestral roots. Members of a clan, hailing from the same region in China, are linked together by ethical instructions, passed down through male heirs of successive generations. This meant that the institute was largely for Cantonese Chinese, the dominant group in the early years.)

Albert's grandfather, who spoke very good English and dressed like an Englishman — complete with suit, monocle and walking stick — was a British India Steam Navigation Company (BISN) labour contractor. The Tham clan opened the marine institute on Nawab Tank Road, where migrant Chinese men were trained in ship's

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[3] The Mumbai Chinese refer to the Chinese cemetery at Antop Hill (Sewri) as being two cemeteries because their burial rites involve burying the body in one half of the cemetery for two or three years, then collecting the bones (which are washed) and storing them in an urn that is kept in the second half of the cemetery. Ancestor worship is a very prominent aspect of Chinese rituals and traditions before the Chinese New Year.

[4] The Great Warrior, Kwai Tai Kung, is revered among the Chinese because he is also considered the God of Wealth and known to fulfill devotees' wishes.



*Kwan Tai Kung, the Great Warrior King, is the main deity in the Chinese Temple on Nawab Tank Road. In the Chinese religious hierarchy, he is on par with Confucius, the great teacher and philosopher.*

*Photo credit: Sifra Lentini*

carpentry, welding and fitting, so they could work in the dockyards and on ships. Many also learned cooking and could serve on the BISN passenger ships.

Now referred to as Old China Town, Nawab Tank Road is located outside Mumbai's Mazagaon Docks, which was also formerly the old naval shipyard of the English East India Company that once ruled the city (1661-1858), and had employed many Chinese till the outbreak of the 1962 India-China War.

Bombay's trade with the Chinese mainland first began in Canton (Guangzhou) in 1770,<sup>[5]</sup> a port designated by the Qing Emperor for foreign traders who could transact business only with one Cantonese traders' guild, called the Co-Hongs. They were also confined within an enclave on the banks of the Pearl River and encouraged to withdraw to Portuguese-ruled Macao or return home after the trading season ceased. This was to ensure that they did not mingle with the local population or steal saplings of the valuable tea plant: tea dominated China's exports to the West at that time.

It was Great Britain's victory in the First Opium War (1839-42) that skewed the political balance, giving European and American trading houses the upper hand. The Treaty of Nanjing (1842), the first of the Unequal Treaties, not only ceded Hong Kong to Britain under a 99-year lease, but opened four new treaty ports that effectively gave market access to the Chinese mainland, which western traders had long hankered after.

This war also triggered the first big wave of migration from Canton and adjoining areas to Hong Kong, South East Asia, Calcutta and Bombay.

## Dumplings and dens of opium

Along with the Cantonese — distinguished from the later Hakka and Hupei — came their cuisine. Baba Ling, owner of Ling's Pavilion, in Colaba, Bombay, explains, "Cantonese food is bland and steamed. We have varieties of stews. Seafood — crab, fish, prawn — is what we are famous for because down south, where Guangzhou (Canton) is located, it is available in plenty."

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[5] Edwardes, S. M., *The Gazetteer of Bombay City And Island, Vol 1, Bombay* (Bombay, Gazetteer Department, Government of Maharashtra, 1977), p. 412.

Introducing the Indian palate to the subtleties of Cantonese food was a slow process that led to the creation of new dishes. Nanking, one of the early Chinese restaurants in Colaba, invented corn chicken soup during the Second World War, when a group of Allied soldiers walked in at closing time and asked the chef to whip up something with a tin of corn that they had with them. The introduction of this dish into the Nanking menu soon made it a byword for Chinese food in Bombay.

Next, Flora Restaurant at Worli put fried Chinese spring rolls on the menu for the first time, according to Sylvia Chen, the owner of Butterfly Pond beauty salon, Colaba. Her father, James (Lin Thow Chon), was head chef there, and later, with Nelson Wang's China Garden, and perfected this dish in their kitchen.

The two oldest Chinese restaurants in Bombay, one of them being Lok Jun (1895) on Shuklaji Street in Kamathipura, opened in areas where Chinese families settled in large concentrations in the late 19<sup>th</sup> century. Notorious as Safed Gully (or 'street for European prostitutes') during the War

years, this street and its precincts once spawned a host of Chinese shops — bakeries, groceries, a laundry, shoe-makers, peddlers, Chinese dentists, beauty parlours — and stalls serving steamed Chinese dumplings and noodles.

One can still see some remnants of this on Shuklaji Street: an occasional face, or a notice, such as 'China Compound', for a ramshackle single-storied building, and dental clinics, of which there are still three on Falkland Road, Kamathipura. This street also had the Hakka Club (exclusively for Chinese), where the news of the day was exchanged over gambling sessions in mahjong; a Chinese-run opium den, one of many in 19<sup>th</sup>-century Bombay when the city's port was a major outlet for Malwa opium exports to China; and a Chinese school in nearby Agripada.<sup>[6]</sup>

Though the community was once concentrated in a particular area, it is made up of Cantonese, Hakka, Hupei (alternatively Hubei), and Shadong Chinese, whose widely differing dialects indicate the period when these regional clans left China — and the trades they took up during their early years abroad.

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[6] The Chinese School was located in Star Mansion on Motlibai Street, Agripada. The school premises were occupied by trespassers after the dislocation caused by the India-China War of 1962.





*Chinese dentists in Bombay were traditionally teeth-setters from Hupei, but today they are medically qualified professionals. Many Chinese dental clinics are still located on Falkland Road. Photo credit: Sifra Lentini*



The latter three groups immigrated in large numbers between 1911 (when the Qing Emperor was deposed) and 1949, when the Chinese Communist Party came to power.<sup>[7]</sup> The Hakka influx was to Calcutta first where they took to shoe-making, leather tanning in Tangra, set up bakeries, and their women entered the beauty salon business, a pattern they replicated in Bombay almost completely. The Hupei, well-known as teeth-setters from central China, came from a region that admitted foreigners only after 1842: they settled in Calcutta first. Those from Shadong (a coastal province in East China) were silk peddlers, the region being famous for it.

Reminisces Dhun Lentin, “The Parsi women in Bombay’s *baugs* (the Parsi community’s housing complexes) waited keenly for the silk peddlers, then haggled over prices all through the afternoon. They were quite a match for them.”

Most of them went out of business in the early 1950s due to the stoppage of imports from China. A few took to selling Indian

silks, but many in Calcutta and one in Bombay, briefly opened laundry shops on loans given to them by the Bank of China, which had a Bombay branch too. The Calcutta experience shows that this community was largely repatriated (during the War) to China as many applied for People’s Republic of China citizenship to access these loans.<sup>[8]</sup>

Today, the Bombay-China business relationship has come full circle, especially for the Tata Group, which once had offices in coastal Chinese ports, like Shanghai, and today, Tata Consultancy Services, is expanding in China.

Though the Bank of China has not set up operations in Mumbai yet, the country’s biggest bank, the Industrial & Commercial Bank of China (ICBC), has been in the city since 2011. These businesses have been front-runners of a renewed relationship that spans industries, services, and most importantly, the people of the two countries.<sup>[9]</sup>

~ *This article was first published on the Gateway House website on 6 December 2011*

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[7] There was a huge influx of immigrant Chinese with the establishment of the People’s Republic of China on 1 October 1949. Many from this last wave were landholders, soldiers and those fleeing for their lives from insidious clan feuds.

[8] Sen, Tansen, India, *China, and the World: A Connected History* (London, Rowman & Littlefield, 2017), p.211.

[9] Lentin, Sifra, *Mumbai-Shanghai Sister Cities Agreement: Challenges & Opportunities* (Mumbai, Gateway House, May 2017). This paper can be accessed on <https://www.gatewayhouse.in/mumbai-shanghai-sister-cities-report/>

It touches on the historic business relationship between the cities of Bombay and Shanghai, where many old Bombay businesses, like those run by the Sassoons, once had a large presence, and makes suggestions on how both governments can take this relationship forward in the 21<sup>st</sup> century.

## Indian Chinese diaspora: from Calcutta to Toronto

*The 200-year history of the Indian Chinese population — currently 3,000 — in Calcutta and Bombay shows how Buddhism and trade connected the two civilisations in the past, while the China Towns are a more recent example of cultural assimilation and diplomacy, applicable even in the fractious present*

Fifty-five years ago, India had a vibrant ethnic Chinese population, living mostly in Calcutta and Bombay. Calcutta had two China Towns: Old China Town (Cheenapara), centred on Colootola Street and Dr. Sun Yat Sen Road<sup>[1]</sup>, and New China Town (Dhapa or Tangra) on the outskirts of Calcutta, during the Second World War. It was famous for the tanneries, run exclusively by local Chinese.

Bombay also had two China towns, if smaller than Calcutta's, located on Nawab

Tank Road (Mazagaon) and Shuklaji Street (Kamathipura). Today these are only remnants of history, marked by temples to Kwan Tai, Confucius and even a Chinese temple to the Hindu Goddess Kali (in Tangra).<sup>[2]</sup> The community once possessed everything it needed — from mahjong clubs, grocery stores (which Calcutta still has) and schools, to printing presses and hawkers selling dim sums, noodles and soup.

Indians have usually viewed the local Chinese in terms of stereotypes, preferring Chi-

[1] The first China Town ('Cheenapara' in Bengali) in central Kolkata appears to have been set up by Chinese immigrants before 1778. It was an aggregation of localities consisting of Chattawala Gully (lane), Chuna Gully, Colootola Street and Dr. Sun Yat Sen Road. Its boundaries in the 1960s were: Phears Road (east); Chitpur Road (west) that housed Tiretti Bazaar; Colootola Street (north); and Bow Bazaar Street (south). Bentinck Street, a commercial corridor just south of Chitpur Road, was famous for its Chinese shoe-makers and their retail outlets.

[2] Rafeeq Ellias, photographer and documentary film-maker, provided many useful insights into the Indian Chinese and those who settled abroad. His documentaries on the community include the award-winning BBC film, *The Legend of Fat Mama: Calcutta's melting 'wok'* <<https://www.youtube.com/watch?v=pQ2QJSHWOqQ>>, and *Beyond Barbed Wires: A Distant Dream* <<https://www.youtube.com/watch?v=uF9QFItw56k>>

nese restaurants — as opposed to those run by Indians — for authentic fare. They have also associated them with hip hair-dressing salons and dental clinics, operated by Hupei Chinese doctors, once famous for the traditional remedies they used for treating cavities. (Those who remain in practice today all have qualifications from Indian dental colleges!)

The 1962 war changed the course of history for the Chinese presence in India. In the ten years following the war, 3,000 Indian Chinese remained interned till 1965-66 in Deoli Camp (in the Rajasthan desert) and prisons — if they had not opted for deportation to Communist China<sup>[3],[4]</sup>. Those who were not interned faced harassment as their businesses were boycotted and families treated with suspicion. The community felt their movements and employment opportunities to be greatly circumscribed. Chinese fitters and carpenters, working in the Mazagaon Dockyards, for instance, were

all laid off. Government jobs were now out of bounds. And residents of hill stations like Darjeeling, Shillong and Markum (now sensitive border areas) had to move to Calcutta. This impelled the migration of Chinese families west to Canada and the United States, and east to Hongkong and Australia.

Half a century later, the Toronto community, in particular, because of its larger numbers, still retains a cultural affinity with India — be it speaking the language or watching Bollywood movies. The Greater Toronto suburbs of Markham and Scarborough have the largest Bambaiya Hindi- and Bengali-speaking Indian Chinese community. They also founded their own clubs and associations, such as Hakka Helping Hands for its senior citizens and the Association of Chinese India Deoli Internees, which is a living reminder of the darkest years in an otherwise unblemished, centuries-old history of the Chinese community in India.

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[3] Many of those deported were pro-communist sympathisers and those who wanted to escape the confines of Deoli Camp and the jails. Most were long-time residents, who were born in India. In the spring of 1963, the People's Republic of China sent ships to Madras from where 2,345 Indian Chinese were repatriated to China. Deportations also took place across the land border.

[4] Chatterjee, Ramakrishna, "The Chinese Community in Calcutta: Their Early Settlement and Migration" in Madhavi Thampi, ed. *India and China in the Colonial World* (New Delhi: Social Science Press, Paperback, 2010), pp. 62—63; also, Li, *Kwai-Yun, Deoli Camp: An Oral History of Chinese Indians from 1962 to 1966* (self-published M.A. thesis, Ontario Institute for Studies in Education).



*A Chinese club in 'Cheenapara' (Old China Town), Kolkata. Photo credit: Rafeeq Ellias.*

### **Early history: Chinese ‘sojourners’ to the subcontinent**

The history of India’s Chinese community is part of a larger global narrative about the Overseas Chinese, who began emigrating — at first, the men alone — during the politically fraught period of the Late Qing dynasty (1644-1911), which was a period marked by internal unrest and European territorial concessions<sup>[5]</sup> at its treaty ports.

The first recorded presence of a Chinese person in Calcutta is Acchi (Yang Da Zhao) in 1778, believed to be a sailor on a Chinese merchant ship that was caught in a storm in the Bay of Bengal and took shelter in Calcutta harbour.

There are varying versions to the story, but in sum, then Governor General of British India, Warren Hastings, gave Acchi a grant of land (400 acres in what is today Kolkata’s Achipur) to develop a sugar plantation, sugar mill and piggery, whereby pork

and lard could be supplied to the English residents. He was also permitted to bring a batch of 110 Chinese workers from China, who quickly abandoned him when enticed by other resident Chinese — this suggests an earlier presence of the community — to take up more lucrative vocations. Hastings now allowed Acchi to import indentured labour from China. This marks the beginning of Calcutta’s Chinese settlement.<sup>[6]</sup>

Though Acchi died soon after he brought in a fresh batch of labourers, the migration of Chinese labour into Calcutta was well underway. It was slow, but continuous: neither an outcome of large-scale importation of indentured labour (as in Malaysia), as most early migrants were sailors, nor a major influx during a given period. According to the India Census of 1951 and 1961, the population of ethnic Chinese peaked at 9,215 and 14,607 respectively,<sup>[7]</sup> though community members speak of Calcutta alone having a population of about 30,000 Chinese.<sup>[8]</sup>

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[5] Within the treaty ports, western subjects had the right of extra-territoriality — i.e., they were under the control of their own consuls and were not subject to the laws of the country in which they resided. Eventually an independent legal, judicial, police and taxation system developed in each of the ports, although the cities themselves were still nominally considered a part of the country in which they were located.

[6] Hsieh, Ming-Tung, *India’s Chinese A Lost Tribe* (self-published by author, Kolkata, Reprint 2012), pp.143 — 44. Also, Chatterjee, Ramakrishna, “The Chinese Community in Calcutta: Their Early Settlement and Migration” in Madhavi Thampi, Ed., *India and China in the Colonial World*, (New Delhi: Social Science Press, Paperback, 2010), pp. 56 — 57.

[7] Ibid, Thampi, Ed., pp. 61 — 62.

[8] Hsieh, Ming-Tung, *India’s Chinese A Lost Tribe*, (Kolkata, self-published by author, reprint, 2012), p. 259.



The creation of the Indian Chinese diaspora was very much an outcome of the colonial migrations of the late 18<sup>th</sup>, 19<sup>th</sup> and first half of the 20<sup>th</sup> centuries. This also resulted in the creation of Indian diasporas in the network of colonial ports across the world. This is a reason why Prime Minister Narendra Modi has a large and active expatriate community to address on his travels abroad, a constituency he hopes to activate and connect back to India, their homeland.

There is a difference between the Indian and Chinese diasporas, according to Ming-Tung Hsieh, a Calcutta-born Chinese, who schooled in Kalimpong, West Bengal, and settled in Mumbai in 1966 after his release from Deoli Camp: “They never ventured to Africa or the Gulf. Calcutta was the last port, where you made money and returned. My father said that there was a regular steamer service, so it was possible to return home.”<sup>[9]</sup>

These early residents were termed “sojourners” as they often went back home to marry — the steamer service ran between Calcutta and Canton (Guangzhou) and/or Hongkong — and also remitted their earn-

ings to their families in China. This practice was common even during the Qing Dynasty and during the Republic of China’s years in power (1911-1949).<sup>[10]</sup>

Baba Ling, owner of the famous Mumbai restaurant, Ling’s Pavilion, remembers his family’s migration well: “My father, Yick Sen Ling, came to Bombay in 1938 from a village, named Santau, in the southern province of Canton. He, my cousin Chen and Uncle Ling, opened the first Chinese Museum in the old Cottage Emporium just outside the BEST bus depot on Colaba Causeway.”

With the establishment of a Communist government in Beijing on 1 October 1949, the free flow of people, capital and goods into and out of mainland China stopped. Overseas Chinese not only lost contact with family and friends in China, but had their landholdings and properties in China confiscated by the Communist government. The Ling family closed down the museum and opened Nanking Restaurant in Colaba in 1945,<sup>[11]</sup> making it the oldest (third-generation) Indian Chinese player in the restaurant business.

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[9] Interview with Ming-Tung Hsieh on 17 October 2017.

[10] ‘Early Republican Period’ and ‘Late Republican Period’ in Introduction & Quick Facts: China. <<https://www.britannica.com/place/China/Cultural-institutions#toc214398>> (Accessed on 29 October 2017.)

[11] Interview with Baba Ling on 19 October 2017.

## The Second World War years

The war years (1939-45) and those following it were marked by a period of mutual empathy and close contact between nationalists in India and China. The Second Sino-Japanese War (beginning 1937) led to a peaking of nationalist sentiment in China, bringing together the warring Chinese Communist Party (CCP) and then Nationalist government, headed by the Kuomintang (KMT) party. Coterminously, the Indian nationalist movement was gaining momentum. The similarity in political goals — to evict foreign imperialists from their countries — resulted in exchanges at various levels. The Indian National Congress funded a five-member Indian Medical Mission (IMM), headed by Dr. Dwarkanath Kotnis, to provide emergency help for Chinese soldiers fighting on the Japanese front.<sup>[12]</sup>

The leaders from the two countries were in touch too, such as the time when Congress leader (and later, independent India's first prime minister) Jawaharlal Nehru visited Chongqing, the war capital of the Chinese (Kuomintang) government, in 1939.<sup>[13]</sup>

During their February 1942 visit to India, then president of the Republic of China, Chiang Kai-shek, and Madam Chiang, insisted on calling on Indian leaders, such as Gandhi and Nehru — despite the British Indian government's disapproval. The purpose of their visit was to oversee the Chinese expeditionary forces being trained in Indian military cantonment towns near Calcutta and Bombay. These troops (60,000) were being deployed on the Burmese and Assam Front to secure the supply lines into southern China. The Japanese army had already overrun Burma by then and was on India's borders.<sup>[14]</sup>

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[12] Dr. Dwarkanath Shantaram Kotnis went to China as part of a five-member Indian Medical Mission (IMM), funded and put together by the Indian National Congress in 1938. He was the only member of the team who died while on duty in China. He served on the Chinese war front during the Second Sino-Japan War. Today, Dr. Kotnis' work on the battlefield in saving the lives of hundreds of Chinese soldiers has come to symbolise the India-China Friendship. The IMM itself was the first mission sent by an Asian country.

[13] Nehru was keen to proceed to Yan'an (the Chinese communist headquarters) to meet Mao Zedong and members of the IMM, who were working closely with the Eighth Route Army\* since 1938. But the Second World War intervened on 1 September 1939. He did meet a leader of the Chinese Communist Party, General Ye Jianying, who briefed him on the situation in China.

\*The Eighth Route Army was created from the Chinese Red Army on 22 September 1937 when the Chinese Communists and Chinese Nationalist Party formed the Second United Front against Japan at the outbreak of the Second Sino-Japanese War, as the Second World War is known in China. Together with the New Fourth Army, the Eighth Route Army formed the main Communist fighting force during the war and was commanded by Communist party leader Mao Zedong and General Zhu De. Saklani, Avinash Mohan, "Nehru, Chiang Kai-shek, and the Second World War" in Madhavi Thampi, Ed., *India and China in the Colonial World*, (New Delhi: Social Science Press, Paperback, 2010), p. 169.

[14] Saklani, Avinash Mohan, "Nehru, Chiang Kai-shek, and the Second World War" in Madhavi Thampi, Ed., *India and China in the Colonial World*, (New Delhi: Social Science Press, Paperback, 2010), pp. 177—78. Also <<https://www.britannica.com/place/China/War-between-Nationalists-and-communists>>

Chinese soldiers, based in these cantonment towns, frequented the China Towns—whose heyday it was—for food and recreation. Community members say many stayed back, swelling the local Chinese population in Calcutta to a peak of 30,000.

By the time India gained Independence on 15 August 1947, the oldest Chinese families were already at least three or four generations old.

Two years later, with the Communist takeover of mainland China and an abrupt breakdown in communication between the Indian Chinese and their networks back home, they now began to invest their earnings in business and property in India itself.

In the months before the War, they were asked to report to local police stations for registration and classification based on their legal status. Most considered themselves naturalised Indians, having been born in India, with their families resident here for generations. They were unaware that it was only those born after the Indian Constitution

came into being on 26 January 1950 who could be considered naturalised citizens. Those who held People's Republic of China (PRC) passports were repatriated while some Indian passport-holders were deported for being pro-Communist. Yet others had KMT party papers, now rendered invalid, or only 'resident permits'. The Indian government interned those who were considered pro-Communist. Others were either residents of sensitive border districts or victims of business rivalry and regarded spies.<sup>[15]</sup>

This turn of events is particularly ironic since India was among the first countries to recognise and support the PRC, and the first non-communist nation to establish a diplomatic mission in Beijing.<sup>[16]</sup> At that time, New Delhi did not envisage ever going to war with China, but border tensions, 1950 on, and the Dalai Lama's dramatic escape from Tibet into India in 1959, heightened the Sinophobia in the countdown to the 1962 war.

It had a terrible psychological impact on the Chinese in India. Those released from

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[15] Hsieh, Ming-Tung, *India's Chinese A Lost Tribe* (self-published by author, Kolkata, Reprint 2012), pp.197—98. Also, Chatterjee, Ramakrishna, "The Chinese Community in Calcutta: Their Early Settlement and Migration" in Madhavi Thampi, Ed., *India and China in the Colonial World* (Social Science Press, New Delhi, Paperback 2010), pp. 62—63.

[16] Ministry of External Affairs, Government of India, *India-China Bilateral Relations*, (New Delhi: Ministry of External Affairs, 2012), <<https://mea.gov.in/Portal/ForeignRelation/China-January-2012.pdf>> (Accessed on 26 October 2017.)

jails or the Deoli Camp found their properties sold or illegally occupied, which resulted in Chinese migration out of India.

The China Towns of yore no longer exist in Calcutta or Bombay. The original residents have given way to a variety of other Indian communities. The Indian Chinese, who settled abroad, return to Kolkata and Mumbai annually to visit those who stayed behind and to bow before their ancestors' tombs. In Toronto, they speak Bengali and Hindi, sing old Hindi songs at weddings and never pass up a chance to eat Tandoori chicken. They still don't quite fit in with other Overseas Chinese (OC) communities as they retain a distinct Indian identity, with a few among them acquiring an NRI and PIO status that offers them the best of both worlds.

As for those who stayed back, they run some of the best Chinese restaurants while the women are still sought after as hair-stylists. As one interviewee put it, "*Acche din aayehain...* good days are here!"

*~ This article was first published on the Gateway House website on 1 November 2017*



*Ming Tung Hsieh lives in Mumbai and Toronto. He is the author of 'The Lost Tribe', a history of the Indian Chinese community. Photo credit: Rafeeq Ellias.*



## Can soft diplomacy bridge the India-China divide?

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*On 12 February, the Chennai Centre for China Studies (C3S), the Press Institute of India and the Centre for Public Policy Research, hosted a conference on 'Enhancing India-China People-to-People Relations' to explore ways in which student exchanges, language studies, the arts, think tanks and academia might increase people-to-people interactions and circulations between the two nations*

When I arrived in Chennai for this conference, I was skeptical. Soft diplomacy sounds good on paper, but the hard realities of the India-China relationship, including the countries' recurrent border conflicts, seemed to make the theme premature, or even naive. While people-to-people connections are important and worth expanding, the impact of people-to-people relations will surely be limited while the boundary dispute remains unresolved.

The opening keynote speakers made this point upfront: one of them, Ambassador Ashok Kantha, director of the Institute of Chinese Studies, maintained that there is reason to believe that India and China can use soft diplomacy to manage their geopo-

litical relationship more productively. The Sino-Japanese relationship, for instance, though beset by centuries of trouble, has achieved greater circulations of students, academics and tourists than India and China have — even though the two civilisations have interacted for two millennia. While acknowledging the challenges — different economies and forms of government, China's irredentism, rankling memories of the 1962 war — they argued that enhanced soft diplomacy could reduce negative perceptions among both Chinese and Indians.

Some key suggestions to foster cultural understanding between the two nations and its people included: increasing the number of Confucius Institutes<sup>[1]</sup> in India and Indian

cultural centres in China; higher enrollment of students — there are 20,000 Indian students in China, but only 2,000 Chinese students in India — and making India a more attractive destination for Chinese tourists.<sup>[2]</sup> Fostering city relationships and other activities that bring citizens of both cities together on a common platform, like a Mumbai film festival in Shanghai and vice versa, also received favourable mention.

An interesting presentation described a setback in people-to-people interaction. The traditional movement of people across borders in the high Himalayan passes for trade and pilgrimage has largely ended, barring a few exceptions (such as, the Nathu La Pass) as a result of border pressures, including Chinese propaganda and fake news, spread among locals in India's border areas.

Yet there have been some exceptional success stories in soft diplomacy. India's brand ambassadors in China, by all accounts, are actor Aamir Khan and the late yoga guru, B.K.S Iyengar. Khan's movies, beginning with *Three Idiots* (2009), have all been blockbusters in China, Iyengar had a following of

30,000 practitioners back in 2011, when he first visited China.

But the most heartwarming story involves Mao Tse Tung's student, Xu Fangcheng (known as Hu Hsu in India), who lived in India from 1945 to 1978. During his time in Pondicherry (since 1954), he translated into Chinese all 50 volumes of the Upanishads, the Bhagavad Gita, Kalidasa's lyric poem, 'Meghaduta' (The Cloud Messenger), and the works of Sri Aurobindo. Fangcheng's translations have been going into reprint at a furious rate ever since they first appeared on the Chinese market in 2000. In turn, he left behind a bit of China in India too: he gave all his Chinese paintings to the Aurobindo Ashram, along with his translation of Confucius from the original into English.

Stories like this give one hope. Maybe Fangcheng's works, along with Khan and Iyengar, in particular, will begin a virtuous cycle in India-China people-to-people relations — one strong enough to help contain the volatile border stand-offs.

~ *This article was first published on the Gateway House website on 22 February 2018*

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[1] The learning of Mandarin was described as "a penance that leads to perfection".

[2] This means that Indian tour operators, guides and hotels may have to be more mindful of cultural mores, such as, the fact that the Chinese eat dinner by 6.30 pm or that many Chinese tour groups are made up only of women, who are mid-budget tourists.

# Mumbai-Shanghai Sister Cities Agreement: Challenges and Opportunities

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*This is the executive summary of a special report on the role that the sister cities relationship can play in envisioning urban projects in India in light of the government's new understanding of the importance of city-to-city para-diplomacy*

In this report, “Mumbai-Shanghai Sister Cities Agreement: Challenges and Opportunities”, the aim is to look at Shanghai and Mumbai, the two major metropolises of Asia. It discusses the scope of the relationship, highlights the issues and puts forth key recommendations to strengthen it to mutual benefit.

These recommendations draw on three very workable templates which demonstrate not just the flexibility of Sister City Agreements, in general, but how bilateral para-diplomacy at the city level can be tailor-made to meet the goals of each sister city.

## Executive Summary

There were three key findings on why the Sister Cities Agreement hasn't been taken forward by either city. First, no collaboration has been initiated as yet between the Municipal Corporation of Greater Mumbai (MCGM) and Shanghai Municipal People's Government (SMPG) after the “Mumbai-Shanghai Sister City Agreement” was signed over two years ago<sup>[1]</sup> (on 18 September 2014, in New Delhi, by the mayors of the two cities). Second, it was discovered that the SMPG is akin

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[1] The official title is “Agreement on the Establishment of Sister City Relations between Mumbai, Republic of India and Shanghai, People's Republic of China” (18 September 2014)

GATEWAY HOUSE REPORT NO.1, MAY 2017

# MUMBAI-SHANGHAI SISTER CITIES AGREEMENT: CHALLENGES & OPPORTUNITIES

**Sifra Lentin**

MUMBAI HISTORY FELLOW



 **GATEWAY HOUSE**  
INDIAN COUNCIL ON GLOBAL RELATIONS  
भारतीय वैश्विक संबंध परिषद्

*Image credit: Debarpan Das*

to a Chinese provincial government that can have representation at international bilateral and multilateral forums, but the MCGM, in turn, is not a nodal agency that can facilitate this Agreement. The Maharashtra government can do so.

Lastly, Sister City agreements are an important tool of para-diplomacy, useful in attracting Foreign Direct Investment, financial and other technology and fostering cultural understanding.

### **Key Recommendations**

In order to bridge the structural shortfalls in the Sister Cities relationship between the two cities, the first step would be to appoint a mentor for Mumbai. Maharashtra Chief Minister, Shri Devendra Fadnavis, will be the appropriate mentor from Mumbai to facilitate this Agreement. The state's chief protocol officer, using the framework of Joint Working Groups (JWGs), can unite the various departments of the MCGM and state government to meet their counterparts from Shanghai. Such a working model can enable the state government to directly liaison with the central government, particularly the East Asia Division (Ministry of External Affairs),

and Indian missions abroad.

The successful completion of one or two projects will give city-twinning a fillip. A short list of worthwhile projects can be devised in consultation with think tanks, secretaries of state ministries concerned and civic administrators.

Ongoing cultural liaisons, such as the theatrical version of Raj Kapoor's film, *Awaara* — a collaboration between the Indian Council for Cultural Relations (ICCR), New Delhi, and Shanghai International Arts Festival — that will premiere this year in Shanghai, can be a part of this Agreement too to fast-track the relationship.

Lastly, a Mumbai-Shanghai Forum, launched by Chief Minister Fadnavis and mayor of Shanghai during the CM's forthcoming visit, can facilitate not only the Sister Cities Agreement between the two municipalities, but enlarge the discussion on urban planning and development in emerging markets, to involve think tanks, business and manufacturing, financial technology, transportation, the film industry and Mumbai and Shanghai varsities.

*~ This article was first published on the Gateway House website on 19 May 2017*



## Rationale for the return of the global rupee

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*Over 50 years ago, the Indian rupee was a currency of overseas trade besides being the local currency for the Gulf nations and many regions of the Indian Ocean. With the Indian economy slated to strengthen 2019 onwards, this is the right time to speed up the rupee's full capital account convertibility*

The Indian Rupee was a multilateral currency about 50 years ago, used in international trade and global financial transactions, and also serving as the local one for many Indian Ocean littoral nations. Its deep reach was facilitated through trading communities, labour circulations and colonial hegemony; and its popularity clear from the fact that it endured well after India's independence in 1947. Indians off to Dubai on a vacation then — 52 years ago — could pay their way in Indian rupees. (It was only

on 18 September 1966 that Dubai, part of the UAE, demonetised its brightly coloured Gulf rupees, minted and managed by the Reserve Bank of India and shifted to the dirham.)

Today, Indian millennials travelling to Dubai use the rupee to buy U.S. dollars. It is no longer a currency of overseas trade.<sup>[1]</sup> The Indian government and the Reserve Bank of India (RBI) have been trying since 1991 to incrementally make the rupee fully convertible and redeem it to its former status in the global economy.<sup>[2]</sup> Indian businesses

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[1] The exceptions here are Nepal and Bhutan whose bilateral trade with India is in rupees. Bilateral currency swap agreements of the 1960s and 1970s with the former Soviet bloc countries also enabled trade in rupees. The Asian Clearing Union (Tehran), established in 1974 by the United Nations Economic and Social Commission for Asia and Pacific (UNESCAP), was founded to facilitate payments among member countries on a multilateral basis, avoid the use of foreign exchange dollar reserves and minimise transaction costs.

[2] The Indian economy was under a strict foreign exchange control system for the first four decades of planning (1950 to the 1980s). With the initiation of liberalisation (new economic reforms) in 1991, the rupee became partly convertible from March 1992 and has been incrementally moving towards full convertibility ever since. It is not yet fully convertible on capital account, but is largely convertible on current account.

save on expenses when using a fully convertible currency because every dollar transacted incurs a sizeable cost. Moreover, given that the Indian economy is slated to strengthen 2019 onwards, with the full benefits of GST becoming apparent, the timing is right to speed up full capital account convertibility for the rupee.

The Indian rupee had a 500-year long innings, with some Gulf countries using it even after Indian independence in 1947. It was because of the long familiarity with the rupee's denomination, the historic dhow trade with the subcontinent and the presence of an influential Indian trading diaspora that the rupee continued in the region till 1970, when Oman finally adopted its own currency.

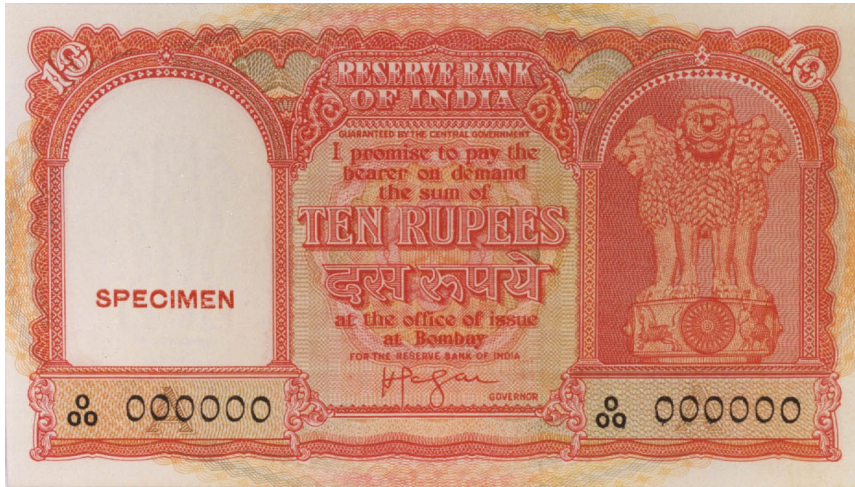
The rupee retreated because of some constant challenges before the RBI. One

of these was the rampant gold smuggling aboard small dhows and fishing boats that occurred along the indented coastline of the Konkan (west coast) and off the island city of Bombay from the 1950s to 1970s. It was a tremendously profitable (but illegal)<sup>[3]</sup> business that arbitrated on the fact that Indian rupees could be used to buy gold that was much cheaper in these Gulf nations to smuggle into India. Its effect was devastating initially as these countries had more rupees in circulation (rupee smuggling took place in the opposite direction) than they had sterling reserves with India's central bank.<sup>[4]</sup> The devaluation of the Indian Rupee in 1966 in the aftermath of the 1965 India-Pakistan war and a severe drought in the country were the decisive reasons for these nations to transition to their own currencies.

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[3] It became smuggling after Finance Minister Morarji Desai first implemented the Gold Control Rules in 1963 — and later, Act — which effectively meant that individuals could neither possess gold bullion and gold TT bars nor order gold jewellery of more than a certain weight, fineness and value. The Act, which applied to jewellers too, who were required to possess a license to conduct business, was intended to stem the outflow of foreign exchange. It remained in force till 1990.

[4] As the RBI acted as the central bank to these countries, they maintained sterling reserves with the RBI, which was commensurate with the rupees in circulation. It was discovered that they were repatriating more rupees for conversion to sterling pounds than their drawing limit with the RBI. Effectively, India was paying with precious foreign exchange for the smuggled gold. This was when the RBI came up with the idea of a Gulf rupee that was brighter in colour than the Indian rupee and began with the alphanumeric Z.



*This is a specimen photograph of the brightly coloured Gulf Rupee, which was introduced by the RBI to curb gold and Rupee smuggling. All Gulf Rupees issued by the RBI in Bombay began with the alphabet 'Z' to distinguish them from the Indian Rupee.*

*Photo credit: RBI Monetary Museum (Mumbai)*



So how did the Indian rupee acquire such a wide and deep reach?

British imperialism is mistakenly assumed to have introduced the rupee into international trade, but it was a freely circulating trading currency way prior to the arrival of the European companies to Indian shores. The silver rupee was popular in the Indian Ocean trading world, whose bazaars (like the annual Haj bazaar), traded in multiple currencies. Their value was pegged to their intrinsic metallic worth and the political authority that issued them.<sup>[5]</sup>

## Trade follows the flag

The Indian rupee first entered wide circulation under Mughal rule, more particularly due to the conquests of Emperor Akbar

(1556-1605), whose vast empire's northernmost mint was located in Balkh (present-day Uzbekistan) and the southernmost one in Trichinpalli (in today's Tamil Nadu). Its rise to a pan-Indian and overseas trade currency was aided greatly by the credibility of the Mughal mints as minting was a rigorously supervised court function.<sup>[6],[7]</sup>

By the 17<sup>th</sup> century, when European trading companies, like the Dutch and English, arrived in the Mughal port city of Surat,<sup>[8]</sup> their cargoes consisted largely of specie (various coins) and silver bullion, which the Mughals recast into rupees. This was as much for the Europeans' use in the local markets as for their onward journey to the Far East for spices. Economic historian and sociologist Andre Gunder Frank<sup>[9]</sup> in his book, *ReOrient: Global Economy in the Asian Age* (1998),

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[5] The Mughal mints from the time of Emperor Akbar (who reigned from 1556 to 1605) to Emperor Aurangzeb (died 1707) were rigorously supervised for the quality of the coins minted. The Mughal Rupee therefore gained wide acceptability as a currency of trade during this period.

[6] Bhandare, Shailendra, 'Money On The Move: The Rupee and the Indian Ocean' in Ray, Himanshu and Alpers, ed. *Cross Currents And Community Networks: The History of the Indian Ocean World* (New Delhi, Oxford University Press, 2007), p.209.

[7] The introduction of the silver standard for the Indian rupee has been traced to the third Mamluk (slave dynasty) ruler, Shams-ud-din Iltutmish (r.1211-36 AD). The name derives from *rupyam* (silver coin), given by the Afghan ruler Shershah Suri, who was overthrown in 1555 by Emperor Akbar's father, Humayun, who had been dislodged from the throne in Delhi by Suri. The Mughals continued not just with the name but adhered to the monetary reforms that Suri had implemented.

[8] Surat had the most active and profitable mint on the subcontinent because it naturalised into rupees all the specie (various coins) and silver bullion that the Europeans brought, not only for local purchases, like cotton piece goods, indigo and other manufactures, but also for use on their onward journey. The Mughal silver rupee was accepted in most kingdoms in the East and Far East.

[9] Andre Gunder Frank, a German American economic historian and sociologist, promoted the world systems theory in his book, *ReOrient: The Global Economy in the Asian Age*, where he explores the argument that the contemporary world system is part of a continuous 5,000-year-old history, and provides evidence to contest the commonly held Eurocentric view that placed Europe at the centre of global economic development.

described the Indian subcontinent in the 17<sup>th</sup> century as a ‘silver sink’. It was a description that was later used to describe Imperial China in the 18<sup>th</sup> to early-19<sup>th</sup> centuries when the only commodity the Chinese accepted in exchange for their tea was silver bullion. This was before the discovery of opium as a tradeable commodity with the Chinese.

When the first silver Rupee of Bombaim was struck in the Bombay mint by the English East India Company in 1677, it adhered to the silver standard of the Mughal rupee. Many subsequent Bombay coins often featured Persian inscriptions with the names of the reigning Mughal emperor to insinuate themselves into local usage. In fact, the Bombay rupee was called the Surat, as was the Company’s Bengal rupee — Sicca — and its Madras rupee — Arcot — all names being indicative of the native prototypes they were based on. The three distinct coins also indicated different currency circles in the English East India Company’s presidencies of Bombay, Bengal and Madras. These different spheres of circulation on the subcontinent for the Company’s

rupee were done away with when uniform coinage was introduced in 1835.

## **Rupee facilitates overseas trade**

The colonial rupee piggybacked initially on the popular usage of the Mughal rupee in trade with the East Indies (Java, Batavia, Malacca, Borneo), China (Macao, Canton), West Asia (Muscat, Trucial Coast, Basra), and Africa (the Mrima coast and Zanzibar). With the decline of the Mughal empire after the death of Aurangzeb in 1707, the colonial rupee slowly replaced the Mughal one overseas.

The biggest advantage of the rupee was that it was exactly half the weight of the Spanish ‘pillar dollar’ (8-real piece) or new dollars minted in the Latin Americas, which had become the most widely accepted currency in the Spice Islands as also the world over. This advantage continued when the Maria Theresa Thaler became a multilateral currency in the Indian Ocean trading world in the 19<sup>th</sup> and early 20<sup>th</sup> centuries.<sup>[10]</sup>

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[10] The Maria Theresa Thaler is a silver bullion coin named after Empress Maria Theresa who ruled Austria, Hungary and Bohemia from 1740 to 1780. The Thaler was very popular in the West Asia trade.





*Emperor Akbar's vast territorial conquests combined with a booming Mughal economy ensured that the silver rupee became the most popular currency of overseas trade. The Mughal port of Surat because of its high trade turnover possessed the busiest Mughal mint. Photo credit: RBI Monetary Museum (Mumbai)*



However, the circulation of the Indian rupee scaled up massively with its introduction as a de facto currency in many British colonies. The annexations of Sind, Aden, the Protectorate of East Africa, Ceylon and Burma among others, and the inclusion of the Trucial Coast, Muscat and Oman and Zanzibar through treaties of exclusion, all aimed at warding off competing Russian and French influence. This resulted in the rupee gaining primacy in these countries.

Interestingly, as many of these regions already had well-established Indian merchant communities, many belonging to Kutch and Saurashtra, such as the Bhatias, Jains, Bohris, Khojas and Memons,<sup>[11]</sup> it meant that the Indian rupee had already made an entry into commercial usage. British influence established the rupee in local circulation through treaties and outright annexation as in Dutch

Ceylon after the Treaty of Amiens (1802).

The rich history of the Indian rupee from the 17<sup>th</sup> to the early 20<sup>th</sup> centuries has no comparable example from the Imperial China of that period, which was sought after for its tea, silk and porcelain. It is an irony of sorts that today the Chinese Yuan is being aggressively marketed as a multilateral currency through the physical-virtual inroads of China's Belt & Road Initiative, while the Indian rupee is being incrementally internationalised. Given the rich legacy of the rupee in the Indian Ocean trading world and its still influential merchant diaspora communities in many of its former strongholds, maybe it is time for a more time-bound and assertive strategy to make the rupee fully convertible.

*~ This article was first published on the Gateway house website on 19 April 2018*

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[11] These communities all have strong trade and community connections, both with their villages in present-day Gujarat, and Bombay, which is today a mercantile stronghold.

# Indian banking's chequered history

*The history of modern Indian banking in the 19<sup>th</sup> century is full of examples of lopsided loan portfolios, favouring a few individuals and businesses, which is not very different from today's world of financial fraud and manipulation of the system for personal gain*

Bank scams and debacles were common in the early history and development of modern banking in India. That may not be surprising since banks then were privately owned. But even though most banks have since been nationalised, complicity between bankers and favoured borrowers persists, with covert deals often suffering exposure only when a downturn in business fortunes calls attention to them.

Today, as in the past, the banking industry has produced prominent personalities who used the system to their own advantage. Vijay Mallya, whose Non-Performing Assets (NPAs)<sup>[1]</sup> amount to over Rs 9,400 crore, jeweller Nirav Modi and most recently, Video-

con Industries chairman Venugopal Dhoot, left the Indian banking system red-faced and bearing the onus of dealing with default in repayment. The striking feature in almost all recent banking scandals is that loans were advanced by bankers against highly inflated or non-existent collateral. This has made the recovery of money an uphill task.

Nineteenth-century history of modern banking also is full of examples of lopsided loan portfolios that favour a few individuals and businesses. Despite improved regulations and the increased use of digital technology, human folly, recklessness and nexus between bank officials and big debtors with political connections still defines banking today. It

[1] Independent MP Vijay Mallya resigned from the Rajya Sabha on 2 May 2016, citing a loan default of over Rs 9,400 crore. <http://www.thehindu.com/business/Industry/kingfisher-airlines-crisis-timeline/article14380262.ece1> (Accessed on 3 May 2018.)

seems even a good system of regulation cannot overcome human nature.

While most 19<sup>th</sup>-century banks have failed, a few barely survived, often through recapitalisation or reconstitution. The Bank of Bombay, which was founded in 1840, became the New Bank of Bombay, for instance.

### **The agency house crisis in Calcutta (1830 to 1834)**

Much before Anglo-Saxon banking took root in Bombay in 1840<sup>[2]</sup>, there existed two types of banks in Calcutta at the turn of the 19<sup>th</sup> century. Most were established by agency houses<sup>[3]</sup>, the most famous one being the Bank of Hindoostan, established by Alexander & Co. in 1770. There was one quasi-governmental bank, the Char-

tered Presidency Bank of Bengal (established in 1809),<sup>[4]</sup> which unlike the private agency-house banks, enjoyed limited liability due to a charter granted by the British governor-general in India. Akin to a central bank, it performed banking functions on behalf of the government.

The agency house banks and the Presidency Bank were legally different entities, but equally vulnerable when crisis engulfed the Bengal Presidency after the international demand for indigo began falling in 1826. Indigo was a highly speculative commodity, both in the global and domestic markets, but local demand for it was high: it was among the very few goods from Bengal that could be used to remit earnings from India to England, and Calcutta's agency houses had invested heavily in the presidency's indigo

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[2] The first modern bank in Bombay was the bank set up by the English East India Company's Bombay government in 1720 within the premises of Bombay Castle (today the Indian Navy's base, INS Angre). This was probably for the convenience of its employees, but it functioned till 1778 before going into oblivion. The next bank to be set up by the Company was again in Bombay Castle in 1835, but this one seemed to have a limited function as barely five years later, the chartered presidency Bank of Bombay was set up by a mix of expats and native merchants.

[3] Agency houses were originally set up by private English traders and were financed with capital from servants of the EEIC. They facilitated the remittance of funds of the EEIC employees either through export of goods to Europe and England or deployment of their funds (often far in excess of their salaries) in the intra-Asian trade. The portfolio of these Agency Houses grew to include shipping; trading in indigo, sugar, silk, cotton and opium; and banking. After the Agency Houses crisis in Calcutta, many of those that had been set up in the 1830s and 1840s had Indian partners, like Carr, Tagore & Co.

[4] The government had a one-fifth share in this bank and three government directors on its board. It replicated this shareholding pattern later in the Bank of Bombay (1840) and Bank of Madras (1843). Presidency chartered banks were not allowed by their charter to participate in the foreign exchange business though an exception was later made in the case of the Bank of Madras vis-a-vis Ceylon. In 1921, the three presidency banks were merged to form the Imperial Bank of India, which, in its post-independence avatar, was renamed the State Bank of India, in 1955.

plantations. When international demand for indigo stagnated, they suffered.<sup>[5]</sup>

The Presidency Bank disregarded its own charter and bent backwards to accommodate the agency house of Alexander & Co., whose partners had a dominant presence on its board. The charter limited loans for one individual or firm to Rs 1 lakh, but the bank lent Rs 23 lakhs to Alexander & Co. Matters got worse because other agency houses — Fergusson & Co., Cruttenden & Co. and Mackintosh & Co. — also guaranteed the Alexander & Co. loans with assets that included indigo plantations. They feared a repeat of the panic caused by the 1830 closure of the reputable house of Palmer & Co. Although immovable property could not be accepted as collateral, according to the Presidency Bank's charter, the Bank was now left running these properties in hopes of keeping their value from declining.

Alexander & Co. and its Bank of Hindoostan collapsed in 1832, leading to the failure of its three guarantors. As a result, the Presidency Bank ended up managing all the agencies' indigo interests for

some time, eventually writing off amounts of Rs 7,61,917 (1829-1833) and Rs 7,96,382 (first half 1834).<sup>[6]</sup>

Union Bank, founded in 1829, through a merger of Calcutta Bank and Commercial Bank, had much the same experience. Just a year after its founding, the agency houses that had founded the merged bank failed, leaving Union Bank with a large volume of bad loans. Union Bank managed to stay afloat through a stringent overhaul of its loan portfolio.<sup>[7]</sup>

### **The case of the Presidency Bank of Bombay**

The Presidency Bank of Bombay, established in 1840, was modelled on the same lines as the Bank of Bengal. It was also a chartered presidency bank, and like its counterpart in Bengal, it issued currency notes that were legal tender, accepted by the government treasury as payment.

When the cotton boom was triggered by the outbreak of the American Civil War in

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[5] Bagchi, Amiya, *The Evolution of The State Bank of India: The Roots 1806-1876* (Bombay, Oxford University Press/State Bank of India, 1987) pp. 133-34.

[6] Ibid, Bagchi, p. 138.

[7] The Union Bank closed eventually due to another business crisis in 1847.





BANK OF BOMBAY

*The Presidency Chartered Bank of Bombay on 1 Rampart Row was founded in 1840 and was one of three presidency banks that were the precursors of the State Bank of India (1955). Photo credit: SBI Archives (Kolkata).*

1860<sup>[8]</sup>, the task of issuing currency notes<sup>[9]</sup> was taken away from all three presidency banks. To compensate Bank of Bombay for a loss of income, the Bombay government enacted Bombay Act X (1863), which quadrupled its capital and opened new avenues to deploy its funds.

At the time, a boom in stock prices was well underway, as money was pouring in because of the huge global demand for Deccan cotton, a major export from Bombay. The big bull on a very nascent Bombay stock market<sup>[10]</sup> was a director of the Presidency Bank of Bombay, Premchand Roychand, a highly reputed trader whose every move, whether in the stock or bullion or cotton markets, was closely watched. To many, it seemed anything Roychand invested in turned to gold. Roychand was also a business partner of Sir Cowasjee Jehangir Readymoney's, a leading guarantee broker and financier in the city. Roychand, with the complicity of the Bank

of Bombay's management, withdrew as much as Rs 40 lakhs over a short period of time from six of the Bank of Bombay's branches. This money fuelled the first and wildest stock market bull run in the city. To expand the base of investments, numerous banks, financial institutions, reclamation companies and development schemes were launched in quick succession, often by little-known business entities in the city. Their shares were purchased at highly inflated rates, although most were just companies on paper.

What was not foreseen was the abrupt end to the American Civil War in 1865 and the opening of its southern ports to resume shipping of superior American long staple cotton to mills in Europe and England. This burst the stock market bubble, leading to the collapse of almost all the newly launched companies, the bankruptcy of many of the city's leading merchants (including Roychand) and the downfall of the Presidency Bank of Bombay.

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[8] The American Civil War (1860-65) triggered a huge demand for short staple Deccan cotton because shipments of American cotton ceased due to the War.

[9] The Paper Currency Act (1861) gave the function of issuing currency notes to a newly formed government currency department.

[10] The Bombay Native Stock & Share Brokers Association was incorporated only in 1875, ten years after the first bull run and bust in stocks in Bombay.



Currency note issued by the Bank of Bombay. Photo credit: RBI Monetary Museum (Mumbai).



When accounts were squared, Roychand owed the Bank of Bombay Rs 25 lakhs. During liquidation hearings it was apparent that he had been given a free hand to arbitrage on the markets with the bank's funds. He did this with the full knowledge of its secretary, the one person aware of his almost daily transactions.

Eventually, the old Presidency Bank of Bombay was reconstructed in 1868 as the New Bank of Bombay, after losses of Rs 1,88,99,334 were written off as irretrievable debts.<sup>[11]</sup>

These instances of irresponsible banking, combined with the tendency of banks to desist from spreading risks, to fail to exercise due diligence in assessing collateral and to make

sweet deals between big clients and their bankers, required recapitalisation and large-scale write-offs of bad debts to resuscitate banks.

This history resonates strongly with contemporary times when the Indian government undertakes elaborate extradition procedures to bring defaulters to justice. The clean-up of the banking system may lead to it emerging stronger, just as it did in the past. But human nature, safeguards notwithstanding, will always be an unknown factor, as history has amply demonstrated.

*~ This article was first published on the Gateway House website on 3 May 2018*

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[11] Gazetteer (1909), Vol III, p. 215

# Realising the vision of fusion

*The National Ignition Facility, U.S., has achieved a breakthrough in generating fusion nuclear energy. India's scientists, since the time of Homi Bhabha, have been part of the process of realising this dream. Fusion energy can become a cheap, clean and abundant source that fulfills global energy needs*

The National Ignition Facility (NIF) in California, U.S., has, for the first time, generated more energy by fusing the nuclei of atoms than the energy they put in to attain the reaction. This is a breakthrough.

NIF is a part of the Lawrence Livermore National Laboratory, which is primarily funded by the U.S. Department of Energy. Findings of the experiments (carried out between September 2013 and January 2014) were published online in the science journal, *Nature*, on 12 February 2014.<sup>[1]</sup>

The NIF used a technology called “inertial confinement” (which is a cage of lasers) to contain the reaction of the fusion in hot plasma, a pellet of atoms the size of a pin-head. Generating energy in this manner,

which, in effect, replicates the fusion process of the Sun, is potentially a source of cheap energy. Unlike fossil fuels and nuclear fission, it can be abundant, and free of pollution, radioactive waste or greenhouse gases. It has the potential to replace fossil fuel energy sources. Can the energy generated by the nuclear fission of hydrogen atoms replace the use of petrol?

That milestone is some decades away. Conservative estimates hinge on the timeline of the world's largest nuclear fusion reactor being constructed in the south of France, called the International Thermonuclear Experimental Reactor (ITER). It is a collaboration between the European Union, India, Japan, China, Russia, South Korea

[1] Ball, P. (2014). ‘Laser fusion experiment extracts net energy from fuel’. *Nature*. <https://www.nature.com/articles/nature13008>

and the U.S. The estimated cost is \$20 billion, with the EU funding 45% and the other six (including India) contributing 9.1% each.<sup>[2]</sup> The first plasma for this reactor is expected in 2020, and it will go on-stream by 2027 with a target generating 500 megawatts.<sup>[3]</sup>

Fusion energy was the dream of Homi Bhabha, one of India's foremost scientists, and the founder of India's nuclear programme. To realise this goal, Bhabha built the Tata Institute of Fundamental Research (TIFR) in 1945 in Mumbai, his home city. India's (and Asia's) first wholly indigenised nuclear reactor, 'Apsara', based on fission, was built at TIFR. Using enriched uranium as fuel, 'Apsara' went critical on 4 August 1954.

The growing chasm in India's energy needs had become evident even before independence, when undivided India lost its oilfields in Myanmar to the Japanese invasion of 1942, and the oilfields at Attock (Khaur) in Pakistan to Partition in 1947. Although this was crude and not coal (66% of India's electricity comes from coal-based thermal power plants), it translated into starting out

with energy deficiency after independence.<sup>[4]</sup> Today, the country is a net importer of both crude and coal.

It was imperative for a modernising India to look at an unconventional source to power the country into the next century. Homi Bhabha, Jawaharlal Nehru and J. R. D. Tata began their visionary work in 1942, knowing that independence was near. Another key player was Shanti Swaroop Bhatnagar, a colloidal chemist from Lahore, who was secretary at the Atomic Energy Commission (AEC) and was also at the Department of Atomic Energy (DAE) in its early years.

At the United Nations Conference on the Peaceful Uses of Atomic Energy in Geneva in 1955, Bhabha said: "...a method will be found for liberating fusion energy in a controlled manner within the next two decades. When that happens, the energy problems of the world will truly have been solved forever, for the fuel will be as plentiful as the heavy hydrogen in the oceans."<sup>[5]</sup>

By this time, TIFR was already an intellectual hub for high-energy particle physics

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[2] International Thermonuclear Experimental Reactor. (n.d.). *Frequently asked questions: Do we really know how much ITER will cost and How is ITER financed?* Retrieved from <http://www.iter.org/faq>

[3] International Thermonuclear Experimental Reactor. (n.d.). *Frequently asked questions: When will ITER be operational?* Retrieved from <http://www.iter.org/faq> and International Thermonuclear Experimental Reactor (ITER), (n.d.). *Facts and figures*. Retrieved from <http://www.iter.org/factsfigures>

[4] Ministry of Statistics and Programme Implementation, Government of India, Central Statistics Office. (2013). *Energy statistics 2013*. Retrieved from [http://mospi.nic.in/mospi\\_new/upload/Energy\\_Statistics\\_2013.pdf?status=1&menu\\_id=216](http://mospi.nic.in/mospi_new/upload/Energy_Statistics_2013.pdf?status=1&menu_id=216)



and mathematics; it was inseparable from the AEC (started in 1948) and the DAE (set up in 1954) in the early years because Dr Homi Bhabha helmed them all. By 1954, India had already joined the nuclear club and successfully set up ‘Apsara’, the first nuclear reactor, at the Atomic Energy Establishment in Trombay (called the Bhabha Atomic Research Centre after Homi Bhabha’s death in 1966).

Bhabha’s passing did not mean India lost its nuclear vision: a string of highly accomplished scientists, most of them Bhabha’s collaborators, now headed these key institutes. They included M. G. K Menon, Vikram Sarabhai, Homi Sethna and Raja Ramanna.

The prospect of abundant clean energy ensured that achieving nuclear fusion under controlled conditions remained a goal for TIFR and institutes of its ilk—and they made much progress in fabricating indigenous fission-based nuclear technology and developing a fuel cycle that exploits locally available thorium deposits.

The Institute for Plasma Research in Ahmedabad, funded by the DAE, continues to work on Bhabha’s dream of hydrogen

fusion. This institute is part of the ITER project based in France.

The technology being developed here is different from the work being done at the NIF in the U.S.; it uses magnetic confinement (electric coils) to contain fusion from hot plasma. But the NIF breakthrough is significant. This is the first time that this process is generating more energy than was put in to achieve fusion. This will help ITER jump to the next step.

Achieving “ignition” (continuous fusion like the Sun) is the next step for both the NIF and ITER. It may take a few years before the technology is stabilised. Till then, India is moving ahead with nuclear power to meet 25% of the country’s electricity needs by 2050.<sup>[6]</sup>

Meanwhile, Bhabha’s “fusion dream” has been realised. The quest to emulate the Sun and unleash an inexhaustible source of energy has taken a big step forward. As Bhabha said at Geneva, “Energy is the great prime mover... it makes possible life itself.”

~ *This article was first published on the Gateway House website on 6 March 2014*

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[5] Chowdhury, I., & Dasgupta, A. (2010). *A Masterful Spirit: Homi J. Bhabha* (1909-1966). Penguin Books India.

[6] World Nuclear Association. (2014). *Nuclear power in India*. Retrieved from <http://www.world-nuclear.org/info/country-Profiles/Countries-G-N/India/>





Photo credit: Noshur Gobhai.



# Part 4

## Mumbai today and tomorrow

Given Mumbai's economic, political, strategic and cultural preeminence from the 18<sup>th</sup> to mid-20<sup>th</sup> centuries, it was perhaps inevitable that its role would recede after India gained independence in 1947. Still, the city today is the capital of the state of Maharashtra and it remains the financial and cultural hub of India. What's more, it has opportunities to take on an even larger role.

Most mega cities like Mumbai have foreign relations departments either in their municipality or state urban ministries. This diplomatic outreach by a city, known as para-diplomacy, essentially focuses on international business-to-business, urban issues, infrastructure and people-to-people relations. The Gateway House report *Mumbai-Shanghai Sister Cities Agreement: Challenges and Opportunities* which appeared in Part 3, recommends that Mumbai engage more actively with her 15 sister cities to learn from their experiences in solving urban issues.

*Interweaving the old cotton and silk routes* explores how the Chinese government has used the 'idea' (though not the actual history) of the Old Silk Road to promote its transnational Belt and Road Initiative. In much the same way, Mumbai's role and potential in the Indian Ocean could be reimagined based on its history as an international financial shipping, and commercial magnet. Such reimagining could be extended to every facet of the city, including its beautiful architectural heritage.

Resolving international conflicts is key to securing Mumbai's future. Though the sea gives this island city its vitality, it also makes it vulnerable. *26/11: Lest we forget* is a reminder of this.

# Raghuraman Rajan: making Mumbai great again

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*Raghuram Rajan took over as governor of the Reserve Bank of India in September 2013 for a three-year term, lifting the spirits of a gloomy market. In the longer term, how can Mumbai city reclaim the natural cosmopolitan and intellectual legacy for which it was once known?*

The recent appointment of Raghuraman Rajan as governor of the Reserve Bank of India has brought plenty of timely cheer to the capital and currency markets in Mumbai, the country's financial centre.

Though the Governor's primary focus is curbing inflation, some fundamental changes are in the offing for the financial markets. These include the implementation of two High Powered Committee Reports — the 2007 Percy Mistry Report on making Mumbai an International Financial Centre (IFC) and the 2008 Raghuraman Rajan Report, euphemistically called '100 Small Steps'.

Both reports have been on the back-burner,

apparently waiting for the right time to make an appearance. Now they may be ready to do so — whether out of political expediency or plain economic urgency — and they come not a moment too soon.

They amplify all the reasons why the city can fulfill its stipulated role. Mumbai is the financial capital of India and has been so for the last 150 years. It is home to the oldest stock market in Asia, the Bombay Stock Exchange (BSE); the oldest central bank in Asia, the Reserve Bank of India, and some of the oldest banks in the country that were known as Exchange Banks and which facilitated India's vast foreign trade.



*RBI Governor Dr. Raghuraman Rajan was the author of one of the High-Powered Committee Reports, euphemistically titled ‘100 Small Steps’ (2008), which envisaged structural reforms of the Indian financial sector and its markets. Here he is giving the opening lecture at the first Gateway House Think20, hosted during the G20 Presidency of Turkey in 2015.*

*Photo credit: Gateway House*

The BSE, which began as an informal gathering of native Indian brokers dealing under the shade of a banyan tree (which still stands near the well of the Horniman Circle Gardens) in the 1840s, dealt in the shares of the few cotton textile, cotton pressing and ginning companies that then existed. Trades were settled in the eight-day cycle with forwards<sup>[1]</sup> in the one-month cycle. Today, the BSE not only settles trades in real time, but is also the world’s largest exchange by number of companies listed. In terms of market capitalisation, it ranks 11<sup>th</sup> globally.

Since 2008, the BSE has made huge strides in developing a range of indices for derivatives, corporate debt, EUREX, and more recently, the BRICS Index.

The next step is to leap into the international sovereign/corporate bond-equity-currency-derivatives market, with its supporting banking and financial services. Here also, Mumbai has a precedent. During the American Civil War (1861-1865), cotton exports from the U.S. stopped, making way for Bombay to bridge the global shortage in the commodity. Money began to pour into the city because of

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[1] The forward market is the informal, over-the-counter financial market whereby contracts, known as forwards, for future delivery are made.



increased exports of Deccan cotton from its port. Entrepreneurs like Sir Jamsetjee Jeejeebhoy, Premchand Roychand, David Sassoon and many other Indian merchants were able to float banks, financial institutions and real estate companies because of this financial glut.

Mumbai's greatest advantage is its geographical location, strategically placed as it is between Tokyo and London, giving it a good five hours of trading time with London. There are international financial centres like Singapore (a centre for ASEAN); Shanghai (for China), and Dubai (which services West Asia). Mumbai is a natural addition to this international list. The city can easily be a financial gateway for Karachi, Dhaka, Male and Colombo, as also for East and South Africa where the strong, commercially oriented Indian diaspora is an opportunity waiting to be aggressively pursued. Some of these families, like the Madhvanis, Mehtas (actress Juhi Chawla is married into the Ugandan Mehta family) and Rajanis, have had homes and offices in the city for at least three generations.

It isn't too far-fetched to consider that the much-touted Cairo-to-Cape railway line can

be funded by sovereign bonds, structured and launched in Mumbai, and denominated in Indian rupees once it is in free-float — a key point of both reports.

As for the Indian rupee, barely a hundred years ago, it was the most international of currencies, being legal tender in East Africa, Mauritius, Sri Lanka, the Indonesian islands and West Asia. It was exactly half the value of the Maria Theresa Thaler, a silver coin then used in international trade, which made converting easy. The rupee's especially wide reach was largely due to Indian immigrants in the early 19<sup>th</sup> century.

Till very recently, the Reserve Bank of India issued Gulf Rupees in distinctive bright colours and in the alphanumerical series beginning in Z. Oman was the last of the West Asian countries to shift to its own currency in 1970.

Both reports overlook a key strength of the city — its philanthropy — and a feature that can make it internationally significant in the future. City merchants have funded the construction of the Rajabai Clock Tower, the University Convocation Hall, Elphinstone Col-

lege, the Institute of Science, C.J. Hall (now the National Gallery of Modern Art), David Sassoon Library, the J.J. Colleges,<sup>[2]</sup> the Tata theatre complex, and even hospitals like J.J. Gokuldas Tejpal and the Tata Memorial.

Mumbai is today home to 24 billionaires (according to Wealth Insight's 2013 survey); it is ranked seventh among the top 10 countries in the world on this score. Philanthropists can once again play a major role in building the educational, cultural, artistic and intellectual life of the city.

The DNA of the city is encoded in numbers and finance. Its local merchants underwrote the losses made by the East India Company in Bombay for years only to facilitate trade. Their resilience and initiative then to changing global markets and needs make Mumbai

ideally suited to be an International Financial Centre. Mumbai needs sound capital markets to regain its international status and financial reach and to power India's global engagements. As the Percy and Rajan Committee Reports begin to be implemented, the other virtuous elements will come into play, like political transparency, a time-bound judicial system, a rapid physical infrastructure build-out and good municipal governance.

Only then will Mumbai reclaim its natural cosmopolitan and intellectual legacy, becoming once again *Primus Inter Pares* — the first among equals — with the world's other great cities.

*~ This article was first published on the Gateway House website on 3 October 2013*

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[2] The initials J.J. stand for Sir Jamsetjee Jeejeebhoy, First Baronet, who endowed the Sir J.J. School of Art and after whom the Sir J.J. College of Architecture has been named. Both colleges stand on the same campus, diagonally opposite the city's first European-style market, Crawford Market, and next to the Office of the Commissioner of Police, Greater Mumbai.

## Heritage on the brand wagon

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*Panellists at a discussion spoke of the urgent need to preserve Mumbai's natural and built heritage in readiness for the inauguration of the international finance centre at Bandra-Kurla Complex in 2020, the Maharashtra government's target year for the event*

Spanish apparel brand, Zara, unveiled its flagship store last month in the 110-year-old Ismail Building at Mumbai's Flora Fountain Circle, which anchors the west axis of Mumbai's old financial district. Here was another extraordinary example of a heritage space having been reimagined for contemporary use, akin to the revival of adjoining heritage areas in the city, such as Ballard Estate, Dadabhai Naoroji (D.N.) Road, Chhatrapati Shivaji Terminus (Victoria Terminus station) and the Brihan Mumbai Municipal Corporation headquarters, Crawford Market and Opera House. This prompted Gateway House to co-host a discussion on how foreign brands are helping

rethink heritage conservation.

The panellists spoke of three main concerns: first, there is an urgency to preserve Mumbai's built and natural heritage as the Maharashtra government has targeted 2020 as the year for inaugurating Mumbai's international financial centre at the Bandra-Kurla Complex. The city's rich political, economic, maritime and cultural history, albeit a colonial one, has to be integral to the inevitable infrastructural (Coastal Road, Metro) and other changes overtaking it. Leading cities, such as London, New York, Paris and soon, Shanghai (whose international financial centre will open in 2019), have used their heritage precincts to highlight their global financial legacy.

## Change and reuse

Second, with the shift by big banks, companies and businesses from south Mumbai's old banking-shipping-insurance-financial hubs to newer business districts, like Bandra-Kurla Complex, Lower Parel and Andheri, many beautiful old buildings on D.N. Road and Ballard Estate, for example, are now empty, mired in family disputes or hemmed in by low rents. Reinventing their original purpose in a contemporary context has worked well: the Army & Navy Building, which today houses Westside department store, was once the Army & Navy Store. Derelict spaces are also serving as artists' ateliers and hip, edgy co-working spaces, like the Ministry of New, that opened in 2016 at Kitab Mahal on D.N. Road.

Numerous designer stores, art galleries, cafés in the Kala Ghoda precinct, and the two international luxury brands, Hermès and Christian Louboutin, chose the Old Bombay Green (Horniman Circle) as the location for their stores over the security of a mall or five-star hotel. The panellists pointed out that high-end luxury brands have usually

chosen to associate with heritage buildings and streetscapes — Oxford Street, London, and Place Vendôme, Paris, offer comparison — as history, continuity and reinvention are values they themselves endorse. This can become a trend in Mumbai, which is home to the largest number of billionaires in India, and a consular hub, which therefore draws a sizeable expat community.

Third, heritage spaces serve as wonderful venues for cultural festivals, such as the erstwhile Banganga Music Festival and the Kala Ghoda Arts Festival (KGAF), whose model of Public-Private-Partnerships (PPP) between NGOs, civic authorities and corporate sponsors has been successful. Some efforts, though, such as the restoration of Mumbai's Opera House, have been wholly due to the passion of private funders, conservation architects and cultural curators.

Some interesting outcomes of this discussion were the sensitisation of stakeholders to the heritage spaces they occupy, as in the ongoing restoration of Crawford Market; the passing of a government resolution (GR) to institutionalise coordination between the var-

*South Mumbai's heritage Horniman Circle precinct is fast developing into a shopping destination with luxury international brands like Hermes and Christian Louboutin opening bespoke showrooms here. At the turn of the 20<sup>th</sup> century, it was a sought after destination for consular offices and shipping companies. Photo Credit: Sifra Lentin*







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HERMES

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ious parties, as in the case of the Kala Ghoda Arts Festival, and the use of the PPP model in restoration: a large part of the funding for the old Town Hall project came from government.

Also, engaging the Indian Navy to showcase its heritage naval dockyards and awakening citizens to the maritime and naval history in their midst, will create awareness that the city's prosperity once was and is due to its natural, deep, expansive harbour, which made it *Urbs Prima in Indis* (First among cities in India).

For all this to materialise, there has to be a vision for Mumbai 2020 that promotes the city's built and natural heritage as its Unique Selling Point.

*Gateway House and Avid Learning co-hosted a discussion on 'Revitalising Mumbai's Historic Precincts: Are Foreign Brands the Catalyst?' on June 14. The panellists were: Harish Bhat, brand custodian, Tata Group; Anita Garware, chairperson, Indian Heritage Society (Mumbai); Marlies Bloemendaal, founder and creative director, Ministry of New; and Kruti Garg, conservation architect, Abha Narain Lambah & Associates.*

*~ This article was first published on the Gateway Hosuse website on 22 June 2017*

## 26/11: lest we forget

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*26 November 2013 will mark the fifth year since Lashkar-e-Taiba terrorists went on a rampage in Mumbai, taking innocent lives. Although the only insurgent captured alive was hanged, the masterminds still roam free. Why is it imperative to keep this tragedy from fading from memory?*

It is five years since 26/11 today, but the day may go off just as any other frenetic day in the city. Besides a memorial function at the Police Gymkhana and one at the Keneseth Eliyahoo Synagogue (Fort), where the local Jewish community will light candles and hold a memorial service for the victims of this dastardly terror attack, the city's memory is short.

The hanging of Ajmal Kasab — the only 26/11 terrorist captured by police — last year has brought no closure to the victims' families as the main masterminds of the crime roam free.

Unlike earlier terror attacks on the city, which were executed by local terror cells, 26/11 effectively demonstrated how technol-

ogy and geography can be effectively combined to execute as daring an attack as 9/11 was on the Twin Towers of the World Trade Centre, New York.

Mumbai may be an island city, whose main electricity grid can be isolated from the rest of Maharashtra in the event of a power blackout, but keeping the city isolated from the rest of the world is a much tougher proposition as it is contiguous to the sea, "the highways of the continents", as maritime historian Lincoln Paine put it.

This has been demonstrated time and again in the past. During the 1971 Indo-Pakistan War, the one big threat to the city was the Pakistan submarine, *Ghazi*, whose only job was to stalk and sink India's first aircraft

carrier, *Vikrant*, headquartered in Bombay. Sightings of the Ghazi off the Coast of Bombay were numerous and a potential threat to the city's coastal security. It was eventually sunk off the coast of Vishakhapatnam, and history tells us that the unencumbered *Vikrant* played a decisive role in the outcome of the 1971 war.

Even in the distant past, the greatest threat to the then growing city was always from the sea — whether it was the Maratha admiral, Kanhoji Angre closing entry into Bombay harbour from the south and east, by occupying the little islands, Karanja, Elephanta and Kenery; or the Sidi Fleet (of Janjira) coming in, unannounced, to shelter itself from the monsoons, in the harbour at Mazgaon.

This time, a little rubber dinghy, indistinguishable from the other bobbing boats in the harbour, except that it was equipped with satellite phones and carried 10 well-trained terrorists who brought the city to its knees.

Let us not forget 26/11. Nor that the main masterminds are yet to be apprehended.

Importantly, let us not forget that miracles are also possible. Today, after 10 years of international isolation, in a game-changing move, Iran and the U.S. (and her allies) took the first step towards a comprehensive nuclear deal. In one stroke, this has changed the region's political and geoeconomic dynamics. In much the same way, political will in the Indian subcontinent can not only break a 66-year impasse between India and Pakistan, but also change the fortunes of both countries. Bringing the 26/11 masterminds to book is a necessary goodwill gesture on the part of our neighbour.

*The author dedicates this article to friends, Ajit Chhabria, his wife Monica and Rohinton Maloo, who died in the 26/11 carnage at The Oberoi, Mumbai.*

*~ This article was first published on the Gateway House website on 25 November 2013*

## Bombay's past and future as an IFC

*An international financial services centre is scheduled to open in the city. To attract global capital, it must integrate Mumbai's current strengths and those it possessed a century ago when it was a trade and banking hub of substantial financial clout*

India's second international financial services centre (IFSC) is scheduled to open soon in Mumbai's Bandra-Kurla commercial complex. The IFSC will have an edge over neighbouring Gujarat's recently opened Gujarat International Financial Tec-City (GIFT) because it is located in India's financial capital and can draw on Mumbai's legacy as an international financial centre from the late 19<sup>th</sup>- to the mid-20<sup>th</sup> centuries.

The push for Mumbai as the ideal location for an IFSC began with the 2007 'Report of the High Powered Expert Committee on Making Mumbai an International Financial Centre' (popularly known as the 'Percy Mistry report').<sup>[1]</sup> This report's recommendations largely drew on the fact that Mumbai already

had a pool of professionals, institutions, banks, corporate headquarters and markets.

To this mix can be added Mumbai's long history as an IFSC a century ago, when it managed the monetary policies of geographical regions, such as the Trucial Coast (the United Arab Emirates), Bahrain, Qatar, Oman and the Protectorate of East Africa (Tanzania, Kenya and Uganda), under the British Raj. These are the same regions which Mumbai's IFSC can now serve, especially because of the high-value transactions and remittances between India and the Gulf.

Many Indian multinational companies currently have investments in the Gulf, including a major project by L&T, the Rs. 2,085-crore Al Batinah expressway in Oman.<sup>[2]</sup>

[1] Ministry of Finance, Government of India, *Report of the High Powered Committee on Making Mumbai an International Finance Centre* (2007), <<http://finmin.nic.in/mifc/mifereport.pdf>> (2007)>

[2] Kumaraswamy, P.R., ed., *Persian Gulf 2014: India's Relations with the Region* (New Delhi, Sage India, 2013), p 153. See also: <<http://timesofindia.indiatimes.com/business/india-business/LT-wins-Rs-2085-crore-contract-for-building-expressway-in-Oman/articleshow/21119113.cms>>



Moreover, remittances from Indians working in the Gulf countries form an important component of India's foreign exchange earnings; inward remittances were worth \$48 billion in the current fiscal year as of March 2016.<sup>[3]</sup>

However, Mumbai's historic role as a nodal hub for banking services, commerce, trade, and shipping, and its enormous financial and political clout in the past, are little known today. The city was unable to build on this legacy after India's independence in 1947 due to a combination of factors, such as restrictive foreign exchange and trade policies, energy dependency and a polarised world economy.

The potential to reactivate Bombay's past links multiplies the city's chances of developing better, broader and deeper markets for the circulation of foreign capital, currency and credit through its IFSC.

### **The subcontinent's first financial centre**

Long before Dubai and Singapore became major financial centres, the city of Mumbai

qualified as one from the mid-19<sup>th</sup> to the mid-20<sup>th</sup> centuries. This was a time when New York, London, Hong Kong and Shanghai were also hubs, a role they are still engaged in 100 years later.

Mumbai's role, like theirs, became more central when a global economy coalesced due to European imperialism between 1870 and 1914. This was aided by better transportation (an expansion in railways, steamers and the opening of the Suez and Panama canals) and communications (the telegraph and the beginnings of the telephone).<sup>[4]</sup>

One of the strongest factors that made the city a financial hub was the wide acceptance of the Indian rupee as a currency of circulation. During the 1890s, the fiscal and monetary policies of the Trucial Coast (UAE), Bahrain and Qatar were determined by the Presidency of Bombay.

This role devolved on the city with the signing of the Exclusive Agreement (from 6-13 March 1892) between each Trucial sheikhdom and Britain. Under the fiduciary clauses of this treaty, the British Indian gov-

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[3] Reuters, 'After benefits of cheap oil, India counts cost of reduced Gulf remittances', *Economic Times*, 25 May 2016, <<http://economictimes.indiatimes.com/nri/forex-and-remittance/after-benefits-of-cheap-oil-india-counts-cost-of-reduced-gulf-remittances/articleshow/52428340.cms>>

[4] Overy, Richard, ed., *The Times Complete History of The World* (London, HarperCollins, 2010), pp 276-77.

ernment looked after the fiscal and monetary policies of these sheikhdoms. Subsequently, the Indian rupee became the official currency. Other regions soon followed, including Oman and Kuwait, and for a brief period, the British Protectorate of East Africa.

Though the Indian rupee became the official currency of circulation in these British-dominated regions, the old multi-currency regime of the Indian Ocean trading world continued alongside.

But even before it became an official currency the Rupee was already in circulation in the littoral regions of the Arabian Sea. It circulated first as the Mughal rupee, which was the precursor of the rupee of Bombaim (first struck at the Bombay mint in 1677). This Bombay silver rupee and its denominations remained in circulation till 1835 when the three separate currency circles of the presidencies of Bombay, Bengal, and Madras were abolished. They were replaced first by the East India Company rupee (till 1858) and then various issues of what is commonly referred to as the British Indian rupee (1858-1947).

Three factors promoted the popularity of the rupee in the 19<sup>th</sup> century: one, the sheer volume of the dhow merchandise trade between the subcontinent and this region; two, the large Indian diaspora (notably in Muscat and Oman) which preferred using the Rupee; and three, the silver rupee's credibility which derived from its standardisation and metallic value (weighing 180 grains or 11.66 grams, with a silver content of 165 grains and of 11/12 fineness) after uniform coinage was introduced in 1835.<sup>[5]</sup>

With the formation of the Bombay-headquartered Reserve Bank of India (RBI) on 1 April 1935, the monetary and fiscal policies of these regions came under its purview. In fact, these countries maintained a sterling balance with the RBI, against which Indian rupees were issued to them. This continued even after Indian independence and until 1959, when the RBI issued a special currency for this region, the Gulf Rupee, to distinguish it from the Indian Rupee. The Gulf Rupee remained in circulation till 1970, when Oman, among the last of the fiduciary sheikhdoms, shifted to its own currency, the Omani Rial.<sup>[6]</sup>

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[5] From an interview with Bazil Shaikh, former RBI principal chief general manager and secretary, in 2013.

[6] Ranjan, Ravi, and Anand Prakash, *Internationalisation of Currency: The Case of the Indian Rupee and the Chinese Renminbi* (Mumbai, RBI, 18 May 2010), < <http://www.w-t-w.org/en/wp-content/uploads/2013/10/Internationalization-of-Currency.pdf> >

## **International banking in Bombay**

As the financial capital of British India, Mumbai was also closely linked to the City of London, the world's banking and money market capital since the 19<sup>th</sup> century.

In the early to mid-19<sup>th</sup> century, the East India Company largely controlled the foreign exchange business emerging from Bombay. This option was not open to the quasi-government Bank of Bombay, the city's first modern bank as well as its first Anglo-Saxon bank, set up in 1840 as a chartered presidency bank upon the initiative of a mix of expatriate and Indian merchants.<sup>[7]</sup>

The Company appropriated this privilege even after its India Charter lapsed in 1813. This monopoly increased the cost of foreign trade credit for Indian and British merchants and kept the cost of remittances high as the exchange rate offered by the Company on the British pound and Indian rupee was always to the disadvantage of its clients.

The Bank of Western India was an attempt by its promoters (among them, well-known merchants Jugonnath Sunkersett and Dada-

bhoy Rustomjee) to break into the lucrative foreign exchange business. But it was only in 1851 that this bank, founded in 1842 (and renamed in 1849 as the Oriental Banking Corporation, OBC), succeeded in its fight for a charter that endorsed its foreign exchange business and gave it the protection of limited liability. Litigation was necessary as banks then were partnership firms with unlimited liability. The protection of limited liability could only be acquired through a charter from the Company or the British Parliament.

The fall-out of the Bank of Western India's nine-year-long litigation was that as the OBC, it became headquartered in London, came under the control of a European board of directors and became the first British overseas bank with a charter to operate in India.

Soon after, a multitude of exchange or British overseas banks set up branches in the city. The most well-known was the Chartered Bank of India, Australia and China (today's Standard Chartered Bank), which opened its Bombay branch in 1858. Various other foreign banks started operations in Bombay, with the mandate of facilitating trade between their region or country and

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[7] Bagchi, Amiya Kumar, *The Evolution of the State Bank of India: The Roots 1806-1876* (New Delhi, Penguin India, 2007), p. 473.

the subcontinent. Among these were France's Comptoir National D' Escompte in 1861, the Hong Kong & Shanghai Banking Corporation (HSBC) in 1869 and the Yokohama Specie Bank in 1894. By 1908, four British overseas banks and three foreign banks were operating in the city.<sup>[8]</sup>

In turn, banks founded by Mumbai's local merchant community, like the Indian Specie Bank (1906) and the Tata Industrial Bank (1917), opened branch offices in London in the early 20<sup>th</sup> century. This further strengthened the connection between the city and the London inter-bank money market and foreign currency market.

In the final count, Bombay's centrality as a finance and trade hub would not have been possible — even with its captive financial hinterland and overseas connections — without the dynamism of its indigenous merchant and banking community. If it wasn't for the feisty fight put up by the Bank of Western India, the London-headquartered British overseas banks would not have had a pres-

ence in India and branches of Indian banks (like the Indian Specie Bank) would not have been opened abroad.

This was just one important component among others that made Bombay an international financial centre from the late 19<sup>th</sup>-to mid-20<sup>th</sup> centuries.

A century later, will Mumbai live up to this legacy through its new IFSC? It certainly can. Mumbai has all the financial micro-structures and fluencies that only a city with a deep history of such networks can possess. Besides, India already has world-class capital market structures (like Mumbai's stock exchange) and regulations, and these could act as a platform to integrate the money, bonds, foreign exchange and commodities markets. This, in turn, can attract global capital that can be processed through the city's IFSC.

~ *This article was originally written for the compendium published for The Gateway of India Dialogue 2016.*

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[8] Edwardes, S.M, *The Gazetteer of Bombay City And Island: Volume 1, 1909*, ( Bombay, Gazetteer Department Government of Maharashtra, Reprint 1978), pp. 292 — 93.

# Interweaving the old Cotton and Silk Routes

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*China's resurrection of the ancient Silk Road is ambitious, sprawling, hegemonic. The pre-European origins of the road, though, lay in a criss-crossing of nameless caravan routes on which Indian cotton was traded as vigorously as Chinese silk, tangible proof of the interdependence of two ancient civilisations over two millennia*

The Belt and Road Initiative (BRI) or New Silk Road is the ambitious centrepiece of China's strategic geopolitical and geoeconomic initiative.<sup>[1]</sup> This resurrection of the ancient Silk Road, the longest road known to mankind, is being shaped by Chinese President Xi Jinping's vision (first articulated in September-October 2013), of a resurgent One China in the marketplaces of Eurasia, Europe and the world. It is so expansive, multi-layered—covering road, sea, rail, financial, energy and digital corridors — and hegemonic in its embrace, powered as it is by Chinese

finance and infrastructure build-outs, that it obliterates the cosmopolitan nature and multilateral trade history of its template, the Old Silk Road.

Hence, there is an urgency to understand the pre-European history of the Silk Road, how it coalesced, when it was named and how it facilitated trade. This knowledge has lessons not only for China, but all countries participating in the New Silk Road, and will, when the time is right, provide a context for India's participation in this grand act of Asian inter-connectivity.

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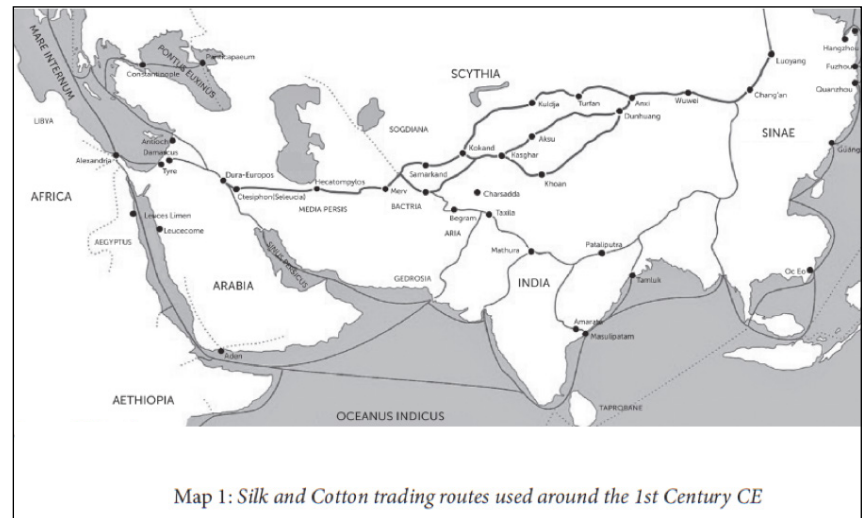
[1] The New Silk Road Initiative and its counterpart, the 21<sup>st</sup> Century Maritime Silk Route, are commonly referred to also as One Belt One Road (OBOR).



## Trans-Asian routes and a name

The origin of the name ‘Silk Road’ is relatively recent. In ancient times, during the Early Han Dynasty (206 BCE to 25 CE), contemporaneous with the powerful Mauryan Empire (322 to 183 BCE) and the Kushans (2nd century BCE to 3rd century CE) in the Indian subcontinent, the Parthians of Persia and the ancient Roman Empire, this road comprised a network of shifting caravan routes that connected one market town, often an oasis, to the next. In its east-west axis, it covered 7,000 km from Xi’an (ancient Chang’an) to its western termini in present-day Cadiz (then Gades) in Spain. Interestingly, this east-west axis road never had a name: instead sections of the route were named quite romantically after the market town they led to, such as, ‘the road to Samarkand’.<sup>[2]</sup>

The name ‘Silk Road’ was coined in 1877 by the German baron, Ferdinand von Richthofen, a geologist who worked in China from 1868 to 1872, surveying coal deposits and ports. It was his five-volume atlas, which, in map 2-3, shows the route during Roman



*The Silk Road was made up of meandering routes and pathways joining oasis towns and important trading ports. Image credit: Wikipedia Commons*

[2] Hansen, Valerie, *The Silk Road: A New History* (New York, Oxford University Press, 2012), pp. 175.

times, and for the first time, as a trunk road, resembling a straight railway line, cutting through Eurasia, and not a network of caravan routes. It was speculated then that the baron's survey was actually a mapping for a possible German railway line.<sup>[3],[4]</sup>

It was subsequent to this naming that the collective term — Silk Road — gained currency.<sup>[5]</sup> A negative fall-out of this was the erasure of these trans-Asian caravan routes: how they evolved constitutes a history of collaboration between regional kingdoms, local traders (in ancient times, Parthians, Sogdians, Indians, Chinese) and itinerant merchants. This network of routes functioned very much like the logistics corridors of e-commerce firms today, where traders from each region acted as aggregators and formed caravans that carried goods over a specific length of the road.

The name 'Silk Road' also led to the misconception that Chinese silk was the only

reason why the route that was formed by the 1<sup>st</sup> century CE assumed priority because of Roman demand for it.<sup>[6]</sup>

The truth, however, is more nuanced. It was much later during the Tang dynasty (618 to 907 CE), a period when trade flourished along these trans-Asian overland routes (due to a strong Tang kingdom), that silk was omnipresent in the markets along the roads: this was because Chinese soldiers, posted to secure the route in the newly annexed north west (a part of modern Xinjiang province), were paid in bolts of silk rather than in grain or bronze coins.

## Cotton road to India

How does all this connect to the Silk Road trade in Indian cotton, also a valuable commodity in the pre-European commercial transactions conducted via these road and sea networks?

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[3] Ibid, pp. 176.

[4] The period when Baron Richthofen worked in China was a time when Europeans (British, French, Germans), Russians, and later, Japanese, were all competing for influence in a financially weak, imperial China, wracked by internal dissension. The Baron was charged with mapping a direct railroad from the German sphere of influence in Shandong province via the coalfields near Xi'an, to Germany.

[5] The German name, 'Die Seidenstrasse' translates to 'the Silk Road'. <[en.unesco.org/silkroad/about-silk-road](http://en.unesco.org/silkroad/about-silk-road)> (Accessed on 24 January 2017.)

[6] Hansen, pp 209.

[7] The southern roads also encompass the Iranian plateau, the Tigris and Euphrates valley, and West Asia. More pertinently for the Indian subcontinent there exist two well delineated branches of the Silk Roads, namely Uttarapatha (the northern or Gangetic plain route) and Dakshinapatha (southern route). <<http://whc.unesco.org/en/tentativelists/5492/>> (Accessed on 26 January 2017.)

Not many are aware that the Old Silk Road has a southern axis.<sup>[7]</sup> This comprises routes into the Indian subcontinent via the Chinese province of Xinjiang to Kashmir (the China Pakistan Economic Corridor uses this road). There is the Khyber Pass route too,<sup>[8]</sup> used by Chinese Buddhist monks Fa-Hien (who travelled from 399 to 414 CE) and Hsüang-tsang (629-645 CE): it is a route that connects Balkh (northern Afghanistan) to Kabul, and from west Yunnan (a province in south west China) into Bangladesh, Assam and Myanmar.

One of the earliest written records on the Silk Road is *Records of the Great Historian* (compiled by Sima Qian in 1<sup>st</sup> century BCE), written 150 years after the first two Chinese diplomatic missions into Central Asia, led by imperial envoy Zhang Qian during the 2<sup>nd</sup> century BCE. He had been sent by Han emperor Wu to muster support from the Yue-zhi people (then settled in the Fergana region of modern Uzbekistan) to ally with the Chinese against their common enemy to the north, the Xiognu tribes from Mongolia. His details of South Asia are significant as trade routes in this region were already well-worn

and were conduits for the export of cotton products from the subcontinent to Central Asia, China and Rome.

This was a time when the Chinese did not grow cotton and Indians did not know how to manufacture silk. (By the 5<sup>th</sup> century CE they were producing a silk called *kau-seya*.) Even when guilds of silk manufacturers were established in the subcontinent and cotton-weaving centres came up in Central Asian towns, like Khotan (Xinjiang), both simultaneously by the 5<sup>th</sup> century CE, there was always a demand for high-quality muslins from Bengal (mentioned in Tang records) and cotton piece goods from Gujarat and the South.

Cotton growing and manufacturing spread from northern and peninsular India from the 1<sup>st</sup> to 5<sup>th</sup> centuries CE to Myanmar and South East Asia through conquest, trade and cultural linkages. This region, currently comprising the member-states of the Association of South East Asian nations (ASEAN), and the subcontinent, supplied cotton items to imperial China through the overland and maritime routes, which were well established by the 8<sup>th</sup> century CE.

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[8] Tansen Sen, 'The Travel Records of Chinese Pilgrims Faxian, Xuanzang, and Yijing', *Education About Asia*, Volume 11, 3, Winter 2006, <<https://web.archive.org/web/20140713172856/http://www.form.og/tours/ChinesePilgrims.pdf>>

That there existed an active Indo-China trade in cotton cloth is also borne out by Ma Huan, the chronicler of the seven Ming voyages (1424-1433 CE), led by the imperial Admiral Zeng He, who lists out six varieties of Bengal cotton (including the renowned Dacca muslins), and one from the south.<sup>[9]</sup>

The spread of Buddhism from India to Central Asia, China, Sri Lanka and South East Asia, further increased the demand for cottons: Buddhist monks practised the doctrine of *Ahimsa* (non-violence), which forbade the wearing of silk as its manufacture requires boiling mulberry cocoons and killing the silkworms within to draw out silk thread.

Indian cotton and Chinese silk remained valuable components of the Silk Road trade that flourished between two ancient civilisations for two millennia. It is this history of interdependence — when silk roads were cotton roads and vice versa — which underscores how integrated these two regions

were, in fact, Asia itself was, before European intervention. History illustrates that the longest road known to mankind functioned because of a combination of elements — part geography, part politics and part people. The overriding factor, though, was its inherent multilateralism, where roads were built, maintained and secured not just by empires, but small, independent oasis towns and regional kingdoms.

Perhaps China's BRI will be more successful were it to infuse this spirit of cooperation into the enterprise. Coopting India into this vast Eurasian grid will be a coup d'état as not only is it the second largest economy in Asia, but historically, the original home of Buddhism and cotton goods, both hallmarks of the Old Silk Road.

~ *This feature was originally written for Where Geopolitics Meets Business, Vol. 2, the compendium for The Gateway of India Geoeconomic Dialogue 2017.*

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[9] Dale, Stephen F., 'Silk Road, Cotton Road or...Indo-Chinese Trade in Pre-European Times', *Modern Asian Studies*, Volume 43, Issue 1, p. 83, 2009.

## Bombay's Blue Synagogue, restored

*The newly restored Keneseth Eliyahoo Synagogue will be inaugurated by Maharashtra Governor Vidyasagar Rao on February 7. This 135-year-old Jewish house of worship was central to the history of Mumbai's Jewish community and the city's once robust multicultural character*

It is fitting that the inauguration of the restored Keneseth Eliyahoo synagogue in Mumbai's art precinct of Kala Ghoda coincides with the annual Kala Ghoda Arts Festival (February 2 to 10) because the Indian Baghdadi Jews<sup>[1]</sup> contribution to this area is multifarious and all-encompassing.

The most obvious is the very name of this art district and the festival itself, *Kala Ghoda* or black horse. It refers to the original black equestrian statue of Prince Edward VII, donated to the city by Sir Albert Sassoon, a leading Baghdadi Jew, in 1875, to mark the

Bombay visit of the then heir-apparent to the British throne.<sup>[2]</sup> Other well-known Sassoon endowments in the area are: the David Sassoon Library, formerly the David Sassoon Mechanics Institute and Reading Room, and the (Royal) Institute of Science.<sup>[3]</sup>

These are the obvious landmarks. Less known is the fact that an entire Jewish ecosystem once flourished in this area, with the Keneseth Eliyahoo synagogue at its centre. Around it was the Jewish Club, famous for its chicken sandwiches, the Sassoon family's offices on Mahatma Gandhi Road<sup>[4]</sup> and

[1] There are broadly two Jewish communities in Mumbai. The numerically bigger and older community on the subcontinent is that of the Marathi-speaking Bene-Israel (lit. Children of Israel) who migrated to Mumbai in the 18th century from the villages of the coastal Konkan. The smaller one is that of the Baghdadi Jewish merchant community, who originated not just from Baghdad but from various towns and cities across West Asia. Keneseth Eliyahoo lit. is the Assembly of Elias.

[2] The original statue is now consigned to the leafy environs of Mumbai's Byculla zoo – Veermata Jijabai Bhosle Udayan – but like other colonial statues, however, it continues in local memory even after the removal of this statue in the late 1960s, as this precinct is still referred to as *Kala Ghoda*. The Kala Ghoda Trust, organisers of the annual festival, have now installed an enormous sculpture of a black horse close to the same spot where the original sculpture once stood.

[3] The prefix 'Royal' has been dropped from this name, hence instead of the Royal Institute of Science it is simply the Institute of Science.

[4] Mahatma Gandhi Road was formerly Esplanade Road, and Forbes Street is today's V.B. Gandhi Marg. It is on V.B. Gandhi Marg that the synagogue is located.





*The entrance to the Synagogue shows the sensitivity with which the restoration has been carried out by retaining the exterior paint as blue (though ink blue in place of a light sky blue) as this house of worship is locally referred to as 'Blue Synagogue'. Photo credit: Noshir Gobhai.*

their residences<sup>[5]</sup> on Forbes Street, now V.B. Gandhi Marg – all of which today are a distant memory. The resurrection of the ‘Blue Synagogue’, as the Keneseth is popularly known, brings back a strong flavour of Mumbai’s 19<sup>th</sup>-and early 20<sup>th</sup>-century economic and socio-cultural history.

### **South Mumbai’s Jewish community**

The location of the Keneseth Eliyahoo, a European-style, neo-Baroque Sephardic<sup>[6]</sup> synagogue in what appears today to be a largely commercial area, is no coincidence. A large community of Baghdadi Jews once lived close to it, such as in Colaba. The observant orthodox and conservative Jews walked to their synagogue on the Sabbath<sup>[7]</sup> rather than use public transport, which required handling money. Till a century ago, the city’s Bombay Electric Supply & Transport (BEST) company

accommodated the community’s religious sentiments by issuing special bus passes to them on this holy day of rest.<sup>[8]</sup>

The Keneseth Eliyahoo synagogue was built in 1884 by the biggest mill-owner of Bombay, Sir Jacob Sassoon, in memory of his father Elias, the second son of David Sassoon, patriarch of the Bombay Sassoon family and the founder of what was to grow into the giant E.D. Sassoon group, with business interests in textiles, banking, real estate and overseas trade.

The largest of the enterprises were the 11 E.D. Sassoon textile mills in Bombay which employed 15,000 workers. The family’s global network of businesses included hotels, banks and warehousing in the Chinese Treaty Ports<sup>[9]</sup> (such as Shanghai and Canton), Hong Kong, Yokohama and London. Bombay, the headquarters of the E.D. Sassoon businesses, was also where its founder, Elias, and his son Jacob, resided.<sup>[10]</sup>

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[5] Sir Jacob Sassoon lived at Braganza Hall, Byculla, but the proximity of his offices (E.D. Sassoon Group) to the Keneseth Eliyahoo meant that as an observant Jew, he could attend the daily prayers as well as the Friday evening prayers at the Keneseth Eliyahoo synagogue. However, other members of the family did reside on and close to Forbes Street.

[6] Sephardic Jewry broadly refers to Eastern Jewry, as distinct from the Ashkenazim (European) Jewry, who are united through their adherence to the liturgy, rituals and customs that originated on the Iberian Peninsula.

[7] The Jewish Sabbath begins from sunset on Friday evening and ends after sunset on Saturday evening.

[8] This concession was made at the behest of another prominent Baghdadi of that time Sir Sassoon J. David, a prominent textile mill owner, the lead promoter of the Bank of India, and the President of the Bombay Municipal Corporation in 1921. Sir Sassoon J. David was related to the Bombay Sassoons through marriage. He married Hannah, the sister of Sir Jacob Sassoon.

[9] The Treaty of Nanking (1842) which was signed in the aftermath of the first Anglo-Chinese war (1839-42), also known as the First Opium War, opened four additional ports to Canton (Guangzhou) to foreign trade. Under this Treaty the island of Hong Kong was leased to the British.

[10] It was Sir Victor Sassoon who shifted the E.D. Sassoon group headquarters to Shanghai in the 1940s.

*An interior shot of the Keneseth Eliyahoo Synagogue, Fort, taken from the entrance to the men's section. The splendid stained glass work is on its western wall, and just below this is the Hekhal (where the torah scrolls are kept). In the foreground is the Tebah, a platform from where the prayer service is conducted. Photo credit: Noshir Gobhai.*









## A synagogue for South Bombay

Although the Sassoon family is originally from Baghdad in present-day Iraq – they belong to West Asian Jewry – their synagogues had a decidedly European architectural sensibility. This was not unusual for that time since the structures were built by prominent Parsi and Jewish merchants and cotton mill-owners who interacted closely with the ruling British elite and resident Europeans, both professionally and socially.

The functional layout of the Keneseth Eliyahoo, however, stays close to its roots in Baghdad, once the epicentre of Jewish religious learning in the East,<sup>[11]</sup> with separate seating for men and women, a religious school on its premises to prepare boys for their Bar Mitzvah and a Mikveh (a ritual bath) for women. A report in the *Times of India* of 28 August 1882 on the ground-breaking ceremony, is evocative: “Mrs Jacob Elias Sassoon arrived at the site of the new building shortly

after 3 o’clock, at which time most of the members of the Sassoon family had assembled. A move was at once made towards the spot where the ceremony was to take place, and a tin canister containing coins, &c., was placed in an aperture beneath the (foundation) stone: after a few preliminary ceremonies, Mrs Sassoon dashed a champagne bottle against the stone; and the assemblage repeating ‘Amen’, to a prayer offered up by Mr. Moses Gindell, a chief rabbi from Jerusalem, resumed their seats.”

The two Sassoon synagogues of Bombay – the other is the Magen David Synagogue, Byculla – had a sizeable number of congregants until 1985, when the Keneseth Eliyahoo celebrated its centenary.<sup>[12]</sup> Many of them were retired people as the younger generation had by this time settled in different parts of the western world, notably England, Israel, the United States and Australia.

The synagogue has, since the early 21<sup>st</sup> century, adapted itself admirably to the shrinking numbers while continuing to be a religious, social and cultural hub in South

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[11] Like all synagogues in the east, it is aligned facing west towards Jerusalem. The main hall of the synagogue is the men’s section. This has a *tebah* or raised platform in the middle of the hall from where the prayers are recited and an *hekhal*, an intricately carved wooden cabinet in which the torah scrolls are kept. The women’s section is on the floor above and overlooks the main hall, it is in the form of a running balcony around three-fourths of the hall except for the western wall of the synagogue.

[12] The highlight of the centenary celebrations was an exhibition on Indian Jewry that included not only the Baghdadi community but also the Marathi-speaking Bene Israel Jews and the Cochin Jews of Kerala.



Mumbai. Its trustees host a Kosher dinner on Friday evenings for Jews dropping in for Sabbath prayers. It gives visitors from abroad a taste not only of the Indian-influenced Baghdadi cuisine, which includes specialties, such as Haleem and 'Jumping Potatoes', but also a feel of local Jewish culture.

For Mumbai and its millennials, this revamping effort throws light on the history of a community that was once an intrinsic part of the city's socio-cultural-economic fabric. Its leaders, the Sassoons, will always be remembered for their substantial entrepreneurial contribution and for their generous civic endowments. In restoring a religious space that was part of the daily lives of the Sassoon family and their community, Bombay's citizens<sup>[13]</sup> have possibly paid the best tribute to their enduring legacy.

*~ This article was first published on the Gateway House website on 6 February 2019*

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[13] The conservation and repairs to the Keneseth Eliyahoo cost Rs 4.45 crores, of which Rs 4 crore was contributed by the JSW Group under the auspices of its CSR arm, the JSW Foundation, Rs 30 lakh by the Kala Ghoda Association and Rs 15 lakh by the World Monuments Fund.