

CHAPTER - II

TRADE OF SURAT

In 1514, the Portuguese traveller Duarte Barbosa described Surat as an important seaport and during the reigns of Akbar, Jehangir and Shahjehan, it rose to be the chief commercial city of Western India. At the end of the sixteenth century, the Portuguese were undisputed masters of Surat Coast. But in 1612, Captain Thomas Best, and after him, Captain Nicholas Downton destroyed the Portuguese naval supremacy and made Surat the seat of presidency under the English East India Company. But its prosperity received a fatal blow when Bombay was transferred in 1668 to the English East India Company's possession and it became chief seat of their trade. At one time, Surat's population was estimated at 800,000, but by the middle of the nineteenth century, it had fallen to 80,000.¹

Surat, which was the most important western sea port in Mughal India, was the principal channel through which silver and gold flowed into the country and as soon as silver and gold came into the city, whether foreign coin or bullion, it was taken to the imperial mint and re-issued in the form of Mughal coins.

A brisk trade from Surat was carried on in jewellery and in silver imported from Turkey and Iraq while cotton yarn went to the Red Sea, Ormuz and Basra. Khafikhan mentions that the imperial ship 'Ganj-i-Sawai', which on its way back from pilgrimage was attacked by English pirates, was bringing fiftytwo lacs of rupees in silver and gold, the produce of the sale of Indian goods at Mocha and Jedda.²

In mediaeval India, Surat was the most important centre of export trade. Calicoes, fancy goods, muslin and yarn, raw cotton and raw silk and rice, sugar, indigo, pepper were the major commodities of export.³

Muslins and gold and silver embroideries of Benares referred to by some European travellers, were transported from Benares by land to Surat and thence shipped to Persia.⁴

At the end of the 17th century, the King of Golconda entered upon an agreement with the King of Persia to supply every year for his army several thousand pieces of red cotton stuffs. These cloth goods went to Persia by the sea route from Surat. Other articles of export from this area were iron and steel, diamond, rubbies and pearls.⁵

During the 17th century, some cloths were bleached or transformed in Baroda, Ahmedabad, Broach and Surat, for the markets of Bantam, Mocha and Basara as well as of Europe.⁶ Throughout the 17th century, Surat was important emporium of the Indian empire. Attempts were made by the English to develop trade relations with Bengal from Surat and Agra. For decades, Surat remained the chief emporia of the Indo-Western commerce of the English Company.

Surat became the depot for cotton, muslins, saltpetre, indigo and dyestuffs, collected from all parts of north India. The English factories were also started at Broach and Baroda with the object of purchasing at first hand the piece goods manufactured

in the localities. In the 18th century, with the prohibition of import of printed calicoes in England, the imports of Indian cotton yarn of the finest sort was for some time stimulated. The reason was that the British weavers were adopting it and imitating several Indian cotton fabrics. English import duties continued to be raised until 1787 and the Indian cotton goods were diverted towards the rest of Europe, Africa, America and the West Indies. Simultaneously, the abolition of slavery in the West also brought about a sudden decline of demand in guineastuffs or slave cloths in West Africa and Brazil from Surat. Milburn writes,⁷

The demand for Surat piece goods has been much decreased in Europe and from the abolition of the slave trade, the demand for the African market has been much reduced.

Bombay grew more and more prosperous and became so important trade centre that it superseded Surat as the chief settlement of the English on the West Coast of India.

In one letter, we find the information about the trade and manufactures of the several Paraganas dependent on Surat,

The Paragana of Olpad produced cotton, tobacco and other food grains, but there was little trade in cotton, grain and salt. Adjacent to the Paragana of Olpad was the town of Rander. It produced various types of coarse goods and those goods were sent to Europe and Gulf countries.

The Paragana of Parchol was a weaving centre and there were few weavers who produced coarse cloth. In the Kasba

of Navasari, the people which were chiefly of the caste of Parsis resided. There were manufacturers and dyers of coarse and fine cloth in this Kasba. The English East India Company carried on trade in this region. Some part of the Company's investment was made here, chiefly dooties for chintz. A considerable trade was carried on here in timber, grain, jaggery, cloth, fruits, etc. It seems that there was considerable income from the customs revenue from this Kasba. (N. K. S.)

In Galla Paragana, there were few manufacturers and dyers and little trade was carried on in cotton.

In Kamrej Paragana, there were no manufacturers and very little trade was carried on. In Suttergam Paragana, there were few manufacturers but there was no trade.

In Mahuva Paragana, there were some weavers and dyers of coarse cloth. A little trade was carried on in grain and cloth. In the Bulesar Paragana, there were some manufacturers and dyers and little trade was carried on in grain and cotton.

In Bardoli Kasba, there were some manufacturers and dyers of coarse cloth and little trade was carried on in cotton, cloth, grains, etc.

In Sarbhon Paragana, there were very few manufacturers and little trade.

In Supa Paragana, there were no manufacturers but a little trade was carried on.

In Telari Paragana, there were some weavers and dyers of coarse cloth and little trade.

In Gandevi Paragana, there were few weavers and dyers of coarse cloth and a considerable trade was carried on at the bandar (port) Billemorah in timber, jaggery and grain.

In Maroli Paragana, there were few weavers and dyers of coarse cloth and some salt pans and a little trade was carried on in salt and grain.

In Bulsar, a considerable trade was carried on in wheat and timber, rafters and bamboos, brought from the inland parts and its manufactures were piece goods such as coarse dutties, baftas and ginghams.

In Arjungad Paragana, trade was carried on in wheat, timber, rafters and bamboos brought from inland parts and the manufactures consisted of piece goods such as coarse dutties and baftas.⁸

All these places are in the modern district of Surat.

In the latter half of 18th century, the commerce of Surat dropped. There were about 20 boats of Muslims for voyages to Mokha, Jedda, Basara, Bengal and China. The muslims were forced to abandon their commerce and had to sell their ships. Continued war between the English and the Marathas devastated the country side of Surat. The export of merchandise to Europe had fallen to 15 to 20 percent since 1775. The revenue of the commerce of Surat was divided into three parts, the English, the Nawab and the Marathas. There were 200,000 weavers in Surat who worked on the silk from Bengal and China and cotton and wool, produced

abundantly in the environs of Surat. The countryside around Surat was very rich in wheat and rice and the English regarded Surat as their granary. Surat supplied Bombay with rice.

Goods of Surat had a lucrative and considerable market at Basra. A contemporary writer mentions,

There is perhaps no other place in India where one can get so much money so quickly and which can produce such a rich merchandise.

There was the only inconvenience that the big ships could not come inside the river of Surat and they had to stay at some distance from the city, although loading and unloading were done by boats which were considerably large. The customs checking was very rigorous. At Surat, the non-declared goods were seized and returned later with double customs, contrary to some countries where the goods were confiscated, not returned.⁹

Surat was much nearer to the caravan routes passing through the rich and fertile plains of Gujarat towards the cities of upper India and easily acted as the catchment point for the goods coming down to the coast for shipment overseas.¹⁰ The servant of the English Company described Surat as the store house of all India.¹¹

In the 18th century, Surat had commercial links with Mokha. Surat merchants visited Mokha. The Government of Mokha received considerable revenue from Surat ships.¹²

In the latter half of the 18th century, the chief articles of sea trade were imports of European goods and hardware brought by the English, Dutch, Portuguese, Copper, silk, lac, tea, sugar, porcelain and spices from Bengal, China and Dutch settlements, ivory brought by Portuguese from Africa and European goods, bullion, coffee and dates from Arabia and Persia. The exports were to Arabia and Persia, the richer kinds of silk and cotton goods and indigo to Africa; cotton, indigo and piece goods to Madras and Bengal; cotton to China; cotton and drugs and cloth, cashmere shawls and small quantities of cotton to Mauritius and Europe.¹³

The English East India Company had trade relation with Surat since the beginning of the 17th century. The English merchants traded at Surat throughout the 17th century. In the year 1698, the new English Company was established in England and thus, there were two English Companies trading with India during the period from 1698 to 1708. In 1700, the new English Company proposed that the two Companies should be united, but the old London Company refused the offer. However, two years later, the two Companies agreed to amalgamate. The efforts to unite the two Companies were stopped in 1708 and the United Company was renamed the United East India Company.¹⁴

The trade of the English Company at Surat had many difficulties. For sometime, the English trade at Surat was stopped because of the exactions and ill-treatment by the Governor of Surat. The English withdrew from Surat in 1712.

Afterwards, Embassy of John Surman was sent to the Mughal Emperor and it was accompanied by a medical gentleman named Hamilton. The Emperor Farrukhsiyar recovered from his illness by the treatment of Hamilton. The Emperor granted the English a new firman for the trade at Surat. The Imperial firman was received on 5th January, 1717. Through the firman, the English Company obtained a number of privileges. These were as follows:-

1. Commercial concessions at all the ports, where it had its establishment, except at Surat, where it had to pay Rs.10,000/- as Peshkash (gift) to the Mughal Government in order to have trading facilities not only at Surat but also in the whole of the Mughal Subha of Gujarat;
2. Protection to Company's servants and traders from robbers on all the trade routes;
3. Exemption to the Company's traders and merchants from producing the original firman, sanads, etc., at every stage. They were permitted to produce, on demand, only attested copies;
4. Exemption from deductions from the sicca money coined in the mint at Madras after the fifth regnal year of the reign of Emperor Farrukhsiyar, in case the metal content thereof was equal in fineness to that of Surat rupee and similarly, exemption from realization of batta on the sicca money coined at Bombay.

In addition to these privileges, a number of Hasbu-L-Hukms were issued in favour of the English Company, from time to time, such as:

1. No person with a British dastak to trade shall be molested by any one and he shall receive protection from the government;
2. Exemption shall be granted to the Company's agents or Gomas-tas from paying tax and assurance shall be given that no one should molest or rob them of their riches;
3. No port officer will force any British ship drifting ashore by adverse wind or sticking up in the bed to pay a levy equal to one fourth of total value of the cargo and no one would be molested on that account;

4. Permission shall be granted to employ Indian traders and merchants to places outside the reach of its servants;
5. The old house at Surat used as factory by the English Company shall be given to them and additional land of 40 bighas will also be given to have another building constructed for the new factory on the river side. Another grant of 150 bighas of land shall be given towards Athavisi - a place where the Indian 'Merchant Prince' - Mulla Muhammad Ali, had his bandar (port).¹⁵

In the mid-18th century, the English merchants slowly involved in the politics of Surat. Struggle between the two groups continued at Surat for the Governorship of the city. In 1750's, for some period, Siddi Masud was the virtual Governor of Surat. Siddi Masud seized the castle of Surat and became its commander. He claimed the part of revenue of the city of Surat. Thus, the administration and revenues of Surat were divided between the Mughal Governor and the Commander of castle of Surat. The merchants of Surat, who were tired of the disputes between various political groups at Surat, requested the English to secure the castle of Surat. Hence, the Bombay Army arrived at Surat and took the possession of the castle in 1759. Thus, the English became the masters of the castle of Surat in 1759, but still in other parts of Surat, administration of the local Governor of Surat continued.

In the later years of the 18th century, the double Government existed in Surat. The English were supreme but as long

as Nawab Nizamuddin existed, they could not interfere much in the administration. And finally, in the year 1799, when the Nawab Nizamuddin died, the English Government put an end to the corrupt administration of the Nawab. On 13th May, 1800, a treaty was concluded with Nawab, by which the management and collection of the revenues of the city of Surat and of the territories, places and other dependencies thereof, the administration of civil and criminal justice, and genereally, the entire Government of the said city and its dependencies was vested forever wholly and exclusively in the English Company.¹⁶

The annexation of Surat marks the climax of the Company's vigorous efforts to restore and expand its trade. Because of the war in Europe, there was growth in demand for the Indian piece goods. Naturally, the Company's merchants made efforts to collect as much piece goods as possible from Surat. But Surat long suffered from the evils of divided Governments and that is why Surat could not fulfil the new demands of the Company. Mis-government and disorder of Surat hampered the expansion of the trade. Hence, the English desired to control Surat completely. The main exponent of this policy was Charles Malet. The annexation of Surat was in no way a part of the imperial designs of the British, but it was largely necessitated for the expansion of piece goods trade.¹⁷

In Gujarat, the seaports of Surat, Broach and Cambay were considered as the major trading centres. These places

were situated on the rivers Tapi, Narmada and Mahi. These places commanded most of the commerce of the rich and trading province of Gujarat.¹⁸

The English East India Company was conducting trade in Gujarat since the 17th century. Surat was their main centre of commerce in Gujarat in the 17th and the 18th centuries. The Company had considerable investment in the piece goods of Gujarat. However, the last quarter of the 18th century, the piece goods trade of the Company declined. In the year 1771, the Company's piece goods investment had been worth £91,300, but its value in 1789 was only £33,357.¹⁹

Sometimes, Western India was an area of lesser importance for the Company's textile trade.²⁰

The piece goods of Surat were sent to England. They were in demand by Bristol and Liverpool merchants for slave trade to Africa.²¹

Cotton collected from various places in Gujarat was sent to China because it had good demand in China.²²

Surat was primarily a manufacturing city which produced piece goods for the Company's European investment. The supplies of raw cotton came to Surat also from other parts of Gujarat, particularly from Broach and Bhavnagar. Upto 1789, Bhavnagar provided about 39% and in 1805, Broach Paragana provided 17% of the exportable cotton of Gujarat.²³

The English merchants imported the broad cloth produced in England at Surat. This broad cloth was greatly consumed in the camps of Mughals. The broad cloth was sent to the Mughal camps, partly from Surat and partly from Bengal.²⁴

In 1710, the share of Surat in total quantity of exported textiles by the English Company was 25 per cent, that of Madras 20 per cent and of Bengal 47 per cent.²⁵

In the 18th century, more and more weavers, were coming to Surat. It was because of the Maratha hoverings around Ahmedabad, so the weavers of Ahmedabad were coming to Surat.²⁶

The weavers at Surat mainly came from the Khatri caste. There were weavers not only in Surat but also in the adjacent places.²⁷

The dealers or the middle-men played an important role in the commercial transactions of the European trading Companies. They were the links between the weavers and the Company. They provided the weavers with all the raw materials and advanced money to them for their food and necessities. Many times, complaints were made by the weavers that the dealers paid them less than was their due.²⁸

In and around Surat, political insecurity and the decline in Gujarat's trade with the middle-east heightened the

weavers' dependence on the merchants. The English factory was urging the Surat broker in the 1730's to exercise greater control over the artisans. The textile contracts were given to certain merchants on the ground that they had a large number of weavers in their employment.²⁹

The weavers were probably retained by the merchants on the basis of piece rate as well as monthly wage payments.

The English were not the only European merchants to trade at Surat but other Europeans such as the Portuguese, the Dutch and the French also traded at Surat. So, there was a lot of competition between the merchants of various European countries to purchase the piece goods of Surat. These European competitors purchased the piece goods of inferior quality even by paying more prices.

Naturally, this competition among various merchants affected the prices and the supply of the piece goods. The prices rose up and even the weavers took advantage of this situation. The weavers worked for the merchants who paid them higher wages. The piece goods of Surat were not only exported to Europe but they were sent to a large part of Hindustan and also to Gulf of Persia and Arabia.³⁰

In the last decade of the 18th century, the Portuguese again took interest in piece goods of Surat. They were prepared to pay higher prices for the piece goods. The Portuguese paid Rs. 80/-



for the most inferior goods, whereas the Company paid only Rs.74/- for the cloth of highest quality. Naturally, the supply of piece goods to the English Company stopped for some time.³¹

From the beginning of the 18th century, the English Company's trade with Western India suffered a series of disruptions. The decline sets in after 1715 and it was only in very exceptional and prosperous times that the share of Surat ever rose beyond 15%. What is discernible from the regional distribution figure is a kind of alternating movement. For three or four years, the proportion of Western India would fluctuate at around 10%; to be followed by a period when this declined to 5-8%. The commercial eclipse of the Surat factory in the East India Company's trading organization was primarily the result of a shift away from the cheap and coarse textiles in which Gujarat and the Deccan specialised and later the disappearance of indigo from the export list. The coast of Coromandel was able to maintain its share more successfully than Western India.³²

There were signs from 1720's that the decline in Surat's maritime trade was causing an unemployment among the textile workers of Gujarat and there are references of the weavers turning to agricultural work.³³ In the 1730's, the commercial life of Surat was declining and it would have been insupportable in its decayed state without the financial investment made by the trading Companies.³⁴

The first serious sign of a permanent shift in the

main direction of Surat's trade came with the fall of the Safavid Dynasty and the ensuing civil wars in the Persian Empire. From 1723, reports began to multiply of the rapid decline of Gombroon and other Persian ports in the Gulf, which caused part of the Indian trade to be diverted to Basra.³⁵ In 1727, the Bombay Council feared that a similar calamity might overtake the Mughal administration in India, leading to a total subversion of this monarchy. But in 1732, the Court was impelled to point out that in spite of the unsettled condition of the city of Surat and the surrounding land, a great number of ships were consigned to the port from all parts of the Indies with valuable merchandise year after year, which confirmed the Court's opinion that the city's trade was not much affected by local or imperial politics.³⁶

The eclipse of Surat from its position of overwhelming commercial superiority in Western India during the 18th century was no doubt a gradual process. Even the English shipowners for a long time preferred to discharge their cargo at Surat rather than in the East India Company's settlement in Bombay. They were able to obtain speedier sales and better prices in Surat. Europe's view of its role as a commercial metropolis even in the middle of the 18th century was quite clear. In 1747, when the personal guards of the Surat Governor caused a riot in town, the English Council pointed out to the authorities that a city like Surat which lived by trade could not afford such lawlessness. A year later, the Council took note of the fact that if the English did take part in the local politics, it was to save from ruin so great a city as Surat.³⁷

Apart from internal political weakness, which periodically paralysed the city's economic life, there were other factors also working against the long term interest of Surat. The transit trade from northern India was always a vital lifeline of its prosperity. But in the second quarter of the 18th century, Maratha expansion in Gujarat and the north, brought a renewal of military operations which adversely affected the caravan trade. The most notable victim was the great industrial city of Ahmedabad, which, as the provincial capital, was the first objective of military or political struggle. When the city fell to the combined forces of the Marathas and the Mughal viceroy, Momin Khan, in 1737, after a long siege, John Lambton, the Chief of the English Factory in Surat, recorded in the official diary that the news of the capture of Ahmedabad, "gives great hopes to the merchants of this place that its trade will be revived and run in its wonted channel"³⁸

During the 18th century, trade of Bengal increased and it was greater than the trade of Gujarat. But Surat still remained a first rate commercial centre. It was because of the commercial skill and acumen of the merchants of Gujarat, their concentration of capital, and an intimate knowledge of the sea and shipping. The Gujarati trader was just as active in coastal trade of India, in the trade to South East Asia, to China and East Africa, as he was in the commerce with the middle East. When the markets of one region suffered a contraction, the merchants of Surat turned to other lines of trade.³⁹

Surat, which in 1763, was called the storehouse of the most precious productions of Hindustan and, in 1777, was still the port through which the greatest trade of any kingdom of Hindustan passed, had before the end of the century, lost a greater part of its commerce.

With the exception of the English, the trade of the European settlers at Surat during the latter half of the 18th century almost entirely ceased. The great export of cotton, wool to China and Bengal which (1777) employed on an average, more than thirty ships, of from 500 to 1000 tons apiece, would seem at the close of the century to have declined in amount and to have been transferred to Bombay. The trade of Arabia and Persia also suffered. The total exports estimated in 1789 at about £ 100,000 are, at the close of the century, valued at but little more than half of this amount. With regard to the total value of the sea trade of Surat, at the close of the 18th century, it would seem from statements drawn up in 1800, when the management of the trade of Surat passed into the hands of the British, that during that year, the total value of exports and imports amounted to Rs.35,65,841/-. During that year, there were in all thirtyeight articles imported or exported, whose total estimated value was over Rs.15,000/-. Of these, seven were over £ 10,000, nine between £ 10,000 and £ 5,000, eight between £ 5,000 and £ 2,500 and fourteen between £ 2,500 and £ 1,500.

The land trade at Surat in the latter part of

the 18th century would seem to have chiefly lain along two routes - to towns of northern Gujarat and through Khandesh; southward to the Deccan, Aurangabad and Hyderabad; and northward to Malwa, Indore and Ujjain. To northern Gujarat, the chief exports were molasses, sugar and cocoanuts sent in return for the muslins of Broach and the silk and calicoes of Ahmedabad and Patan, Eastward along the Tapi valley would seem to have been exported brocades and other silk articles, the manufacture of Surat.⁴⁰

Besides the English, the Dutch and the French also traded at Surat. The Dutch merchants in 1709 obtained a charter determining that,

according to ancient customs, a place in the city shall be granted to the Dutch East India Company for their use in carrying on their trade and likewise another for the residence of the Chief within the city or in the garden.

Again in 1712, it was provided that the house of Itabar Khan should be given to Company's servants for their residence forever. Under the terms of a Charter obtained in the year 1729, the Dutch Director of Surat was allowed to purchase ground in Jehangir Bandar within the outer walls of the city of Surat and to erect buildings upon it for the housing or merchandise.⁴¹

In 1759, the Dutch were powerful settlers in Surat. But three years afterwards, they had to face troubles from Nawab of Surat. For some time, there was a struggle between Nawab and the Dutch. Castor Neibuhr, who visited Surat in 1760's, writes,

of foreign nations, the Dutch have next, after the English, the most considerable establishment at Surat. They have here a Director, several merchants, a number of writers and servants and few soldiers. Their trade has, however, declined till it has become trifling. The affairs of this nation in India seem to be rather in disorder since the English obtained possession of the Citadel.

In 1776-77, the establishment of Dutch at Surat consisted of 30 persons, one clergyman, two surgeons, 4 mariners and 25 sowars, in all 62 Europeans. Slowly, the Dutch trade at Surat declined. In the year 1780, a correspondence was intercepted which showed that the chief of the Dutch factory had engaged in a plot to assist the Marathas against the English and hence, measures were taken by the English against the Dutch. The Dutch factory was seized by the English and the Dutch factors were made prisoners. Henceforth, the Dutch were under watch of the English at Surat. Their trade at Surat did not develop because the English had become the masters of castle in latter half of the 18th century.⁴²

In 1794-95, the total value of their trade was estimated at Rs.3,11,400. In 1797, they were spoken of as having no active influence.

For providing the supply of cloth, the Dutch handed pattern to persons called as furnishers or contractors. When the yearly supply of cloth was ready, the furnisher took the cloth to the Dutch lodge in the city. It was tested and such pieces which did not agree with the pattern were returned to the contractors.⁴³

The French also traded at Surat. In the first 18 years of the 18th century, the French had no connection with Surat, but in 1719, a new French United East India Company was formed and for some years, it traded with Surat with success.⁴⁴

Like the Dutch, the French also had their factory at Surat. The influence and prosperity of their factory started declining when the English became the virtual rulers of Surat.⁴⁵

They did not have much trade at Surat in the latter half of the 18th century. In 1778, it was found that the head of the French factory was assisting the adventurer St. Lubin. Hence, orders were issued by the Bombay Government for the consul's arrest. He and the whole staff of Europeans were kept as prisoners of war in their garden at Surat. Later on, they were transferred to Bombay and until the close of the 18th century the French Factory at Surat was not again re-opened.⁴⁶

The raw cotton and indigo which were brought to Surat were taxed by the local governor. A tax of Rs.10/- on a Khandi of cotton was levied and the tax of Rs.10/- was levied on 4000 maunds of cotton yarn which were brought from the surrounding country. The European merchants could not purchase cotton directly. There were certain agents who supplied cotton to them. These were known as cotton dealers. They also had to pay an annual levy to the local governor of Surat. There were also taxes on indigo and the Nawab collected 18 and a half per cent of value of the finished cloth.⁴⁷

After English became the masters of Surat in 1754, the prosperity of the town quickly increased, and the trade developed because of abolition of numerous petty imposts. Under the Mughal Government, each cart of grain entering the town had to pay from 10 to 15 rupees and every cart of firewood from 1/2 to 1 rupee. In addition to this, monthly and annual presents had to be made to the Surat castle. The passage boat farmers paid a tax of 22½ rupees per month. All fish, whether fresh or dry that came into town, paid some small perquisite and milk sellers, betel shopkeepers, grain brokers all paid certain taxes.⁴⁸

Customs Duties.

In the latter half of the 18th century, the customs were collected at Surat in three distinct custom houses; two were in the hands of the Nawab and one belonged to the English. Of the Nawab's custom houses, one was called the furia and it was a sea custom house. The other was called a Khuski and it was a land custom house. The English custom house was a sea custom house and it was called the lati. At Surat, under the provisions of their Charter of 1717, the English were allowed on payment of a yearly tribute of rupees 10,000/- to pass their own wares free of charge. During the period from 1759 to 1790, goods brought into Surat had to pay custom duty and again when the goods were exported, duties were charged second time. However, the practice of charging duty twice on same goods was given up at the close of the 18th century. By special exemption piece goods imported into Surat by land were freed from duty at the land custom house.

From 1759 to 1763, the whole amount levied at the Nawab's sea and land custom houses was composed of two items. The regular custom house charge was collected from various classes of merchants according to the following scale:-

2½ percent from Musalmans,

3½ percent from Armenians,

5 percent from the Hindus.

There were two special cesses known as Ekotra, each of 1 percent. One was first levied by Teg Bakhtkhan about the year 1746. Other was introduced by the English in 1759 to repay the charges incurred by them in the capture of Surat. The proceeds of the first cess which was levied on Muhammadans, with some special exceptions, and on Hindus, entirely belonged to the Nawab. The revenue of second cess (ekotra) collected from Armenians as well as from the Hindus and from all Muhammadans was enjoyed by the English.

In 1763, Mr. Hodges, the chief of the English factory arranged that the rates paid by the Hindus should be reduced to 6 percent and that those paid by the Musalmans should be raised to 5½ percent. The rates introduced in 1763 remained in force till 1792. The English at their custom house charged custom dues at the rate of 4 percent. To this were added two special cesses of one percent each. One was first levied to repay the charges incurred by the English in 1750. The other was a 1 percent convoy duty, making altogether a total uniform rate of 6 percent. In 1794, orders were

received from England to reduce the rates charged at the English custom house to two and half percent. This change was carried out and in the following years, the new rates were extended to the Nawab's custom houses.

However, this was a great loss to the income of Surat and moreover, the Marathas demanded share in the revenue of Nawab's Sea custom houses. Hence, in 1800, when the English were masters of Surat, they maintained three custom houses, charging at each a uniform rate of four percent. To these charges, fee of 1 percent was added at the Latti (English custom house), for marine charges and at Furia and Khuski custom houses cess of 1 percent was collected. It represented the former English war charge abolished in 1794. Besides these charges, there was a special arrangement in favour of the English. They enjoyed the monopoly of providing tonnage for the trade between Surat and Persia and Arabian Gulf. On account of this monopoly, the English collected the charge of 6 percent on the trade. But it was abolished in 1795. Later on, in 1800, a special cess of 2 percent was imposed in its place.

Exemptions. Certain exemptions were also given in the taxes. There were three types of exemptions:-

1. On goods passed with an English certificate through the English Custom House;
2. On goods passed with the Mughal Certificate or Dakala;
3. On trade conducted under Charter or firman privilege.

In the year 1791, it was decided that payment of custom dues at any one English settlement should pass the same goods free of charge through other English custom houses. Because of this arrangement, during the four years ending with 1800, goods with the average yearly value of Rs.29,14,360 were passed free of custom duties and in return that Surat goods valued at Rs.20,11,100 were exempted at other ports. From time to time, the Delhi Court gave concessions in custom dues to certain Musalmans. The average total yearly value of goods under these certificates (concessions) during the four years ending with 1800 is mentioned at Rs.8,06,830. Of the whole quantity, some paid duty at the rate of two and half percent, some at the rate of 3/4 percent, and rest was allowed to pass free-of-charge. In 1800, it was decided that all exemptions under Mughal certificates should cease.

During the period from 1759 to 1800, the French, the Dutch and the Portuguese traders at Surat in consideration of their Charter or farman privileges would seem to have continued to trade paying duty at the rate of only two and half percent. From 1759 to 1798, goods belonging to these privileged Companies are said to have paid two and half percent duty and nothing more. In 1800, the custom house regulation then introduced, provided that the trade of the European nations possessing Charters from the great Mughal should in no way be interfered with, nor the existing provisions altered. In accordance with this rule in the estimate drawn up in 1800 of the probable custom-house revenue, Portuguese merchandise is entered as charged two and half percent.⁴⁹

**Town Dues
of Surat.**

A special town due or mokat was introduced by Teg Bakht Khan about the year 1735. The town dues in 1778 were estimated to yield rupees 4,26,230 and in 1800, rupees 3,30,040.

The articles on which the duties were imposed were arranged in three categories:-

1. Articles paying town dues only;
2. Articles paying customs as well as town dues; •
3. Articles paying a certificate tax in addition to town dues.

To the first class belonged the agricultural produce which were charged at rates varying from 1 to 5 percent on grain, 10.55 percent on clarified butter, 11.75 percent on sugarcane and 30.10 percent on tobacco.

Under the second class, 101 articles were enumerated, chiefly dyes and manufactured goods. These goods paid customs of two and half percent and also town dues of 2 or 4 percent. Few articles were charged much higher rates. These are the rates charged in the year 1800. In this year, the total value of the trade in articles belonging to this class is returned at Rs.3,83,860, to which coarse cotton cloth or dhoties contributed Rs.88,780/-, fine cotton cloth or baftas Rs.61,910/-, dates Rs.41,000/- and jingelly oil Rs.29,580/-. Under the third class, a list of 115 articles of every description is given, which before the levy of town dues, were imported either free or under a reduced customs rate of three-quarters percent. The goods privileged to pass at the specially

easy certificate rates may be arranged under three heads accordingly as they were imported:-

- a) through the English or Lati custom house;
 - b) through the Nawab's sea or furia custom house;
 - c) through the Nawab's land or Khuski custom house.
- (a) On goods impored through the English or Lati custom house, the town dues varied, as a rule, from one and three quarters to about three percent, though pomegranates and raisins were charged at five percent, assafoetida at nine percent and lac at as much as 46.63 percent. The total value of the goods import-
ed under this head in 1800 is stated at Rs.3,37,730, to which cochineal contributed Rs.1,10,510 and China silk Rs.93,250;
- (b) On goods imported under certificate through the Nawab's sea custom house or furia, a certificate tax of three quarter percent was charged. With the exception of indigo, which paid $4\frac{1}{4}$ percent, the town dues varied from one and half and two and a half percent. The total value of the articles imported under this head was Rs.1,70,530, to which chadars contributed Rs.1,27,560.
- (c) In addition to a certificate duty of three-quarters percent, the articles imported through the Khuski or land custom house were charged with town dues varying in amount from $\frac{3}{4}$ to $3\frac{3}{4}$ per cent. Only in the case of chintz, the town dues levied on goods of this class rose as high as five percent. The total value of the articles imported under this head is stated at Rs.3,03,860 to which yarn contributed Rs.2,16,130.⁵⁰

Indian Merchants

Indian merchants also played an important role in the commerce of Surat. Mulla Muhammad Ali was a famous merchant of Surat in the early part of the 18th century. He first became a prominent merchant of Surat and then he became a leader of merchant community at Surat. He was a rich man and a large ship-owner. He created a guild of the merchants. He developed close relations with the local officials to safeguard his own interests and the interests of other merchants. Not only this, but he was one of the largest creditor among the local merchants. He even sometimes financed the Dutch, the English and local merchants. He was an adopted son of Mulla Abdul Gafur, the famous merchant of Surat,

He was the largest ship owner. He inherited more than 20 ships from his father. He purchased two ships from Mughal Emperor Muhammad Shah and one he got built at Athwa. His ships sailed extensively on the western coast between Surat and Jedda and from Surat to Mocha and Bengal. At Mocha, he had a warehouse of his own.⁵¹

Shipbuilding was an important industry at Surat. Many shipbuilders were the Parsis. In 1717, a ship was built in English yard, about 100 feet long and costing Rs.75,000/-. The Surat ships were strongly built, and they were able to navigate the sea for 100 years. The largest ships were engaged in China trade. The smaller ships went to Arabia and Persia. It seems that the Surat shipbuilders followed the models of European ships.⁵²

Coins. Commercial accounts were kept at Surat in rupees and quarters. The coins current were the gold mohur, rupees, their halves and quarters and tin pice, 72 pice to 1 rupee. The gold mohur weighed 179 grains and passed current for 15 silver rupees. The silver rupee coined under the Mughal Government weighed 178.314 grains. In the year 1800, the weight of Surat rupee was slightly increased and it weighed 179 grains.⁵³

Surat was the great commercial centre of India in the 17th century. However, the rise of Bombay in the second half of 17th century caused decline of Surat as a commercial centre. But even after the rise of Bombay, Surat remained commercially an important city until 1760's. In the 18th century, trade of Surat was declining. Many factors were responsible for the commercial decline of Surat. Changes in the pattern of trade, political disturbances in Gujarat, double government at Surat and other factors were responsible for the decline of Surat. Even then, Surat was considered an important commercial centre of Western India until the end of the 18th century because of its commercial convenience and business skill of the merchants of Gujarat.

REFERENCES

1. Encyclopaedia Britannica, Vol.XVI, 1962, p.520.
2. Mukerjee, Radhakamal : The Economic History of India
(1600-1800), p.99.
3. Foster, W. : The English Factories in India, 1660-63, p.124.
4. Mukerjee, Radhakamal, op.cit., p.97.
5. Ibid., p.100.
6. Foster, W. : op.cit., 1645, pp.137, 304.
7. Milburn, W., : Oriental Commerce, Vol.I, p.289.
8. Forrest, G.W., S.L.D.S.P.B.S. (Home series), Vol.I, pp.434-38.
9. Ray, Aniruddha : An Unpublished French Report on Surat and
Broach - 1781. Indian History Congress, 1978, pp.555-62.
10. Chaudhuri, K.N. : The Trading World of Asia and the English
East India Company (1660-1760), 1978, p.49.
11. Ibid.
12. Ibid., pp.371-72.
13. Gujarat State Gazetteers, Surat District (Revised Edition),
1962, p.177; Milburn, W., op.cit., Vol.I, p.161.
14. Chaudhuri, K.N., op.cit., p.435.
15. Mishra, N.K. : Trade of Surat and the Imperial Firman, Indian
History Congress, 1966, pp.416-17.
16. Forrest, G.W. : S.L.D.S.P.B.S. (Home series), Vol.I, p.448.
17. Nightingale, Pamela : Trade and Empire in Western India,
(1784-1806), p.174.
18. Poona Residency Correspondence, Vol.II, p.330.
19. Nightingale, Pamela, op.cit., p.31.

20. Chaudhuri, K.N., op.cit., p.283.
21. Nightingale, Pamela, op.cit., p.133.
22. Ibid., p.128.
23. Ibid., p.129.; Guha, Amalendu : Raw Cotton of Western India :
1750-1850' in 'The Indian Economic and Social History
Review', Vol.IX, no.1, 1972.
24. Chaudhuri, K.N., op.cit., p.225.
25. Ibid., p.296.
26. Ibid., p.310.
27. Nightingale, Pamela, op.cit., p.151.
28. Ibid., p.152, 153.
29. Chaudhuri, K.N., op.cit., p.261.
30. Nightingale, Pamela, op.cit., p.145.
31. Ibid., p.170.
32. Chaudhuri, K.N., op.cit., p.98.
33. Ibid., p.268.
34. Ibid., p.16.
35. Ibid., p.196.
36. Ibid.
37. Ibid.
38. Ibid., pp.196-97.
39. Ibid., p.197.
40. Gujarat State Gazetteers, Surat District (Revised Edition), 1962,
pp.177-179.
41. Ibid., pp.139-140.
42. Forrest, G.W., S.L.D.S.P.B.S. (Home series), Vol.I,
pp.xxxi, xxxdii.

43. Gujarat State Gazetteers, Surat District, p.182.
44. Ibid., p.140.
45. Forrest, G.W., S.L.D.P.B.S. (Home series), Vol.I, p.xxi,xxdii.
46. Gujarat State Gazetteers, Surat District, p.183.
47. Nightingale, Pamela, op.cit., p.152.
48. Forrest, G.W., S.L.D.S.P.B.S., Vol.II, p.114.
49. Gujarat State Gazetteers, Surat District, pp.168-171;
 Milburn, W., op.cit., pp.161-67.
50. Gujarat State Gazetteer, Surat District, pp.167-68.
51. Singh, M.P. : Mulla Muhammad Ali, The Merchant Prince of
 Surat, Indian History Congress, pp.292, 295.
52. Gujarat State Gazetteers, Surat District, p.176.
53. Milburn, W., op.cit., Vol.I, p.158.
 Chitnis, K.N. : Socio-Economic Aspects of Medieval
 India, p.392.