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**TRADE AND COMMERCE IN ANDHRA DESHA EARLY 16<sup>TH</sup> AND 17<sup>TH</sup> CENTURIES**

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**ABSTRACT:** *This paper attempts to analyses the trade and commerce in Andhra Desha in early 16<sup>th</sup> and 17<sup>th</sup> centuries. The trade was carried out by a group of merchants belonging to different sections of the society in Coastal Andhra. The trade will became family based and this development was linked with the network of Coromandel trade. High quality of textiles and several varieties of luxury goods were flourishing in many centers of the Coromandel Coast during 17<sup>th</sup> century, because the Availability of raw material, supply of skilled labor, plenty of urban demands and sufficient market facilities etc were helped the growth of handicrafts. The main objective of the paper is to understand the exports and imports and their relationship with different merchants groups in 17<sup>th</sup> century and how the merchants were played key role in various commercial activities in coastal regions of colonial Andhra.*

**Introduction:** India had good commercial relations with West and East since early times. The trade was carried out by a group of merchants belonging to different sections of the society. During these periods overseas trading became a family based operation in the entire coastal Andhra. This development linked them with the overall network of Coromandel trade. In South India the mixed character of merchants became a special feature as territory was the basis of organization and not a particular caste or group. Hindus dominated the entire commercial towns of Coromandel.<sup>1</sup>

A comparative study of the contemporary industrial conditions in India and Europe gives the impression that in this respect India was more advanced than the European countries. Urban and rural handicrafts of high quality in textiles and several varieties of luxury goods were flourishing in many centers of the Coromandel Coast during 17<sup>th</sup> century. Availability of raw material, supply of skilled labor, plenty of urban demands and sufficient market facilities were the factors which helped the growth of small – scale commodity handicrafts in towns and villages.

Production and distribution of economic goods in India was based on the co-existence and at times, interpenetration of subsistence and a commercialized sector. As the bulk of the population lived in the villages and the bulk of their needs for goods and services were satisfied through production for use and a network of reciprocal obligations, exchange accounted for a relatively small proportion of economic activity. Yet exchange of goods, found at virtually every level and sphere of

economic life, was impressive in its magnitude and complexity. The dominance of subsistence – oriented production was modified by surpluses and deficits necessitating multi – tried and multi – faceted commercial activity.

The local trade has quickened a pace at the time when the western nation began exporting local manufacturers and raw material and imported foreign manufacture. Local merchants sold their goods to the western traders on sea – ports and stocked foreign goods in exchange. It was natural that the Qutb Shahi government treated the local traders very leniently and levied no tax and required the westerners to exchange their goods with the local people free of tax. This patronizing attitude on the part of the government went a long way in encouraging the local trade. Yet, as Giridharilal say ‘the encouragement was marred by that fact that indigenous trade was monopolized by the Persians who, for their religious affiliation enjoyed great facilities and royal patronage than the Deccanics’. It appears that most of the Persian families who had settled on coastal town, had been invited by Mohammed Quli Qutb Shah and were encouraged by the king to start business, they made large fortune and received excessive royal favors.<sup>2</sup> It was due to this that they behaved very arrogantly and teased the local people. In addition to Persian families, according to *Sukasapatati* the local Komaties and Gutta Gollalu have done the indigenous trade in the Deccan<sup>3</sup> and this trade was carried on by oxes, asses, and horses during the period.

*Hamsavimsati* mentions the merchandise available in the *Janapada* shops was as follows:<sup>4</sup>

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| 1. <i>Jajikaya</i>       | - nutmeg   |
| 2. <i>rasna</i>          | - A plant called smilax china or <i>alpinia galena</i> . |
| 3. <i>haridra</i>        | - wood – saffron   |
| 4. <i>japatri</i>        | - mace   |
| 5. <i>nagara</i>         | - mace   |
| 6. <i>gnadhaka</i>       | - sulphur  |
| 7. <i>nabhi</i>          | - aconitum <i>ferox</i>                                  |
| 8. <i>rasamu</i>         | - quick silver   |
| 9. <i>atimadhura</i>     | - liquorice; <i>glycyrrhiza – glabra</i>                 |
| 10. <i>tuttha</i>        | - vitriol; sulphate of copper                            |
| 11. <i>abraka</i>        | - mica   |
| 12. <i>aila</i>          | - a root used as a medicine in <i>dropsies</i>           |
| 13. <i>silajittu</i>     | - bitumen  |
| 14. <i>murudarusingu</i> | - the wood of deodar                                     |
| 15. <i>hinguava</i>      | - asafetida  |

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| 16. <i>annabhedi</i>       | - green vitriol, <i>sulphate</i> of iron                                      |
| 17. <i>vasa</i>            | - sweet meg; <i>acorus calamus</i>  |
| 18. <i>akkalakarya</i>     | - a medicinal root, <i>anacydus pyrethrum</i>                                 |
| 19. <i>pancalavana</i>     | - the five salts  |
| 20. <i>cavyamula</i>       | - the wood of the long – pepper plant   |
| 21. <i>dolamu</i>          | - a certain decoction, a medicine used by the<br>Newly delivered women        |
| 22. <i>manisila</i>        | - a red <i>sulphate</i> of arsenic  |
| 23. <i>pippallu</i>        | - long – pepper   |
| 24. <i>kostuvu</i>         | - a herb taken from a plant named <i>coinus arabicus</i>                      |
| 25. <i>pippalimulamul</i>  | - the roots of long – pepper plants   |
| 26. <i>haridala</i>        | - <i>tulasi</i> – leaves of basil plant.                                      |
| 27. <i>nagakesaramulu</i>  | - the small tree termed <i>mesuafercea</i>                                    |
| 28. <i>ingilikamu</i>      | - vermilion   |
| 29. <i>sadepavellu</i>     | - the roots of <i>amethus pannorum</i>  |
| 30. <i>dhanyakamulu</i>    | - grains  |
| 31. <i>katukarohini</i>    | - black hellebore, a purging medicine   |
| 32. <i>patika</i>          | - alum stone  |
| 33. <i>jangalapacca</i>    | - artificial emerald  |
| 34. <i>karpati</i>         | - a king of <i>collysium</i> prepared for saffron.                            |
| 35. <i>garavi</i>          | - a king of herb, <i>balanites roburghit</i>                                  |
| 36. <i>renukamu</i>        | - a sort of cucumber ( <i>nugudosa</i> )                                      |
| 37. <i>ativasa</i>         | - <i>aconitum heterophyllum</i> or the great sweet flag.                      |
| 38. <i>talakamu</i>        | - yellow <i>sulphate</i> of arsenic   |
| 39. <i>mamsi</i>           | - meat  |
| 40. <i>nakhamu</i>         | - nail  |
| 41. <i>nephalamu</i>       | - coral plant or its herb   |
| 42. <i>ksara</i>           | - caustics  |
| 43. <i>pasanamulu</i>      | - poisons in the form of stones   |
| 44. <i>abrakamulaidu</i>   | - the five kinds of mica  |
| 45. <i>granthitagaramu</i> | - the flowering plant named whorl flowered<br><i>ruellia, rullia strepens</i> |
| 46. <i>yavanikadwayamu</i> | - the two kings of Oman, bishops weeds; <i>sisan ammi</i> .                   |
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47. *kacchuramulu* - a herb of a plant called *zedorary*.
48. *maratimoggalu* - a certain drug
49. *kulutta kusumamulu* – the flowers of horse gram
50. *kunduruskamulu* - a herb from the tree known as *olibanum*
51. *gantubarangi* - *simphonanthusldica*
52. *kankustamu* - madder, a plant used in medicine and in Dying
53. *menti* - fenugreek
54. *majistamu* - madder, a plant used in medicine and in Dying.
55. *mranipasupu* - turmeric
56. *viskantakalu* - a herb from the *nux vomica* tree.
57. *amlavetasamu* - the leaves of tamarind tree
58. *nirucinacali* - a king of green vegetable
59. *pulicinacali* - yellow wood *socred; oxalls conrnica*
60. *jirakamu* - cumin *cyrum*
61. *nallajilukarra* - black cumin seeds
62. *puskaramulu* - root of a lotus plant
63. *kamilyamu* - *tottera tinctovia*
64. *samudra phenam* - opium
65. *dhatakusumam* - the flowers of a tree called *cristea tomentora*
66. *sasvulu* - mustard seeds
67. *uppalulu* - a salt marsh
68. *gajapippali* - long pepper
69. *kakamasi* - crow's bane, the *cocculus indicus*
70. *styaneyakamu* - a sort of perfume
71. *citramula* - the herb of a plant called Ceylon leadwort
72. *gorocanamulu* - ox – gall
73. *kapotaraksay, saila sauvira* – *collyriums* known as *kapota*
74. *rasamukhan janamulu* – *tarkasya, saila, samvira, rasa, mercury*.

*Sukasapatati* also refers to articles of indigenous trade during the period. <sup>5</sup>

Trade in Golconda kingdom was conducted by merchants known as Chetties (Setties), Baniyas, Komaties, and Muslims. The Komaties dominated coastal trading, wholesaling and retailing and banking activities in the Andhra region whereas the Muslim merchant communities like Persians, Arabs, Armenians, Turks, Pathans and Khorasanians captured the overseas trade along with the Europeans. The local Hindu merchants had to make the business in the teeth of keen opposition

and competition not only from the Muslims but also from the Europeans. In spite of this competition the Hindu merchants dominated internal trade along with the coast. These local merchants distinguished themselves as the suppliers of textiles from the centers production to the posts of Andhra coast.

It is clearly seen that by the beginning of the 17<sup>th</sup> century, commercial practices throughout the subcontinent had been developed to ensure the stable conduct of commerce. European and India merchants interacted in several interesting ways in the 17<sup>th</sup> century. They were more concerned about the greater competition they would have to face in export markets.

For a short discussion, Andhradesa was a perennial supplier of textiles. This development was a great advantage to the Andhra merchants, who carried on with great profits. A close alliance with the Dutch, the English and the French proved to be beneficial to the Andhra merchants as they became rich. Komati were the most recognizable caste group, as they established their foothold all along the coast and their leadership roles among communities engaged in commerce and handcraft production. Hindus of various Chetty sub – castes dominated the trade of all sectors. They also had their domination in maritime trade during the 17<sup>th</sup> century and some of them migrated away from the Krishna – Godavari and hinterland to South Coromandel. The prominent traders who dominated the Coromandel trade viz. Astrappa Chetti belonging to Pulicat was a prominent merchant, who owned ships and carried on trade with South East Asia countries and Ceylon. He had flourishing business in textiles. His area of commercial operation extended from Masulipatnam to Nagapatnam. Another local merchant Chinnanna brother of Astrappa Chetti, he owned more ships than his bother. His assets were estimated to be worth of a lack gold pagodas. Chinnanna entered into trade with the king of Arakan on overseas trade. Another local Hindu merchant Beri Thimmanna, who attained the status of chief merchant was supplying textiles to the English company and distributing article of import. His status as outstanding merchants is known from the cowl granted to him by Neknam Khan Governor of Karnataka. The next important local trader who dominated the commercial empire after Thimmanna was Kase Veeranna. He was a major supplier of textiles to the English company and enjoyed monopoly in English imports like woolens, lead and copper. He organized a joint stock company of Indian merchants with the English. By virtue of his influence with the Golconda government, he secured right of tax farming and obtained lease of the port of Kottapatnam. In the year A.D. 1674, St. Thome was given to Kase Veeranna for rent. Thus he became a great influential person not only in Madras but also in the Golconda administration. After Beri Thimmanna and Kase Veeranna, Padda Venkatadri and Chinna Venkatadri succeeded to the position

of chief merchants in the coastal regions in the year A.D. 1680, and dominated the exports and imports trade.

Besides them, the Baliya, some merchant Brahmin, Gujarati Baniya, Devanga, Sale and Banjara communities also involved in inland trade of the time. Thus it is evident from the above accounts that the internal trade was in the hands of local merchants.

In addition to these local trading communities the other communities equally contributed for the development of the trade and commerce in the Qutb Shahi kingdom were the Muslims and Armenians.

The Muslim merchants of the Andhra coast referred to in the European records as Coromandel Moors who were also like the Hindus a diverse group. The merchants of the Golconda kingdom called as Golconda Muslims were predominantly Persian in character with an intermingling of Arabs, Turks and Pathans. The Golconda Muslims distinguished themselves as overseas traders and active participants in coastal and oceanic trade. They were urban communities operating mainly from Masulipatnam and other ports such as Nizampatnam, Visakhapatnam and Bheemunipatnam. By virtue of their alliances with administrative nobility and royalty of Golconda they enjoyed political connections and influenced the diplomatic relations between the rulers of Golconda and the rulers of the trading State of Asia.<sup>6</sup>

In a letter written by the Dutch agent at Masulipatnam to his company some names of the permanent Muslim merchants of that region were given. They were Khwaja Nizam, Khwaja Hussain Ali, Mirza Beg, Mir Qasam and Khwaja Arabi. Some merchants were so powerful that they mediated between the merchants and the companies when trouble arose. For instance Mir Kamaluddin, a prominent merchant negotiated with the Dutch on behalf of the Golconda at Masulipatnam in A.D. 1629 and helped a merchant called Raghava Chetti.

The Armenians established themselves as trades concentrating their commercial activities and settled at Coromandel Coastal towns like Masulipatnam. They dominated shipping and oceanic trade as far as Manila in the East and Persian Gulf and the Red sea in the West. In addition to foreign trade, the Armenian merchants were given the opportunities by the Qutb Shahi Sultans to continue trade in Golconda kingdom like other merchant communities in land based trade also they have the free and undisturbed liberty of the exercise of their own religion. These indigenous merchants and European trader together developed internal and external trade and commerce. We don't find the existing of merchant guilds in Golconda kingdom though their guilds and their activities were very active for the promotion of trade and commerce prior to Qutb Shahi period.

The available source material of the colonial period speaks about the merchants, their activities and role not only in the State but also in the society. Further these sources also deals with the connection between the merchants and the ruling nobility at various levels including at the highest level, often at the intermediate, regional level of the coast and the hinterland. It was also seen the Mughal empire where merchants enjoyed influence at various levels of administration. They exercised a powerful influence at provincial level, more relevant to their activities. They even involved in employing *vakils* and retainers in the courts of emperors and powerful princes. It was also the case with the two substantial Islamic States of Bijapur and Golconda. It was rather surprising that the courts in these States were subject to the influence of merchants through their agents. The appointments of provincial and port officials were highly influenced by the merchants. As a result they frequently utilized to secure appointment favorable to their interests. <sup>7</sup>

The Deccan merchants, in the early 17<sup>th</sup> century, are known to have actively participated in political squabbles and played the role of kingmakers. The peculiar link of criss – crossing of functions between political and economic, was the remarkable characteristic of the 17<sup>th</sup> century and it marks this period from the preceding and the succeeding centuries. The spectacular expansion of India's oceanic trade that went on from the mid 16<sup>th</sup> century seems to have increased the wealth gained by the State from commerce. This is precisely the reason why the ruling groups in the State allowed the merchants to secure for themselves a personal share in this wealth. The involvement of the ruling classes in commerce, gave an edge to the merchants with further access to them and to the organs of State power. To manage the investment and to take stock of the operational decisions, much expertise to merchants was required and the rulers selected those merchants whenever necessary. It is clear that the State depended heavily on merchants as return of commerce was largely in the hands of the merchants. This is how the commercial caliber and capability of merchants made them instrumental in decision making of the states and as such they influenced the State power. There were also state – favored merchants who maintained their own trade, together with that of royal investors. With the expansion of economic activity, in the 17<sup>th</sup> century, the political influence of the merchants further went ahead and the merchants were called upon to participate in the State's other activities. Their requirement and collaboration was much needed when there was a conversion of tax revenues collected in kind into cash. The merchants acted as revenue farmers and speculators in farming out of the revenues by auction to maximize their worth. As a result, there was a bond of mutual self – interest, when a merchant tax framed became tied to the beneficiary of the revenue. The evidence shows that merchants framed the taxes of coastal lands, ports and hinterland, agricultural and manufacturing districts. This has perhaps made the merchants as tax framers who were empowered to secure some administrative and judicial advantage. The system of tax framing

was widespread throughout the subcontinent in the 17<sup>th</sup> century and it even further expanded in the succeeding century. And the power and influence of merchant further increased.<sup>8</sup> This is seen in most of the merchants cases mentioned earlier. For instance, Kasi Viranna, Beri Chetti, Thimanna and others.

The transfer of money and the growth of money market in the 17<sup>th</sup> century enhanced the position of the merchants, in the political arena. This money transfer was clearly seen in Golconda and Bijapur kingdoms where these facilities were developed. Moreland explains this in a different way differing with S. Arasaratnam and J.N. Sarkar, who were of the opinion that in the course of time during the 17<sup>th</sup> century there developed a close interaction between merchants and the State<sup>9</sup>. These relations and links exposed the merchants to political forces within the State. It can be understood that both State and the merchants maintained good relationships. The upswing and visible growth in this period is attributed to the evolution of this relationship that paved the way to a stronger economy.

The 17<sup>th</sup> century, was indeed a well – organized mercantile system where the merchants, as stated earlier, played a significant and rather influential role. We see the growth of commerce and merchant entrepreneurship, as an integrated credit system. There were several verities of private individuals who deposited money with *Shroff*. It was as such the capital from land became commercial capital in the hands of merchants. Merchants got themselves involved in lending money to each other. This is how money flowed in various directions from agricultural areas to market towns to parts and vice – verse. The operations of merchants, were bounded by customary law, in forced and accepted by State. To ensure stable and strong commerce, in the beginning of 17<sup>th</sup> century there developed the commercial practices, which are practiced both by Hindu and Muslim merchants.<sup>10</sup> The Deccan and European merchants interacted in several interesting ways. They understood each other's strengths and the weaknesses of trade merchants help in the settlement and growth of European trade and they acted as intermediaries to Europeans in their dealings with Indian rulers. They also helped in the creation of the establishments of infrastructure for European factories. These merchants actively involved in export and import trade of European trading. In this voluminous trading process it attracted influential merchants in all areas to European custom. And such, there established a permanent bond of relationship, between important merchants of the region and Europeans. One can find the change in the first half of the 17<sup>th</sup> century, entering of two companies in Asian markets in competition with Deccan merchants. When there was an intense and acute competition in the textiles, pepper, indigo and sugar trade in the Persian Gulf and Red Sea port and South East Asia, the Deccan merchants succeeded by adapting successful strategy to push



the companies out of the market. This gave an edge to the merchants of the region who took advantage of capital resources, shipping capacity and navigational expertise. European pilots and gainers were recruited sometimes unofficially. On the whole, the expansion of European activities helped to strengthen Deccan enthusiastic enterprising community to be more efficient and innovative through this healthy competition.

It was a concept of merchants coming together to contribute to a common fund in shares and to sue that stock for trade. It was not an innovation as such; a different form was there in India. The interesting feature was that the company institutionalized their practice and gave it a corporate personality, in order to make it liable for non – performance of contract. There was an attempt to introduce some supervision over the functioning of this body, but it was not allowed by members of the joint stock. So it was not strong trading body especially among Deccan merchants. On the whole, what was understood is that the European influence was ineffective on commercial practice in the region. Europeans accepted Indian commercial methods in their dealings. Merchants refused to provide security as it was an affront to their honor and their standing in the community. The practice of return of goods bought within a stipulated number of days, also offered European merchants, which created difficulties in their export and import trade. The classic example of this was in the wholesale purchase of good imported by Europeans into Deccan. A rebate had to be allowed to the purchaser, when these goods were sold by the European imports. The rebates seem to have been higher among Indians. The buyers paid cash when the transaction was complete and collected the rebate after taking the goods.<sup>11</sup>

It is interesting to notice that the interaction between merchants and the weaving industry, the former didn't secure control over the later. There were, of course, few examples of merchants who secured a total monopoly control over the labor of weaving villages, in close proximity to ports. We don't see weavers as paid labor in any case employed by merchants. It was of commodity exchange relationship between merchant and weaver, in which the latter despite impoverished retained his independence. It was perhaps, the fact that for the entire 17<sup>th</sup> century, demand outstripped supply. There was fierce competition for scarce goods, among merchants particularly for the export markets. It was further compounded with the entry of Europeans in the market. The picture in the weaving village was that it was an autonomous caste – centered entity into which merchants could only enter through intermediaries, who had won the confidence of the weaving community. The merchants had little guarantees to prosecute at the time of deployment of his capital. With the help of government officials the merchants could settle things as he had no means of coercing the weavers.<sup>12</sup>

The merchants advanced money to the weavers, who bought thread, dyes and other raw materials for the industry. The merchants of the period, in fact, were uninterested in the technology and productive process of the industry. They didn't try to control the tools used by the weavers or even the raw materials of the industry. As such, Deccan merchants couldn't acquire specialized knowledge of the industry. Most of the times, they were forced to rely on the caste leadership of weavers. They often built up their own stockpile of goods and the export market was in volatile position. Production was always to order with European exports, which were of a specialized character directed only to European markets. The merchants gave loans to weavers considerably. It was smooth and steady as long as the conditions were normal and uninterrupted trade. But, there were occasions the merchants became bankrupted when there were unfavorable climatic conditions and civil instability. It was noticed in the entire region, in the late 17<sup>th</sup> century.<sup>13</sup>

As per historical literary works, the taxation on merchants' investment was over emphasized. It was indeed, agriculture which was more taxed than commerce. The total taxes export and import duties never came to more than 10 per cent. Merchants valued the cover afforded by the companies which had secured exemption for transit dues for a commuted payment. The question of security provided the merchant's property was a mooted one among the historians. It was stated that property was subjected to arbitrary seizure in many Islamic States. Property was subject to cheat. Regular succession governed by Hindu and Islamic laws was permitted. State had no evidence of State's intervention, when families went on trading and accumulating property for future generations. There were threats of insecurity only during invasions and conquest of one side by another.<sup>14</sup>

**Conclusion:** We see the merchants in the 17<sup>th</sup> century, more mobile, especially within their region. It was noticed that they didn't establish their permanent places of precedence. Their operations were not confined to any particular region or place. The big merchants, despite being ship owners, lived in their residences in inland towns and villages. There were no evidences of merchants becoming a coastal people and therefore no construction work took place on any large scale, in major ports. But, one can see their continuous patronage and support to inland religious centers near their villages. We find the expatriate Muslims and Chulia Muslims as the only merchants' communities who became urbanized in this period. The prosperity of any country depends on largely on its trade and commerce next to the land revenue. For the year A.D. 1686 the total income from the trade and commerce of the Qutb Shahi's Government was Rs. 52, 39,001=09 (in wards fifty two lakhs, thirty nine thousand one rupee and nine paise).<sup>15</sup> This income was also added additional wealth to the State's exchequer to become the richest country in South – India.

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