CHAPTER - V
QUTB SHAHI STATE AND TRADE IN COASTAL ANDHRA

Though the establishment of European merchant companies gave immense boost to trade and commerce in Coastal Andhra and facilitated the traders interaction with the vast hinterland. But the political developments in the seventeenth century had serious consequences for good giving of commerce in the region. Qutb Shahi state realized the significance of the coastline and had from the very initial stages extended. Promotion and patronization to trade and traders. One of the significant features necessary for the promotion of trade was the internal security and this was very carefully looked after by the Qutb Shahi state, despite varied political constraints. The Qutb Shahi state evolved, an effective administrative system to mann its affairs. Richards very rightly remarks "the rapidly growing wealth and population of the capital accompanies and parallel the evolution of a centralized political and administrative system. Although not overly complex or bureaucratized, the administrative presided over by the Qutb Shahs was remarkably effective in securing
the kingdom from internal revolts or from outside attack, as well as in raising revenues apparently which in excess of the requirements of the state. The success of the system rested on the maintenance of preponderant force kept in readiness to serve the king at the capital. But equally importance was the readiness of all important segments of the indigenous population to accept the legitimacy of the regime. ¹

There is lot of evidence that Golkonda state intervened to establish the freedom of trade on the Andhra coast. Because the important benefit to the Golkonda Kingdom from overseas trade was the availability of bullion into interiors of the kingdom.² Silver and gold bullion reached into interiors of coastal Andhra in the seventeenth century only through trade. Besides this the other benefit to Qutb State from this commerce on the coastal Andhra access to foreign goods which were used by the nobility and the royalty. Some of these luxury goods included silks, tapestries, carpets, perfumes, porcelain coral, cut glass and precious stones.

Interestingly the merchants some time offered these goods that rulers and their agents voluntarily because they wanted to purchase political influence.\textsuperscript{4} Whatever intention the Qutb Shahi state had it took lot of interest not only for growth of the internal and external trade through various oldest of Coastal Andhra but also facilitated the proliferation of trading goods into domestic markets. The Qutb Shahi state carried out various necessary measures connected with the prices, tax exemptions, currency and matters related to the administrative effectivity for protecting the coastal trade.

The kingdom of Golkonda was established in the early years of 16th century, and was ruled by a Turko-Persian dynasty. Most of the subject people the indigenous inhabitants of the region were Telugu-speaking Hindus.\textsuperscript{5} With the rise of Qutb Shahi dynasty under Quli Qutb Shah in the second decade of the sixteenth century and especially from the time that the Krishna-Godavari delta as far as

\textsuperscript{4}Ibid.

\textsuperscript{5}The inhabitants of the kingdom were almost entirely Hindu, speaking in Telugu language\textsuperscript{5} The bulk of the other resident Muslims was regarded as of foreign origin, whether merchants who had settled at the sea ports, or soldiers and adventures who had followed the flag from the north. W.H. Moreland, \textit{Relations of Golkonda}, p. XVII.
Ellur (Eluru) and Rajamundry was brought under Qutb-ul-mulk. By the middle of 17th century, the boundaries of Golconda closely coincided with the Telugu linguistic and cultural region. To be more precise, during the reign of Mohammad Quli Qutb Shah (1580-1612 A.D.), nearly the whole of Andhra Desa was conquered. The Qutb Shahi state was installed as a powerful kingdom in the region with the extension of its wings of power and administrative jurisdiction from Warangal to the port town of Masulipatnam. It was under Sultan Quli, the scattered parts of the country were united in strong political and economic terms.

2. K.S. Mathew. "Masulipatnam and the maritime trade of India during the seventeenth century", APHC, p. 76.
9 The kingdom was founded by Sultan Quli the descendant of a Turkish dynasty of Iran who, at the time of the establishment of the kingdom, served as the governor of the province of Telangana. Upon founding the Golconda kingdom, he realised the important need of carving out a united Telangana under a centralised government. Dipping his sword in blood, he soon conquered Rajkonda, Devarakonda and Pangal situated in the Krishna valley. The occupation of these areas and, in particular Pangal, successfully checked the progress of the territorial ambitions of the Vijayanagara rulers. In no time, the Qutb Shahi suzerainty extended over further regions such as Koilkonda and, this provided the rulers an ample scope to control Krishna and Tungabhadara revirine regions. The defeat of Sitab Khan alian Sitapati of Khammamet brought a greater part of North Telangana under the active rule of Qutb Shahi s Sultan Quli checked the Vijayanagara forces from their encroachments upon the Qutb Shahi territories.
Sultan Quli was followed by Ibrahim Qutb Shah and he became one of the most important and real architects of the kingdom. His era was a period of prosperity and plenty and witnessed the progress of moral and material factors, necessary for a healthy amalgamation of different components of life under the Qutb Shahi state. It was under his leadership, the fertile belts of Godavari including Rajahmundry and Ellore were attached to the Kingdom. The administrative structure was thoroughly reorganized on sound principles and its net consequence was the progress of commerce and industry. After the defeat of the Vijayanagara state in the historical battle of Tallikota (1565), the kingdom of Golconda extended its physical boundaries up to Gandikota. The political power of Qutb and forced them to surrender Bellamkonda and Kondavidu to Qutb Shahi rulers. The territorial aggrandizement under Sultan Quli registered the final success in the conquest of Nalgonda. Within a brief span of three decades, A.M. Sidique, History of Golkonda, Hyderabad, 1956, pp. 24-26, also see S.A.A Bilgrami, Land marks of the Deccan, Hyderabad, 1927, p. 112. In 1565, Ibrahim captured Rajahmundry and annexed the whole territory as far north as cicacole. C.D Maclean Manual of the Administration, p. 49. A.M. Siddique, op.cit, p. 81. The decline of Vijayanagara over lordship occurred in two stages, both marked by decessive battles. The first was the defeat of RamaRaya by Golkonda and Bijapur along with a coalition of with two other muslim states Ahmad nagar and Bidar on the banks of Krishna river at Tallikot or Rakshatangadi in 1565. The
Shahi rulers reached its zenith during the reigns of Mohammad Quli Qutb Shah and Mohammad Qutb Shah. Mohammed Quli initiated various steps to protect the boundaries of the state. Rajahmundry and Guntur received greater attention of the rulers and they were rendered militarily strong holds of the Qutb Shahi state.

His mind was peace-oriented and, he maintained cordial relations with the Mughal emperors. Despite the fact that northern Deccan was dominated by the conflicting military interests between the Mughal empires and the Sultans of Ahmadnagar, Golkonda was blessed with relative peace and harmony.

The events that followed the fall of Ahmadnagar which, till now, served as a strong buffer state, exposed the Qutb Shahi second military set back between Vijayanagar rulers and two sets of Telugu naiks. Burton Stein. The South (ed) in Tapan Ray Chaudhuri and Irfan Habib. The Cambridge economic history of India, Vol.1, (1200-1750), Cambridge, 1982, p. 204.

In Sultans of Golkonda do not seem to have partaken directly of the trade though, until the late 1580's. In this epoch, during the reign of Sultan Muhammad there commenced a trade between Masulipatnam and Red sea involving one large ship of the Sultan. Sanjay Subrahmanyam Improvising empire. Delhi. 1990, p.131.

The Coromandel coast on the other hand ruled by a number of warring dynasties, and it's economic life was being continually disrupted by wars of conquest first between the Hindu rulers of Vijayanagar and Muslim Golkonda and later between Golkonda itself and the Mughals. K.N. Chaudhuri Trading world, op.cit. 149
kingdom to the perils of military designs of the Mughals. By 1635, the Golkonda kingdom was forced to sign a subjugation documents and, this act acknowledged Mughal supremacy. After this, the Qutb Shahi government threw its attention on the north-eastern parts to gain new areas to compensate the loss elsewhere. The Qutb Shahi state took Vizagapatnam in 1656. The new annexation extended the Qutb Shahi boundaries to extreme north of Andhra and, Samalkota soon became its military headquarters. The annexation was immediately followed by the conquest of the southern parts viz., Sidhout, Cuddapah and Gandikota. The occupation of Gandikota, says Tavernier, provided a strong foothold to the Qutb Shahi rulers in the eastern Karnataka. These conquests brought Qutb Shahi rulers into close contacts with European settlers on the Andhra coast, which conquered by the end of sixteenth century.

15 With the accession of Shahjahan to the throne the scene was changed. Shaista Khan was despatched to capture of Deccan states. The news of armament cowed Abdulla the king of Golkonda, and without striking a blow in defence of his independence he agreed to become a vassal of the Mughals. Jadunath Sarkar, *History of Aurangzeb*, Vol I, pp 18-19.
After the conquest of Karnataka, a couple of greedy military generals like Mir Jumla of the Golkonda Kingdom, opened clandestine parleys with Aurangazeb and the consequence was the latter's invasion on Golkonda in 1655. This signaled the beginning of the decline of the Qutb Shahi kingdom. Aurangazeb again invaded Golkonda in 1686 and the kingdom began to tatter. The Mughal emperor laid siege to the fort of Golkonda for eight long months in 1687 and the fort yielded to the Mughal monarch. He named Muhabat Khan as the first Mughal Governor of the conquered Golkonda kingdom.

The relative freedom from intense military exploits provided the Qutb Shahi kingdom a breathing space to concentrate on strengthening domestic economy. In the contemporary period, it stood

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18 When the Mughals invaded the Deccan, the local rulers formed an alliance against them, but after defeating the invaders they fell out among themselves thus enabling the imperial troops gradually to subdue the country. In 1635, Shahjahan, who had then become emperor, sent a farman to Golkonda which was well received. The Khutba was read in the name of the Emperor in the chief mosque and coins were struck in his name. Mir Jumla, the king's minister appealed to Aurangazeb for help against his master in 1655 and this afforded a pretext for Aurangazeb to invade the territory. Hyderabad was plundered, but Abdul la sued for peace and paid arrears of tribute. Hamilton, Imperial Gazetteer of India. Vol. I. p. 14.
only next to the Mogul empire in material strengthen. The economy under Qutb Shahis was prosperous and various factors, both internal and external contributed to economy. Golkonda state, at the peak of its power during the greater part of seventeenth century, represented a fertile and irrigated territory and was ably supported by industrious population. Golkonda abounded in mineral resources and it was particularly famous for its' diamonds all over the world. The kingdom was also famous for weaving centres round Masulipatnam and the carpet manufacture at Ellore.\textsuperscript{19} In addition, the kingdom had in Masulipatnam, an eastern port on Coromandel, "the best anchorage in the Bay of Bengal and the only place on the east Coast whence ships scribed for Pegu, Siam, Bengal, Cochin, China, Manillas and even Mecca and Madagascar".\textsuperscript{20} Crops like tobacco and palm were abundantly grown which yielded large revenue from the excise duties imposed on them.\textsuperscript{21}

\begin{footnotesize}
\textsuperscript{20} Travernier, \textit{op.cit.} pp. 150-58.
\textsuperscript{21} \textit{Imperial Gazetteer}, \textit{XII}, p. 23.
\end{footnotesize}
The Persian Chronicles are not wealthy in their information on economic activities within the kingdom of Golkonda\(^{22}\). But from the time the Europeans set their foot on Andhra coast and founded trading houses during seventeenth century, they began to maintain factory records, in addition to a few personal accounts, which yield a lot of information on the economic set-up. In addition to these, there are accounts of foreign travelers and the *Mathnavi* verses.\(^{23}\) The primary resources that contributed for the prosperity of economy under the Qutb Shahi rulers were agriculture, trade and handicrafts in addition to the revenue derived from subsidiary taxes and duties.

Prevalence of farming tax was a significant feature of the agrarian system in the Golkonda kingdom. It was not, however, unique in the sense that the same system of land revenue was much in vogue and practice in the Hindu kingdoms of South India dating back to the 13th century.\(^{24}\). In the land structure, characterized by

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\(^{22}\) Our Persian Chronicles are mainly a records of events at royal courts and the lives of noblemen of the kingdom and they throw little light on the economic structure of the country. H.K. Sherwani. *History of the Qutb Shahi dynasty*. p. 412.

\(^{23}\) *Ibid*.

\(^{24}\) Ramakrishna Mukerjee, *Rise and Fall of the East India Company*, Bombay, 1973, p. 175.
exploitation, the revenue was shared among the Sultan, **Muqasadars**\(^{25}\) (great nobles), **sarsamatus** (distinct governors) and **Hawaldars**.

In a few parts, the central revenue ministry was involved in collection of taxes on its own and, in other places the **maqasadars** were given specified lands as revenue **assignments**\(^{26}\) the **sarsamatus** were invested with revenue powers in places like coastal Andhra and **Hawaldars** were given jurisdiction over small patches of lands for the purpose of revenue **collection**\(^{27}\). The **sarsimt** or district governors of coastal Andhra also indulged in rapacious tax farming. Before securing his appointment each Governor had to agree to pay the central treasury a fixed sum each year. Once established, the Governor was free to try to recoup his expenses and make a profit on the tax collections\(^{28}\). In every instance, collection of land tax was carried through a long procedure of leases and sub-leases.

\(^{25}\) The **Sarsimt** was evidently appointed by the King, but there was another officer, the **Hawaladar**, mainly responsible for collection of royal taxes and the office was publicly auctioned or 'farmed' and given to the highest bidder. H.K. **Sherwani**, *History of the Qutb Shahi dynasty*, p. 511.


\(^{27}\) Ibid.

\(^{28}\) Moreland has presented a very depressing picture of the system of taxation and it's effect on **trade**. He saw the Golkonda administration as the most oppressive yet devised and characterized the taxation as oppressive, arbitrary and uncertain with Governors of districts being given free rein to impose what they
A significant aspect of seventeenth century economy of Andhra was the exacting attitude of revenue administration and prosperity of country-side existed at the same time. "The Kingdom of Golkonda, generally speaking, is a rich country bounding in corn, rice, cattle, sheep, bowls, and others commodities necessary to life" Agriculture was dependent on both natural and man-made supplies of water. One of the mathnavi versus of the Qutb Shahi period refers to the existence of "field channels" which word implies that there were artificial sources for supply of water to the fields.³⁰ Tank irrigation and fertile delta regions must have surely contributed to the existence of plenty in the field of agrarian economy and the abundant growth of various crops like indigo, tobacco, rice, wheat, corn, sugarcane, chillies, onion and betel leaf.³¹ In addition, a foreign traveller noticed the cultivation of garden crops such as mangoes, figs, oranges, lemons, papaya, jambolons, banana, sapota,

³⁰ Quoted in Salma Ahmed, Qutb Shahi state in the Deccan, (1518-1687 A.D.), M.Phil. Dissertation, University of Hyderabad, 1992, p. 34.
pomegranates. Supply of water, without any interruption, resulted in the growth of beautiful flower gardens and Tavernier was so impressed that he called Haidarabad as city of gardens or Bagh Nagar.\textsuperscript{32} During the second half of the seventeenth century, tobacco, along with salt, was counted upon as principal revenue earner for the rulers. The sultans, in fact, used to farm out 100 miles of land around Masulipatnam to revenue officials who were given the monopoly over the purchase of tobacco from the cultivators.\textsuperscript{33} There was an obsession with the growth of tobacco among the growers that, at times, they neglected the standing crops of tobacco as it was shown on large tracts beyond the possible control of human endeavours to take care of the vastly sown lands.\textsuperscript{34} These examples are only a few evidences to throw light on the prosperous agrarian economy of the hinterland that also fed the seventeenth century trade.

Despite the visible signs of agrarian progress, cultivators were in need of incentives as major portion of their produce was

\textsuperscript{32} Tavernier, \textit{op.cit.} p. 63.
\textsuperscript{33} A J Qaisar \textit{Indian Response to European Technology}, p. 121.
\textsuperscript{34} Ibid.
devoured by exacting tax collectors.\textsuperscript{35} The scope for taking under advantage in tax collection was reduced by some of the in built measures undertaken by the kings. The system of Perfect Assessment or \textit{Jami-i-Kamil} specified a tax for each area from the level of a small village to the level of a \textbf{district}.\textsuperscript{36} Under this system, revenue demands were not increased frequently and successful cultivators were amply rewarded by the state.

Besides diamonds, iron ore was found in abundant quantities and it was exported to places like Punjab, Gujarat and Persia.\textsuperscript{37} The famous Damascus swords were made of iron ore from Golconda region. The Damascus swords which were world famous for their quality were manufactured from Golkonda steel.\textsuperscript{38} According to Thevenot arms like swords, daggers and spears manufactured at

\textsuperscript{35} The village commune in the kingdom of Golkonda was a feudal unit dominated by the hereditary land holders and village officers, it continued to organize the collective life of the village in a way which suited the interests of the exploitative society. And the state recognized the powers of the commune to the extent if furthered its own interests namely enhancement of production, payment of revenue and maintenance of law and order. K. Satyanarayana \textit{A Study}, op.cit. p. 486

\textsuperscript{36} J.F. Richards, \textit{op.cit.} pp. 22-24.

\textsuperscript{37} \textit{Tavernier}, \textit{op.cit.} p. 128.

\textsuperscript{38} A. M. Siddique, \textit{History of Golkonda}, p. 351.
Indalvai near Indore or Nizamabad were supplied to markets all over India. The have not mentioned that swords, daggers and spears were manufactured at Indalvai in Nizamabad (Indur) and mere supplied to markets all over India. The mining as well as smelting of ores was undertaken by peasants of the respective regions. These peasants were employed as smelters and small commodity producers by merchants in the hinterland areas on specific terms and wages.

The best and highly qualitative iron ore was found along the east coast, and it was sold by local blacksmiths at Narasapur shipyard. Different varieties of spikes, bolts and anchors were indigenously manufactured around this place by local people.

In the field of textiles, Golkonda was highly famous for the export of fabrics of Qalamkari art in which cloth was patterned

42 The production of textiles for export was concentrated mainly on the Coromandel coast, in Gujarat and in Bengal while the northern Coromandel. The area between the rivers Krishna and Godavari-specialized in the production of plain textiles. The weavers were not concentrated in towns but rather dispersed in industrial villages scattered throughout the coastal districts. In the weaving villages of Krishna delta, a good part of the production was of the finer grades of
on the loom using coloured yarn. In general, the printing on cloth was facilitated by applying colour on cloth with a pen or brush by hand as at Masulipatnam. The same was conducted also by imprinting the cloth with engraved wooden blocks dipped in paint. Fabrics were also exported abroad, particularly the patterned cloth called Qalamkar of Masulipatnam was in great demand abroad. The major centres of production of Qalamkari variety were Masulipatnam, Nizampatnam, Narasapur, Armagaon and Madras. The workers of Masulipatnam activity in the production of cloth and its market potential led to the growth of urbanization of the areas with the development of industrial and commercial centres like Narasapur, Nizampatnam, Masulipatnam and Vetapalem. The process was further stimulated by the trading activities of the Dutch and the fancy cloth while weavers in the Godavari delta concentrated on the production of plain caticoes. The census contains evidence regarding eighteen producing centres in the area around the Dutch factory at Draksharamam in the Godavari delta. More specifically in the east Godavari villages of Gollapalem and Gondavaram, the existence of ground water with specific chemical properties enabled the local painters and dyers to achieve distinctive results. Om Prakash. The new Cambridge history of India. II, 5 Cambridge, 1998, pp 163-164.

43 Kalamkari was practiced mainly at Masulipatnam, Nizampatnam and Palakollu. The word Kalamkari literally means working with a pen. The instrument is made of a bamboo stick. There were two types of Kalam. One is a pen-like sharp pointed kalam and other a brushlike instrument. K. Satyanarayana. A Study of the history and culture of the Andhras Vol II p. 50.
English. The delta district of Rajahmundry was known for its production of superior variety of cloth viz., betelles (muslin), salempores, calico with stout borders and percalles. The calico cloth, in particular, was considered the best in contemporary market. Dying of cloth too became a subsidiary industry at the place like Nizampatnam. Warangal was known for the carpet-making industry under the Qutb Shahis.

There was a brisk activity of trade along the entire coast. The advent of European nations provided a further impetus to the trade of Golkonda kingdom. It's location in the south Eastern part of the sub-continent which covered the Coromandel coast gave Golkonda a unique advantage to promote her trade and commerce. The Qutb Shahi port of Nizampatanam attained the position of considerable importance during the reigns of Abdulla Qutb Shah (1626-1672) and Abal Hassan (1672-1687), due to the commercial activities of the English and the Dutch companies. Multiple number of factories that dotted the coastal areas like Narasapur on the banks

Ibid pp 46-47.
of Godavari attest the fact.\textsuperscript{45} These factories were engaged in building big steamers for the purpose of conducting long voyages, some of the foreign traders too placed orders for the ships and, the order by an English servant for the manufacture of a particular ship by name Globe is an example.\textsuperscript{46} In case of large scale shipping, most regular and commercially significant was the traffic from Bengal and Golkonda along East coast\textsuperscript{47}. The vessels set on sail to places like Galle and Jafna throughout the year except during unfavourable conditions of North-East monsoon. Most of the ships were owned by powerful Muslim merchants of Golkonda with a few Nawabs of Bengal and cuttack owning a less number of ships.\textsuperscript{48} The Golkonda merchants invested handsome amounts of money in ship-building

\textsuperscript{45} These factories had been in existence till the early decades & 19th century. When the British acquired a monopoly over the indigenous economy and, with Madras becoming the hub of activities, both political and economic, many of these factories in Godavari region were abandoned. The closure of the factories had severely affected the artisans of the region and they protested the measure as it rendered them without any employment. They sent petitions to the Governor of Madras Presidency to redress their grievances in this regard. For details see, Pletition Registers, Vol. 18, No. 930, Tamilnadu Archives.

\textsuperscript{46} W.H. Moreland, Relations, op.cit. p. 63.

\textsuperscript{47} M N Pearson & Asin Das Gupta, India and the Indian Ocean, pp. 229-230.

\textsuperscript{48} Ibid.
activity and each ship was placed under the charge of a Nakhoda,\textsuperscript{49} who could transact business on behalf of owners and shareholders of the cargo.\textsuperscript{50} The kings of Qutb Shahi dynasty, on the other hand, had their own fleet of ships for which the Dutch supplied pilots, sub-pilots and gunners for the safe conduct of the vessels. In the time of Sultan Mohammad Qutb Shah the seas were patrolled as far off as the Island of Sacotra which lies nearly 2000 sea miles from Masulipatnam.\textsuperscript{51} This patrolling by Qutb shahi naval units was effective and they guaranteed the safety of all foreign shipping as is evidence by episode of the indemnity levied on the Dutch ship.\textsuperscript{52}

\textsuperscript{49} The 'Nakhoda' was not the navigator indeed on the Mughal hajj ships he was a Mansabdar. On most ships, the Nakhoda was an eminent merchant but he was also the agent of the owners of the ship, and often also an agent for other merchants. The rulers had links with Coromandel officials who would then give every facility to the incoming vessels and their Nakhodas. Asin Das Gupta & M.N. Pearson \textit{India and the Indian Ocean}, pp. 15 & 120

\textsuperscript{50} \textit{Ibid.}

\textsuperscript{51} In the reign of Muhammad Quli, it was decided to send every year a large ship from Masulipatnam to the red sea, which would fly the Sultans flag. They were to perform three roles: First, of exploiting the middle eastern market for north Coromandel textiles, while at the same time enabling gold and silver to be imported directly from the Red sea ports, second, of permitting the Sultan to have alms distributed annually in his name at Mecca; and third, of ensuring the easy passage not only of Pilgrims on the Hajj, but of immigrants from the middle east to Golkonda. Sanjay Subrahmanyam, "Persians, Pilgrims and Portuguese. The travails of Masulipatnam shipping in the Western Indian Ocean", 1590-1665. \textit{Modern Asian Studies}. 1998, p. 505.

\textsuperscript{52} Sherwani, H.K "Reign of Abdulla Qutb Shah", Economic aspects, \textit{Journal of Indian History}, p 678
Madapollam and Narasapur become the major ship-building centres which supplied vessels to Masulipatnam. The east coast was dotted with ports from where textiles were exported to Europe and the East Indies. Srikakulam noted for fine muslin export, while Rajahmundry produced fine cloth. It may be mentioned here that Masulipatnam rose to prominence as the leading port on the East Coast during late 16th century. Sultan Quli established his kingdom up to Masulipatnam by 1543. The consolidation of the Sultanate under Ibrahim Qutb Shah and, the rise of a network of ports within the Bay of Bengal region were the major factors behind the consolidation of coastal Andhra ports as leading ports. In fact, it was Nizampatnam which was one of the principal ports for Qutb Shahis between the

53 The Andhras were a great sea faring people. The sea faring activity of the Andhras gave rise to the boat making and ship building activity in Andhra desa. The steady rise in the exports from the Andhra districts to foreign lands from the beginning of the seventeenth century gave rise to an ever increasing demand for boats and ships and that accounts for the flourishing nature of the port towns and ship building industry in some of these centres. P.S.R. Sarma, "Factors leading to the decline of the boat making and ship building industry in Andhra Desa. AD 1600-1850", APHC, 1978, PP. 116-117. The Ship building at Narasapur, an important port in coastal Andhra, has been referred to elsewhere. Here the best timber, iron and other materials were available in sufficient quantities. K. Satyanarayana, Op.Cit. 556, also see, Noone John Babu. "Coastal trade of Madapollam and Narasapur during the later quarter of the seventeenth century". APHC, 1986, pp. 160-162.

54 Ibid (55) CD. Maclean, op.cit. p. 149.
reigns of Abdulla Qutb Shah (1626-72) and Abul Hasan (1672-87)\textsuperscript{56} it was the period which witnessed intense commercial activities of the English and Dutch companies. The port soon emerged as the most important centre for Cotton manufacturers on the east coast and, it commanded a large market in Bantam and the far east in the early seventeenth century. The Nizampatnam port, unlike others, was busy throughout the year with intensive loading and unloading activities. It became so important for foreign traders that the English East India Company secured for a second time favourable commercial privileges from the Sultan of Golkonda. It may be noted that the company temporarily withdrew from the port for two years between 1628 and 1630. The Nizamapatnam port, thus, became a centralized trade centre of Golkonda kingdom continued to enjoy its present status during the major part of seventeenth century.

In essence, the commercial relations with the port towns centred mainly around European companies mainly the Dutch and the English. The establishment of factories necessarily involved direct

\textsuperscript{56} Salma Ahmed, \textit{op.cit.} p. 49.
contact with the regional powers. The relationship between the regional states and the Europeans were generally economic rather than political. Foremost it involved a permission to construct a factory followed by concessions like customs duties, port duties, embarkation and disembarkation duties weighing duties etc. The regional states benefited from the establishment of factories as they generated additional income.  

It is perhaps for this reason that Golkonda invited all the three European companies to trade at Masulipatnam and Petapolee but never encouraged exclusive rights to a particular company over the ports. This led to the severe competition between the companies and the Indian merchants as well which further increased the revenues of the state. If a factory is constructed by getting permission, fortifications on the other land are obtained through a grant in perpetuity from the local powers. The Dutch were

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57 In Bengal for example, the inland factories though capable of some resistance, were never allowed by the Mughal rulers to build any kind of real fortification. But in the coast of Coromandel and in Bengal, the presidency towns founded by the company enjoyed much greater measure of commercial success as local trading ports than did Bombay in western India. K.N Chaudhuri. Trading world, op.cit. p. 51, Long distance trade, in its Asian context, was an object of interest to indigenous rulers and governments primarily for the revenue they could derive from axing the merchants. Tan Roy Chaudhuri & Irfan Habib. The Cambridge economic history, p. 384.
the first to start their trading activities here. An agreement was signed in 1606 between Sultan Mohammad Qutb Shah and the Dutch according to which the latter were granted permission to establish factories at Masulipatnam, Nizampatnam and Pulicat. Sultan Mohammad encouraged the Dutch and the English to establish their trade centres on the east coast and strengthen them by fortifications. The Dutch had their emporiums otherwise called factories at Masulipatnam, Nizampatnam and Pulicat, while the English had their own at Masulipatnam, Pulicat and Nagapatnam. These centres were intended to organize the production, Purchase and sale of a large variety of textiles, spices and miscellaneous articles saleable abroad—especially in south east Asia, Middle east and Europe. The royal officers at the port demanded 16% tax on exports from the Dutch, but the Sultan fixed the same at 4% when the matter was referred to him. The English too were exempted from a toll tax known as Jankens, levied within the kingdom on goods transported from place to place.

58 H.K Sherwani, *op.cit*, p. 413.
The kingdom of Golkonda had various taxes and duties like duties of rivers and towns transit duties and city gate toll. The English East India Company established their factories at Masulipatnam and Nizampatnam in 1611 and the one at Pulicat in the following year. The conditions under which the Dutch and the English factories operated were different. The English were required to pay customs duties on the goods handled. Whereas, the Dutch were asked to pay the royal officials a lumpsum of 3000 pagodas of 12,150 Mughal rupees per annum for the clearance of goods. These taxes were levied on the foreign merchants and the muslims and Hindus (Moors and Gentus) could trade freely although even they had to make some presents to the Governor. There was a severe competition between the English and the Dutch for new articles of trade which could be

61 Foster William. *EFI*, 1622-23, p. 73.
62 The Dutch had already settlements on the Coromandel coast, and when the English in 1611 attempted to open up a trade at that place they were refused permission by the local ruler on the ground that exclusive privileges had been granted to the Dutch. The Dutch placed every difficulty in their way and although the English obtained authority for their trade from the distant court of Golkonda and the Dutch had usually the influence of the local governors upon their side. C.J. Hamilton *Trade relations between England and India 1600-1800*, pp. 24-25.
presents to the Governor.\textsuperscript{64} There was a severe competition between the English and the Dutch for new articles of trade which could be sold in European market to their benefit. The Chief Port Officer, \textit{Shah Bandar}\textsuperscript{65} was so powerful that the Dutch factory records often addressed him as "His Majesty". Apart from \textit{Shah Bandar}, there were lower and subordinate officers who were also the revenue collectors of the locality.

In spite of many concessions, the foreign traders wanted virtual immunity from the duties and customs. The troubles of foreign merchants in Golkonda usually centered either in heavy local duties which were claimed in addition to the customs or in demands for presents and forced loans to the Governor as a condition of his favour.\textsuperscript{66} Initially, the Dutch began appealing to the sultan of

\textsuperscript{65} The posts of \textit{Shah Bandar}, \textit{Hawaldar}, \textit{Sar-Samtu} were largely preserve of Persians in the first half of the seventeenth century. These officials as well as other Persian residents in the ports and towns figure in the records as the principal ship owners of the port of Masulipatnam at the turn of the seventeenth century. Sanjay Subrahmanyam. \textit{Persians, Pilgrims, op.cit.} p. 505

Golkonda for remission of duties. The tone of request was to gradually change. The Dutch later threatened the Golkonda rulers in this regard. The mood could be noticed in some of the issued submitted by the Dutch to the Sultan of Golkonda for the latter's favourable consideration regarding the trade activities of the Dutch and the customs duties there upon on the Coromandel coast. In the first half of the seventeenth century the Dutch were in good position to get the things done. They got impressed the King and secured favourable farmans. The following are some of issues raised by the Dutch.

i) exemption of duty on all goods brought to Masulipatnam from places beyond the jurisdiction of the Dominion of Golkonda.

ii) the Dutch should not be harassed while loading and unloading their vessels.


68 An analysis of the basic features of the many conflicts that took place between the Europeans and the Asian powers in our period reveals a remarkable consistency of methods. When ordinary negotiations failed to resolve a dispute, both the contenders threatened to use force. K.N. Chaudhuri Trading World, op.cit. p. 125.

69 Abul Khair Muhammad Farooque, Roads and Communications in Mughal India, Delhi, 1977, pp. 181-183.
iii) the Governors (of ports) should be forbidden in granting any monopolies or disastrous leases like the bills of exchange which were detrimental to the interests of general trading activities.

iv) every general trade should be given freedom who "is inclined to do business with us, to buy from us and sell to us such goods as the king's license allows us to import or export."\textsuperscript{70}

v) the Dutch should be allowed to export their goods in their own vessels to any country of their choice irrespective of the relations of those countries with the king of Golkonda.

vi) there should not be any kind of royal impositions on the Dutch in buying either goods or provisions in the king's dominions and, the inhabitants of the kingdom should be allowed a free hand in selling any articles to the Dutch.
vii) the Dutch should be freely allowed to pounce upon any Spanish or Portuguese vessel even in king's own ports, and to take their persons and goods without any claim on the booty being made by the Golkonda Sultan.

viii) the people of Golkonda should be forbidden (by proclamation of a royal order) from trading with the Portuguese and Spaniards. If the people were caught by the Dutch, when the former violated this, the king of the port governor should not interfere in the matter.

ix) no further duties should be levied on any subjects of the United Netherlands residing at Masulipatnam other than those in force already.  

The English, on the other hand, could secure a *Golden Farman* from the Sultan of Golkonda in 1632 according to which they were allowed to trade freely in the ports belonging to the kingdom.

71 It is, however, debatable whether the present demands from the Dutch were granted; whether the Dutch could have pressed for such terms or whether they would have made any impression on the king of Golkonda. These attitudes of foreign trading companies excited the feelings of the contemporary rulers and did
on payment of duties worth 500 pagodas or rupees **1750 per annum**.\(^{72}\) A fixed amount of customs duty, irrespective of the volume of trade in periods of plenty, was certainly beneficial to the English merchants and, the same clause of trade was duplicated in another *Farman* of 1634 issued by the Sultan\(^{73}\). The present *Farman*, however, did not relieve the English East India Company from the demands of local officers which were equally bending on all subjects.

The collection of taxes was not carried in the name of the Sultan. Thevenot says that in the kingdom of Golkonda, toll duties were collected, not in the name of the king but in the name of private lords who had been given lands along with a right to collect *rahdari* as and when they were *pleased*.\(^{74}\) This is indirect indication of the fact that the toll collectors, posted on the boundaries of the Kingdom and interior regions used to brass the travelers for unjustified reasons. Thevenot further reports that "when all is *paid*, it is no easy matter still not fail in instilling antagonistic feelings in their minds towards traders from abroad. *Ibid*, pp 181-183.\(^{72}\) *Ibid*  
\(^{73}\) H.K. Sherwani. *History of the Qutb Shahi Dynasty*, p. 482.  
\(^{74}\) *Rahdari* was a toll duty levied on travellers at entry and exit points.
Most of the tax collectors under the Qutb Shahi rule were Brahmins. The custom duty must have certainly yielded handsome revenue to the King and, "there is hardly any sort of provisions in his (Sultan) kingdom from which he hath not considerable duties". Outsiders into the kingdom city were subject to a thorough research for tobacco and salt as these commodities provided much revenue.

In case of imports, the major commodities under this head that found their way into the kingdom of Golkonda were cloves, pepper, cinnamon, silver, copper, tin and lead. They were brought into the kingdom by the Dutch traders who used to make an annual profit of 1200000 French livers. As pearls and other precious stones were much in demand among the elitist circles, they too were imported on a large scale from other regions. Tavernier himself travelled from Masulipatnam to Golkonda in 1652 with the exclusive purpose of

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76 *Ibid*, p. 142
77 S.N. Sen, *op.cit*, p. 136.
selling some pearls and emeralds to the King.\textsuperscript{78} As was dominated the political affairs of almost all contemporary kingdoms, horses and saltpeter (an important ingredient in the manufacture of gunpowder) constituted principal imports of Qutb Shahi economy. The history of the Golkonda kingdom, with the exception of a few peaceful interludes, brings out the fact that wars were knocking at the doors of the kingdom more often than not. Saltpetre was refined and supplied by the Dutch at their factory to Pulicat. Other important imports were carries from Maldives, sugar from Bengal\textsuperscript{79} and, tea and coffee.\textsuperscript{80}

Despite large scale imports into the region from and within the outside India, the balance of trade often remained in favour of the Qutb Shahi state. The cost of imports rarely exceeded the cost of exports from the kingdom. Bernier writes that though transactions were conducted in the import of different articles, the same "did not occasion the export of gold and silver" from the country as the "merchants who bring these take back the product of the land". The statement is a clear indication that bullion was flowing into Tilang-

\textsuperscript{78} Tavernier, \textit{op.cit.} p 207  
\textsuperscript{79} Bernier, \textit{Travels in Mughal Empire, }1656-166\textsuperscript{8} Delhi, 1983, p. 437.  
\textsuperscript{80} S.N.Sen, \textit{op.cit.} p. 115
Andhra and hence, the balance of trade was in favour of the Qutb Shahi kingdom.³¹

During the reign of Abdullah Qutb Shah (1626-1672 A.D.) three foreign travellers viz. Tavernier, Bernier and Thavenot visited the Deccan and left behind them valuable accounts on the contemporary social, political and economic conditions in the Qutb Shahi kingdom.³² They provide a wealth of information regarding coinage, prices and wages. Coins such as old and new Pagodas, rupees of Mughals and Golconda rulers and, Fanams, paise and Gazer were in circulation in the kingdom of Golconda.³³ The old pagodas were small and thick pieces of gold coins issued by the rulers

³¹ A very important benefit to the state from overseas trade was the import of bullion through the ports into interior. Silver and gold both as precious metals and in the form of specie from different regions poured in to India in the 17th century through the medium of trade. S. Arasuratnam. Maritime Trade of India in the seventeenth century. Delhi, 1994, p. 227 Also see, H.K. Sherwani, op.cit. p. 478.
³² It was during the reign of Abdulla Qutb Shah that Tavemier, Bernier and Thevenot came to Deccan and wrote their memoirs regarding the condition of life in the Qutb Shahi dominions. We have again a mass a information regarding the coinage, weights and measures, prices etc. contained in the letters exchanged between the Dutch and the English factors on the Golconda coast and their principals in Europe. H.K. Sherwani, "The reign of Abdulla Qutb Shah", economic aspects-I, (1626-1672), Journal of Indian History 445.
of Vijayanagar. Tavernier fixed their value at 4.5 rupees\textsuperscript{84} and Thevenot put the same at 5.5 rupees.\textsuperscript{85} The new pagoda too was a gold coin the value of which was 3.5 rupees according to Tavernier.\textsuperscript{86} and four rupees according the Thevenot.\textsuperscript{87} The Dutch and the English obtained a license from the Golkonda Sultan to mint these coins to the limited extend.\textsuperscript{88} The overlapping of the functions of minting resulted in some degree of confusion in market operations. Though the old and new pagodas came to contain equal quantities of gold, the old ones were more valued and apart from these, the rupees issued by Mughal emperors was in free circulation in Qutb Shahi kingdom. There were both gold and silver rupees.\textsuperscript{89} The gold rupee was more in circulation among the noble families and it was not a common currency with the masses.\textsuperscript{90} According to a contemporary Farman of Shahjahan and the Deed of submission of Abdullah Qutb Shah of

\textsuperscript{84} Tavernier, \textit{op.cit}, p. 71.
\textsuperscript{85} S.N. Sen, \textit{op.cit}, p. 136.
\textsuperscript{86} Tavernier, \textit{op.cit}, p. 70.
\textsuperscript{87} S.N. Sen, \textit{op.cit}. p. 136.
\textsuperscript{88} For example, the Dutch operated a public mint at Punicat. They were allowed to mint pagodas at Nagapatnam in 1658. The company minted pagodas as well as fanams in the mint. For details see, J.F. Richards, \textit{Imperial Monetary system of the Mughal Empire}, New Delhi, 1987, p. 184.
\textsuperscript{89} The Kingdom of Golkonda attracted the imports of Gold and copper in exchange for textiles. J.F. Richards. \textit{The imperial monetary system of Mughal India}, p. 249.
1636, the Golconda Sultan was under strict obligation to mint his coins with the Mughal motif embossed on the same. Fanams were made of both gold, copper and silver and, the coins contained equal quantities of both these metals. 6.5 fanams made one rupee and 26.5 fanams equaled one Pagoda. According to the accounts of an anonymous contemporary chronicler the value of one Pagoda was put at 15 fanams and it was an indication to the deterioration of pagoda over a period of time. The paisa was a copper coin minted at Haidarabad and 55 paisa constituted one rupee. The metal was supplied by the Dutch. The smaller denomination of copper coins included Gazer and they were minted by the Dutch at Pulicat. According to Thevenot 40 gazers made on fanam. Besides these there were a few European coins current such as Spanish reals of eight, Portuguese Pardoes, Dutch guilders Siamese Tiuls, Persian Laris and Abbasis, Venitian sequins, Gujarati Muhammadis and the

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90 Tavernier, *op.cit.*, p. 15. Gold rupee was called Mohur.
English double Albert noble and raider.\textsuperscript{96} Cowries or small shells were used as small monetary units with inverted edges and they were seen in circulation in Golconda as well as Bijapur kingdoms. Needless to state, the value of different denominations of money underwent changes from time to time.

Copper began to be used in the minting process from the reign of Ibrahim Qutb Shah and the practice was to continue later.\textsuperscript{97} Thevenot refers to the availability of copper coins in multiple number during Abdullah's rule. The introduction of coins minted by foreign companies refers to the dependence of Golconda state on external sources and, the Mughal motif conveys an unmistakable impression that Tilang-Andhra was a virtual protectorate of Shahjahan. The gradual increase in copper coins over gold and silver

\textsuperscript{96} H.K Sherwani, "Reign of Abdulla Qutb Shah" - Economic aspects I. p 444.
\textsuperscript{97} Copper was sold well in Masulipatnam, where the Dutch supplied the mint of the Golkonda kingdom and in their coastal ports of Coromandel. Copper also served for vessels and utensils and for the ornaments of the poor. It is possible that copper price remained stable in India in the latter half of the sixteenth century, only because copper currency was being replaced by silver. Once the process of replacement ended, copper prices in India rapidly rise to the International level. Tapan Ray Chaudhuri & Irfan Habib. The Cambridge economic history op.cit.p. 371. also see, S. Arasarathnam, Merchants op.cit p. 138. also see, J.F. Richards. The Imperial monetary system of Mughal India. pp 253-260.
coins was the net result of a bullion scarcity in world market between fourteenth and sixteenth centuries A.D.

Aurangzeb's military exploits had a devastating effect on the economy of Deccan. It has been observed that the Deccan "had so far been a separate economic zone, symbolized by its gold money as against silver money of North India. The separateness is shown in distinctively higher interest rates that prevailed in the Deccan throughout the seventeenth century: even after the overall fall in rates during the 1640s, these continued to be higher than at Agra or Surat." The introducing of silver coinage in the Deccan, apart from establishing a uniform monetary system in the South also had a desired effect on Northern parts of India. The Deccan mints could check the inflationary tendencies in the North by absorbing most of the influx of silver into India in order to replace gold.

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A brief discussion on price levels, weights and measures provides us further insights into operational aspects of economy under the Qutb Shahi rulers. During the contemporary period, all articles for sale were displayed in shops with selling price written on them. The dealers and merchants used to pocket a profit of one and half times since they generally resorted to objectionable practices like hoarding the commodities. The following table gives us an idea about the rates and price levels prevailing in Golkonda during early seventeenth century.\(^{100}\)

<table>
<thead>
<tr>
<th>Item</th>
<th>Rate Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td>40 to 60 sers a rupee</td>
</tr>
<tr>
<td>Wheat</td>
<td>20 sers a rupee</td>
</tr>
<tr>
<td>Butter</td>
<td>Two rupees per maund</td>
</tr>
<tr>
<td>Pepper</td>
<td>Rs. 125 for approx. 240 sers</td>
</tr>
<tr>
<td>Nutmeg</td>
<td>Rs. 135-Rs. 270 for approx. 250 sers</td>
</tr>
<tr>
<td>Cloves</td>
<td>Rs. 25-Rs. 45 for approx. 240 sers</td>
</tr>
<tr>
<td>Sandalwood</td>
<td>Rs. 450-Rs. 520 for approx. 240 sers</td>
</tr>
<tr>
<td>Lead</td>
<td>Rs. 77-Rs. 90 for approx. 240 sers</td>
</tr>
</tbody>
</table>

09. Tin Rs.335-Rs.360 for approx. 240 sers
10. Alum Rs. 54 for approx. 240 sers
11. Sulphur
12. Quicksilver Rs.100-Rs.112 per maund
13. Camphor Rs.18-Rs.19 per ser
14. Musk Rs.45 - rs.54 per ser
15. Raw Chinasilk Rs. 180-Rs.202 per maund
16. Sugar Rs.14-Rs.64 for 17 sers
17. Ox Rs.4.5 - Rs. 5 for one
18. Goat Five annas to ten annas for one
19. Fowl Rs.4.5 for 60 or 80
20. Spotted deer Rs.0.5 to Rs.2.5 for one

The most commonly used measures for weighing articles were the seer and the man.\textsuperscript{101} Gold and silver was weighed in

\textsuperscript{101}Tavernier, op.cit. p. 32. Seer and Man represent the modern seer and maund. However, the weight of seer and man varied from place to place. For more details see, H.K. Sherwani, History of, op.cit., p. 471. also see, the chief Indian unit of weight bore the name 'man' familiar as maund. All of those with which we are concerned contained 40 ser but the weight of the ser different widely. The change is recorded in Methold's dairy for 1636, February 12th South wards upto east coast as far as Masulipatnam the maund was apparently not subject to official interference and was equal to about 261 lb more or less) we have 27 at Nizampatnam, 26 at Masulipatnam, 25 at Madras, and in this region the candy
tolas. To check any manipulation and fraudulent practices, brass
weights were used which bore the stamp of Sultan Diamonds were
weighed in *mangelines* at Kollur (Golconda) and *Ramallakota*
(Bijapur) and in the Mughal territories they were weighed in *ratis*.
Material such as cloth was measured in cubits with each cubit further
divided into 24 *tasus*. Physical distances were measured in *cos* and
*gaz*.

An advanced stage of banking system existed in the country from 17th century onwards. Tavernier records that even a small
Indian village had a money changer known as *shroff*, who acted as a banker to make remittances of money and issue letters of exchange.

When a foreigner coming from Surat to Golconda fell short of money,
or bahar was usually 20 *maunds* W.H. Moreland, *From Akbar to Aurangzeb*
pp. 334-336.

2 Tavernier, *op.cit*, p. 12.


The most characteristic credit institution in India was the *hundi* or bill or exchange promising payment after a specified period, usually two months or less at a particular place and allowing a discount which included interest, insurance charges and cost of transmission of money. This business was mainly in the hands of the professional money changers, the sarrafs or shroffs - who thus acquired a new and crucial role as commercial bankers, providing a specialized service as suppliers of credit. Tapan Ray Chaudhuri & Irfan Habib *The Cambridge economic history*, *op.cit* p. 346.

he could take a loan and clear the debt upon return to Surat by paying a high rate of exchange. The rate of exchange imported from Surat was 4 to 5%. Tavernier cites the example of his own personal experience. One shroff at Aurangabad who had to receive payment of a letter of exchange on Golconda helped him in receiving some amount of money in new silver at Golconda.  

From the foregoing brief description of various operational aspects of economy it becomes clear that the two main sectors from where the Qutb Shahi state derived its resources were agriculture, trade and crafts. In addition to these two important means of sustenance, a host of minor economic activities played major role in economy. Together they facilitated a smooth functioning of a multi-faceted economic network. It is otherwise true that most of the economies are generally dependent on the revenue derived from agrarian sector. But we do not come across any such data where it can be established in definite terms that the Qutb Shahi state responded by the offer of concessions either to the crafts-man or merchant communities. Nevertheless there were a few and periodic rewards given to them in
periods of improved commercialization. Instead, revenue fanning, which had become an established practice in the collection of land revenue in the Qutb Shahi state, suffered from several exploitative tendencies which further added to the already burdened peasantry.\textsuperscript{108}

Exploitation could be clearly seen in the revenue farming sector. With insolence of tax collectors and enhancement of tax in the port cities, the producers were left with hardly anything on hand and were forced to part with a lion's share of their income. Even the seemingly friendly administrative countercheck like District governors could not curtail these adverse tendencies.

The study of foregoing aspects of economy in Golkonda state provides us insights into the nature of state's exploitative structure, and how the resources, more often, were used for personal ends and the consequent reverses felt by common people in the state. Thevenot refers to both the insolence of tax collectors and how these revenue officials under Qutb Shahis appropriated maximum amounts of collections from their collection points. The weakness of the

\textsuperscript{107} \textit{Ibid}, p. 28.
central authority provided an ample scope for these people to adopt exploitative measures. Though the king was supposed to be the real centre of power, it always depended on the individual merits and his sphere of influence which had a direct bearing on state's administration. Hand in glove with the nobles, the Sarsamantus or the district governors too were involved in monetary manipulations and unjust tax farming. In Golkonda the chief executive posts were held on the farming system, and fell usually to the highest bidder at an annual auction. The Governor, as he was called by Europeans, when he had once secured the farm had in practice very wide powers. The business of administration was thus highly speculative and Governor had the strongest possible motives for collect in every penny. Before being appointed out, every Governor, in principle, had to agree to pay the central treasury a fixed amount of money annually. Once appointed, these governors enjoyed full powers and authority. Such an absolute power over their jurisdictions was certainly to corrupt them and, the accounts of contemporary travellers

110 Peter Floris. *His Voyages to the Indies. 1611-1615*, (ed), W.H Moreland, London-1934, p. XXII.
in the Golconda state collaborate these fiscal aberrations and monetary maneuvers. Many a time, these governors enhanced tax in the port towns. Definite periodicity in tax enhancement became an important feature under the rule of these greedy administrators. Though Amils were authorized to check the misdeeds of the district Governors, they seldom did so.

Though all these developments portray a very positive attitude of Qutb Shahi state, towards the trade of coastal Andhra. But it also points to some of the symptoms of deterioration that had set in both the conducting of trade and the attitude of state. Because when agrarian economy got contracted and states revenue fell increasingly, the Qutb Shahi state began to extend fanning system to the revenues that accrued to the state from trade and commerce. It was in this process that the Muqsadar not only let loose his corrupt methods in the hinterland and destroyed agrarian economy but also plundered the traders and merchants. Besides the effects of Qutb Shahi state to protect it's sovereignty from the threat of the Mughals went into disarray. It was in these processes of conflicting contradictions
between Qutb Shahis and Mughals, between Telugu Rajas and the Qutb Shahis between Coastal merchants magnates and the rural landed aristocracy that resulted in facilitating the autonomy and strength of European merchant companies from mere traders to political power brokers.