CHAPTER - II

SOCIO-ECONOMIC, POLITICAL AND CULTURAL CONDITIONS
IN HYDERABAD STATE

While Hyderabad State developed from the Mughal subah, or province, of the Deccan, it did not represent a mere continuation of the Mughal provincial administration. By the end of the eighteenth century, Hyderabad represented a new political system, with a whole new set of participants. This chapter will present the socio-economic conditions that prevailed throughout the Hyderabad dominion under the Asafjahis and Nizams beginning with early 18th century. Thereafter there will be a critical appraisal of the various social movements and social reforms that took place in the same era.

Origin of Hyderabad State

The city of Hyderabad founded in 1591 by the fifth Qutub Shahi ruler, Mohammed Quli Qutub Shah played a remarkable role as the largest princely state in India. The erstwhile Nizam's dominion of Hyderabad comprised of the present day Telangana region of Andhra Pradesh, the districts of Bidar, Gulbarga and Raichur in Karnataka and the Marathwada region, comprising of Mannad, Aurangabad, Parbhani, Barsi, Nanded, Sholapur, Oamanabad and Akalkot of Maharashtra. The state was an extensive plateau with an average elevation of about 1,200 feet. The
dominions farmed a lateral square situated between 15° 10' and 21° 50' north latitude and between 74° 45' and 81° 35' east longitude. A trigonometrical survey of the region shows the area to be 97,837 square miles. The length of the State from east to west is 456 miles. Its breadth from north to south is 384 miles. It has an average elevation of 1,250 feet and is intersected by ranges of hills with summits rising from 2,500 ft. to 3,500 ft. The surface of the country has a general slope from north to southeast.

Hyderabad's position with respect to the Mughal Empire changed drastically during the eighteenth century. At the start of the century, it was the Mughal-administered portion of the Deccan plateau in southern India. But the weakening of the central Mughal authority and the constant intrigues in Delhi meant frequent changes of the officials in the Deccan. Confusion and rivalry there reflected rivalries at the Delhi Court. The rise of the Marathas as a political power in the western Deccan led to further political instability. The Mughals attempted to incorporate Maratha leaders into the empire, and there was constant Mughal-Maratha competition for the Deccani revenues. The situation provided an opportunity for the Mughal subahdar, later known as Nizam-ul-Mulk Asaf Jah I, to consolidate his hold over Deccan.

By mid 17th century, Hyderabad was at the height of its glory. It was a city beyond compare. Tavernier and Thevenot, European travelers who had visited most of the important cities of India including Shahjanabad and Akbarabad in the Mogul
empire lavished undiluted praise on Hyderabad. Even Moghul historians described Hyderabad as a resort of heavenly peace and worldly comfort. The affluence is evident from the observation of Tavernier and Thevenot who report of 30,000 dancing girls registered on the municipal rolls.

The gradual separation of Hyderabad from the Mughal Empire was accomplished before the death of the first Nizam in 1748. Though considered loyal to the emperor by many contemporaries and later historians, Nizam-ul-Mulk centralized the administration of the Deccan under his personal control. He was first appointed subahdar in 1713, but Hyderabad's effective independence has usually been dated from 1724, when the Nizam won a major military victory over a rival Mughal appointee, or 1740, when the Nizam returned to the Deccan from North India for the final time. On several occasions, Nizam-ul-Mulk left the Deccan for North India at the Mughal emperor's request, but he always arranged for his own subordinates to govern during his absence. Moreover, he often returned to the Deccan without imperial sanction. Upon each return the Nizam's successful resumption of power, displacing rival Maratha and Mughal officials, compelled the emperor to re-appoint him subahdar. Upon resuming control, the Nizam journeyed about confirming or replacing Mughal appointees in the Deccan.

As there were many centrally appointed officials in the Mughal provinces, this action was a further assertion of the Nizam's personal authority in the Deccan. The Nizam's recognition of Mughal suzerainty became increasingly nominal. Nizam-ul-
Mulk conducted war, made treaties, and conferred titles and mansab appointments himself. The Nizam's appointees were termed "Asafia" mansabdars (from his title, Asaf Jah), as distinguished from the "Padshahi" mansabdars appointed earlier by the Mughals (padshah means king or emperor). Under the Nizam and his successors, those customs which emphasized the Deccan provinces sub-ordinance to the Mughal emperor were gradually diminished or discarded entirely. The office of the "Padshahi Diwan", an official, whose seal was supposed to approve the revenue accounts and sanction all land grants on behalf of the emperor, was allowed to lapse. Ceremonial observances such as the reception of Mughal farmans (royal orders) and gifts and the celebration of the Mughal emperor's regnal year, had diminished noticeably both in frequency and scale by 1780. But Mughal authority continued to be the source of symbolic legitimacy for Hyderabad. The emperor's name was still read in the Khutbah, the discourse in the mosque in which the sovereign's name was mentioned. Coins were struck in the emperor's name until after the Mutiny of 1857, when the Mughal Empire was brought officially to an end.

The second half of the eighteenth century was the formative period in Hyderabad's history. The Nizam and his principal nobles moved permanently to Hyderabad city from the old Mughal capital of Aurangabad and formed stable relationships through the court and administrative institutions. The long reign of Nizam Ali Khan, from 1762 to 1803, contributed greatly to these important developments. Prior to his reign, the Nizams had been constantly moving, setting up encampments at the site of military campaigns or diplomatic negotiations. The early
Nizams fought and negotiated with the Marathas to the west, claimants to the Nawabship of the Carnatic and their French or English allies in the South and various local rulers like the Pathan Nawabs of Cuddapah, Kurnool, and Savanur-Bankaput, and the Raja of Vizianagaram. But by the late 1760's, Hyderabad's borders were relatively settled. The coastal territories (later known as the Northern Circars) had been ceded, first to the French and then to the English. The Nawab of the Carnatic was no longer under the jurisdiction of the subahdar of the Deccan. The soldier-adventurer Hyder Ali had replaced his employer, the Raja, as ruler of Mysore. Most important, the struggle with the Marathas was waged only intermittently and there were long periods of peace. Within Hyderabad, the succession disputes between descendants of Nizam ul-Mulk were terminated decisively when Nizam Ali Khan seized control in the 1760's. During his long reign, a consistent pattern of political relationships that can be termed a political system developed in Hyderabad.

**The Political System**

This political system operated through loosely structured patron-client relationships. Another basic characteristic was the use of vakils, or intermediaries, of many kinds. The vakils represented their employers' interest at court and in dealings with others. Most participants were members of the nobility and administration, but groups and individuals from outside were integrated into the local political system through these relationships also. The participants in the Hyderabad political system were diverse and participated in politics in different ways. The Nizam and powerful
nobles were the most important dispensers of patronage in the late eighteenth century political system. Earlier in the century their resources had depended upon military and diplomatic success. Later, when the court was fixed in Hyderabad city, the receipt of regular income from their land grants (jagirs) enabled nobles to maintain large establishments.

The Nizam himself, with personal control over the greatest amount of land and its revenues and the largest military, administrative, and household establishments, was the best source of financial support in Hyderabad. Nobles maintained establishments patterned on the Nizam's. They too could dispense administrative posts or cash grants. Also, depending upon their status and the strength of their recommendations, nobles could secure places for their clients in the Nizam's establishment. Successful provision for a large number of diverse clients-relatives, employees, artisans, poets, and religious men was an essential mark of noble status. Understood in this way, the seemingly wasteful and luxurious style of life followed by the nobility was essential to political power. For the clients as well, the patron-client relationship was the key to maintenance of position and advancement. Employees with ability could switch allegiance from one patron to another, improving their position in the process.

For example, newly arrived Maharashtrian or North Indian administrators initially employed in one nobleman's establishment often shifted to another, more powerful, patron. For a client, access to the Nizam's administrative service and
eventually to the nobility depended upon a connection with an influential patron or sponsor. An aspirant to even a relatively low appointment in the Nizam's service had to be presented to the Nizam by someone already in good standing at court. Such a sponsor was not necessarily or even usually a relative of the applicant; patron-client relationships were formed on an individual basis and did not follow caste or kinship lines. The loosely structured patron-client relationships encouraged individuals to change patrons and positions to achieve personal advantage.

Another characteristic of the Hyderabad political system was the use of vakils, usually translated as agents or intermediaries. These intermediaries were crucial to the operation of the system. In accordance with prevalent etiquette, members of the nobility seldom met with the Nizam or each other directly. They sent their vakils to attend the court and to negotiate business and even personal matters with other nobles. A continuous ceremonial exchange of greetings and gifts through their vakils served to maintain friendly connections between the Nizam and his nobles and between noblemen. The diplomatic ability of a vakil could do much to maintain or enhance his patron's position. And a vakil's ability to secure jobs for applicants in his employer's establishment put the vakil in a subsidiary role as a patron to those below him. Those vakils who were the agents of regional political powers such as the Peshwa of the Marathas or the Nawab of Arcot attended the Nizam's Court and represented their employers' interests there. But they, like the local vakils, served a double function—they too acted as patrons within the Hyderabad political system.
These vakils maintained large households in Hyderabad city and employed many subordinates to administer their employers' properties in Hyderabad.¹²

Often these vakils could dispense jobs and support of the same magnitude as Hyderabad nobles directly attached to the Nizam. Sometimes a vakil's position in the local political system became more advantageous to him personally than his position as an outside power's representative at the court.¹³ The Nizam granted land (jagirs) to some of these external vakils and eventually some switched their allegiance to the Nizam, bringing their employees or clients with them.¹⁴

**Local Rulers**

There were many semiautonomous local rulers in the Nizam's territories that paid an annual tribute and continued to govern their inherited lands themselves. The most important of these were the seven or eight samasthans, or Hindu royal houses.¹⁵ The samasthan Rajas and other local rulers can be viewed as patrons, like the Nizam and the nobles in Hyderabad city, for they maintained their own courts and provided for many diverse clients. Yet their position in the political system, and in the nobility of Hyderabad, was more nominal than real. These indigenous rulers were never fully integrated into Hyderabad politics and society. Most of the samasthans were in the Telangana area (including Raichur) of Hyderabad only Sholapur was in Marathwara. Most of them were from Telugu-speaking peasant castes.¹⁶
**Major Players in the Political System**

The bankers and moneylenders of Hyderabad city and the military commanders (usually mercenaries) also played important parts in the political system. Though they were without formal positions such as those held by the local rulers, these two groups were active, and sometimes decisive, participants in politics. They provided essential financial and military services. Neither group was obligated to maintain a formal relationship to the Nizam's Court.

Unlike the local rulers, the nobility, or the vakils as a group, these two groups usually could be broken down into functioning caste or community units. The major financial communities in Hyderabad, except for the Telugu-speaking Komatis, were not indigenous and had moved into the Deccan over a long period of time. Marwaris, Agarwals, Jains, and Goswamis came from western and northern India to Hyderabad in the eighteenth and early nineteenth centuries. Many came first as merchants, dealing in shawls or jewels, and then took up money-lending and banking.17 Caste-fellows settled in the same areas of the city and followed the life styles characteristic of their castes.

The military commanders and their troops were indirectly tied to the political system through their employers. Like the Mughal army, Hyderabad's army was not centralized. It consisted of units of troops maintained on behalf of the Nizam by leading nobles. The nobles drew cash allowances from the Nizam's treasury to
support these troops. In most cases a commander and his troops were from the same caste or community, as with the Afghan, Arab, and Sikh units.\textsuperscript{18}

Most of the imported mercenary groups in Hyderabad dated from the late eighteenth and early nineteenth centuries. There were some units commanded by European military adventurers, with troops drawn from Deccani Hindu martial castes. These troops were trained in the European manner and therefore were called linewallas (those in a line). This innovation in Indian military practice stemmed from the French and English wars in the Carnatic, and many of the military adventurers serving in Hyderabad (as throughout India) were Frenchmen. Monsieur Raymond (d. 1798) was the most famous European military commander in Hyderabad.\textsuperscript{19}

Others, whose descendants continued to serve with the Hyderabad military forces, were Irish and Portuguese.\textsuperscript{20} The military commanders lived near the troop encampments at the edge of the city and their life-style differed from that of the nobility, though they had some of the attributes of nobility. They often possessed great personal influence in politics, usually of a temporary nature. But the power of the military men, like that of the financial community, was essentially negative. Through the threat of withdrawal of military of financial service, these two groups would play a key role in nineteenth-century Hyderabad politics. In the Hyderabad political system, then, individuals could achieve and exercise personal power in a variety of ways.
The political system was to change over time, however, and yet another category, officials of the civil administration whose power was based on the control of records, became serious participants toward the end of the eighteenth century. In the course of the eighteenth century, power within the Hyderabad political system was redistributed. In the early and mid-eighteenth century, political power had been strongly concentrated in the persons of the Nizam and the nobles, particularly those with military and diplomatic skills. Positions were earned and distributed in an essentially military arena.

**Administrative System**

The Hyderabad administration was separated gradually from the Mughal administration as Nizam-ul-Mulk established himself in the Deccan. Its structure and operation, though generally viewed as continuations of the Mughal system, showed some interesting differences from the accepted Mughal model. The administrative structure superficially tightly organized under the Nizam as subahdar of the Deccan. A Diwan of the Nizam's choice, either Muslim or Hindu, conducted the actual business of the administration, directing foreign relations, appointing taluqdar (revenue contractors), and generally supervising the collection of revenue and the disbursement of funds. After the Diwan, the most important civil administrators in Hyderabad were the Daftardars (record-keepers).
The administration of the former Hyderabad State was presided over by the ruler or the *Nizam*. He was assisted by an Executive Council which was headed by a President and consisted of seven members, holding the portfolios or heading the Departments, such as Finance, Law, Military, Revenue, Public Works and Political Affairs.\(^{22}\)

For those familiar with the Mughal administration, the most noticeable feature of the Hyderabad system would be the prominence of these keepers of the central financial records. In the Mughal Empire, the Diwan closely supervised financial affairs, but in Hyderabad actual control of finances lay with the two hereditary Daftardars. These two hereditary record offices were established in Hyderabad by 1760, probably earlier.\(^{23}\) They divided the work along geographical lines, one covering Marathwara, the western region, and the other covering Telangana, the eastern region. Though nominally responsible to the Diwan, the two Daftardars kept independent accounts of income and expenditure. They issued and recorded jagir, inam, and mansab grants; they recorded the revenue settlements and collections; and they issued written orders for the appointment of revenue contractors.\(^{24}\) These hereditary offices were held by two Hindu noble families.

Another structural difference from the Mughal administrative model occurred in the Hyderabad arrangements for collection of the land revenue. The Hyderabad government was organized only to receive and disburse revenue, not to collect it. While this was also true of the Mughal administration (and other Indian
administrations), which depended upon indigenous revenue officials at the lower levels, there was an effort to employ salaried Mughal officials in the middle levels of the revenue collection system. But in Hyderabad an intermediary group of independent contractors performed this job. They were called taluqdars and they contracted with the Diwan to collect the revenue from specified areas. They kept a percentage of the fixed demand and they also kept whatever excess amount they were able to collect. The taluqdars kept private accounts; their only recorded dealings with the government were through the Daftardars, who fixed the revenue demand, recorded taluqdari appointments, and noted the areas and amounts for which they were responsible.25

There was little attempt to control the intermediary group of taluqdars, much less the lower intermediaries such as deshmukhs and deshpandiyas who held hereditary rights just above the village level and who dealt with the taluqdars on behalf of the village officials.26

**Nobility in Hyderabad State**

By the late eighteenth century a distinctively Hyderabadi nobility, tied to the Nizam's Court, can be discerned. Some of the men who constituted this nobility were recruited from the Mughal service, from the Maratha service, and from families traditionally associated with the earlier Deccani sultanates.27 Some were men of obscure origin. The first Nizam's highest mansabdars were almost all military
commanders. They were predominantly Muslims, with a few Rajputs and Marathas. Most of the Muslims and Rajputs had received their mansabs and titles directly from the Mughal emperor and held jagirs in North India. Others, including the Marathas, had traditional family ties to earlier Deccani rulers or to the Peshwa of the Marathas, and they had simply joined the Nizam's service as he assumed power in the Deccan. A good example here is Raja Rao Rumbha Nimbalkar, the Maratha military commander whose ancestors had served the sultanate at Bijapur. He left the Peshwa's service when offered a Mughal mansab of 7000 and then moved into the Nizam's service at the same level. The Arab Shia family of Hyderabad's famous nineteenth century Diwan, Salar Jung, had served at Bijapur also and moved into the Nizam's service through the Mughal service.

Other high mansabdars were the rulers of the *samsthangs*, whose relatively nominal noble status was already been pointed out. As military conquest gave way to administration of territory, attendance at the Hyderabad Court and participation in the court culture became an important qualification for nobility. The Deccani local rulers, and those military men who had established themselves as landholders in rural areas, no longer participated in the activities of Hyderabad city.

From the mid-eighteenth century on many of these early nobles were effectively displaced by men who moved from low administrative positions to high positions and noble status. The North Indian and Maharashtrian Hindus who had
come to Hyderabad and staffed the administration began to win places in the nobility.\textsuperscript{32}

By the late eighteenth century, many Muslim nobles were Shias and the most prominent Muslim noble family in Hyderabad was a Sunni family of Indian origin. This family, known as the Paigahs, maintained a very large military force for the Nizam.\textsuperscript{33} Shias had increased for two reasons. First, the earlier Deccani sultanates at Bijapur and Golconda had been ruled by Shias, and many families once associated with those sultanates attached themselves to the Hyderabad Court. Second, during the late eighteenth century, several successive Shia Diwans of Hyderabad attracted other Shias from Mysore, Madras, and Oudh (where power was passing to the English).\textsuperscript{34}

By the late eighteenth century, then, the nobility of Hyderabad included a proportionately very large number of Shia Muslims and Hindus. Only one of the ten families most often counted among the highest nobles was Sunni; five were Shia; and four were Hindu.\textsuperscript{35} The ten families showed diverse patterns of origin and achievement. Of the four Hindu families, two were Deccani: Maratha (the martial peasant caste of Maharashtra) and Chitpavan Brahmin. The other two families come from North India: Kayasth and Punjabi Khatri. The Maratha family was the first of these ten highest-ranking noble families to establish itself and it did so through military leadership. The other three Hindu families achieved noble status later through administrative service. Of the five Shia Muslim families, three had previous connections on the maternal or paternal side with the earlier Shia-ruled Deccani
sultanates. The Shias achieved their positions through both military and administrative service, three through the former and two through the latter. The Sunni Muslim family achieved noble status after most of the other families, through military service in the late eighteenth century.

It is clear that the ten families did not attain noble status at the same time or in the same way. The traditional view that these ten families "always" constituted the highest nobility of Hyderabad is fallacious.\(^{36}\)

**British Control over Nizam Administration**

The *Nizams* were so fully under the control and influence of the British that the key portfolios of Finance, Revenue and Police or Home were held by the English men, and even the matters of education and marriages of the members or the princes of the *Nizam*’s family have come to be decided and dictated by the British Resident at Hyderabad. The British would never favour the introduction of a real democratic Government either in British India or in the Indian States.\(^{37}\)

At the middle and lower levels of the administrative set-up also, power and responsibility were centered and concentrated in the hands of different graded officials rather than in the hands of popular and representative elements. The impact of this kind of system has been that the administration of the State never moved closer to the common people who up to 88% resided in far and distant villages.\(^{38}\)
The latter had no participation or representation in the governing bodies or the Legislature, all of which have been filled by the officials and nominated non-officials. As these elements owed their position and promotion to the patronage of the Nizam, they never raised their voice against any measure of the Government, even if the interests of the people at large are affected. Further, the Taluk and District Local Fund Committees which catered to the sanitation, health, transport, water and educational needs of the people, have also been filled with official and nominated members, with the result that, these Committees which were located at headquarter towns, always strived and spent 90% of the funds at their disposal for the civic needs of the urban areas who formed less than 15% of the total population. This kind of neglect and deliberate disregarding of the interests of the rural people at large or the base went on unchecked till the end of regime and the installation of the popular government. 39

On the other hand, the regime patronised and propped up the middle layer of Jagirdars, Samasthanars, Inamdars, Deshmukhs, Deshpandyas, Patels and Patwaris, who happened to be hereditary feudal elements, and acted as a reactionary force, and big stumbling blocks between the Government and the people. The strict censorship that was imposed over the press and the holding of public meetings through the most-hated Ghasti 54 No. 53, has further widened the gulf between the ruler and the ruled.
Socio-economic conditions under Nizam rule

The British had set up Hyderabad as the largest state in the Indian subcontinent, but left it with a backward economy. The richer agricultural regions which the Nizam had earlier controlled - Berar (Vidarbha) and coastal Andhra-were annexed to British territories. There was little development either of commercial agriculture or industry until after the first world war; education was limited, especially for Hindus; land relations were backward and it may not be inaccurate to call the state the most ‘feudal’ in the Indian subcontinent.40

Hyderabad state consisted of nine districts of Telangana (Adilabad, Hyderabad, Karimnagar, Khamman, Nalgonda, Warangal, Mahbubnagar, Medak and Nizamabad), five of Marathwada (Beed, Aurangabad, Parbhani, Nanded and Osmanabad) and three of the Hyderabad Karnataka (Gulbarga, Bidar, Bijapur). Of these the Telangana region made up for 47 per cent of the population and represented the largest linguistic unit.41

Based primarily on the Deccan plateau, between the Krishna and Godavari rivers, the state had mainly a dry economy cultivating jawar and bajra and limited rice, wheat and pulses as the main food crops. Through the 1920s the only cash crops were groundnut, tobacco and oil seeds (primarily in Nizamabad, Mahbubnagar, Karimnagar and Warangal districts). Irrigation and commercial agriculture did not really become significant until the 1930s when cotton and sugarcane cultivation
began on a larger scale. Throughout the period, there was little growth of agriculturally linked trade and business, and little development of roads and other infrastructure. Only minor industry developed in the towns of Hyderabad, Warangal and Aurangabad, with some coal mining in the Telangana region.

Thus it is not surprising that in spite of efforts to modernize administration along supposed British lines by ministers such as Salar Jung in the mid-nineteenth century, the state remained backward. Nearly one-third of the entire area was under bigger jagirdars, of whom there were about 1,500 by 1949. In the state-controlled areas of ryotwari type land settlement, deshmukhs and deshpandes who had previously been revenue collectors were pensioned-off, but they retained large landholdings and continued to lord it over tenants and labourers. There was a limited growth of owner-peasant cultivation after 1930, which some analysts describe as a ‘rich peasant economy’ including immigrant peasants from coastal Andhra, but for much of the period actual tenancy remained high’. For the untouchable Malas and Madigas, this meant that traditional or caste-feudal forms of subordination retained their full force, and unlike the Mahars in Maharashtra or their caste-fellows in coastal Andhra, they had little opportunities to move into freer forms of either industrial or agricultural wage labour.

Society of the former Hyderabad State was essentially rural-based, as around 88% of the population resided in villages. Poor literacy rate which stood at 70 literates per 1000 persons in 1940-41 remaining lowest not only as compared to
British Indian Provinces, but even as compared to some of the Native States, such as Travancore, Cochin, Mysore, Central Provinces and Berar and undeveloped means of transport and communications affected internal and external exchange and impact.

Organisation of society became essentially based on the crafts or occupations that were pursued by the different sections of society. Castes, such as Kapus, or cultivators, Kammari or blacksmith, Sale or weaver, Golla or shepherd, Madigas or cobblers etc., have developed on their basis. But it is significant to realise that agriculture and the castes that got engaged in it, became the focal point or the axis around which the vast rural social organisation revolved.

Brahmins who attended to the performance of marriages, funeral rites and religious ceremonies, patwaris or village Karnams or accountants who looked after the preparation and maintenance of village land records and revenue matters, and patels or village headmen who looked after the maintenance of law and order in the village, were all held in high esteem and regard by the rural masses.

Lambadi or Banjaras, Erkalas, Chenchus, Gonds, Koyas and Konda Reddis, formed the important tribesmen that inhabited in the former Hyderabad State. Starting as wandering bullock carrier merchants, the Banjaras, when transport and communications began to develop, resorted to settled life, getting engaged in cattle-breeding and also agriculture. Within no time, out of hunger for land, they fell upon the lands of the aboriginal tribes, such as the Chenchus, Koyas, Gonds etc., and turned
out to be their exploiters and expropriators.\textsuperscript{46} On the other hand, \textit{Erukala} men worked as basket and mat-makers day labourers and musicians, while the women wandered from village to village as fortune-tellers and tatooers.\textsuperscript{47} \textit{Chenchus} are an aboriginal tribe found mainly in Mahaboobnagar District.\textsuperscript{48} Even though land for agriculture was there in the “\textit{Chenchu Reserve}” and bullocks were provided for tilling, these were not utilised, and instead, they continued their primitive habit of going on hunting and search and collect the available forest and animal produce. These village \textit{chenchus} have, however, been greatly influenced by the local Hindu population, with whom they live in symbiosis and on whom they are, for the most part, economically dependent. Gonds and Koyas are the other prominent tribal communities in the dominions.

Adi-Hindus or the Scheduled Castes, as per 1921 Census, numbered about 19 lakhs in the State. This was nearly 20% of the Hindu population and 18% of the total population of the State.\textsuperscript{49} They consisted of 34 sub-castes, such as \textit{Mala} and \textit{Madigas} in Telangana, and \textit{Dhed}, \textit{Mang} and \textit{Mahar} in Marathwada.\textsuperscript{50} The occupation of the Adi-Hindus in the villages was field labour and domestic service in European and Muslim households in Hyderabad city and Secunderabad town.\textsuperscript{51}

There were also leather workers, scavengers and masons among them. These Adi-Hindus adopted all Hindu customs in their auspicious ceremonies and consequently all the evils of Hindu society were imitated and they even observed untouchability among the sub-castes. The greatest evil which sapped the very vitals of
their economic structure was the evil of drink which was consumed on religious and social ceremonies. As these Scheduled castes were subjected to forced labour at the hands of big landlords, patels and patwaris, pioneers of several organisations fought relentlessly against this inhuman labour without wages.

Regarding social customs, it so happened that whereas child marriages and polygamy remained very much in vogue, divorce and widow marriage have not received approval and social sanction. Seclusion of women or purdah- keeping was prevalent during the period among the Muslim families and also among the nobles, feudal lords and village officers. The social evil of taking of dowry from the bride’s father in the form of cash, gold, land, house or providing a secure job has been very much prevalent, as a kind of social exploitation and turning the marriage into a kind of commercial transaction. Common or general festivals were celebrated in communal amity and brotherhood. Only since the second half of 1940s, relations got strained due to the Muslim fundamentalists gaining upper hand over the Nizam and in the administration.52

On the social front, especially education and health were much neglected, and least and paltry amounts of the State budget were spent on them, with a result that even Primary Schools, Middle Schools and High Schools, let alone colleges and universities, and dispensaries with beds in them, were woefully deficient, thereby leaving more than 95% of the people illiterate and devoid of even minimum medical facilities or support. For instance, as late as 1931 and 1936, 4 Taluks in Medak
District; 5 Taluks in Nizamabad District; 5 Taluks in Mahaboobnagar District and 6 Taluks in Nalgonda District had no High School at all. Nearly 75% of the total number of villages in a Taluk were deprived of even the benefit of Primary School for their children.

Regarding medical facilities, on an average, a Taluk, consisting of 73 to 172 villages, had one dispensary, which again, was located at Taluk headquarters which could, in no way, meet even the minimum medical and health needs of the people coming under its care. As for education, over 85% of the people or non-Muslims could not have instruction through their mother-tongue, nor individuals or organizations related to them, were permitted to establish vernacular schools. This trend could be reversed to the happiness of the majority of the people only after the integration of the State with the Indian Union in September, 1948, and the installation of a popular and duly elected Government in 1952.

**Economic Conditions**

The struggle for the monopoly of natural resources between the British and the Nizam’s Government developed into conflict between them. The mining of coal, shabad stones, gold, Bauxite etc. on one side, the control on the communications basically Railways in particular caused serious tensions between the Nizam and the British. At times the British tried to dismiss the Nizam and annex the State to British Empire. Management of Water Resources, mainly Krishna and Tungabhadra Waters
posed more problems in the first half of the twentieth century between Hyderabad, Mysore, Madras and the Bombay Governments.

The policies of the Nizams in the nineteenth century were not worthy except the period of Metcalfe and Salar Jung I. Mahboob Ali Pasha, the sixth Nizam (1869-1911) was in many respects progressive and was considered a benevolent ruler. The Seventh Nizam, Mir Osman Ali Khan was very good administrator who has taken number of steps to improve the administration by studying the problems of debt, tenancy, constitutional reforms and took measures including construction of reservoirs and development of irrigation, establishment of cooperative credit system through organized banks, study of rural and agrarian conditions, indebtedness, tenancy problems, etc., to provide relief to the peasants. But none of these reports were implemented in their real spirit. Mir Osman Ali Khan though promoted studies on the problems of Hyderabad people and undertaken to provide irrigational facilities, established industries etc., but still could not get the credit for all these reforms because of his political and partisan policies.55

The paramountcy and its control on the Nizam’s State, lack of progressiveness in the general policies, centralization of power in the hands of the Nizam or his ministers, suppression of civil liberties, continuation of feudal, Jagirdari system, all contributed for the continuance of medieval form of government and backwardness. This, amazingly provides contrast to the immense natural resources available viz,
water, minerals, forest, land and man power to the development that was present overwhelmingly even on the eve of India’s independence.56

Hyderabad State,57 with an area of about 82,700 sq. miles was predominantly an agrarian society. As per the land utilization, out of the total 5.3 crore acres, 2.85 or 53.7% of the net area was in actual cultivation and in that 67.4 5% was under food crops, 7.3% fallow, 6.2% cultivable waste and 11 % under forest; however 21.1 % was not available for cultivation in 1939-40. The agrarian structure and the land tenurial system were feudal in nature. The main tenures were Diwani with 60% of the land, Jagirdari with 30% and Sarf-e-khas with 10%.

There was about 5,30,00,000 acres of land in the Hyderabad State; of this 60 per cent was under diwani or khalsa, 30 per cent under jagirdari system and 10 per cent under Sarf-i-Khas, i.e. the Nizam’s personal estates. About 8,128 out of 21,875 villages in the state were under jagirs. A third of the state’s population of 18 million was in jagir areas. Sarf-i-Khas of the Nizam covered 3,335 villages. The jagirdari system consisted of paigahs, ilaqahs, samasthans and jagirs. There were three paigahs controlling a number of villages: Asman Jah (401 villages), Kursheed Jah (396) and Vikar-ul-Umra (397). The four biggest ilaqahs and the villages under them were the estates of Salar Jung (359 villages), Maharaja Kishan Pershad (20), Nawab Khan Khanan (89) and Nawab Fakhr-ul-Mulk Bahadur (113). There were also five exempted estates with a number of villages under them, those of Raja Dharam Karan Bahadur (186), Raja Shamraj Bahadur (119), Kalyani (60), Surya Jung (34) and
Mehdi Jung (75). There were five leading samsthans: Gadwal (122 villages), Wanaparthi (150), Jatprole (86), Amarachinta (69) and Palvancha (70). Jagirdars like Jannareddy Pratap Reddy had 1,50,000 acres and Visnuri Ramachandra Reddy had 40,000 acres.\textsuperscript{58}

Though the growth in the commercial crops cultivation increased noticeably after 1920s, the fall in agricultural prices due to economic depression had seriously affected the market oriented rich peasants’ economy. The steady increase of the State revenue extractions had also affected the fortunes of the’ peasantry. The total land revenue collected in 1882-83 was 179.01 lakhs whereas by 1943-44 it increased to 333.37 lakhs.\textsuperscript{59}

Survey and settlement of lands was not introduced in the state until after 1850, although revenue was the major source of income. The state’s share of revenue under the normal rules was 50 per cent of the produce. Though generally it is claimed that only 25 per cent to 33 per cent of the produce was collected as revenue, in practice it was more than 1/3 of the produce on land irrigated by wells and 1/4 on commercial crops like sugar cane, oil seeds, orchards, etc.

The average assessment per acre in Marathwada in 1940-1 worked out to Rs. 1-1-10 for dry land and Rs. 5-13-8 for wet land against Rs. 0-14-6 and Rs. 12-6-9 respectively in Telangana. The highest average assessment on dry land in Marathwada was Rs.1-9-4 (Nander district) and Rs. 1-5-11 in Telangana (Medak
On wet land the highest assessment was Rs. 18-12-2 in Nizamabad district. The income from land revenue in 1854 was about Rs. 65 lakh whereas in 1944 it was Rs. 3.33 crore, showing an increase of 360 per cent.\textsuperscript{60}

But the state’s share of land revenue declined from 85 to 33.9 per cent during the period. This only show that income from other items had increased considerably. Special mention may be made to the increase in excise duties, postal and stamp fees and customs. The revenue from other heads like taxes on small scale industries, exports, imports, etc., increased, thereby reducing the proportion of land revenue in the ratio of state’s revenue, so that it cannot be presumed that land revenue collection was reduced substantially.

In 1940-1 about 53.2 per cent of the land was under different crops; while 20.4 per cent of land was not available for cultivation, 11.7 per cent was under forests, 5.9 per cent was cultivable waste and 8.8 per cent lay fallow. Of the cultivable area about 1,81,80,709 acres were under food crops (jowar 33.7 per cent, bajra 5.6 per cent, wheat 3.9 per cent and rice 4.5 per cent) and about 43,55,238 acres were under oil seeds. After the establishment of the Agriculture Department in 1911, there was some effort to supply better seeds and to introduce improved varieties of crops and dry farming methods. But such measures were confined to areas near some urban centres.\textsuperscript{61}
The demand of revenue in cash, which became scarce in villages, especially during Great Depression, was responsible for land alienation in favour of rich landlords and money-lenders. Agricultural indebtedness was widespread in the villages. The detailed investigations showed that 1/3rd of the agricultural land had gone out of the possession of the cultivating peasants into the hands of Sahucars and moneylenders in the Diwani areas. The position of ryots in Jagir areas was much worse. The Tenancy Committee in 1940 emphatically recommended the passing of an Act for the betterment of the conditions of the tenants. Reform in the law was necessary for economic, social and political reasons, but nothing was achieved at the grassroots level.

Hyderabad state was generally an importer of food grains, particularly rice and wheat. The acute food shortage was caused by the increase in cash crops in place of food crops specially Jawar. The average area under food crops per year from 1934-40 was 1,94,93,000 acres against 1,83,44,000 acres between 1940-44 a decrease of 10,49,000 acres i.e. food crops occupy about 66 60 per cent of the total area under cultivation as compared with 67.45 per cent between 1936-40.

The cultivation of castor and groundnut increased after 1900. Castor was cultivated mainly in the taluks of Nalgonda and Dewalpalli. Castor seeds were exported not only to British India but also to England through local agencies. By the 1930s, Hyderabad State was the main castor exporting centre in India in 1936-37, castor exports from Hyderabad were 75.8 per cent of the India’s total export of castor.
Groundnut was another important cash crop in Hyderabad in the early twentieth century. Its area of cultivation increased rapidly from 6.2 lakh acres in 1920-30 to 26 lakh acres in 1943. Groundnut was exported mainly to Bombay and Madras.\(^{66}\)

The cultivation of groundnut and castor were mainly in the hands of deshmukhs. They did not allow other peasants to acquire lands suitable for these crops. Thus they discouraged other peasants to profit from commercialization. After seeing the profits to be had from groundnut cultivation every farmer tried to bring unirrigated land under groundnut and ‘the production of groundnut became of central importance for all kinds of producers from large deshmukhs to poor peasants.\(^{67}\)

Further, during the Second World War, the end of Burmese rice imports and the Bengal famine caused massive scarcities in Hyderabad State and a levy system was introduced.\(^{68}\) The rate of levy in Telangana was two maunds per acre of paddy and half a maund per acre of other food crops. In Marathwada and Karnataka, the rate was two maunds per acre of paddy and one maund per acre of all other food crops. The levy system had a number of defects. Patels, patwaris, deshmukhs, deshpandya and watandars collected levy indiscriminately without going into the details of either area under cultivation or production at the time of harvest. They harassed the peasants by searching their houses for grain, attaching properties and collecting levy by force.

The levy system, concentration of land in the hands of jagirdars, exploitation in the form of vetti, the role of moneylenders, all affected agrarian life and economy.
Debt of the peasantry increased. Tenants’ problems multiplied. These trends distorted the basic trends in life and economy, especially of the agrarian system and revenue policies.

**State Economy**

The economic conditions, specially the revenue administration left by Malik Amber of Ahmednagar and Murshid Quli Khan of Mughals, had great bearing not only in streamlining the revenue administration but also in the introduction of the ryotwari system which helped peasants and agriculture. However, the Mughal invasion of the Deccan and the annexation of Golconda and the consequent neglect or imposition of an unfamiliar Mughal system of land revenue administration led to the exploitation of the peasantry. Under the Mughal administration, tax farming ended, and the collection of revenue by officials started. Although there was no systematic survey and settlement in Golconda kingdom, the revenue was fixed, based on deshpandya and pargana records. These clearly show that the land revenue collection was given to jagirdars.

However, the mansabdars or jagirdars, deshmukhs and deshpandyas were paid in cash in lieu of jagirs. During the political uncertainties these jagirdars not only consolidated their hold on land under their control but their military power also increased, which gradually laid the foundation for the jagirdari system in the Deccan, specially in the Asaf Jahi ruled areas. Basically the Mughal hold on Marathwada and
Qutub Shahi on Telangana provided basic differences in the land tenures, assessment and revenue collection.

In the second half of the nineteenth century, the revenue administration was slowly transformed on the model of either Bombay or Madras Presidencies. Survey and Settlement was introduced in the diwani areas. However, the jagirdari system continued as a very strong institution, thus continuing feudal exploitation till the end of the Asaf Jahi rule.\textsuperscript{71}

Land tenures, land revenue systems and cropping patterns form the main elements of the social formation of the agrarian societies. The revenue system in Hyderabad State strengthened feudal institutions, resulting in the plunder of the ryots. In lieu of this right of revenue collection the state gave vast areas as jagirs (a group of villages or a village) as personal fiefs to officers or revenue collectors in lieu of salaries.\textsuperscript{72} In addition they collected huge amounts as revenue virtually placing the peasant at the mercy of these revenue collectors who retained the loot after paying the required amount into the state treasury. If the peasant failed to pay, the land was confiscated and retained by the concerned deshmukhs, deshapandya, patel or patwari. Absentee landlordism became an increasing feature. Even after Salar Jung’s reforms and the introduction of the ryotwari system, the burden of taxation continued.

The revenue resettlement varied from fifteen to thirty years but in jagir areas excess collection became a common practice and landholding became a burden to the
peasants. However, the reforms of Salar Jung slowly gave some relief to peasants in the diwani areas. But the jagirdari system still continued and they were infringing on the rights of ryots and tenants in their areas until it was abolished in 1949-50 and revenue amendment acts were passed in 1954.\textsuperscript{73}

The reasons for the increasing debt of the peasantry were fragmentation of lands in the family divisions which became uneconomical, high assessment and conservative attitude of peasants both in cultivation techniques as well as in mobility. It was responsible for the hindrance in the growth of modern agriculture. However the prices of land increased with the growth of population as well as the migration of non-agricultural communities to agriculture. There was neither assurance on security of land nor on revenue rates, hence could intensive cultivation not be pursued due to lack of incentives.\textsuperscript{74} Still the importance of irrigation was not really felt until the second quarter of the twentieth century.\textsuperscript{75} After agrarian reforms productivity in the tenant cultivated tracts was higher than in owner cultivated lands, due to increased investments. Particularly, reforms helped the tenants.\textsuperscript{76}

Debt was on the increase in the state. The survey of Kesava Iyengar in about 118 villages (of which 62 were in Telangana and 56 in Marathwada) shows that in Telangana 89 per cent and in Marathwada 35 per cent of the population were living in debt.\textsuperscript{77} This marked disparity is because more land was available in Telangana than in Marathwada. Deshmukhs or jagirdars in Telangana were peasant owners and could seize more land from debtors or emigrants due to natural calamities or depression,
whereas in Marathwada moneylenders could not adopt the method of seizure of land. This was mainly responsible for land concentration even after 1930s, and the whopping debt of the Telangana people.

Weavers seeking work, requiring refuge from rebels, fiscal services or presents, local Telugu chiefs seeking military supplies and support against the Mughals all found attractive alliances with the British, the French or the Dutch. In the process, the Asaf Jahi state became weak and dependent, whereas European companies, initially the French and later the English, got a hold on the Hyderabad administration. Consequently, control by the foreign companies on the one hand and weak state on the other reduced the initiative in economic and administrative systems in the state. Thus the economy slowly became subordinated to the colonial interests.

The foreign companies slowly but firmly tried to develop their trading and political interests, so that European hold on the Coromandel and Madras coast was strengthened. The new alliances by the local rajas and zamindars in major cloth-producing areas, and the fall of Golconda increased the importance and autonomy of mercantile companies on the east coast. Financial stringency needed during wars, remittances, defective and corrupt revenue administration, injudicious taxation and neglect of irrigation facilities indicate that the state had no interest in the commercial prospects of agriculture. Pre-capitalist subsistence agriculture, non-mechanized domestic industries, and lack of dynamic commercial activity were responsible for the static conditions of the economy in Hyderabad State.
The trade monopoly of the European companies, specially the British, disturbed the active trading and manufacturing economy dominated by the products of the artisan communities, handicrafts, textiles, and small scale industries of Hyderabad State. The advances to the guilds and artisans were either reduced or discontinued. There was increasing pressure on these communities to subordinate their interests to colonial policies. The results of the industrial revolution can be perceived in the destabilization of traditional indigenous products.\(^{80}\)

Due to lack of state encouragement, and the oppressive attitude of the companies, these artisan and business communities slowly migrated to agriculture either as labour or small peasantry thus increasing pressure on agriculture. This was also mainly responsible for the collapse of traditional industries and economy as in British India. The redeployment of indigenous capital suffered a decisive shock under the new colonial situation. Until the nineteenth century trade and commerce were neglected and traditional indigenous industries lost their importance. There was stagnation in the economy.\(^{81}\)

Lack of survey and settlement, the revenue collectors, especially jagirdars, deshpandyas and deshmukhs and their repressive policies, using every possible opportunity to grab land from peasants or tenants led to the concentration of land in their hands. The revenue policy naturally encouraged feudal institutions. The jagirdars asserted their rights and grabbed land whenever there was an occasion like famine or
depression. Therefore in the first 150 years of Asaf Jahi rule one can witness the ‘feudal forms of extraction’.

The Department of Industry and Commerce, which came into existence by 1920, took up the promotion of textile, cement, cigar, tea, button making and other industries. However, these infant industries could not cope with the demand of solving economic ills. It is interesting to note here that the industrial progress in British India was conspicuously more advanced when compared to Hyderabad State.

From the early eighteenth century, the Nizam’s Dominions had considerable trade with coastal Andhra and Rayalaseema. Nizam’s Dominions were land-locked after 1765 as we have seen. Before that, trade from Hyderabad State to the ports in coastal Andhra had been brisk. The chief articles of trade were piece goods of native manufacturers, food grains, fruits, cotton, cotton thread, clay goods, cloths and yarn of different colours ready for the loom, dyes, silks, carpets, metals, salt, camphor, tobacco, betel and timber.

Hyderabad State exported gold and silver, lace, wheat, spices, drugs, rose flower, dye, turbans, honey, opium, timber, wax, betel nut, sandal wood and Hyderabad paper to Andhra. Opium and cotton were exported annually to the tune of Rs. 2 lakh to Andhra districts. The European settlements in Andhra used to sell piece goods, sugar, oils, tobacco, spices and copper in Hyderabad. Hyderabad merchants bought sugar, spices, dry coconuts, maize, chillies, camphor, copper and turmeric
from the Dutch factories of Jagannathpuram, Palakollu and Bheemunipatnam. But due to the oppressive taxation system and customs duties this trade gradually declined. The situation was further aggravated by the Carnatic and Mysore wars. Things gradually changed due to the agreement between the Nizam and the British in Hyderabad State after the Subsidiary Alliance.\(^{83}\)

Imports of silk and cotton stuffs, fruits, scents and drugs, sugar, jaggery, minerals, silk were common and they were luxuries for the rich. These imports indicate that the state was lagging in the production of drugs, fruits, silks and sugar. However, the important exports were grains, oil-seeds and oils, cotton, indigo, timber, livestock’s, etc., which were primarily agriculture based products and indicates agriculture was its main stay with vast natural resources. Custom duties on any goods entering or leaving the state were levied at a flat rate of 5 per cent. But it was higher on certain goods like paper and imported products. Customs were collected on roadways and railways.\(^{84}\)

Even though the British pretended to be non-interventionist, to bring about substantial growth, they encouraged the free market, changed agrarian politics and promoted raw material production for their industries. The market economy necessitated the production of raw material for industries and this naturally encouraged the commercialization of agriculture. Commercialization of agriculture, however, resulted in the intensification of feudal forms of exploitation. It benefited the rich and middle peasantry but gave a big jolt to food grain production.
The princes were the supporters of the British in India. During famine or scarcity, on the advice of the colonial government, food grains were exported to neighbouring places, ignoring the interests of local people. For example, during the Bengal famine of 1943 and scarcities in the neighbouring states (due to failure of crops and also owing to the Second World War) in 1943, Hyderabad exported food grains to Mysore on the advice of the British. This led to scarcities out of artificial fear, though there was a surplus. The result was famine in Hyderabad.\(^{85}\)

Heavy taxation, privileges for the rich and jagirdars, vetti in feudal areas, all were part of the socio-economic and political ideology of the Nizam’s state. In both the jagir as well as in diwani areas, the taxes were heavy. This is substantiated by A.M. Khusro’s survey after the abolition of jagirdari. This changing economic scenario, with increasing debt and exploitation of the peasants, impact of economic depression of 1930s and the Bengal famine of 1943 all affected the economic life of the people in the state. The recommendations of various commissions appointed by the Nizam could not be implemented by the state. Mention may be made of the Indebtedness Commission under Bharucha of 1937, Arvamuddu Iyengar Committee on Constitutional Reforms in 1937, and Tenancy Committee of 1940. Their suggestions were not implemented. Co-operative banks and the banking system in general could not relieve the peasantry of moneylenders and jagirdars.\(^{86}\)

Telangana region was more backward than Marathwada owing to land concentration and exploitation of the peasantry which was more visible in this region
in spite of natural resources like irrigation facilities, forests and minerals. Concentration of land in the hands of jagirdars, patels, and patwaris was more in Telangana than in other regions of the state. Sarf-i-khas lands were also mostly located in Telangana. It was generally known that small holdings and fragmentation of land were more common in Marathwada and Karnataka than in Telangana where jagirdars holding 1,000 acres were perhaps more than 500 in number. The village patwaris and patels, henchmen of the jagirdars, used every opportunity to confiscate or transfer land in the name of jagirdars or as benami. Thus there was not only exploitation of peasants but also concentration of land in the hands of a few which worsened the economic conditions of the people and increased the debt trap. Therefore, more than 93 per cent and above land was cultivated in Marathwada region, whereas in Telangana 70 per cent to 82 per cent of the land was hardly under cultivation. This amply shows how the peasants were exploited and land left fallow or uncultivated.  

**Industrial Development**

After 1870, an agreement was signed between Hyderabad and the Government of India to construct a railway line and to establish a Posts and Telegraphs Department. Gradually, major industries were started, including the Hyderabad (Deccan) Spinning and Weaving Mills Ltd., Hyderabad in 1877, the Mahboob Shahi Mills at Gulbarga in 1884, and the Aurangabad Mills in 1888. These three mills
employed about 2,394 workers. By 1898, 12 cotton ginning and pressing mills were started, which increased to 60 by 1904.88

The thrust of industrial development till the Second World War was to provide infrastructure and institutional, support including financial and technological aid for the development of modern industry in the state. Departmentalization of finances at the time of R. Glancy and Akbar Hyderi also provided some scope for investments for the industrial growth. In fact, the industries department (Sant-e-Hirafat) was started in 1918 and came into full working in 1920. Later on, an Industrial Trust Fund was created to use for shares, debentures and loans to the tune of a crore of rupees. It helped both agro-based, cottage as well as large-scale industries.

The railway lines, including the Nizam Guaranteed State Railway Corporation and Godavari Valley Railway from Manmad to Secunderabad were taken up in the 1870s and 1880s. The Hyderabad Deccan Mining Company of London, investing in Singareri Collieries Company in 1870s also came into operation, which was further strengthened by 1927 as Singareni Collieries was financed by the government. A number of engineering workshops, textile, ginning and pressing mills also came into existence.

In 1920, there were 120 factories in the state, excluding cotton ginning and pressing mills. An industrial alcohol factory (1925), a soap factory (1919), the Shahbad Cement Factory (1925) and the Deccan Glass works (1927) were some of
the important units started up to 1930. During the Second World War, two metal factories, two cigarette factories (Charminar and Golconda factories), Nizam Sugar Factory (1939), Praga Tools Corporation (1943) and Allwyn Metal Works (1942) were established. After the War, Sirsilks and Sirpur Paper Mills at Sirpur were established. The expenditure on industries and commerce also gradually increased from 1912-13 onwards.89

After the time of Second World War, the state changed its thrust from agro-based industries to metallic engineering, chemical-based and forest-based industries. This was to help planned economic development. But political tensions, increasing communal nature of the government, the Congress, Communist parties struggle for integration of the state into the Indian Union affected the growth of industrial development. Matters regarding industries were under the control of the Revenue Department to the end of 1917. Due to increase of industries, the government brought into force Factories and Boilers Inspection Act in 1909 to regulate the working of the burgeoning cotton ginning and pressing mills.

**Major Industries**

The state had vast natural resources to start major industries, either metallic or glass-based, but due to the lack of capital the pace of industrial growth was slow. Salar Jung I who tried to create a vibrant economy was responsible for starting railway and other communications, coal mining, cotton arid textile industries.
Coal mining started in the late 1880s. The London-based Hyderabad Deccan Mining Company with 75 per cent of its shares in the hands of the government was started in 1887 for prospecting and coal mining. The Singareni Collieries was the first coalfield in the state. It was started in 1889 and closed in 1941 after the exhaustion of coal.\textsuperscript{90} Coal output between 1889 and 1940 increased from 0.59 to 13.01 lakh tons.\textsuperscript{91}

The mining industry provided employment to about 18,000 persons and accounted for over 65 per cent of the total value of minerals produced in Hyderabad State. The biggest coalfield was started at Kothagudem in 1939, and accounted for more than 55 per cent of the total production of coal. The Tandur field near Bollapalle was next in importance. The Godavari valley, however, was considered to contain the largest coalfield in India.

Hyderabad Iron and Steel Works Limited was established in Hyderabad in 1932 with a paid capital of Rs. 6 lakh. The Industrial Trust Fund invested Rs. 25,000 initially and Rs. 37,000 in debentures. Iron and steel sheets, once imported, were now locally produced. Praga Tools Corporation was started in 1943 with an authorized capital of Rs. 1 crore. In 1947 the Hyderabad government took an interest in this industry and granted Rs. 20 lakhs for its expansion. Later, it was taken over by the Central government.

The Cement industry was started in 1925 with a capital of Rs. 35 lakh at Shahabad in Gulbarga district on the G.I.P. Railway. The company merged with the
Associated Cement Companies Limited of India in August 1936, the chief object of
the merger being to make and deliver cement as cheaply as possible to stand in
competition. By the end of 1936, there were 521 industries in Hyderabad that
employed nearly 30,000 workers.\textsuperscript{92} The other major industry that developed from
1920s is the sugar industry. Handmade paper had been manufactured for many years
and this industry provided work for as many as 5,000 persons.

Next to agriculture the handloom industry was the most important occupation
of the rural population of Hyderabad State. In 1943-4, it gave employment to about
4,50,000 persons including males, females and children and providing the clothing
needs of about 30 per cent of the population.

\textbf{Cultural Conditions in Hyderabad State}

Former Hyderabad State is very well noted for its composite and cosmopolitan
culture. People speaking Persian, Urdu, Telugu, Marathi and Kannada languages lived
together as members of one community. Persian remained as an official language up
to 1893, and from this year till the end of the regime in 1948, Urdu occupied the
official language status. Besides these, Hindi and English were also spoken, but not as
primary languages.\textsuperscript{93}

Because of the cosmopolitan nature of Hyderabad city, people from all parts of
India and foreign lands flocked to it, and lived harmoniously and peacefully,
professing different religions. Telugu literature got enriched during the rule of the Qutb Shahis, the illustrious predecessors of the Asaf Jahis. Addanki Gangadhara Kavi of 16th century and a native of Golconda dedicated his work *Swayamvarapakhyanam* to Ibrahim Qutbshah. Saranga Tammayya, a *Karnam* of Golconda at the time of Quli Qutbshah, wrote *Vaijayanti Vilasam*.

If Muhammad Quli Qutub Shah was the founder of Hyderabad city, Nawab Mir Osman Ali Khan, the seventh Nizam can be called the maker of modern Hyderabad. The buildings constructed during his reign are impressive and represent a rich variety of architecture. Such as the magnificent Osmania University, synthesizing the modern, medieval and the ancient styles of architecture; the sprawling Osmania General Hospital in the Mughal style; the lofty High Court in Indo-Saracenic style; the Assembly building in Saracenic-Rajasthani style, symbolising his desire to build modern and majestic Hyderabad. The Osmania University Arts College reflects the perfect blending of culture trends in Hyderabad for over four centuries.

The paintings of 17th century Hyderabad are noted for their brilliant colours, exquisite gold decorated in the background, fine arabesque flowering trees, gorgeous costumes, sweeping postures, etc. The most remarkable feature of Qutb School was the production of large-size painting on cotton cloth, typically Deccan. Hyderabad also offers a glimpse into the amazing spectrum of performing arts. *Kuchipudi*, the classical dance form of the State presents vignettes from the great Hindu mythological
tales through fascinating dance-dramas. Shadow puppetry is another famous art performed with leather puppets and bamboo sticks, depicting mythological characters from the Epics, against a brilliant lamp lit in the background. This is performed along with lyrical narration. Their cultural repertoire is a profusion of dances, folk songs and religious celebrations.

The Akkanna and Madanna temple stands as an outstanding example of religious toleration. Sri Khaja Bolda had donated his land for the renovation of the temple. Similarly, Mrs. Irayatullah Khan came forward and donated the adjacent land for the ritual purpose. In the same vein, Nizam VII issued a farman, dated 29th September, 1912, sanctioning Rs.3,000/- to Roman Catholic Church and Rs.900/- to Methodist Church in Hyderabad for making lighting arrangements and installing electrical fans, thereby indicating the former’s broad catholic composite spirit.98

Important festivals are celebrated by one and all, without any communal tinge or preference. Thus, Tavernier, the foreign traveler has observed that, Muharram at Golconda was celebrated very devotedly and Hindus participated in the celebrations with great enthusiasm.99 Socio-religious reform movements aiming at religious reformation and social amelioration had also been witnessed in the former Hyderabad State. The details of which are given in the subsequent chapter.
REFERENCES


3. Khan, *The First Nizam*, 118, 175. Nizam ul-Mulk was called to fight the Marathas further north in 1719; to be vazir of the empire in 1722; and to fight the Marathas and serve as Vakil-i Mutlaq (vazir) again in 1737, pp.118 & 175.


5. Makhan Lal, *Tarikh-i Yadgar-i Makhan Lal*, Hyderabad, n.d., pp.143-44. The original Persian Manuscript of this work was written in the 1820's.


Makhan Lal, *Op.Cit.*, pp.61-71 contains numerous examples of such shifting in these brief biographies.


The vakils of the Nawab of Arcot employed local men to supervise the Nawab's jagirs outside the city and his nearby gardens and to attend to the tombs of his relatives and associates in the city. Details of these jobs appear in letters in the private collection of Dr. Muhammad Ghaus of Madras, in a file tentatively numbered 32: *Persian Correspondence on behalf of the Nawabs of Arcot to their Vakils in Hyderabad, 1802-1857*.

Makhan Lal, *Op.Cit.*, pp.61-71. This section gives brief biographies of the Hindu nobles of Hyderabad, several of whom were originally vakils of outside powers.

The term is commonly used in South India both for the residence of a person of rank and for a noble family or royal family as well. H.H. Wilson, *A Glossary of Judicial and Revenue Terms and of Useful Words Occurring in Official Documents Relating to the Administration of the Government of British India*, London, 1855, p.458.
Only the rulers of Paloncha and Sholapur were Brahmins. The rulers of Amarchinta, Gadwal and Wanaparty were Reddis; the ruler of Anagondi was a Razu; the ruler of Jatprole was a Telaga Balaja.


Brief biographies of some of these (Finglas, Piron, Boyd, and Raymond too) are included in the appendix of Herbert Compton, *A Particular Account of the European Military Adventurers of Hindustan from 1784-1803*, London, 1892, p.350.

A good basic discussion of the Mughal system appears in Jadunath Sarkar, *Mughal Administration*, 5th ed., Calcutta, 1963, , pp.575-579. Most of the administrative terms used in Hyderabad and the functions they denoted were identical to those in the Mughal System.

The Daftar-i Diwani was connected with the Rae Rayan family, traditionally from 1750: Ghulam Samdani Khan, *Tuzuk-i Mahbubiyah* (Hyderabad, 2 vols., 1319 H. [ig02]), II (Nobles), 17. The family's first jagir grant recorded was in ii68 P. [1758-59] in the jagir register: Rejister Asnad-i jagir, vol. I no. ii serial number IOI/I2. This register is in section R2 of the Andhra Pradesh State Archives. The Daftar-i Mal was connected with a Kayasth family. Its founder is listed as sardaftar (head of the office) in a 1760-61 entry in the above Rejister Asnad-i lagir, vol. I no. ii serial number II3/I2. For this family also see Daftar-i Mal Jagir Rejister, "naqul-i asnad-i Shiv Raj," file no. 66 of 1342 F. [1932-33] which is also in section R2 of the Andhra Pradesh State Archives.


26 The transition was often indirect. Many moved from the Sultanates of Golconda and Bijapur to the Maratha, Mughal, or even Mysore services before joining the Nizam's service. Some moved from the Marathas to the Mughals to the Nizam, or from the Mughals to the Nawab of Arcot to the Nizam.

27 This generalization is based on the references throughout Yusuf Husain Khan, *The First Nizam*, Bombay, 1963.
See the family history by Yashvant Rao, *Tarikh-i Khandan-i Rajah Rao Rumbha Jivant Bahadur Nimbhalker*, Hyderabad, 1311 H. [1893-94].

See the account in Ghulam Samdani Khan, *Tuzuk-i Mahbubiyah*, II (Nobles), pp.235-42.

A good example of this development is the family of Raja Gopal Singh Gaur, a Rajput appointed as Qilahdar, or Commander of the Fort, of Qandhar. This Rajput noble family was prominent in the eighteenth century but resided at Qandhar and was not influential in the nineteenth century. Samsam-ud-Daula Shah Nawaz Khan and Abdul-Haqq, trsl. H. Beveridge, *The Masthir-ul-Umara*, 2nd ed., Calcutta, 1941, Vol. I, pp.593-94; *Jagirdaran-o-In'amdar*, [1784], folios 70 and 71; *The Chronology of Modern Hyderabad*, entries covering 1774-1790, 48, 59, 60, 63, 64, 66, 89; Lal, Yadgar, entries on 101, 160, 164, 165, 78, 86, 90-92; Muhammad Sayyid Ahmed, *Umra-i Hindu*, Aligarh, 1910, p.312.

This was true of the two Daftardar families and of Maharaja Chandu Lal. His family held the post of peshkar of customs until he assumed the post of acting Diwan in the early nineteenth century, and then titles, increased mansab ranks, and finally jagirs were granted to family members. Chandu Lal, *Ishratkudah-i Afaq*, Hyderabad, 1325 H. [1907]. His family was the last of the ten to attain nobility.

The origin of the Hyderabad Shias has been disputed. One author states that they served with the Golconda Sultanate. A.M. Siddiqui, *History of Golkonda*, Hyderabad, 1956, p.345. Another states that earlier Deccani Shia families did not survive. Henry George Briggs, *Op.Cit.*, Vol. 1, p.118. This apparent contradiction is perhaps due to Briggs failure to notice that Shia families coming directly from the Mughal, Mysore, and other services had previously been connected with the Bijapur of Golconda Sultanates.

These ten families are those of Raja Rao Rumbha, Shauket Jung Hissam ud-Daula, Salar Jung, Rukn-ud-Daula Khan-i-Dauran, the Paighahs, Raja Rae Rayan, the Malwalas, Shar Yar ul-Mulk, Fakhr ul-Mulk Hisam ul-Mulk, and Maharaja Chandu Lal.

The families of Chandu Lal and Salar Jung, whom the English took to be long-established premier nobles, actually achieved and reestablished (respectively) noble status chiefly through their success in dealing with the British Resident. In the early nineteenth century the influence of the Resident was a serious threat to Hyderabad, and their effectiveness as intermediaries elevated them within the Nizam's Court.


Rule of the Nizam’s came to an end on 18th September, 1948 through Police Action of the Indian Government and popular Ministry assumed authority after the General Elections in 1952.

41 Ibid.

42 Ibid., p.120.


44 *Meezan* (Telugu), 20-02-1945.


46 Ibid.


50 Ibid.

51 Ibid.


54 Ibid.

Nizam Government in Hyderabad State was feudal and autocratic in nature. For details on ‘Anal malik’ concept of the Muslims, and suppression of the rights of people in the state, see N. Ramesan, Freedom Movement in Hyderabad, Hyderabad 1964. Also see, Achyut Khowde, The peoples Movement in Hyderabad, Nanded, 1947.

Kesava Iyengar, S., Rural Economic Enquiries in Hyderabad State, 1949-51, p.382.


Ibid.

Before the Second World War, Hyderabad Government was importing about 68,000 tonnes of rice annually. Rice imports in 1944 were only about 6000 tonnes against 67,000 tonnes. See for more details, Qureshi, A.I., Op.Cit., p.278.


75 An irrigation policy was adopted and numbers of reservoirs, projects and anicuts have been constructed in the state between 1928 and 1936. See for details, A.I. Qureshi, *Op.Cit.*, pp. pp.91-103.


82 *The Economic Life of Hyderabad*, All India Economic Conference, Hyderabad, 1937, pp.61-96.


84 Wright, Arnold (ed.), *Indian State: A Biographical, Historical and Administrative Survey*, Asia Educational Services, 1922, p.44.


88 See for details, V. Bhaskar Rao, *Agrarian and Industrial Relations in Hyderabad State*, Delhi, 1985, pp.77-78.


91 *Administrative Reports* of the Nizam’s Dominions from 1889 to 1940.


Dr. Zareena Parveen, “The Efflorescence of Hyderabad Composite Culture” in
*Hyderabad State: Society, Economy and Politics 1724 to 1956*, a Pre-Seminar
*Volume of International Seminar* held at Osmania University, Hyderabad, 17th to
19th December, 2010, p.95.


Tahseen Bilgrami, “Cultural Synthesis in the Deccan, Hyderabad” in Prof. A.R.


Mohanty, Sachidananda (ed.), *Travel Writing and the Empire*, Katha Publishers,
2003, p.154.

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