

**MASULIPATNAM TO MADRAS :**  
**A Study of Shift in the English Settlement Pattern**  
**on the Coromandel Coast in the Seventeenth Century**

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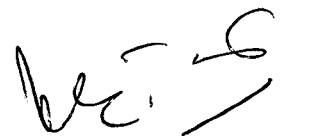
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## DECLARATION

This is to certify that this dissertation entitled Masulipatnam To Madras: A Study of Shift in the English Settlement Pattern on the Coromandel Coast in the Seventeenth Century, submitted by Chinta Srinivasa Reddy in partial fulfilment of the requirements for the award of the degree of Master of Philosophy has not been previously submitted for any degree of this or any other university. This is entirely his own work.

We recommend this dissertation be placed before the examiners for evaluation.

  
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#### ABBREVIATIONS

E.F.I	English Factories in India
IESHR	The Indian Economic and Social History Review
IHR	Indian Historical review
JESHO	Journal of the Economic and Social History of the Orient.
JIH	Journal of Indian History, Allahabad, Madras and Trivandrum.
MAS	Modern Asian Studies
IHC	Indian History Congress
RELATIONS	Relations of Golconda in the Early Seventeenth century
RFG	Records of Fort St. George
VOC	Vereenigde Oost Indische Compagnie or the United Dutch East India Company

## PREFACE

A visit to Machilipatnam in 1989 would be a shock to a student interested in the commercial history. Machilipatnam as it stands today is a small and neglected port where ships are seldom seen getting the merchandise. Weavers who formed the backbone of this port-town once upon a time, are just a handful these days. The pathetic state of these people was seen recently when some of them committed suicide. The present state of these weavers can be traced back firstly to the decline of the port, the Deindustrialisation process of the British and to the apathy of the governments towards them in the post-Independent era. One, then, wonders and would like to probe into the causes for the decline of this port. The causes can be traced back to the Seventeenth century when the seeds of decline are sown. The causes are multiple : its indispensable link to the then ruling kingdom of the Qutbshahis which was rapidly declining by the end of the Seventeenth century, the highhandedness and corruption of the local officials and lastly and the most important being the policies of the European companies. which shifted from Machilipatnam, a thriving trade centre, to other places.

The search for a different place on the same coast made the Europeans , especially the English to settle at a small fishing village which was then called "Madrasapatnam". Because of the deliberate policies of the English both at Home and as well as in India, this villege soon grew into an European stronghold. soon

became the first Presidency in India and now the fourth largest city in India which incidentally celebrated its 350 years of history this year (1639-1989).

Madras succeeded where Machilipatnam failed. This work is an attempt to study broadly the causes for the decline of the port by the end of the Seventeenth century and the concomitant growth of Madras in its initial 60 years .

In this endeavour of mine, many people have helped me and I feel it obligatory on my part to thank them. I am deeply indebted to Dr. K.K.Trivedi for his affectionate and valuable guidance in preparing this dissertation. My thanks are due to Prof. Harbans Mukhia of the Jawarlal Nehru University, Dr. Seshan and Dr. Sudhir of the University of Hyderabad for their valuable suggestions.

I express my gratitude to Mrs. Anne Dayanandam and Ms. Elizebeth of the Madras Christian College who took pains in helping me in finding the source material when I was at Madras for my field work. I am very thankful to the Andhra Pradesh State Archives, Hyderabad, the Tamilnadu State Archives, Madras, Nehru Memorial and Mesuem Library, New Delhi, Connemera Public Library, Madras, and to the Jawaharlal Nehru University for the field trip contingency grant, which partly met the expenses of the field work undertaken.

I cannot forget the help done by Sambaturi Vijayasekhar Reddy, my brother, who read and re-read the material to get its final form. My friends have helped me at a various stages of the

research and it would be too exhaustive to name all of them. My parents have always been my source of inspiration. I am grateful to my friend Venkata Ramana Reddy who pleasantly undertook the task of typing. I dedicate this work to my uncle Mr. S. Veerananarayana Reddy who is keen a student of history.

Chinta Srinivasa Reddy

**CHAPTER I**



## COASTAL ECONOMY OF THE COROMANDEL COAST - SEVENTEENTH CENTURY

The study of Indian urban history is a recent effort of the scholars. The researches so far conducted have mainly tried to bring to light empirical data than offer interpretative or theoretical discussions. Even for an empirical study, one is handicapped because of the paucity and nature of source material. One has, therefore, to heavily depend on the records of European joint stock companies and traveller's accounts, who started operating in the Indian sub-continent mainly from the beginning of the seventeenth century. On the basis of researches so far conducted we can broadly divide Indian Urban centres into four broad categories: a. Administrative centres, like Agra, Delhi etc. (b) Pilgrimage Centres, like Mathura, Varanasi etc. (c) Commercial centres, like Surat, Masulipatam etc., and (d) Production Centres like Broach and Bayana. These were not exclusive categories. Over lapping of roles is witnessed quite frequently in these centres.

During the Mughal period, there was a great expansion of commerce. This is to be seen mostly in the manufacturing and marketing of textiles to meet the demand of both the internal and external markets. There was also extensive demand for spices, indigo and such other items as salt-petre, iron and steel, diamonds etc. This brought wealth to the urban centres, especially to those whose location made them natural entrepots whether by land or sea<sup>1</sup>. Existence of an export market broadly means long distance trade-trade with other parts of the globe.

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1. Raychaudhari, Tapan, & Habib Irfan ed. The Cambridge Economic History of India, vol I, Delhi 1982, p. 353, 388

The main requisite for the long distance trade is the 'outlets' through which the goods can be sent and brought in, from various parts of the World. The ports or the 'outlets' brought goods from the hinterland and exported them. Most of these ports later became the main centres of not only high craft specialisation, but also took the form of urban - metropolis.

In India, because of vast expanse of sea and vast coastline (5,700 km), there was thriving trading activity going on both sides of West and East coasts of the peninsula. The west coast offered its trade mainly to African coasts and Persian gulf, and the East coast to the <sup>F</sup>far East. These two coasts were also interlinked with each other. Most of the trade was carried through the trading outlets Thatta, Surat, Calicut etc. on the West coasts and Pulicat, Musulipatam, Port Novo, to mention some, on the East Coast. In the peninsular India, the most important region, as far as its trading activities was covered ~~by~~ <sup>by</sup> the Coromandel coast<sup>2</sup>. The importance of Coromandel coast lies in its production of diverse goods which had great export potential in South East Asian regions, Bengal and the Malabar coast. The most important goods exported from this coast were cotton textiles, indigo, iron and steel and diamonds.

The extent of Coromandel varied from time to time, for Seventeenth century travellers it was a wide expanse of India's eastern coast from point Calimere, where the coastline takes a sharp northward drift to the port of Ganjam<sup>3</sup>. It extended from

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2. Coromandel comes from Tondaimandalam and Cholamandalam

3. Arasaratnam S. Merchants, Companies and Commerce on the Coromandel Coast 1650-1740, Oxford 1986. p-7. also see Schorer's Relations, in Relations of Golconda, where he says that the coast extends from Mannar to beyond Narsapur where Orissa coast begins. p-51.

the region ~~north~~ of Godavari ~~was known as~~ <sup>to the tip of the peninsula.</sup> ~~(divided by coast)~~. Coromandel could be divided into north and south on the basis of course of river Pennar in Modern Nellore district. In the Seventeenth century this division could also be seen from the study of political demarcations and localisation of trading goods. During the Seventeenth Century, South Indian politics was initially dominated by the Qutbshahi Kingdom in the north and the descendents of the Vijayanagar, in the South; later by Qutbshahis and the Kingdom of Bijapur and still later on by the end of the Seventeenth century by the Mughals and the Marathas. The territorial division between the Qutbshahi and Vijayanagar kingdoms broadly coincided with the North and South Coromandel. The next important consideration for the above division is the localisation of export trade, which is determined by the variety of textiles found on both the parts. Northern coromandel was known for its coarser goods which were relatively cheap and exported in large quantities. As one moves southwards we see the production of finer varieties which were highly in demand in the spice islands<sup>4</sup>.

The Coromandel region is made up of alluvial and black soils, and some arid, tracts in the interior region. The most important food crop grown on the alluvial tracts was rice. ~~which~~ → The main commercial crops were cotton, indigo and tobacco (introduced in the Seventeenth century) Cotton was grown on black cotton soils and some times on red soils (Vizagpatnam, modern

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4. Moreland W.H. Relations of Golconda in the 17th century between 1608 and 1622, London, 1931, p-xix also see, Brenning, J.J. Textile producers and production in the late 17th century Northern Coromandel. IESHR xxiii, Vol 4, 1986, p. 335

Vishakapatnam district), but it was never irrigated<sup>5</sup>. Generally the soils were poor, as they have high salinity and shallow and is deficient in organic matter<sup>6</sup>. The northern coromandel region with high humidity and frequent flooding in low levels was unsuited for cotton cultivation in adequate quantities and the required quality<sup>7</sup>. Raw cotton, therefore, necessarily came from outside, mostly, from the Deccan and Gujarat and in the South from Kaveri basin and from Cuddapah region (8). The areas where suitable quantity of cotton was produced was confined to the Krishna and Godavari districts. The next important commercial crop produced was indigo. Though accepted to be of a poor quality compared to that found in northern India, indigo from Coromandel still commanded good markets outside. Indigo was mainly grown in Godavari, Krishna and prominently in Nellore districts. Nellore was famous for its dyes found mostly near Ongole and Kandukor. An English merchant mentioned that 'no other place affords like this colour' 9. We have no information about the cultivation of tobacco except that of its use.

Cotton and its products formed the main commodity for domestic and export markets. Moreland mentions that whenever an

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5. Hamilton, ed., Imperial Gazetteer, Provincial Series, Madras vol I, p-45

6. Ibid., p. 38, 269, 347

7. Brennig, J.J. p., 335

8. Arasaratnam, p. 61

9. Foster William ed. English Factories in India, 1634-36, p-46-47 (Henceforth E.F.I)

European penetrated inland, he found cloth being produced along his route and was reasonable to conclude that all towns and most large villages produced the bulk of the cloth worn in the country<sup>10</sup>. This meant that there was a significant trade from the country side to the town. The development of productive forces led to the growth of professional artisans and they concentrated living in towns - major centres of commerce and Industry<sup>11</sup>.

Even before the coming of the Europeans the growth of commerce both by land and sea led to the emergence of commercial centres. Sea especially became important as there was growth in the coastal trade and export markets. A number of ports emerged on both sides of the peninsula, basically due to their axis to the goods produced in the interior. Most of the ports became places of transshipment for exports and imports later took the form of urban centres. These thus attracted craftsmen within its fold, and few of them developed into urban metropolis. In the Coromandel region a number of ports emerged as places of the outlet for the textiles produced within that region.

The sea offered the South Indians much trade and its influence on them was an ancient one. The maritime activities can be traced back to Satavahanas and in later times to Pallavas and Cholas. Old Chinese records identified Kanchi as an important trading centre as early as 2nd century B.C. Other important ports on the Coromandel included Karevipatam, Tanjavor,

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10. Moreland, India at the death of Akbar Delhi, 1962, p-170

11. Chicherov, Economic Development in India in the 16th and 18th century, MOSCOW, 1971, p-57

and Machilipatnam (Massalia) <sup>12</sup>. In regard to the number of towns on the coast Marco Polo says in speaking of these kingdoms we note only capitals: There are great number of other cities and towns of which shall say nothing because it would make us a long story to speak of all <sup>13</sup>. Nellore for example was the major centre for most of the urban activities. It had towns like Durgarazapatnam, Tammunipeta and Boripeta <sup>14</sup>. It looks like that importance of Coromandel diminished after the coming of Arab and Persian merchants in the thirteenth century onwards into the Indian ocean as their trading activities were mainly focussed on the West coast. However, ports like Motupalli and Machilipatnam still had thriving trade on the east coast for their coveted bukrims <sup>15</sup>.

Major ports on the Coromandal coast, through which large volume of trade was conducted, were open road-steads where ships anchored as close as to the shore as the draft would allow. These ports were located on the river mouths and were unprotected. Though major rivers were perennial, it was still determined by seasons--wet or dry. The rains during the months of October to December brought down huge quantities of soil which were deposited at points where the rivers flowed into the sea and it was at these points that the ports were located. Arasaratnam says:

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12. Raychaudhari, Tapan and Habib Irfan, p-18

13. Marco Polo quoted from Appadorai, A. Economic conditions in Southern India vol. I, Madras, 1936, p-353

14. Ibid--- p. 342

15. Marco Polo, quoted from Appadorai, A. Vol II, p. 610

"there is certain monotonous similarity in patterns of rise, growth and decline of ports. The common situation were these ports had roadsteads open on the sea --- and a creek along side. The silting of rivers and the shifting of sand banks was a regular phenomenon----Many of the ports had their origins in tiny fishing villages or even on the empty beach and were established by deliberate state policy as they were a good revenue raisers" <sup>16</sup>.

The locale of ports on the Coromandel speak more of their disadvantages. Very few ports were natural harbours; to speak of few, one was Vizagpatnam an insignificant place till the Eighteenth century, Armogan <sup>17</sup> though not a natural harbour, had good anchorage, and so was Petapoli <sup>18</sup>. Down south it was Porto Novo which was a natural harbour. The river mouths being shallow had the problem of silting during the rainy season, thereby not allowing the ships to anchor in the harbour. Hence generally the ships anchored in the open seas, atleast two or three miles <sup>19</sup> from the shore, and were thus exposed to the naked sea, which could be dangerous for them. The ports did not allow much anchorage because of the shallowness of the rivers and with great difficulty ships of 50, 80, 100 tonnes went ashore <sup>20</sup>, where as on an average a medieval ship was about 600 tonnes<sup>21</sup>. In such a

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16. Arasaratnam, p. 31

17. Arasaratnam, p. 31

18. Stryensham Master, The Diaries of streyensham Master, 1675-1680 and other contemporary papers relating thereto, ed, R.C. Temple, 2 Vols. London, 1909 and 1911, P.136

19. Arasaratnam, p. 15

20. Master, S. Here he refers to the port of Petapoli of which he says this place had river and is deep and several vessels of 50, 80 and 100 tonnes were ashore, Vol. II, p. 137

21. Relations....Methwold mentions that the shipyard of Narsaraopela of Golconda built ships of 600 tonnes, p. 36

few, one was Vizagpatnam.

Flat bottomed boats were employed to load and unload the ships. However, on northern Coromandel especially north of the Godavari, because of its bays and head levels, the area was safer for the ships to harbour in <sup>22</sup>. The most favoured ports therefore were those that could admit ocean going vessels through the river mouth as was the case of Narsapur <sup>23</sup>.

The next important requisite for the locale of the ports was its axis to the hinterland. Most of the port towns depended on the hinterland, as the coastal economy was generated by it. On the Coromandel, market towns or centres of sale of artisanal production were strategically located, and the ports are within the access of the production centres <sup>24</sup>. Prominent centres of trade emerged in places where there was a confluence of food producing areas and handicraft production <sup>25</sup>. I have divided hinterland into two parts, Northern and Southern on the basis of the nearness of goods available to the ports. A study of the commercial activity on the Eastern coast reveals that as one travels to South, there are not only an increase in the number of weaving settlements, located close to the ports, but also a relatively brisk commercial activity, as the region being relatively undisturbed by the Seventeenth century struggle for

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22. Thomas Bowrey, A Geographical Account of the countries round the Bay of Bengal, 1669 to 1679, ed., R.C. Temple, Hakuyt Society, 1905, P.

23. During the period of rains and tides, the river depth increased and sometimes the ship went Northwards upto 50 miles. Ref. Arasaratham opcit, p. 9

24. Chaudhari, K.N. Trade and Civilization in the Indian Ocean, Delhi, 1985, p. 165

25. Arasaratham opit, p. 48



supremacy amongst the Mughals, the Qutabshahis and the Marathas  
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In Northern Coromandel, the weaving settlements were unevenly distributed and were located within a hundred miles radius and sometimes, even to 300 miles of the ports <sup>27</sup>. Right from Srikakulam, many weaving towns and villages were identified with their respective ports. For example, Srikakulam which produced rice and textiles had Bimlipatnam and Kalingapatnam as its outlets <sup>28</sup>. Coming down a bit south to Krishna where huge quantity of cloth could be procured had many weaving settlements <sup>29</sup>, and for most of them Masulipatam was the main outlet. The most noted varieties were the longcloth, salem pores and moris. Ellore apart from wollen products also produced salem pores, parcelles and betilles and had twelve weaving villages around it<sup>30</sup>.

As one moved down, south of river Pennar, one could find growing concentrations of weaving settlements and towns. As compared with the northern coromandal larger number of ports were

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26. Ibid p. 55

27. Brennig opit p. 344; Nagalwanche for example was located 100 miles from Musulipatnam with a large population of weavers, cloth merchants, washrman and craftsmen

28. Arasaratnam opit, p.49

29. Some towns like Tuni, Palakollu, Madapollem, Virasvaram, Nagalwancka, Palawanche were the places where cotton textiles could be procured. These were the market places for local weaving villages. It was from these towns that cotton textiles were brought to the ports for exports. The places find frequent mention in the English Factory records.

30. Ibid., p. 53

located in the Southern region. Further, it is also interesting to note that weaving settlements were concentrated closer to the ports. Chengleput district, for example had vast concentration of weaving villages in whose northern part were Ponneri and Arani in which port of Pulicat was located. The goods from the hinterland were transported by bullocks across 300 to 350 miles. The caravans were able to carry only articles of low value. The transport on land of goods of bulk, food grains, sugar and salt were organised by Banjaras who had practical monopoly of trade<sup>31</sup>. The value of goods transported by them annually must have been large, and the transport cost under this system was lower<sup>32</sup>. Internal water transport system also existed, but was not popular on account of drying up of the rivers during summers.

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31. Habib Irfan, The Agrarian System in Mughal India, Bombay, 1962, p. 62

32. Ibid, p.63

## SECTION II

The expansion of Europe since the Fifteenth century has had a profound influence on people throughout the world. Encircling the globe, the expansion changed men's lives and goals and became one of the decisive movements in the history of mankind. The main purpose of the Europeans to come to India was to trade, to buy goods in Asian markets and sell them in Europe. The sixteenth century saw a revolution in the commercial enterprises with Portugal discovering the route round the Cape of Good Hope and opened trade with India. For nearly a century, the Portuguese enjoyed the monopoly of the Indian trade with the help of rich and extensive settlements on both sides of the Peninsula. However, their main concentration was on the West Coast. Meanwhile, by the end of the 16th century, the Northern European nations were yearning for a share in the riches of the Asian markets, but initially the naval superiority of the Portuguese prevented them from coming. The most pressing incentive and immediate background for the establishment of the Dutch and the English companies was due to the revolt in Netherlands and the closure of Antwerp, the major spice market. For the Dutch mercantile activities was the national interest, which was threatened by the succession of king of Spain to the Portuguese throne: at this period Lisbon and the neighbouring sea ports formed the principal market for the goods carried southward by the Dutch. This made the Dutch to extend their trade to a wider area and the establishment of direct commercial relations where Portugal enjoyed the Monopoly<sup>33</sup>.

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33. Moreland W.H. From Akbar to Aurangzeb Delhi 1972, p-12-13

In India, by the end of the 16th century, the Portuguese achieved certain commercial integration, which can be found in their trans-oceanic ventures based on a number of substantial commercial towns on both sides of the peninsula. The very commercial policy of the Portuguese in Asia was based upon the employment of treaties with the native rulers which contained three provisions - (i) recognition of Portugal sovereignty, (ii) payment of annual tribute and (iii) a grant of site for a factory or a fort <sup>34</sup>. Though the Portuguese tried to exert power in some places on the West coast, it must be remembered that their settlements on the East coast were primarily the centres of trade rather than the centres of power<sup>35</sup>.

The northern European companies, as was their predecessor were primarily interested in procuring the spices from the Asian countries. In the early Seventeenth century, they directed their ships to the Indonesian Archipelago as in almost every part of India the powerful Portuguese had already established hold and Archipelago was the only place where the Portuguese were weakest <sup>36</sup>. Hence if the Dutch in their initial voyages were avoiding the Portuguese, the English were avoiding the Dutch. The early voyages of these companies were in no way concerned with the Indian trade, but they soon realised that India and its trade must be developed. The necessity arose from the fact that Indian trade was inseparable from that of the Archipelago. Indian

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34. Hamilton, C.J. Trade relations between England and India, p. 10

35. Moreland, From Akbar to Aurangzeb, p. 6-7

36. Habib Irfan & Raychaudhari Tapan, p.386

textiles formed the effective barter for the spices procured in the islands. The secondary importance given to India by them was soon scrapped and held that the Coromandel must be developed<sup>37</sup>. For them, the West coast was not very important when compared to the Coromandel.

When these north European companies came to Coromandel, their intention was merely to trade, and they wanted their ships to visit the Eastern ports, purchase their goods and return as soon as possible. This can be called as a voyage stage. In this stage the ship merely stayed at a port long enough to sell and buy and did not involve many native considerations regarding the customs and port duties<sup>38</sup>. The idea of a voyage could not go for long and soon recognised the importance of having a settlement on the coasts. The reasons for this could have been that cotton being a seasonal crop, textiles production and prices varied seasonally. Therefore composition and volume of trade were conditioned to a greater extent by the ability of farmers to create a surplus not only for food crops, but also for commercial crops<sup>39</sup>. The ports, at this stage, on the Coromandel did not offer much to the trading ships which came to these ports. The ships at times had to wait for long in order to take the merchandise. This waiting of the ships could damage them as these were berthed in the open sea. The European companies

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37. Moreland, opcit, p-20

38. Ibid, p.223

39. K.N. Chaudhari opcit, p.27, also refer Holden Furber where he says that Factories became important because of the necessity of collecting the companies chief exports from India, p.13

soon developed interest in other items also, like indigo, diamonds etc., and thus their area of operation extended<sup>40</sup>. Because of the diversified items on their list, they wanted to have a general place "where their homeward and outward bound fleets could load and unload their cargoes, and where the goods from the entrepot trade of Asia could be collected, stored and transhipped"<sup>41</sup>. With the formation of Joint stock companies by both by the Dutch and the English was a fundamental change in the company's policies. The Dutch who in their early voyages avoided any type of confrontation with the Portuguese are now determined to oust them from Asia, for which they realised the importance of having bases in the eastern seas<sup>42</sup>. The growing militant character among the companies especially between the portuguse and the Dutch and the Dutch, and the English on the otherhand, to oust each other made them to look for bases in the Asian waters. Here comes the emergence of factories by the companies.

The establishment of settlements was not a new phenomenon in India, and is as old as foreign trade in India. In ancient times, there was a Roman settlement in south India, and foreign settlements increased with the domination of Muslim merchants in

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41. Chaudhari, K.N. Trading ~~Wares~~<sup>World</sup> of Asia and the English East India Company, 1660-1760, New Delhi, 1978, p.43

42. Boxer C.R. The Dutch Sea borne empire, p.189

43a. Moreland, W.H. opcit, p.19. If we study the constitution of these companies they stress on construction of Factories and Forts, as the dutch or could build Fortresses and establish bases, appoint generals and levy troops. Ref. taken from Khan, S.A. East India Trade in the Seventeenth century, p.46

the Indian ocean<sup>43</sup>. Since time out of history merchants lived in a separate residential quarter and enjoyed some autonomy<sup>44</sup>. Though the settlements were common in India, the Europeans introduced what is called a 'Factory', which in those days was just a godown where the goods to be transhipped and brought from outside were stored. The factories had their origin in Venetian and other Italian Merchants, and in later times it became portuguese FEITORIES which was taken by the Dutch who called it FACTORIEN and the English the FACTORIES<sup>45</sup>.

For a European company a trading settlement meant some advantages. It meant a relative autonomy to it, through which they could check both the native as well as their European counter parts. It also meant a relative axis to the merchants of that region. It was these factories<sup>ie</sup> which generally attracted the artisans and later took the form of towns. However, we cannot conclude that every factory became a town. In India many weavers flocked to these factories to work there. The establishment of factories was generally done by getting privileges from the native rulers. The general idea behind a factory for the companies was to have a rendezvous and to have relative independent jurisdiction<sup>46</sup>. A company was given permission for the settlement through Farmans or Royal

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43. From the 10th century onwards, merchants became the chief commercial community on the West coast and had settlements there. On the East coast, Madura was a Muslim settlement in 1050 A.D. Appadorai, A., opcit, p.150

44. Boxer C.R. opcit., p.188

45. Ibid p.188

46. Moreland opcit, p.224

decrees [need not necessarily be given by the king]<sup>47</sup> allowing the companies to trade. These farmans also gave some concessions to the companies securing them certain terms in matters of commerce<sup>48</sup>. This permission was readily granted and a series of factories were built in most important parts of Asia. The native kings had their own interest, apart from getting regular revenue which was their primary interest. They preferred other Europeans to the Portuguese and were not sorry to see one European pitted against the other<sup>49</sup>. The natives took the guarantee from the Europeans that their territory would be defended from the Portuguese attacks in exchange for the rights to erect factories and forts and trading privileges. The trading privileges generally given at a factory were purely economic, like concessions on customs duties, port duties [often fixed in lumpsum amount] embarkation and disembarkation, weighing duties, town duties and transit duties, etc.<sup>50</sup>.

Though these royal decrees gave the companies some economic benefits as well as some relative autonomy, these were still exposed to great dangers in the form of mutual European economic rivalries, problems with local administration and the hazards of war. Factories which were generally located on the ports were not a sole property of any individual company. Some port could have two or three companies operating from the same place,

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47. Governors also gave permission for establishment of such settlements e.g., at Masulipatam. Also see Moreland Relations of Golconda, p. xxii

48. Moreland, opcit, p.226

49. Khan, S.A. OpCit, p.17

50. Arasaratnam opcit, p.66



as was the case at Masulipatam, where both the Dutch (1605) and the English (1611) established their factories. This could mean that two in order to procure their required goods both the companies succumbed to unhealthy competition, and bribing the local officials<sup>51</sup> Sometimes, disputes between a company and native administration arose over the payments of customs and other forms of duties which the companies thought arbitrary and unwarranted. The local officials were particularly averse to the exemption of transit duties and internal customs which was part of their salary<sup>52</sup>. The next important drawback in the factory was, that it was exposed to the local wars. Local wars almost paralysed the trade from the port. The weavers who came to settle in them could not get protection from the companies side.

A better proposition over the factory than would be a place with a greater autonomy and larger concessions. The erection of forts would solve these to a greater extent. The disadvantages faced in the factories were generally overcome in forts. The founding of a fort has two motives (1) they desired to be independent of local officials and (2) to avoid the economic rivalries between the companies<sup>53</sup>. It was the Portuguese who introduced the Fortified factories in India in order to get more security. The Dutch were quick to follow the portuguese, "where they were apt to feel insecure in an Asian market which they did not

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51. Boxer, C.R., p.188

52. Arasartnam, p.75,

53. Moreland, p.232

understand - and thought that they needed some forts where their persons and their goods would not be liable to arbitrary seizure and where they could provision and repair their ships in security<sup>54</sup>. The next important consideration for their construction was that they wanted to be safe from other European companies. For example, Pulicats transformation from factory to fort was due to the hostilities between the Dutch and the Portuguese at santhome<sup>55</sup>. In the same way the first English fort of Amogon was intended to escape from the governors and rulers of Golconda.

If a factory was established, by taking farmans permission for construction of a fort was obtained by them either by a grant of a piece of land or by the purchase of land from the alongwith native powers administrative and political immunities. These grants gave them many immunities which almost made them to take the form of a 'city-state'. Study of the grant given to the English to construct a fort at Madras would reveal the advantages derived by them.

".....in behalf of the Hon'ble company for their trading and fortefying at Madrasapatnam....covering their trading in our territories and friendly commerce with out subjects; we out of our spetiall love and favour to the English, doe grant unto the said captain....power to directe and order the building of a fort and castel in or about Madrasapatnam....we do confirm....full power and authority to govern and dispose of the government for

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54. Boxer, c.R., opcit p.188

55. Moreland opcit, p.229.

the terms and space of two years... moreover, whatsoever goods for merchandise the English company shall either import or export, for as much as the duties and cutoms of Madrasapatnam, they shall not only for the pre-mentioned period which they enjoy the govaernment, but even after be customs free....shall perpetually enjoy privileges of mintage without paying any deWAs and dyties.....<sup>56</sup>.

The European companies were, thus, able to secure very important political and economic concessions. The right to administer, according to their own rules and regulations, their own judiciary, right to collect taxes/rents from the native inhabitants in a sense gave them semi-sovereign status. On the economic front, fixed rent meant that large-scale savings with the increase in the volume of trade. They were also allowed to populate the forts with artisans and others who were associated with their trading activities. These artisans thus became dependent on the trading company for the sale of their production. On the other hand, company got its required goods in time irrespective of external developments. Since, companies maintained garyissons it might have given their a sense of security - while it might have been used threatening against the inhabitants of the fort.

"For Moreland, the journey from voyage to Factory to fort is the 17th century phenomenon and is introduced by the Dutch<sup>57</sup>.

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56. Original correspondence series No. 1690 22nd July 1639, cited in Love H.D; Vestiges of Old Madras, Vol I, London 1913, p. 17-18.

57. Moreland W.H., Dutch Sources of Indian History 1590 to 1650, Journal of Indian History, Vol II, 1922 and 1923.

Moreland is, however, wrong in saying this because, the idea of Forts was the portuguese phenomenon as they had settlements on both sides of the peninsula. Moreland is correct to the extent that the chain i.e., from voyage, to factory, to fort and finally to territorial acquisition can be studied as a shift from commerce to politics which later helped the companies to become the colonial powers in the Eighteenth century\*.

This work primarily deals with two aspects of the European settlements on the Coromandel coast.

(1) It studies the causes for the shift in the European settlements from the Northern Coromandel to the Southern Coromandel. This can be explained by the fact that, the South East Asian regions needed a particular variety of textiles (patterned goods). The Europeans who bartered Indian textiles for spices had to search for this variety of cloth and soon it was found that they were available in the Southern region of the same coast, particularly in the vicinity of Pulicat region.

(2) It also studies a shift from a factory to Fort on the Coromandel coast. The Europeans initially established their factories at various places, but soon found out that these places are inseparable from the local administrative and political conditions, which hampered their peaceful trade. Therefore, in order to protect their trade, these companies were seeking independent jurisdiction for themselves in order to trade freely without any interference of these local conditions. Hence, we have Europeans constantly stressing on the Forts rather than on Factories.

These above mentioned arguments can be seen at two levels.

Firstly, the expansion of the market made the Europeans to move to those places where they would get the required material, which had indispensable link to South East Asian region. Secondly, the internal disturbances made them to look for places where they can have peaceful trade irrespective of the Indians again to cater their South East Asian Markets.

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This work mainly deals with two towns on the Coromandel, Masulipatam and Madras, one being a factory and the other a Fort, and attempts to study a shift in the European settlement pattern from the former to latter on the Coromandel. By the end of the Seventeenth century, on the Coromandel, one can see a general shift in the settlement from northern Coromandel to southern Coromandel. This is because of various factors like economic (or the type of cloth produced) administrative (the role of local officials), Political conditions (frequent wars and natural calamities (Famines cyclones)). All these factors overlapped with each other, creating complexities to the traders, who hence opted a better base down south. The problems faced by them in their first Indian factories, led them to go for secured bases which cannot be hampered by the local conditions. It is also evident from the study of the settlements on the Coromandel, that not a single fort existed on the Northern part. It means that the Europeans were going far from the local centralised governments like ~~Qutbshahi~~ and Mughals in the initial years, who generally did not permit them to construct Forts. It was these Forts, which later became the famous centres of not only trade but also centres of politics.

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CHAPTER II



## CHAPTER 2

### MASULIPATAM - A FACTORY IN THE SEVENTEENTH CENTURY COROMANDEL

Though, the Arabs claimed to have founded the port in the 14th century<sup>1</sup>, it was an ancient port known as Masalia to Hippolaus (C.60 A.D) and Maisola to Ptolemy (C. 90-168 A.D). The later Indo-Persian chronicles of the Qutbshahi period mention this as Bandar-I-Mubarak in the later times<sup>2</sup>.

The rise of this town can be attributed to the rise and then stabilisation of the Kingdom of Golconda in the Sixteenth<sup>th</sup> century. The Qutbshahis an off shoot of the Bahmanies, established the Kingdom of Golconda and made it their capital. Golconda hitherto was just an outpost under the Bahmanies. But, with Golconda coming into prominence, this port became important. The seaborne trade of the kingdom embraced the whole coastline of modern Andhra Pradesh, nearly 960 miles and covered Srikakulam, Rajamundry, Kondapalli and Masulipatam. While Masulipatam was the chief port, Bimlipatnam, Narsapurpeta, Vishakapatnam and Petapoli were the other major outlets of the Golconda Kingdom. The rise of Masulipatam as a port town, and its trading conditions were closely associated with the rise and political fortunes of the Golconda state. The trade curve of this port<sup>3</sup> represented the stable and unstable conditions of the State .

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1. Burhan's Tuzuk-i-Walajahi Vol.I, p.39, cited by Alam S.M. "Musulipatam-A Metropolitan port in the 17th century". Islamic Culture 1959, p. 169

2. Majumdar, R.C., The Classical Accounts of India, Calcutta, 1981, p.307

3. Alam, S.M. p. 169

By the late sixteenth century, Masulipatam came to be recognised as an important port town, trading with coastal regions of peninsular India as well as Pegu, Malacca in South East Asia <sup>4</sup>.

Like most of the ports on the Coromandel, Masulipatam was also not gifted with natural facilities. Infact the port had many disadvantages. This place has a river, but unfit for ships to enter, it being shallow and narrow... the ships which come here, namely the Dutch and the English, must lie about a mile off the shore, because it is absolutely flat. The ground is very soft and the ships had to lie in 3 or 4 fathoms <sup>5</sup>. Most of the ships though needed a minimum of 3 or 4 fathoms, the river channel fluctuated between 3 and 18 feet, which made the ships to anchor in the open seas, exposed to cyclones, for which the coast was notorious <sup>6</sup>. One traveller mentions that in the rainy season the land along the coast usually got flooded with water flowing from the mountains, the river could not discharge the water and consequently spreads over the country causing great damage <sup>7</sup>.

The port was virtually closed during the monsoon seasons, particularly the NorthEast monsoon which struck the coast during the October-December months and its road streed being open and unprotected. One more disadvantage was that there was no direct

4. Moreland, W.H. India at the death of Akbar, Delhi, 1962, p. 44

5. Moreland, W.H. ed. Relation of Golconda in the 17th century, (Schorer's relations), p.55

6. Because of the cyclone in 1641 the ship 'Advice' was damaged. Foster William ed. English Factories in India (hereforth EFI) 1637-41, p.288. Also, for cyclones Methwold says that in July, August, September and October the rain was predominant and are violent .. with such that houses loose foundations...and fall to ground..receiving floods to rice grounds [Relations Methwold, p.7]

7. Anonymous, Relations, opcit p.68



communication between the ships and the port as the land between was marshy and the passage was difficult. This isolation of the ships from the trading places was felt by the English factors when their ships were totally cut off by the local officers by stopping the communications between the ship and the shore, with the result the English ships ~~were~~ suffered from want of water and provisions .

However the coast near the port had some natural advantages also. Tavernier who visited this place felt that the importance of this place lay in its anchorage, which was considered the best

in the Bay of Bengal . The river was reasonably free from

silting and the boats had an easy passage upstream . The port was located on the Northern side of the river Krishna, during this time the river was enchoraching southwards and the port was

not disturbed by its deltaic advancements .

Regarding the town, information is very scanty and it looks like the town and the port were differently located. Information about the lay-out and settlements is available from the European sources only. For earlier period, there is no evidence on the basis of which any discussion could be initiated. The town is made up of three parts- the fort, the native quarter and the

European quarter with the Fort being close to the sea .

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8. EFL, 1661-64, p.174

9. V. Ball and William Crooke ed and Tr. Javeinier, TRravels in India, India, Vol I, p.141

10. Manual of Administration of Madras Presidency vol.II, P. 164

11. Alam, S.M. opcit, p.172

12. Imperial Gazetteer of India, Provincial series, Madras, Vol I, Delhi 1985, p.323

European records say that the road in westerly direction led to  
13

the native town which was half a mile up of the river . The town  
itself was small but populous and worse situated. Methwold says  
that it was with the conveninece of the road stead that it made  
fit for the merchants of both foreign and natives to visit the

14  
coast . The town was not walled and the houses were not high in  
the first half of the 17th century. It is mentioned that the  
streets were narrow and the houses were separated from one

15  
another . Fryer who visited the town, mentions that the streets  
are broad, with lofty buildings constructed of wood and

16  
\*plaster . The above statements can lead us to two conclusions.  
One is that that the city expanded during the Fryer's visit and  
the second can be that Fryer was probably referring to the  
European quarter of the town and not the main town. The second  
one is more plausible because when Master described the town, he  
says that "the towne of the Metchelepattam stands about half a  
mile from the sea, a small creek with a barr to it going up to  
it, and every spring tide the water overflows round about the  
towns, see that there is no going out but upon two wodden

17  
bridges...and the towns is ill situated... . The European  
quarter was located near the coast and for example the Dutch

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13. ~~William Crooke~~, ~~John Fryer~~ P-323  
Methwold  
14. ~~Seth~~ relations p. 6  
15. Sen S.N. Indian Travels of Therenot and Carreri, New Delhi  
1949, Therenot, p.146  
16. William Crooke ed, John Fryer, A new account of East India  
and Persia, 1672-81 in 3 vols. London 1909, vol. 1p.80  
17. Master styensham, The Diaries of Streynsham Master 1675-1680  
Temple R.C. ed. in two vols, vol 2, p.116

factory was located in a place called Valanudupalem at Masula . The early settlements had one disadvantage in their location as they were located in saltmarshes. An English merchant described the Dutch settlement thus "no living creature but for a Dutchman, a Frog or an alligator would have selected this for

19

habitation . Because of this the factories were cut off from the main town.

The natural disadvantages of this port did not prevent it from becoming an important port town on the Coromandal. This is because of its central location which enabled it to absorb the rich productions of the interior alluvial and black soils. The port depended mainly on its hinterland for its exports and the rich kingdom of the Qutbshahis helped the port in importing the goods from various parts of the world. Along the coast was a narrow strip of fertile land, which included Krishna and Godavari deltas where dye-yielding crops like chey and indigo were

20

produced for meeting the requirement of the weaving Industry . Cotton textiles formed the bulk of the exports from this port. The extent of the hinterland which the port absorbed was upto 350

21

miles , but production centres within the range of 100 miles provided bulk of the requirement. Bowrey speaks of Masulipatam

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18. Mathew K.S. 'Masulipatam and Maritime Trade in the Seventeenth century, A.P. History Congress (Reprint) 1986, p.1

19. Poonen, T.I, "Early History of Dutch Factories of Masulipatam and Petapoli (160-5-1636)" JIH, 1949, p.263

20. Relations opcit p. xcii-xviii

21. Comerweley was a place near Golconda which was famous for Betilles and it is said that the English company procured goods from this place,. Ref. Master, S. vol. II, P.110

"as the greatest Bazaar of these parts for 100 miles in circuit" .

<sup>22</sup> The port for its goods depended on the weaving settlements on the coast, and most of the goods were supplied by Krishna and Godavari districts where there was high concentration of weaver settlements. The cloth produced here was both of a white variety or generally calicoes, and paintings (later on known as kalankari). The calico (plain goods) had a wide market both internally and externally. Methwold says that calicoes of all sorts are in this place as cheap and plentiful as in any other parts of the country, but different in their making and

<sup>23</sup> easily distinguished from any other place . He further says that the cloth, "the paintings of this coast of Coromandel (are) famous ...and are indeed the most exquisite that are seen...and with such durable colours that, notwithstanding they often be

<sup>24</sup> washed, the colours fade not whilst the clothe lasteth . There was particular localisation in the production as for example Betilles (generally used as veils or called as white muslin) was available only in Masalipatam. Localisation led to the cheapness

<sup>25</sup> of goods at Masulipatam as was the case of Morees .

Most of these cotton products are produced in various weaving settlements, spread mostly in the districts of Krishna and Godavari. The eastern banks of Godavari delta was particularly

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22. Temple, R.C. ed., Thomas Bowrey, The Journey into the countries around Bay of Bengal, p.106.

23. Relations Methwold, P.35

24. Ibid, p.35

25. EFL 1622-23 p.103

the area where weavers were concentrated. The Dutch factors at the end of the Seventeenth century identified Dulla and Vemagiri as being important sources of cloth, their main market place

26

being Teeparu or modern Tanuku, which was also a place from which coarse cotton cloth was exported. During the same period it is seen that number of looms always exceed the number of households and the minimum number of looms found in this district were 7500. The volume of textile production can be estimated from the following table, where three villages and three varieties—Guinees, Salempores and Betellies are taken.

27

TEXTILE PRODUCTION IN THREE VILLAGES OF EAST GODAVARI

Villages	Weaven Households	Total Production in Yards	Output/ Household Yards
28 Tuni	500-600	1,090,000	1,816-2180
Ponara (Ponneru)	350	577,000	1,648
Oupare	150	266,000	1,506

Palakolla was an important trading place and the Dutch had a factory there and they paid an annual rent to this place. This place was famous for salempores, longcloth, Morees and dyeing, from where the goods are taken, by flat bottomed boats to

29

26. Brennig, J.J. IESHR Vol. p.338 Tanuku is a taluq headquarters in West Godavari district.

27. Ibid, p.343

28. From Tuni both the English and the Dutch procured cloth and around Tuni two more villages that were identified were Gopalapuram and Gondavaram. Ref. Arasaratnam, p.51

29. Sen, s.N. Thevenot, p.148

a place called 'Vintera' and then by road transport to the port  
of Masulipatam<sup>30</sup>. Draksharama (now a famous pilgrime centre) was

also identified a major centre of marketing and it is found that  
there were 15 villages round this place<sup>31</sup> coming down a bit south  
two important places for cotton textiles were Madapollem and  
Virasvaram. It must be remembered that these places came into  
prominence with the arrival of European traders and the  
establishment of their factories here. Regarding Madapollem it  
is mentioned that it "is a factory fitt to be continued and  
afford yearly greater quality of calico...all the country meare

it being weavers...<sup>32</sup>. This place was in fact given seperate  
funds by the English to procure the cloth. It had the highest

weaving capacity and the English had their factory there<sup>33</sup>. Just  
north of Madapollem was Virasvaram, generally referred to as  
Virashanoore by the English factors. The English had acquired  
trading privileges to trade here in 1634 and later on opened a

Factory<sup>34</sup>. A letter describing this place says that "Virasvaram"  
is a town not only inhabited for the most part with weavers  
itself but is enviroided with many other villages that area  
filled with like occupation...and good for cloth required in

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30. Arasaratnam, p.52

31. Brennig, p.338

32. Fawcett Charles ed, English Factories in India (New Series),  
II, Oxford, 1952, p-198

33. The English had a factory there but abandoned it in 1688 and  
resettled in 1698. Arasaratnam, p.52

34. Bruce John, Annals of East India company in 3 Vols, London  
1810, vol. I, p.326-327 (hereafter Bruce Annals)

35

Europe on the Southwards . Even when the company decided to

36

have only two settlements on the coast ., the factors wanted to retain Virasavaram, as they found that most of the white cloth that was available in Masulipatman was brought from the villages

37

adjacent to Visavaram .

To the north of Masulipatam is located Elluru district. It is about 60 miles from the port. Around this district twelve

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weaving villages were identified . The town Elluru was famous for carpets, woollen products apart from Parcellas, Salempores and Betilles. Masulipatam had directly connected with a road with Elluru. The most important hinterland for this port was Krishna delta comprising of the present day Guntur and Krishna districts. The area around Bapatla was identified as important place for weaving and the known centres were 'Vantapooly' (Vetapalem) and 'Nayavapooly' (Nayanapalli) where coarse cloth

39

could be procured . Around Vetepalem, about 60 miles south west of Masulipatam, 14 weaving villages were located which were known for Salempores, Betellies, and Gingham varieties of cloth. Krishna district was the heart for the port, and this had highly concentrated weaving settlements. This district also produced substantial quantities of rice which was sent to the deficit

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35. EFI 1634-36 p.296

36. It must be remembered that through the 17th century, the English had problems with capital to make necessary investments. Hence they periodically abandoned some factories and kept only some factories for their trade. Ref. EFI.1655-60,p.5

37. EFI 1655-60, p.39

38. Arasaratham p.53

39. EFI-1630-33 p.230

areas.

Even in the immediate vicinity of Masulipatam a large number of weaving centres were located. Between Masulipatam and Ellure as many as 32 weaving settlements were identified. Schore's wrote that there were many weavers in the neighbourhood as there were  
40  
along the coast. Bowrey who visited this place also found many indigenous tradesmen especially weavers and chint makers in the near vicinity of 2,3 or 4 miles.

Though cotton textile was most important item of trade the kingdom of Golconda also exported iron and steel, indigo and diamonds - mainly from Masulipatam. Methwold reports, in the early 17th century, that a large quantity of iron and steel was produced in the kingdom of Golconda to be transported to  
41  
different parts of India. Nagalwanche was the main centre  
42  
from where iron was sent to Narsapurpeta and other places.  
43  
Other known centres iron smelting was procured were Santomannem  
44  
and Sringeri which were about 100 miles from Golconda town.  
45  
Most of the Iron was either exported or sent to Narsapurpeta.  
Diamonds were the next important item for export for which

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40. Schore, Relations P- 61  
Bowrey Thomas ~~102~~
41. Methwold relations p-34
42. Located in modern ~~Khammam~~ district in Telengana region
43. Master S. Vol II, p.115
44. Arasaratnam p.54
45. Tavernier mentions that Batavia could sell 1000 piculs of Iron and 30,000 pieces of steel annually and these items were requested from Masulipatam. Tavernier, Travels, Vol II, p.239, 251. Also Bowrey, Thomas, p. 102



Golconda acquired world wide fame. Diamonds were exported from this place traditionally, but with discovery of a new mine at

<sup>46</sup>  
Kolluru, the diamond industry received further impetus. The Kolluru mine was inhabited with around 100,000 souls, but on an average of 60,000 people worked there. The other diamond mines were Vajrakarur in Anantapur district and at Golconda. These mines were controlled directly by the king of Golconda, but were

<sup>47</sup>  
generally farmed out to the natives or to the Europeans. Indigo, was abundantly produced though not on a comparable scale with north Indian production centres. The main indigo production

<sup>48</sup>  
centres were Nagalwanche and Palawanche while most of the indigo was used by the local dyers and painters, some quantity was also exported from Masulipatam.

Apart from these major commodities, products like lac and <sup>49</sup>  
Tobacco were also produced, but these were not part of export trade and had, perhaps, no bearing on the economy of the region.

If the rise of the port of Masulipatam is attributed to the stabilisation of the politics in South India, the economy of the town and its coming into prominence as an entrepot and thereby becoming an urban metropolis is attributed to the coming of the Europeans. All most all the Europeans had their settlements here

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46. Kolluru mine in Krishna district was discovered in 1620 by an ancient, and from then on it became the chief diamond mine of Golconda. Ref. Tavernier vol.II, p

47. The dutch took the diamond mines by paying 10,000 pagodas in cash. They also had a Mill at Bandar to store the diamonds. Ref. EF-1622-23, p.221

48. Schofar relations, p.61

49. Methwold Relations, p.45, p.36,37, Tobacco was introduced in India in the 17th century

in the form of factories, the the first being the Dutch and the last the French. The prominence of this place is explained by an English factor from Varisvaram as or a Metropolitan port and Factory<sup>50</sup>. It was with the dawn of the 17th century that Masulipatam became a haven of several European traders who wanted to obtain textiles and other products. The rich hinterland of this area speeded up production in various sectors. The demand for Indian commodities in the European markets gave <sup>f</sup>illip to the martime trade of this town. With textiles becoming an important commodity for export a large number of weavers began to settle in an around the Masulipatam port. The growing market for textiles enhanced the production of cotton (the extent of its cultivation is not clear) which is evident from the proliferation of weaving activities in more and more villages. Even the native kingdom of Golconda saw Masulipatam as the most coveted place and saw to it that trade be facilitated from here.

The Dutch were the first to come to this place (1605) and realise the imortance of having a permanent settlement here. These settlements generally called as a factory was an European phenomenon. Masulipatam soon became the most important factory for the Dutch on the coast. "Factories are merely trading establishments for the transaction of business and the ware housing of goods under the general jurisdiction of the nearest local representative of the king or the emperor<sup>51</sup>. In 1606

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50. EFI 1655-66 p.261

51. Sarkar S.C., Harihar Das ed., The Norris Embassy to Aurangzeb 1699-1702 Calcutta 1959 p-xvi

negotiations began for the establishment of regular factories. They got permission easily at Nizampatam but the demands of Governor at Musulipatam made the Dutch go to the king to obtain a grant to this effect<sup>52</sup>. The king readily granted them the trading privileges and also gave them concessions, on the condition that they pay 4% customs duty on the exports and the imports<sup>53</sup>. In 1612, the 4% duty at Masulipatam was commuted into fixed payment of 3000 pagodas per annum<sup>54</sup>. However, by 1617, it was felt that it would be better if they paid 4% duty rather than a fixed sum because the supplies to Surat and West Asia would go directly hereforth<sup>55</sup>.

Meanwhile, then English also ventured into Coromandel and their voyage under Peater Floris in the ship 'GLOBE' landed in Petapoli and then at Masulipatam<sup>56</sup>. Before actually going to Masulipatam, it looks like Floris sent presents to Mir Jumela<sup>57</sup>. Once after reaching the place it looks that the English faced problems with the Governor. However, in 1613 they got a caul at 4 per cent, the king also gave them permission to build a house or a castle<sup>58</sup>. This is how the Europeans started their settlements

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52. Moreland W.H., Relations p. xxii

53. Prakash OM, The Dutch Factories in India 1617-1623. Delhi, 1984, p-6

54. Schorer's Relations p-65

55. Prakash OM, p-52

56. Purchas Samuel, Hycluthus posthumus or Purchas his pilgrims in 20 Vols, Vol. III, p-308

57. Ibid., p.322

58. Ibid., p.337

in this town. Both the companies established their factories and were located near the sea front which was very convenient except when the sea rose. In the suburbs of the factory, the companies had vacant land generally used for residences and storehouses for washing the cloth<sup>59</sup>.

The basic advantage the factories had was their effectiveness in mode of procurement. For example, the Dutch Board of Directors sent orders to Batavia with the list of goods to be procured (length and width of textiles with precise colour combinations was mentioned), once the orders reached the chief regional factory (in case of Dutch it was Pulicat and for the English Masulipatam) action was initiated to begin the work of procurement both at the chief factory and at subordinate factories<sup>60</sup>. This meant that the factory needed certain amount of heirarchy for its functioning. ✓ The English at Masulipatam had more than 8 factors who were asked to carry trade effectively<sup>61</sup>. Likewise the Dutch also had 9 factors in this place<sup>62</sup>. This itself testifies the importance of Masulipatam as a thriving trade centre for the Europeans because the number of factors at the English and Dutch factories is more than the average figure of five factors per factory, found elsewhere.

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59. Arasaratnam p.68

60. Prakash OM, p.3-4

61. EFI 1634-36, p-45

62. Master, S., Vol. I, p.61

The staff position in Masulipatam was designed to effect regular purchases from the hinterland. An Upper Merchant was stationed in the factory, to attend the general affairs of the factory. He was assisted by an under-merchant to buy commodities from the interior. There was a third man to assist the Upper Merchant. Besides officials were recruited to carry cash to the interior to purchase textiles and other items and to bring them back to the factory.

Farmans by the kings or by the local Governors further facilitated the smooth working of the factories. Basically the Europeans at this stage asked for firmans for economic considerations. They ensured:

(1) better trading facilities, asking the polity for exemption from certain duties. The companies aimed at elimination of native merchants, and also at curbing if not elimination of each other.

(2) With the expansion of markets, the Europeans, for various reasons, also wanted to go directly into the hinterland and establish their internal factories.

(3) Firmans officially recognised the Europeans and any one who molests them were punishable by the king (atleast in theory). This made lot of weavers to come and settle in these factories, which were relatively immune to local politics.

The very idea that a foreign power establishing a factory necessarily meant that it has to get permission, and in an attempt the companies asked for concessions also. For example, the companies at Masulipatam were given concessions as to pay only 4% on exports and imports and were exempted from the regular

stamping and brokerage known as 'tschapadglally' which came to about 11%<sup>63</sup>. Later, the Dutch were totally exempted from any duties. The goods brought by native merchants was subject to 7% of additional taxes<sup>64</sup>. But if these items were brought under the name of VOC, they were exempted, and so in the hinterland the purchases were made in the name of the VOC, and because of this the textiles procured by the company was cheaper than in any other parts of the Coromandel. The existence of two companies in the same place necessarily meant economic rivalry. But when the Europeans came to Masulipatam they already found strong Muslim and 'Gentoo' merchants operating in both internal and sea borne trade. The Dutch till 1620's feared the 'Moors' and the Portuguese and not the English<sup>65</sup>. Soon the English became a strong contender if not in its investment, definitely a threat to the dutch and trade by their presence. Both the companies competed not only in trade but also in obtaining firmans from the kingdom of Golconda. This can be explained from the fact that, if one company got concessions, its rivals always tried to get similar type of concessions. For example in 1630, the President and the Council at Surat following the example of the Dutch wanted an agreement with the king of Golconda for the payment in lieu of customs<sup>66</sup> Mr. Thomas Joyce was sent to Masulipatam as the agent to seek privileges of paying 1500 pagodas as dues annually

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63. Schorer's Relations, p.64

64. Mathew K.S, op.cit, p.6

65. Poonen T.I., "Dutch beginings in India proper 1580-1615" (Reprint) Journal of Madras University, Madras, 1972, p.68

66. EFI [1630-33] p-xiii

following the example of the Dutch<sup>67</sup>, As a result, the English managed to get the 'Golden Farman' which read....."English shall bring for their companies account the customs and duties and charge the waigher (?) and portar with other officers of the custom house, and whatsoever accustomed demands [at] Metcelepatnam.... which are usually paid by other merchants, both in buying and selling, this customs duties and charges we in our gracious favour remitted unto them...."<sup>68</sup>. These concessions gave definite advantage to the European companies over the local traders. For the state, it only ensured a steady income without a provision for revision according to volume of trade.

The next important advantage the Farmans gave to the companies was the direct access to the hinterland for procurement of goods. The kingdom of Golconda had various taxes and duties like duties of rivers and towns, transit duties and city gate toll<sup>69</sup>. By the time the goods actually reached the port the prices went up and the companies had difficulty in buying them. The Europeans also wanted to take over the trade from the hands of local Chittee and Komatee merchants who had thriving inland trade. It was again with the golden Farman that the English East India Company ventured into the hinterland for the first time. Virasvaram was thus the first place in the hinterland a factory was set up besides a factory of Golconda itself. Taking the

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67. EFI (1634-36) p-xxxiii

68. Ibid, p-14-15

69. EFI 1622-23, p-73

17th century, both the companies had their inland factories which became local markets and then into the townships<sup>70</sup>. It is noteworthy to see that individual towns and villages were frequently taken in Farm by the Dutch and the English sometimes for the company and sometimes for private trade<sup>71</sup>. In the factory stage, however, these places which were farmed still came under the general administration of the local kingdoms.

In 1620 Masulipatam had 7000 weavers settled in this town the companies offered them a definite market and employment. When John Fryer visited this town in 1670's he estimated the population of Masulipatam at 200,000<sup>72</sup>. The Dutch had a group of painters under their direct control decorating the cloth brought from the local weavers. However, this cannot be called as fully established 'putting out system', as the weavers continued to own their tools of production<sup>73</sup>. To further strengthen their operations, the Dutch initiated to organise joint-stock companies of non-European merchants. These 'companies' could only supply their merchandise to the mover of the proposed and thus were not allowed to operate independently. The capital of these companies was made up of shares of merchants and the profits were distributed in proportion to the capital invested by a merchant<sup>74</sup>.

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70. Master. S. Vol. I p. 170

71. EFI-1687-41, p-xxi

72. Fryer John, Vol I, p-90. It is estimated that in 1620 around 7000 weavers were settled at Masulipatam. By 1670 population of the town had reached around 200,000

73. Raychaudhari Tapan, Jan Company, p-11

74. Ibid., p-146-147, also see Arasaratnam, "Indian Merchants and their Trading Methods C.1700, IESHR, Vol. III, 1966 p-86.



In the trading world of Asia, in the 17th century, while Madras was a mere fishing village, Calcutta a marshy swamp and Bombay an insignificant islet, Masulipatam was already a centre of immense commercial importance<sup>75</sup>. The importance of Masulipatam in the 16th and 17th centuries was expressed as a "place where was produced excellent fair lines of cotton, of all colours and woven with diverse sorts of flowers and figures very fine ..... esteemed for its finer and cunning workmanship"<sup>76</sup>. Trade formed the back bone of this port from ages, but it is in the 17th century that we find a significant change in the commodity composition of the exports and imports from India. The trade of the Europeans, revolved round the 'Intra-Asian trade' and as far as the Dutch were concerned, it was devised to support the Euro-Asian trade by enhancing the investment they managed to get from Holland<sup>77</sup>. The Europeans calculated that the textiles from the coast could be exchanged against spices, Chinese ware, rarieties and gold. Masulipatam exported different varieties of cloth. These varieties had good markets in Timor, Amboina, Molaccus, Patni, Bantam, Batavia, Jambi, Achin, Aceh, Banda, Siam and Tennasarim. It is mentioned that many goods and fine commodities were procured here viz., all sorts of fine calicoes, plain and coloured were especially fine Salempores, diverse sorts

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75. There was a time when the English Factors thought of Making it residency. The competition appears to be between Madras and Masulipatam. EFI 1661-64, p. 52-53

76. Linschoten, Quoted by Poonen T.I. "Early History of the Dutch Factories," p-262

77. Mathew, K.S., p-4

of chintz....were taken into most parts of India, Persia, Arabia, China, as well as to England and Holland<sup>78</sup>. Textiles were exported by Muslim merchant apart from the Europeans.

Of the variety of textiles Batellies, longcloth, salemporis, Guinea cloth were famous, and from the 2nd half of the 17th century entered the European markets as well. It was from 1670s that the demand for Coromandel goods increased in Europe and by the end of the century about two thirds of the exports, from the Masulipatam port, were for the Europe<sup>79</sup>.

The discovery of a new diamond mine in 1620 at a place called Gani(Kolluru) enhanced its trade. Diamonds from Masulipatam were sent to Achin, Goa Ormuz, Persia, Allepo Turkey and to Europe<sup>80</sup>. In fact in 1622, the Dutch factors ordered that diamonds are preferred to coarser goods, and the quality is to be emphasised<sup>81</sup>. The diamond mines were farmed out in 1623 for 260,000 pagodas and every diamond above 8 carats was to be given to the king at Hyderabad<sup>82</sup>. It is perhaps for this reason that the Europeans had a factory in Hyderabad where best quality diamonds could be obtained. The Dutch had a say over this trade in the 17th century as they took the diamond mine on farm by paying 10,000 pagodas<sup>83</sup> Though the English were well settled in

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78. Poonen T.I. Early History p-263

79. Arasaratnam p-134

80. Prakash OM, p-209

81. Ibid p-ITI

82. Ibid p-248

83. EFI 1622-23 p-221

this trade, the English bought diamonds only when the Dutch were short of cash<sup>84</sup>.

Iron and steel from the Deccan were esteemed highly abroad even prior to the arrival of the Europeans and so these two items continued to be exported from Masulipatam, to South East Asian regions. About 96,000 pounds of iron and 20,000 pieces of steel were sent to Jakarta in 1629 from Masulipatam<sup>85</sup>. Achin was another market for this commodity. Apart from sending abroad iron and steel was sent to other parts in India, but was mainly consumed by the Narsapurpeta harbour<sup>86</sup>.

Indigo was another commodity which figured among the exports from Masulipatam. Among the Europeans the Dutch preferred this trade, but the English preferred the indigo from the Mughal dominions<sup>87</sup>. The Indigo production was not on a very large scale. Soon expansion in textile production increased its local consumption and barely left any quantity for export<sup>88</sup>.

Another important export from Masulipatam constituted slaves who were eagerly sought even more than textiles, with a view to populating and cultivating their colonies in Banda, Amboina, Moluccas and Batavia by the Dutch. Generally, slave trade operated only when famine conditions are seen on the coast. In 1621, it was estimated that 2000 to 3000 slaves were sent to

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84. Ibid p-45, 49 and Methwold Relations, p-45

85. Mathew K.S. p-8

86. Methwold Relations p-34

87. Ibid p-36

Batavia and other places<sup>88</sup>. Muslims also participated in this trade.

The export potential of this town was neatly reciprocated with its imports. Perhaps no other port had this much advantage of taking imports. The basic reason being its direct connection with the capital and the richness of the Golconda nobility. The basic imports were campher (Achin) pepper, brim stone, porcelin, gold, Gumlac (Arracan) rubies and sapphires (Pegu) satin, silk, Ringum (Tennasarim) and European cloth. Masulipatam was the main centre for spices and much of it was consumed in and around the capital of Golconda<sup>89</sup>. The Europeans made profits in their sales dueto exemption in transit duties. The imported items were also sent as far as Bijapur, Burhampur, Surat and Agra<sup>90</sup>. When the demand for European goods increased it is said that costly English goods of 18 pounds and 20 pounds would sell at the court of Golconda<sup>91</sup>.

Apart from sea borne trade at Masulipatam coastal and inland trade operations were briskly carried out. Here, the native merchants had our edge over the foreigners. The Persians, Arabs and the Gentoos (Telugu merchants) were the main business people. The Hindu merchants were involved more in the inland trade, the most important being the kommittee caste "who by themselves or their merchants, travell into the country, gathering up the

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88. Prakash OM, p-177, 179, 210

89. Makepenta around Hyderabad is identified as a market town for all goods imported. Arasaratnam p-54

90. EFI 1622-23 p-137

91. EFI 1630-33 p-296

calicoes from the weavers, and other commodities, which they sell again in great parcels in the port towns to merchant stranger..."<sup>92</sup>. On the other hand, the Persians who were specially interested in the sea-borne trade were invited by the ruler of Golconda to settle in his dominions. When Tavernier, in 1652, embarked on a ship at Gombroon bound to Masulipatam he had as his co-passengers about 100 merchants, both Persians and Americans who were going for trade. Master mentions that "....ships of good burden belonging to the native inhabitants have constantly employed on voyages to Arakan, Pegu, Tannasery, Queda, Mallaca, Johore, Atcheen, Mocha Persia and Maldives.....sent calicoes cotton yarn, paintaings, Iron and steel and greive....."<sup>94</sup>. The most lucrative overseas trade of the natives, however, was with Persia, where Golconda cloths and Diamonds, Bengal sugar and Spices were in great demand and in return Persian horses, carpets and attars were highly valued in Golconda. The balance of trade between these two was always in favour of the latter.

Coastal trade was very brisk and realising its important "the kingdom carried on their own trade in small ships lading grain and rice where it is cheapest, selling it on the coast of Vijayanagar where they got the greatest benefit..."<sup>95</sup>.

Masulipatam became the operating base and ships were sent to

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92. Methwold Relations p-16

93. Tavernier Vol I p-205

94. Master. S, Vol. II p-113

95. Methwold Relations p-39

Bay ports and to southern ports to trade in those parts<sup>96</sup>. The English also realised the importance of the coastal trade and the need to have 2 small vessels well fitted for port to port trade from 1630 onwards<sup>97</sup>. Generally the coastal trade was carried in provisions and was highly profitable during the times of famine and other natural calamities<sup>98</sup>.

Freight trade was carried on from this place and the first experiment was done by the English in this field. It was in 1630, that the English first thought of taking the freight goods from Masulipatam to Persia directly<sup>99</sup>. The native merchants also encouraged the European freight vessels as they were better equipped for safer navigation<sup>100</sup>. Realising the importance of freight trade the English factors thought that 'GEORGE and MARTHA' could be sent on hire for a voyage to Tennarriam instead of lying idle in Masulipatam .... a sum of 2000 pagodas had been offered<sup>101</sup>.

The location of Masulipatam on the Coromandel was central, and hence the convergence of ships from Europe, Asia and other parts was possible. Masulipatam naturally became an entrepot trading centre. Masulipatam was a place where a sizeable stocks were stored to be transhipped to other parts<sup>102</sup>. Schorer

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96. Ships used to sail from Masulipatam in January to Armogan, Pulicat, Santhome, Tegnapatam, Porto-Noro, Nagapatam and to Ceylon, Schorer's Relations p-77

97. EFI 1630-33 p-85 and EFI 1634-36, p-296

98. EFI 1646-1650, pxxvii

99. ~~100~~. EFI 1630-33

100. ~~101~~. Alam S.A. p-175

101. ~~102~~. EFI 1661-1664, p-378-379

102. EFI 1634-36, p-255(fn), 256

mentions that the rubies are distributed largely from Masulipatam into the interior as far as Persia where these are sold at great profits"<sup>103</sup>. It is known from the English factory records that most of the ships of the EIC while proceeding to the coast and the East Indies assembled at Masulipatam and from there proceeded to their respective destinations, and returned to Masulipatam after getting return cargoes. Masulipatam became so important that, from this port town the English ventured into new areas to make trade and found many factories, like Burhampur, Tennasarim, Armagon, Madras etc.

The volume of trade carried on from the factories on Masulipatam was very high. Both the Dutch and the English invested considerable amount of money here. Trade in this country was considered as very important and many a times orders were given that every means should be employed to increase it. Of the two companies the Dutch were the more prosperous and were doing excellent business as they were better equipped with goods and funds. In 1644, the English sent 66,328 pagodees to the coast of which 10,928 were sent to Masulipatam for the payment of debts, and therest 31,184 rials was invested in Masulipatam<sup>105</sup> The English trade was flourishing and its annual investment in the port of Masulipatam increased almost ten times within a decade, from 10,380 pounds in 1631 to 105,000 pounds in 1641. Thereafter, it fluctuated between 80,000 pounds and 90,000 pounds annually. Golconda and Masulipatam were the famous Bazaars of Gold and the stock of bullion always fetched ready

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103. EFI 1642-45, p-191

money for immediate investment. The trade at Mocha was based on exchange of gold for goods. As for the Dutch their trade at Masulipatam averaged Rs.600,000 a year throughout the seventeenth century.<sup>104</sup> Their interest can further be seen from the fact that the number of ships voyaging between Machilipatam and Gombroon as well as between Bay and the East Indies had also increased. The British factors considered the area safe for investment and, therefore, most of the treasure received at Madras used to be sent to this place.<sup>105</sup> The trade in Golconda was mentioned by the British factors that they promise the return of 80,000 sterling yearly from this coast<sup>106</sup>.

The port could not last long, like many other trading centres it suffered from cycles of boom and slump in its trade. Masulipatam, geographically had some inherent disadvantages. Apart from being ill situated, the place was encouraged by famines and cyclones; which was a very common scene in the seventeenth century.

The high specialisation of goods could not cater to the needs of the expanding commercial activities of the natives, and Europeans taken together and nowhere it is seen that technology improved to produce more goods. This is one of the reasons why Europeans ventured into different parts of the same coast in search of new places for new and other varieties of productions.

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104. Mathew K.S. p-3

105. Alam, S.A p-180

106. EFI 1634-36, p-325



Northern Coromandel was devastated by wars between the two Muslim powers the Mughals and the Qutbshahis. These wars were frequent in the seventeenth century, which affected the trade badly. There was nothing much the Europeans could do about them except to move to different places.

The unwise and high handed attitude of the native officials had contributed much to the ruin of the port. They were highly corrupt and it became almost impossible at times for the Europeans to survive there. The corruption emerged as one can see it from the very structure of the Kingdom.

CHAPTER III

## SHIFT IN THE SETTLEMENT FROM MASULIPATAM TO MADRAS

Ever since the Europeans had come and established factories in Masulipatam they were seeking a suitable base in the South Coromandel. Though Masulipatam offered considerable trade and, the Europeans soon realised the importance of having a settlement in the vicinity of Madras region. This shift can be understood with their general expansion of the markets in South East Asia which required a specialised variety of textiles procurable in the southern region of the Coromandel coast. Internally the Europeans faced certain difficulties in the kingdom of Golconda in the form of local administrations. Politically though the Qutbshahis consolidated and gave stability in the Deccan in the Seventeenth century they were frequently threatened and attacked by the Mughals who this time were expanding southwards. The problems following the conflict between the Mughals and the Qutbshahis were faced by both the Dutch and the English companies and therefore they had begun to venture into different places in the south. The VOC soon established itself in Pulicat (1610) and fortified it (1619). The English in addition had the Dutch as a very powerful commercial rival better financial strength and trade. Infact the shift from Masulipatam was a desperate attempt made by the English to counteract the Dutch as well to escape from the Golconda officials. The causes for the shift therefore can be studied under four heads: a) search for a specialised textile producing zone in the southern region, b) economic rivalries between the Dutch and the English companies, c) trouble caused by the native officials, and d) political

instability due to frequent wars.

The maritime trade for the major part of the Seventeenth century in the Indian subcontinent had come under Intra-Asian trade. Several branches of Intra-Asian trade could be distinguished and most of these were connected with Southeast Asian regions in general. Thus for example the Dutch who established their factories in the Coromandel had commercial contacts with Timor, Amboina, Moluccus, Bantam, Batavia, Jambi, Achin, Banda and Siam. A host of commodities especially several varieties of textiles from Coromandel found their way to the above mentioned markets. Though most of the goods were to be procured in Masulipatam it was soon found by the Europeans that one particular type of cloth, the patterned variety, was produced in the southern parts of the Coromandel<sup>1</sup>. Its production was concentrated in the vicinity of Pulicat. This is perhaps the reason why even the Portuguese had a settlement in Santhome and Nagapatnam where patterned cloth could be procured for their markets in the Southeast Asia<sup>2</sup>. The Dutch also discovered the potential of this place as Methwold mentions that Hollanders after some experience of trade in India finding commodities of Santhome and that coast to be very vendible and to good profit in Molaccus, Banda, Amboina, Jawa, Sumatra and the other of these ports thus wanted themselves to have factories here in order to have trade waith spice islands"<sup>3</sup>.

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1. Patterned goods generally were called 'prints'. The work was mainly done on the coast. Ref: Moreland, Relations p-xix

2. Ibid, p-xii

3. Methwold, Relations, p-4

The production of this cloth was considerably localised in the parts of southern Coromandel which was admirably placed for exports of textiles in view of the accessibility to hinterland and low cost of production. Patterned variety of calico or muslin was a highly specialised industry and was considered as "much better than at any other place on the coast"<sup>4</sup>. It was perhaps the superior quality of dyeing, painting and printing of textiles, with the help of indigo undertaken in the vicinity of Pulicat, Santhome, Madras, Nagapatnam and almost in the whole of southern Coromandel that made it more popular<sup>5</sup>.

The companies also noticed an extensive production centres in the South Coromandel which were evenly placed as compared to its Northern counterpart. As one moved south of Masulipatam it is noticed that not many villages which produced cloth existed till one reached Pulicat and Armagon,<sup>6</sup>. From Nellore onwards these centres were found on much more extensive scale. This district was famous for indigo grown near Ongole and Kandukur, and the town itself was known for cotton cloths and fabrics, especially of blue Salemporis which were exported to Siamese, Burmese and other markets. South of Nellore was the Chinglput district, one of the most concentrated areas of an export oriented industry in the contemporary India<sup>7</sup>. It had Ponneru and Arani apart from Pulicat noted for dyeing and washing<sup>8</sup>. Pulicat

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4. Ibid p-56

5. Arasaratnam, p-98-99

6. Ibid p-55

7. Ibid p-55

8. Imperial Gazetteer of India, p-352

itself had many weaving suburbs which it specialised in paintings for export market. Santhome and Madras also had specialised weaving in painted and striped cotton and the staple cloth like long cloth and patterned cloth were produced.

One major incentive, the Southern Coromandel offered was its low cost of production and consequent low prices compared with other places on the coast. The low cost of production was due to comparative larger area under cotten crop. There is no evidence of cotton coming into these areas by sea except some yarn which came from Bengal<sup>9</sup>. Whereas in the Northern area cotton was brought on extensive scale from the Deccan and Gujarat. Further cost effectiveness was derived from the fact that most of the weaving villages were located near the ports. Also the number of ports in South Coromandel were greater than in the Northern Coromandel. Further, the cloth produced here was purely for exports in the settlements patronised by the European companies where deying and painting work was undertaken, as in Pulicat<sup>10</sup>. This also meant a saving in the transit duties which otherwise inflated the price of the commodity as in the northern Coromandel where the price increased sometimes twice or thrice of the manufacture cost<sup>11</sup>.

The rivalry between the trading companies sometimes assumed serious proportions. Though the companies preached peace among themselves, in practice aimed at mutual elimination and if not

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9. Arasaratnam, p-61

10. Ramaswamy Vijaya, Textiles and Weavers in Medieval South India, Delhi, 1985, p-141

11. EFI, (1630-33), p-78

elimination atleast curbing the trade of the rival party. The Dutch at the voyage stage proceeded to the respective markets basically for trading, but with the establishment of VOC there was a fundamental change in their policy. The VOC was given the monopoly of the Dutch trade, and the directors empowered to conclude treaties of peace and alliance, to wage defensive wars, and to build fortresses and strongholds in their areas of operation<sup>12</sup>. The English who were weak in their organisation followed a more cautious line of non-intervention<sup>13</sup>. Initially atleast for the first fifteen years of the establishment of VOC, the Dutch were concerned about the Portuguese and not the English<sup>14</sup>. The Dutch found Portuguese strong. Deliberate attempts were made by the Dutch to contest the Portuguese supremacy, and likewise the Portuguese perceiving the danger, endeavoured both by force and diplomacy to thwart the Dutch. The Dutch ships on their way to Coromandel burnt the Portuguese ships<sup>15</sup> and the Portuguese from their strongholds of Santhome and Nagapatam attacked the Dutch on several occasions. In 1609 a treaty was signed between Holland and Spain and a truce was arranged for 12 years, this provided that the Dutch and the Portuguese should not interfere in trade in the Asian waters<sup>16</sup>. The companies did not give much importance to these treaties and in the year 1610 the Dutch sent Arend Meertsson with an armistice

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12. Boxer C.R. The Dutch Seaborne, p-24

13. Bruce Annals, Vol.I, p-42

14. Poonen T.I, Dutch beginnings in India proper, 1580-1615, Journal of Madras University (reprint), Madras, 1972, p-9,14

15. Ibid, p-15

16. Moreland Relations, p-xxiv

to Tirupapaliyur to start negotiations for the place<sup>17</sup>. This place did not, however, satisfy the Dutch. Almost during the same time, in 1612, when a Dutch envoy was sent to Golconda to negotiate for further concessions in Golconda, the Portuguese plundered Pulicat. Immediately the Dutch entered into a fresh agreement with Raja Venkatapati Nayak of Pulicat. The most important terms were that the Nayak agreed to build a fort for the Dutch and also that he would not permit Portuguese in Pulicat to dwell or to trade and that all persons and the merchants shall be permitted to trade with the Dutch only<sup>18</sup>. The new fort was also to have a Hindu garrison. Thus, Pulicat became the first Fortress of the Dutch on the coast mainly as seen to curb the Portuguese plunders, and with this fort the Dutch could successfully manage the trade from Southern Coromandel to South East Asia.

The Portuguese power declined rapidly and by 1658, with Nagapatanam coming under the Dutch, the Portuguese lost their main trading post and became an insignificant country trading on the coast<sup>19</sup>.

The seventeenth century saw the coming of the English to the coast. Initially they were no rival to the Dutch, but by the second half of the seventeenth century they had progressed much

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17. Poonen T.I, Dutch beginings, p-34

18. This fort was named 'Geldria' and became the head quarters of VOC on the coast.

19. Santhome declined mainly owing to Pulicat, which was called 'bad neighbour'. The emergence of Pulicat as a powerful stronghold was an important cause. Most of the ships that passed this side were captured, and 'hence Santhome declined'. Methwold, Relations, p-13



and emerged as important rival to the Dutch, if not in its finances and investment but definitely in the number of settlements they had on the coast. Perhaps the problems faced by the English were more severe when compared to any other company. There was a time when the English did not even get good housing at Masulipatnam owing to the Dutch<sup>20</sup>. Throughout the first half of the seventeenth century, the English were haunted by the Dutch not only on the Coromandel coast, but also in the Souteast Asia. As early as in 1611 when they first came to Pulicat they were threatned by the Dutch, forcing them to Nizampatam and then to Masulipatam<sup>21</sup>. Ever since they came to Masulipatnam they tried to have a settlement in the Southern Coromandel, where both the Dutch and the Portuguese had already settled. The problems faced by the English can be seen mainly at the financial level. On both the grounds the Dutch were superior to the English.

Inadeq<sup>v</sup>ate finances appear to be the major con<sup>s</sup>traint for the English during this period. Most of the records of this period mention about meagre financial situation of the English East India company and concomitantly, the problems they had to face in getting trade and benefits from the local powers. The opposition between the English and the Dutch companies was at an open level in almost all the ports of Asia. The English faced problems in Bantam and in Amboina. With the murder of English factors by the Dutch in 1623 at Amboina, the English were

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20. EFI-1622-23, p-xxxvii, 47

21. Samuel Purchas, Vol. III p-336, 337, Hamilton C.J, The Trade Relations between England and India, p-24-25.

practically eliminated from the South East Asia<sup>22</sup>. With the 'massacre at Amboina, the English had no other alternative, but to come back to India, to satisfy their other market, like Bantam, Achin, Jambi and Macasar apart from the European market. From 1630s there was a structural change in the companies economics, previously the company restricted itself to the fine goods of Coromandel, especially the chintz variety found near Masulipatnam, now they were attempting to purchase the bulk of goods of the Coromandel<sup>23</sup>. This perhaps made the company to go for the Golden farman, and hence they were able to settle at Madopollem and Virasvaram for the coarser goods. This period also saw a major shift from Surat and Gujarat, where they got fine varieties for home market. Now similar quality goods, were available at cheaper price at Armogon in the vicinity of Pulicat<sup>24</sup>. With the exclusion from South East Asian markets especially after Amboina, the English did not need the chintz variety which the Dutch exported to the Indonesian islands. All this meant a considerable expansion in the markets and likewise in the settlements for which much finance was required. With inadequate finances, the English could not counter the Dutch in the trade from the Coromandel. The financial situation worsened because of the 30 years war, the policies of Charles I and the civil war, and most of the initial directors were small time businessmen and expected quick returns for their investments<sup>25</sup>.

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22. Bruce Annals, opcit, p-208-209

23. Arasaratnam, p-140

24. Furber Holden, Rival Empires of Trade in the Orient 1600-1800, Minneapolis, 1976, p-242

25. EFI, 1642-45, p-v, xii

The Dutch on the other hand employed great capital and military power and it is seen that their main object was to eliminate their rivals Portuguese and later the English. Most of the factory records mention about how the Dutch contained its rivals effectively in purchases of the wares on the coast. In 1636-37, it was written that the Dutch and the Golconda officials collaborated and were forcing the king to destroy the English<sup>26</sup>. This was done by the Dutch by giving larger Peshcushes to the governors. An English record of 1660 mentions that the Dutch invited the Chief Brahamin of Golconda and gave him 1500 pagodas, and the English were supposed to do the same for him. It also mentions that the English could afford only 500 pagodas as peshcush<sup>27</sup>. The very fact that the Dutch gave three times more than the English is an index to their financial capacity and further ~~also~~ of their commerce as compared with that of their rivals. The larger amount given by the Dutch to the local officials naturally fetched them important concessions and for the most part of the 17th century, the Dutch were the most favoured nation in the kingdom of Golconda<sup>28</sup>.

The next important reprisal was that of attracting the weavers and merchants on their side. Even in this, the Dutch had the upperhand as most English factors complained they were unable to get weavers to work because the Dutch who had ample resources, had attracted all the artisans by advances, and thus

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26. Bruce Annals, p-343

27. EFI, 1655-1660, p-258

28. Raychaudhari Tapan, Jan Company in Coromandel 1605-1690, S-Gravenhage, 1962, p-51, 64

obtained a temporary control over the production<sup>29</sup>. In 1642, a letter mentions about the Dutch attempts of monopolising the trade of the coast and the English Factors lamented that if the Dutch succeeded in securing control over the coast, they were soon going to outbid the English from the Golconda region<sup>30</sup>. The English faced maximum problems with the Dutch when they were stationed at Pulicat in 1619. Though as a general policy, both the countries were at peace the Dutch under Coen made it difficult for the English by openly ordering his men to harass the English and refusing to buy piece goods jointly with them on the Coromandel.

The Dutch were also favoured in the farming system in the kingdom of Golconda. They got maximum concessions from the King of Golconda, through which they could get many places for farming directly. They could establish their subordinate factories in the hinterland of Masulipatam in places like Palakollu, Draksharama and even at Hyderabad which were the places of good weaving, the capital being a market for imports also. It is only after seeing the Dutch that the English also tried for similar concessions and got the Golden Farman from the king, after which, for the first time, they ventured into hinterland of Masulipatam. Though the Golden Farman was very favourable to the English. it soon invited dangerous reprisals from the Dutch<sup>32</sup>.

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29. Moreland W.H, Akbar to Aurangzeb, p-135

30. EFI, 1642-45, p-155-156

31. Furber Holden, p-44

32. According to the Farman, the English were exempted from all the duties in the kingdom of Golconda, whereas the Dutch on the other hand, had to pay certain stipulated amounts in the form of duties.

The English thus could not increase their trade from Masulipatam. In 1620s when a new diamond mine was discovered and farmed out it was the Dutch who grabbed the opportunity and took the mine for farming (1623) by paying 10,000 pagodas per annum. With this the English lost hold in diamond trade, and could get some diamonds only when the Dutch were short of cash<sup>33</sup>. The English faced a similar situation even in case of trade in textiles. It seems that most of the textile trade was in the hands of the Dutch and their supremacy can be seen from the fact that the company benefitted when the Dutch had differences with the local officials<sup>34</sup>.

All these testify the supremacy of the Dutch over the English on the Coromandel coast. What made the Dutch superior was the fact that they had absolute control over the spice islands, which enabled them to supply to India with goods from Java and Sumatra and also from China and Japan<sup>35</sup>. The Dutch supremacy in the seventeenth century can be summed up in a statement issued by Sir Joshiah Childe, who declared that "the prodigious increase of the Dutch in the domestic and foreign trade, riches and shipping is the envy of the present and may be the wonder of the future generations<sup>36</sup>."

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33. EFI-1622-23, p-221

34. In 1645, differences arose between the Dutch and the local governor Mallaya at Pulicat, when the latter stopped a Dutch Merchant from going to Pulicat from Santhome. The Dutch immediately sent soldiers, and what followed was an open war between the Dutch and the governor. EFI 1642-45, p-279

35. EFI 1655-1660, p-5

36. Joshiah Childe, quoted from Boxer C.R., p-5

If the problems faced by the English on the Coromandel coast were because of their European rival, they would have gone for a different Factory and were not hampered much by the Qutbshahi, as the Qutbshahis encouraged and patronised<sup>37</sup> both the companies, as they were big revenue raisers, what affected the fortunes of the companies was the partisan attitude of the local administration. The English thus made a search for a settlement preferably a fortified one far from the Qutbshahi administration. The general administration of the kingdom was based on farming the districts. In the kingdom of Golconda, nobles were made to serve as administrators at various provinces of the kingdom, responsible for military and revenue functions. They were free to sublease their holdings to taxfarmers or private entrepreneurs for whatever price the market would bear<sup>38</sup>. It was these men who carried out the general administration.

The administration was carried on by means of annual farms given to the highest bidder for which the rent had to be paid in three instalments<sup>39</sup>. Before the actual appointment each governor had to agree to pay to the central exchequer a fixed sum every year. Once established as a governor he was free to claim his expenses including whatever bribes and presents he gave to get the governorship and to make a profit on the tax collections<sup>40</sup>.

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37. Farmans were given independently to each of the companies, and they did not overlap the companies.

38. Richards J.F, Mughal Administration in Golconda, Oxford, 1975, p-13.

39. Anonymous Relations, p-81

40. Richards J.F. p-23

The governor was also free to sublease major towns, generally ports to individuals who were called hawaldars with police duties<sup>41</sup>. The local officer's position was very important as he had "the power to welcome merchants and give them all facilities or he might refuse them and their goods or he might claim a part of the customs, a large share of profits for himself<sup>42</sup>. This type of an administration came in vogue probably because of the stabilization of the kingdom and need for more revenues to finance its wars both with the Vijayanagar rulers and the Mughals. Methwold says that the revenue of the kingdom amounted to five crore and twenty lakhs of pagodas, mostly claimed from his tenants at rackt rent<sup>43</sup>. On the whole, the whole administration was a scramble for immediate gains without the thought of the future and this explains the difficulties forced by the Dutch and the English in establishing their trade in these ports. The king by the year end was pressing for money and failure of the governor to pay the amount was severely punished, generally by flogging<sup>44</sup>.

Among the various paraganas of the kingdom, it is seen that it was the sea ports which generally had highest rent. Masulipatam among the ports commanded highest revenue of 180,000 pagodas and Petapoli 55,000 pagodas<sup>45</sup>.

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41. Master. S, Vol. I, p-160

42. Moreland, W.H., India at... p-44

43. It was an excessive rent or raising rent beyond fair amount Methwold, Relations p-10 and 10fn.

44. Anonymous, Relations, p-81

45. Ibid p-81

The revenue of the port was very high, and perhaps this is the reason why the governors were forced into corruption in order to reclaim the money payable to the central treasury. The officials tried to extract money from their subjects and the best 'market' for them was provided with the coming of the Europeans. Before the Europeans came they probably extracted the same from the local merchants and other small time weavers.

When the Europeans came to establish trade in the kingdom of Golconda, they had to deal first with the local officials. The English from their very first voyage had troubles with them. When Floris sent presents to Mir Jumla who farmed his revenues, the governor treacherously dealt in a bargain of cloth and lead. It looks like he raised the customs from 4% to 12% which was not there in the agreement<sup>46</sup>. This was often faced by the companies, whenever they tried to approach a higher authority or the king directly, the local officials hampered them. This is because of the fact that they would lose their revenue if the companies got concessions directly from the king. Even if the Europeans secured confirmation from the King, the governors acted quite differently in the ports and squeezed money from them, by assuring that they would give personal guarantee to the company which generally did not have an official seal<sup>47</sup>. For important concessions the Europeans went to the king but avoided it generally because it was an expensive affair. In any case, for

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46. Samuel Purchas, Vol. III, p-321-322

47. Poonen, T.I, 'Early History of Dutch Factorie of Masulipatam and Petapoli' (1605-1636), Journal of Indian History, Vol 27, 1949, p-279



the day to day transactions especially regarding the custom and transit duties they had to depend on the local official, who took this as an opportunity for his personal benefits. He often expected peshcush or presents from the companies, and the company which gave maximum presents got the benefits<sup>48</sup>. It is hard to say which company secured larger benefits. Most of the time it was the Dutch who were favoured and at times it was the English. Generally, the problems arose when local officials failed to return money borrowed from the companies. Sometimes the Shahbandar purchased certain articles from the European companies at a concessional price arbitrarily. When the companies claimed the money, he openly abused them and said that they were for the king, and rarely paid the money<sup>49</sup>. The governors on their part wanted to extract money from the Europeans in the form of presents to which the companies generally succumbed. The exactions of the presents was so severe that any non-payment of this led to forbidding of trade in the port both for the companies and the natives. When the governors forbade the trade it meant that the goods were exposed to open bank shell which was very disastrous. Sometimes the amount asked by these officials was very high, for example when the Dutch established factory at Masulipatam it was mentioned that they got the place after a considerable material sacrifice which amounted to 3,800

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48. Schorer mentions that "he is well bestowed towards us as towards the Portuguese, or better but the worst thing I know is that those are most favoured which give the largest presents". Schorer's Relations, opcit p-57

49. Poonen, T.I., Dutch beginnings p-20

guilders<sup>50</sup>.

A related problem that the companies faced due to the local administration was the yearly transfers of the governor. The farming of the district was generally given for one year and after this an auction was held. It is very seldom that the district saw, the same officer again, unless he was very influential in the court of Golconda,. The court of Golconda often showed favouritism to some people, the classic example being that of Mir Jumla, who generally used to farm to his close associates. The king had the power to dismiss the old governor and appoint new one which further agravated the problem. In 1606 'Siddappa' was removed from the office to whom the Dutch had given large amounts. He was replaced by 'Pylappa' who hoped to enjoy the same benefits as his predecessor. He asked for fresh payment for which the company was reluctant. He <sup>a</sup>rected sharply to this and started ignoring the previous contract made by Van Soldt (the contract was that the Dutch would pay 3000 pounds as duties for Masulipatam instead of 4% on exports and imports) on the ground that the money given was only given for the then ruling governor<sup>51</sup>. This frequent transfers of the officials had bad effects on the companies that most of the money they had, started going for the fresh demands of the governors almost every year. The demands of the governors also varied from one

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50. A curious English document of the later half of the Seventeenth century testifies the fears of the Europeans. Mohammad Alibeg sent his Maldar to the Egnlish desiring some cheeses and strong waters for which he was ready to pay. But considering his expectations for large peshcush, it was resolved by the factors to send these as presents. Ref. RFG, Masulipatam consulation Book 1682-83 Madras 1916, p-1-2.

51. Poonen T.I. Dutch beginings, p-30.

governor to the another. Sometimes, the governor farmed a place by paying more money than 180,000 pagodas and had different devices to recoup the money. In 1619, the Dutch ordered temporary closure of the company's factory at Masulipstam as a protest against the orders of the local ~~the~~ governor stipulating that in future the company would be obliged to deal with a single merchant Lingayya<sup>52</sup>. In 1621 a new governor was appointed who had farmed at 15,000 pagodas more than his predecessor, and the way he wanted to get money was by subletting it to one shroff with exclusive concessions of the right of buying and selling or exchanging all gold and silver brought to the port which was resented by the companies<sup>53</sup>.

The companies had three alternatives to deal with these officers. They for most time succumbed to governors by paying them peshcushes, they could revolt or abandon the place and go elsewhere. Giving peshcushes depended on the financial strength of the companies. The Dutch wanted to retain Masulipatam at any cost basically because it offered goods it wanted for its South East Asian markets. They therefore, gave maximum peshcushes to the local officials, the English who had trade in the same port could not give. The Europeans in order to get back their custom dues and to protect their trade also conducted blockades on the port. In the seventeenth century, these blockades generally were the native phenomenon but at times we have instances of these companies conducting them. The blockades conducted by them show

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52. Prakash DM, The Dutch Factories, p-110-113

53. EFI 1622-23, p-46

us some interesting facts. The companies especially the Dutch and the English, though rivals in trade joined together and conducted the blockades, which means as Arasaratnam says, "both the companies reacted broadly in similar ways to the political turmoil and opportunities it provided"<sup>54</sup>. While conducting the blockades the Europeans understood the weakness of the native polity and hence conducted them from the sea front. It was infact a general phenomenon that the Europeans conducted these on the sea and the natives on the land<sup>55</sup>.

The insolence of governors was severe on the English. The English who did not have the means to give either the peshcushes as frequently as the Dutch, or could not revolt individually often thought of abandoning the settlement at Masulipatam. Even as a general policy the English restricted themselves to a stipulated number of settlements. Many a time the English thought of leaving this place. In 1631, just before getting the Golden Faman, the English went to the king regarding payment of customs in lumpsum, but were opposed by Mirza Rozbiham, the governor, who needed bribe for any sort of concession. The English lament that "such is the miserable conditions of the country, where justice and truth are fled long since ..... suffering the riches tyrance without redress"<sup>56</sup>. The abandoning of Masulipatam by the English in favour of Armagon in 1628 was precisely because of exhorbitant extractions made by the

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54. Arasaratnam, p-97

55. Raychaudhari and Habib, p-394

56. EFI, 1630-33, p-xxvii

governor. On quitting, the port, the Agent sent a letter to the governor, stated that his exactions had been so arbitrary, and his obstruction to the trade, so great that the English had no other alternative but to abandon the factory and would not return on any condition....<sup>57</sup>. However, the trade at Masulipatam was so important that the company was expecting fresh proposals from the governor or that they would make reprisals on the ships and goods of the king of Golconda wherever they might be found, which was not yielded or considered by the governor<sup>58</sup>. Even in the second half of the Seventeenth century, in 1657, narrating the troubles at Masulipatam to Surat factors, they wrote that, the troubles were because of the local authorities and felt that "there is no security in living in Masulipatam" and further wrote that "we have bin constrayned to send away all English men from thence to Madapollem"<sup>59</sup>. It looks like this abandoning was only for a temporary period and generally the Europeans returned to the ports once they got better concessions from the king, who in turn did not want loose these Europeans from the ports, as the ports, especially, the factories, were good revenue givers. However, in the long run, this abandonment of factories might have had adverse impact on the ~~the~~ ports where many weavers who had settled might had left the place and in course of time led to the decline of the ports.

Wars had devastating effects on the trade, especially in those ports which completely depended on the hinterland. In the

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57. Bruce Annals, Vol. I, p-291

58. Ibid, p-295

59. EFI, 1655-1660, p-268, 274

seventeenth century though the Qutbshahis offered stable polity they were still threatened by frequent Mughal incursions into the Deccan. The Mughal invasion started with Jahangir who sent Prince Khurram to the Deccan. Later when Shahjahan succeeded Jahangir in 1627, Ahmadnagar was immediately captured and by 1637 Golconda became a tributary state of the Mughal empire. In 1659 Aurangzeb succeeded Shahjahan and took Berhampur, Aurangabad and Berar under his fold. His main object was to reduce Deccan to his vassalage and to get material resources. The climax of the political annexation reached in 1687 when Golconda was annexed into the Mughal empire. These wars had devastating effects on the European trade and their settlements in the Golconda territories.

When Prince Khurram visited Golconda in 1622 he also went to Masulilpatam and inspected the factories. His coming created artificial scarcity at Masulipatam and also made the people leave the place. The Mughal army consumed and took most part of the provisions and goods and because of this the prices went up<sup>60</sup>. When he left he appointed Mughal Ambassador at the Golconda court and it is mentioned that because of his presence the diamond mine at Kolluru was closed down, on the fear that he might take all the precious stones with him<sup>61</sup>. This was the period as mentioned earlier, when the Europeans thought that they were well settled in this trade and were making good profits. The sudden closure of this mine must have had a great impact both

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60. EFI, 1622-23, p-313-314.

61. Prakash, Om, The Dutch Factories, p-11.

on the European traders who made large investments and also on the workers who worked in the mine. This must have created large scale unemployment and migrations to different places. After completing the conquest of Ahmednagar in 1630 and 1633, Shah Jahan raided Srikakulam and then came to Qutbshahi kingdom in 1635 and instead of attacking Golconda, he imposed tributary status on the kingdom and took back a huge booty of 200,000 gold hun and 800,000 silver rupees from the ruler of Golconda<sup>62</sup>.

The wars also adversely affected the free ~~the~~ movement of goods. Goods could not come to the ports from the hinterland on account of the Mughal officers who were posted at various places. Merchants who carried goods stopped their trading activities and thereby cloth trade was ruined in the towns. The records of the later period give graphic description of the problems faced by the Europeans on the account of wars. When Golconda was on the verge of submission in 1684-85, the records mention that "all inland trade is at stop and the roads full of soldiers who rob and plunder so much, that, scarce peon can pass without a comment'...<sup>63</sup>. One major problem they faced was that they could not send meassages from one factory to the other and a letter mentions that "tis dangerous to send advices on land, and that all the peons are stopped on the road near Madras, wherefore we have sent on the boats<sup>64</sup>.

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62. Richards, J.F. p-35

63. RFG, Letters to Fort St. George, 1684-85, Vol. III, Madras, 1971, p-189.

64. Ibid-289

What the companies did during the war time was that they withdrew their factories. At the same time, they also looked for new settlement in the region where there was peace and stability<sup>65</sup>. The parts of the Southern Coromandel was relatively free from Mughal onslaught till that period, though it experienced some small simmerings in the form of civil wars and wars with Qutbshahis, These disturbances were comparatively mild. These wars in south were sporadic and did not have much impact on the trade and the port towns.

The above mentioned problems and troubles faced by the Europeans especially because of the corrupt officials and the unstable political conditions made them to move to a place where they could be free from these troubles. They wanted a settlement with a difference, getting autonomy was the thing which was stressed. The only way they could feel secure was by constructing a fort. It would be a place where they could carry out the trade freely without the interference of the natives and also a place where they could counter their rivals with the help of 'great guns'. The Dutch did not face as many problems as the English, as they already had a fortified settlement at Pulicat in the Southern Coromandel. The English were also on the look out for a similar possession in the south from where they could trade freely with its southern markets<sup>66</sup>.

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65. In 1687, the English dissolved Petapoli, Masulipatam and Madapollem by reasons of War and troubles, and felt that the Gingee country being free from wars and more secure, the factories at Cudalore and Canimere to be continued. RFG, Diary and Consultation Book, 1687, Madras 1916, p-43

66. EF1-1637-41, p-72



The Journey from Masulipatam to the founding of Madras was not an easy one for the English. It involved so many places on the coast, satisfactions and dissatisfactions, personalities like Andrew Cogen and Francis Day and finally the reluctance of the company at Home.

The war between England and Holland ended in 1619 with the Treaty of Defence. According to the treaty both the countries agreed to withdraw their hostilities and the English were permitted to trade and settle at Pulicat, which was the Dutch stronghold on the coast. The English also were permitted to ~~to~~ have residence in the Dutch fortress and share in the trade, but these benefits had been accompanied by financial obligations. They were to pay 1/3 of the fort expenses for garrison at Molaccas, Banda and Amboina and 1/2 at Pulicat. They also had to cruise 10 ships against Spaniards and the Portuguese in the Indian waters<sup>67</sup>. The English came to Pulicat in 1621. Ever since they had come to Pulicat the English faced problems with the Dutch who did not bother much about the treaty. The general complaint of the English at Pulicat was that the Dutch did not offer them half of the total textiles which was in the agreement instead divided the merchandise on the basis of capital invested<sup>68</sup>. Coen the Dutch chief was against any type of collaboration with the English and ordered open reprisals on the English. He said, "It is impossible to deal with the English.....the more apart the two stayed from each other, the greater were the chances of

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67. EFI 1622-23, p-xxxv-xxxvi

68. Prakash, OM, p-13, 157

continued friendliness between the two<sup>69</sup>. The financial position of the English also was poor and the overheads at Pulicat claimed by the Dutch were high. The English share of fort charges came to 549 half rials of eight when the whole investment of the English to trade in Asia was only 20,000 rials per annum<sup>70</sup>. The immediate conclusion of the factors was that they could do better elsewhere on the coast, where they could get textiles without paying garrison charges. The reason the English gave, when they withdrew the settlement in 1623, was that they felt the need to cut down the expenses and that they did not need Coromandel cloth as their factory at Molaccus was closed<sup>71</sup>. The English returned to Masulipatam.

However, the English were desperate to have a settlement in the Southern Coromandel, mainly due to the problems faced by them from the local administration, apart from their requirement of the patterned cloth for the European market. They also wanted a place which was strategically located from which they could counter the Dutch in the Bay of Bengal<sup>72</sup>. The English had considered the Dutch example of a fort, which was effective against the extraordinary exactions of the governors. Andrew Cogen was appointed to look for a place and, in 1625, he got a grant from a Naik at a place between Nellore and Pulicat. The English erected a factory here in the same year at Armogon in

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69. Ibid-13,200-206

70. EFI, 1622-23, pxxxvii

71. Ibid-p-xxxvii

72. Bruce Annals Vol. I opcit p-270

order to purchase plain and flowered cloth<sup>73</sup>. Once establishing the factory Mr. Johnson, the chief of Armogon, felt that it should be made subordinate to Masulipatam and that it would be proper to strengthen the factory with fortification, to protect themselves from the attacks of Naiks and the Dutch<sup>74</sup>. It is curious to find that the English who had come here to escape from the Masulipatam governors faced similar problems in the form of Naiks, who by this time had considerable power in their hands: In 1629, it was fortified and is described to have 12 pieces of cannon, mounted round the factory and a guard of 23 factors and soldiers<sup>75</sup>. The English who could no longer tolerate the oppressions of the local governors at Masulipatam abandoned the factory and moved to Armogon in 1628.

Armogon proved to be advantageous to the English as it became a common rendezvous and a place to retreat, and a station for acquiring a share in the trade on the Coromandel. In 1630, the question came whether both the factories had to be maintained for providing the paintings, and was thought that it was an absolute necessity to keep in "awe those imperious moors that govern the kingdom of Golcondah"<sup>76</sup>.

But soon even Armogon posed problems. The trade could not increase according to their expectations. The factors found it very difficult to collect required supplies of cloth at Armagon.

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73. Armogon was traditionally called as Durgarazpatam, was located on the river and had good anchorage for ships near its mouth. It was an important place for export of textiles which were made in the neighbour hood hinterland. Ref: Arasaratnam p-18-19

74. Bruce Annals, Vol. I, p-270

75. Ibid -p-295

76. EFI-1630-33, p-79, 1634-36-p-xxxvii

The English discovered it as an inferior centre to Masulipatam. The factors felt that because of scarce availability of cloth here it would be expedient to select a different place on the coast. The Dutch often threatened the English at Armogon with piracy as also the weavers with reprisals if they dealt with the English<sup>77</sup>.

At the close of January, 1636, the President of Bantam received orders from Home to abandon the fort. However, it was felt that it should be retained for security purposes<sup>78</sup>. Henceforth this became an insignificant trading centre for the English where stores of provisions were kept in order to use them in the time of scarcity in the region, Armogon goes into the history as the first fort on the coast by the English.

The English who had in the mean time secured the Golden Farman, went back to Masulipatam. The search for a better settlement in the South still continued. Andrew Cogen from Armogon authorized Mr. Francis Day a factor to take a voyage for a suitable place, a place which would enable the English to acquire a larger share in the Coromandel trade. It had been the opinion of the factors at Masulipatam that a fortified settlement was needed by the company as the first one had failed<sup>79</sup>. This time they were more cautious and finally Mr. Day found Madrasapatnam and the factors felt that they would make profits

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77. Furber Holden, Rival Empires p-71

78. EFI-1642-45, p-51-52

79. Bruce Annals Vol. I, p-377

in the piece goods available there which suited equally to Bantam and Europe. The fort was necessary to protect their trade. In 1642, it became the chief factory of the English and in 1652 ,it was raised to the rank of a Presidency.

## CHAPTER IV

**MADRAS, THE FIRST PRESIDENCY FORT OF THE  
ENGLISH EAST INDIA COMPANY, 1639-1700**

The origin of the city of Madras\* is associated with the development of trade conducted by the European joint stock companies in the East, particularly the English East India company. In the last chapter we have seen that the Mughal territorial expansion in the Deccan created a serious political turmoil in the Golconda region which, had adverse effects on the European trade. Likewise the high handedness and corruption of the Qutbshahi officials at various levels interfered with the European traders at their factories, which made the Europeans to move down South to the less important places ruled by the Raja of Chandragiri. But the Raja was a nominal ruler with the real power being in the hands of local Naiks, who welcomed the Europeans to have trade in their parts. Of no less significance was the rivalry between the English and the Dutch. It is because of these factors that the English realised the importance of a fortified settlement on the coast, on the lines of the Dutch at Pulicat. From an insignificant position Madras gradually developed into a very important centre of English company and within a period of twelve years was given the status of Presidency.

Francis Day, the chief factor at Armogon , with the help of his chief broker Beri Timmanna selected a sandy strip close to Santhome, about five kilometres in length and two kilometres in

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\* Madras is derived from 'Mandaraz' in Telugu and would be Mandazpatnam and later Madrasapatanam on the analogy of Durgarazpatnam, the other name of Armogon. Ref. Manual administration of Madras Presidency, vol. I opcit p-161

width. He obtained a farman from the local Nayak which gave the English company, the territory, privileges and license to build a fort. Francis Day describing about this place wrote:

".....and large priviledges by the Nayak of Venkatadra, whose territories lyes between Pullicat and Santhome, the only place for paintings, soe much desired at Bantanm, and likewise great store of longcloth and moorees, which is there procerable,--having compared both sorts and prices with ours at Armogon---"<sup>1</sup>.

The factors at Masulipatam felt the acquisition so important that they immediately directed Francis Day to build a fort. Andrew Cogen, his susperior dismantled Armagon and arrived at Madrasapatnam in EAGLE and UNITY with their Indian assistants, few writers and 25 European soldiers and some local artificiers<sup>2</sup>. On February 20 1640 they started to work on the fort and christened it Fort St. George in the same year.

The land Francis Day acquired to construct the fort was a small sandy strip which was marshy at the confluence of river Coum and where the North river met (Bukkingham canal)<sup>3</sup>. In 1639, Madras was a common strip running about a mile inland, for 6 miles up the shore of Santhome. The site itself was low lying and almost dead level and was intersected by two languid streams where the Coum entered the sea immediately south of the fort<sup>4</sup>. It had an open roadstead, and ground shell thus making it necessary

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1. Original correspondence series No. 1690. 27th July, 1639, cited in Love, H.D, vestiges of Old Madras, Vol. I, p-15-16.

2. Ibid-p-25

3. William Crooke ed, John Fryer, A new Account of East Indies and Perisia, 1672-1681, London, 1909, p-104 fn.

4. Imperial Gazetteer, p-497



for large vessels to stay well outside<sup>5</sup>. This Fort and Madras in general faced problems even with the drinking water, as Coum takes a dangerous turn backside of the fort, which obstructed springs of fresh water coming into the town<sup>6</sup>.

Apart from having the advantage of good hinterland, where patterned goods were procurable the site itself did not offer much to the English. The reason for why the English came here to settle can be explained by the fact that the Coromandel coast in general did not have many natural harbours, and it did not make much difference to the English if it was Madras or Masulipatam, as they already had adjusted themselves at Masulipatam which also was a bad port, still carried on good trade. The selection of the site also shows the desperation of the English to have a settlement in the southern Coromandel region where the required goods were procurable and that they could go far from the Qutbshahis.

The Directors at Home, uneasy about the money sunk in fortified factory on the coast (Armogon) viewed this new settlement as another hazardous experiment, but left to Surat Council to decide whether they should go forward or not. Owing to serious financial crisis at home, the Surat Council was reluctant to agree to this new fortified settlement. The Surat factors felt that the fort was 'unreasonable' and 'overchargable'<sup>7</sup>.

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5. Arasaratnam, p-21

6. Alexander Hamilton, cited by, Wheeler Talboys, J. A History of English settlements in India, Delhi, 1972, p-124

7. EFI-1642-45, p-12

Surat Council for sometime disregarded the appeals from Masulipatam. The English at Home who still did not approve and demanded <sup>explanation</sup> from Francis Day to explain the necessity of the fort. In a reply in 1642 Francis Day simply stated that the "fort is necessary to protect the Carnatic trade"<sup>8</sup>.

On the coast, the local Naik welcomed the English to have a fortified settlement but insisted that his fathers name be given to this newly formed settlement<sup>9</sup>. Venkatappa was dismissed by the Raja of Chandragiri, the ruler of the province in 1642 and insisted on his name to Madras and hence we have Madras also being called as Sri Rangarayapatnam. The rulers of the coast welcomed the English as a new settlement would give them additional revenue, from a barren land which previously was not even a port. They also thought that the new place would encourage trade and production in this region.

The significance of the fort lay in the fact that, it was the only place from where the English could defend their trade, and to have a sizable autonomy from the local politics and administration. Madras because of walls on the four sides could defend the stores in case of any hazards caused by the local powers. It also got the provision of having a garrison in the fort where recruitment of soldiers was done on regular basis whenever there was a threat from the Dutch or from the Qutbshahis<sup>10</sup>. The problems faced by the English did not differ

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8. Bruce Annals, Vol. II, p-19

9. Talboys Wheeler explains as "an anxious desire possessed by every Hindoo of having his family name handed down to the ages is connected with this grant". Ref. Wheeler Talboys, J. Annals of the Madras Presidency Vol. I, New Delhi, 1985, p-19

10. The first garrison came up in 1652 and consisted of 35 English men. Ref. Love H.D. p-34-35

from those faced in Masulipatam but differed on how they reacted to them. The problems faced at Masulipatam made them to abandon the factory but the advantage they had at the Madras fort was that they could stay and defend themselves.

The Raja of Chandragiri and his kingdom was annexed into the kingdom of Golconda in 1647, and soon Madras came under the broad set up of Qutbshahi administration. In 1646, predicting the wars between the Qutbshahis and the kings of Chandragiri Ivie, the then governor of the fort urged for a need of great outlay of fort and garrison on the wake of wars<sup>11</sup>. Like wise in 1687 fearing the Mughal invasion, the Governor ordered that a platform to mount six guns, upon the town side of the river opposite to the fort, be for with raised for the security of that side of the town...<sup>12</sup>. Garrison and strengthening of the fort saved the English from any direct assault on the settlement. Though we do not have any references of any confrontation between the English and the natives, the English did not hesitate to threaten the natives, that they would retaliate if necessary.

The Dutch were the main source of trouble for the English even at Madras. Unlike at Masulipatam ~~we~~, however, we do not have any references of the Dutch hampering the trade at Madras directly. Nevertheless they used the old policy of siding with the Qutbshahis. The hostilities between these two came to an

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11. Ibid, p-63

12. RFG, Diary and Consultation Book 1687, p-6, 32, 33

open level when war started in Europe between England and Holland in 1654. The height of the hostility in India is visible when the Dutch convinced the Golconda ruler that the English conspired with the French <sup>when</sup> ~~for~~ the latter attacked the fort of Santhome and subsequently seize it<sup>13</sup>. The Golconda sought help from the English against the French, <sup>for which the English resented.</sup> This is because of two reasons; (1) being that the English combindly were at war against Holland and Europe<sup>14</sup>. As a precaution a garrison was raised and the fort of Madras was strengthened. In spite of good relations with the French, security was strengthened when the former came to the Coromandel in 1665.

Local political disturbances ,on many occassions ,brought positive economic results for the Europeans . These settlements gave security to the people who flocked to these towns and settled there. For example, the frequent wars in the Qutbshahi dominion forced the weavers, painters, dyers and other artisans to come to Madras for saftey as well as undisturbed work<sup>15</sup>. Likewise the Portuguese from Santhome also came here when the Qutbhsahis took it under their direct control<sup>16</sup>. This new development had a long lasting impact on the organisation of trade .The relative security and peace, with prospect of continuous work influenced the artisans to settle inside the

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13. EFI (New Series), 1670-77, P-42, 44, 45, 52

14. Ibid, p-52

15. Love H.D., p-35

16. Many Portruguese fled from Santhome and came to Madras in search of security

fortified township of Madras. For the company, it meant some savings in the transport cost, close supervision for timely delivery of goods, assurance of non-interference from the rival companies, to mention a few advantages. For these favourable results the English had to patiently wait for some time. Soon Madras started attracting merchants, artisans and other maritime people. By the end of the 17th century, the city expanded considerably. Between 1660 and 1680 the population increased from 30,000 to 50,000<sup>17</sup> and by the end of the Seventeenth century an estimated population of 80,000 lived in the city.

Before actually going into the expansion of the city of Madras, it is necessary to understand the words like 'Fort St. George', 'Chinnapatnam' and 'Madras'. The sources reveal the following facts.

(1) The site the English selected for settlement was a small village called Madrasapatnam. Once they had established the fort it came to be called as Fort St. George.

(2) The town which grew around the fort is still called Chinnapatnam,<sup>18</sup> and

(3) The English applied the name Madrasapatnam or Madras to the combined towns. The native town is generally referred to as Blacktown and the European quarter as the White town or the Fort St. George.

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17. EFI, (New Series), 1670-77, p-116

18. Love, H.D. Vol. I, p-84-85

19. Wheeler Talboys, J. Annals....p-19

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The White town or the Fort St. George was a weak construction and it cost the English 2,300 pounds, when Day built it in 1640<sup>19</sup>. The White town was 400 paces long and 150 paces broad divided into regular streets<sup>20</sup>. Fryer who visited Madras in 1674 described the fort; "It is walled with stone with good height. On the South they had a ditch, which is a quarter mile in length facing Santhome ..... there are 4 bastions each facing four directions, and the Governors house is in the middle and opposite to this are the office buildings"<sup>21</sup>. This town had residences for Europeans, a garrison, a mint and store houses. All the important public buildings were situated in the White town and it became necessary to guard them. The English devised two systems for their security: one was the building of a wall around the town and the other was the systematic expansion of the Black town, to guard the White town.

The Black town was the town where the native inhabitants had their dwellings. The new fort attracted many merchants, technicians and even other Europeans who settled around the fort and formed the suburbs of the city. This town significantly developed on the northern parts of the fort. It meant two things.

(1) Most of the incurious of the Qutbshahis and later the Mughals came from the northern side. The Black town acted as a wall of security to the core settlement where most of the public buildings were located.

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20. Alexander Hamilton, cited from Wheeler Talboys, J.A History, opcit, p-126

21. John Fryer, p-104-105

(2) With the growth of the population in the Black town, it became necessary for the English to give them protection and therefore a wall was constructed around it, during the time of Thomas Pitt in 1700.

It meant that any external incursion would had to first strike the Black town and then only could attack the White town or the main fort.

The Black town soon extended to the western side and the permanent fortification was taken up in 1700, the wall consisted of rampart of 17 feet thick on both sides with brick and paved at the top to carry guns<sup>22</sup>.

The territorial limits of the city of Madras in the Seventeenth century was the Fort St. George and the Black town. Apart from this Madras got many places around it by paying annual rent. Though these areas were not part of the city in the Seventeenth century, the expansion of the English East India Company can be seen in these parts and they got considerable revenues from these places. Before going into these areas, a look on the social life of the Black town will give more insight on how the settlement worked.

As mentioned earlier, the Black town comprised of the native inhabitants. This town was larger than the White town and had Hindus (Gentoos) Muslims, Indian Christians and Armenians as its population<sup>23</sup>. Most of these people directly or indirectly

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22. Love H.D. Vol. II, p-7

23. Wheeler Talboys, J., A History of .....p-128.

depended on the English East India company for livelihood. The Europeans were restricted from going into the Black town and they were not allowed to inhabit here. However, we do have references of some Europeans residing in this town. They were probably the Portuguese of mixed origin (Mesticos) who came here from Santhome for a variety of reasons. Even among the native inhabitants the most dominant section was that of Telugu merchants, who emigrated from the north. They are the Chittees, Baliyas, Komittees and Satiigurus (probably Salevaru). It is significant to see that the Black town was demarcated and segregated on the caste lines. In a sense it was the beginning of the 'colonial' settlement pattern; as McGree says, "cities were laid out on a grid iron pattern and certain areas of the city were set aside for various racial populations"<sup>24</sup>. Hence for example, in Madras we have the Right hand castes living on the western side of Pedda Naikapeta and the Left handers on the Eastern side<sup>25</sup>. These caste demarcations were tolerated and even fostered in Madras because they were specially useful for British commercial interests. From major caste groups a chief merchant was appointed by the company. These merchants, had many subordinate merchants and weavers of their own caste and once the English lost the goodwill on one merchant, they generally used to pick up a merchant of an opposite caste as a chief merchant. It was also important for the company to have a chief merchant ready if one

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24. Roche Patrick, A, Caste and British Merchant Government, IESHR, vol. 12, 1975

25. Love H.D., Vol. II, p-24-26



revolted against them. Hence they fostered these caste demarcations. These caste demarcations often led to serious disturbances in the town<sup>26</sup>. For example, the Balija was a powerful Right hand caste and Sheshadri belonged to it and Beri Chettis belonged to the Left hand caste and the most prominent in this was Beri Timmanna. In 1652, the first dispute arose when the brokers Venkata and Kannappa favoured the painters and artisans of the Right hand castes. In pursuit of their policy, they encouraged the Right hand caste to take a marriage procession into Left hand street<sup>27</sup>. The residents reacted violently. This triggered off the first dispute. This dispute was not settled by the English; and how the dispute was suppressed is or settled is not clear. However, the English managed to get the Left hand castes, back to the town who had left it after the dispute<sup>28</sup>. English probably introduced administrative codes in the Black town to deal with similar situations. That is how we have the emergence of 'Pedda Naik' whose main responsibility was to keep the 'public peace'<sup>29</sup>. The

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26. In 1680, we have pedda Venkatadri revolting against the English and conspiring with the Nawab. On finding this, the English arrested him which led to popular resistance among caste weavers against the English. EFI (New Series), Vol. II, p-24-36,

27. The History of these two castes go to eleventh century in south India. Initially, the division appeared because of a conflict between dominant agrarian castes seeking to raise their status. In the seventeenth century, the cleavage appeared in Urban areas between commercial and artisan groups. Brennig, J.J. "Chief merchants and the Europeans enclaves of the seventeenth century coromandel Modern Asian Studies, Vol. II, 1977, p-330; Appadorai, A. "Right Hand and left hand castes in /south India", IESHR, Vol. xi, 2 and 3, 1974, p-216, ff

28. Love, H.D., Vol. I, p-119

29. Brennig, J.J. Chief Merchants ---p-331 (contd. . . . . in the next, fn)

punishments given were very severe and included flogging and imprisonment.

Madras, by the end of the Seventeenth century had every aspect of a town life<sup>31</sup> whose maintenance required lot of revenues. Madras being a fort had many over head expenses especially the maintainance of fort and the garrison. In 1639, the estimated revenue was only 1000 pounds, however, by 1642 the revenue claimed by the company was 2,200 pounds per annum<sup>32</sup>. Customs on goods imported and exported was the main income. The sea gate custom was 5% on all goods and collection was approximately 30,000 pagodas per annum. The choultry custom at 2 1/2% on all goods brought in 4000 pagodas<sup>33</sup>. Apart from this Madras also sold arrack, betel, tobocco and ganja whose income amounted to 11,000 pagodas<sup>34</sup>. Besides, taxes were also collected from the inhabitants of the Black town, the most important being the house tax<sup>35</sup>. Slave registration also brought in some income<sup>36</sup>. Outside the taxes from the township, principal duties

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30. Like wise in 1686, a regular police force had come into existence in Madras which was also under 'pedda Naik'. Ref: Wheeler Talboys, J. Annals of...Vol. I, p-118-119

31. Schools, Chappels, Mint, residences, Gardens came up in Madras both in the white town and Black town. Much personnel was needed to look after this town life and hence we have corporation coming up under Elihu Yale under a Mayor.

32. Love H.D., Vol. I, p-35

33. Ibid., p-81

34. Ibid., Vol. II, p-42

35. Brenning J.J., p-337

36. RFG, Letters from Fort St. George, 8th Sept. 1679, p-41

collected were on anchorage tonnage and advaoleram. Madras also made some income from the farming of neighbouring villages and places. These places farmed by Madras were in the immediate vicinity of the city. After coming under the authority; of the Colconda ruler in 1647, the English attempted to take villages around it on rent and they soon became a potential bidder of farms. In 1677 the English also got the town of Santhome and six other villges around that place. The places were Pallacea, Namamangalam, Mambalam, Sattivedu etc. The same grant also confirmed on them the town of Tribetore, with six other villoges. For all these places the English had to pay 1500 pagodas<sup>37</sup>. The above grant confirmed on them free customs, scrapped the authority of the Tarafdars and Avaldars and gave powers to the English to construct factories and godowns<sup>38</sup>. At a latter period the English started subletting the places to merchants. In 1711, the company gave Tribitore, Sattangadu, Catawaca to Suncarama at a rate of 1200 pagodas per annum<sup>39</sup>. These places farmed out to the, <sup>English</sup> though under the territorial jurisdiction of the Qutbshahis, were governed by them and they were free to impose such rules which favoured them.

Development of trade and consequent revenue collection created differences between the English and the Qutbshahi administration. The Grants of 1639 and 1645 did not confer on the English the sovereign rights of Madras. The grants gave some

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37. RFG, Sundry Book, 1677-78, Madras, 1910 p-41

38. Ibid, p-13-14

39. Love H.D., Vol. II, p-153-155

concessions like protection and exemption of customs and authority to administer justice in the city. The English at Madras were a vassal under a superior master. Later the Qutbshahi grant to the English in 1647 specified that half the customs levied on the goods was required to be paid to the Golconda government. This is the premise on which the Golconda officials acted against the English. Because of the growing trade and revenues in the city the sum to be paid as rent to the ruler of Golconda was raised from the initial 380 pagodas to 1200 pagodas in 1658. In 1662, the Golconda Nawab Neknam Khan claimed that 1200 pagodas was inadequate and the money was refused. After a span of 8 years in 1670, Neknam Khan claimed the arrears to which the English did not respond. This led to a blockade which was conducted for a month, after which the English paid the arrears<sup>40</sup>. Immediately after this, Foxcraft the then governor got a farman from the king and according to this a sum of 1200 pagodas was to be paid to the Divan directly and the English were given absolute control over the town without any interference from even Divan's subordinates<sup>41</sup>. It was this grant which later created problems to the English in 1681 when Lingappa the local governor wanted to encroach into the settlement, by claiming more money on the ground that the population and the revenue of the town had increased<sup>42</sup>. Lingappa in fact pressurised Accanna (the then Prime Minister) and got a farman for himself to collect the

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40. EFI (New Series), Vol. II, p-8-14. RFG, Diary and Consultation Book, 1681, Madras, 1913, p- 7, 14-15.

41. EFI (New Series), Vol. II, p-39

42. Ibid, p-39

rents of Chinnapatnam<sup>43</sup>, which the English resented. Lingappa, therefore, responded with a blockade by stopping all provisions into the town.

Forts generally were hard hit by these blockades, as these were enclosed dwelling and most of the blockades were conducted on the suburbs of the city. The English had three alternatives to deal with these blockades; one way was to approach the king and get some additional concessions which was an old policy of the Europeans to deal with the local governors; and another way to deal with the immediate situation was to deploy officers to the neighbouring villages to get provisions, and if the people refused to give them provisions they would be punished<sup>44</sup>. Generally the people agreed to send provisions, if the company gave cowl for their security<sup>45</sup>.

The third alternative was that since the sea was still open to them so they could get provisions from their northern Coromandel factories as we have seen earlier, most of the rice came from Masulipatam to Madras.

Coming to the commercial aspects of the city, Madras depended totally on its hinterland. Madras attracted goods from the interior from Nellore and Cuddapah region. In the north, it had Nellore and Chingleput, of which the latter had Arani and Ponneru which had dense concentration of weaving villages. Towards its south is Saidapet in which Madras and Santhome are situated. The latter had many weaving villages around it which

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43. Wheeler Talboys, J. Madras in Olden Times, Vol. I, Madras, 1861, p-87, 116.

44. RFG, Diary, p-16

45. Ibid, p-18

were producing for the export market<sup>46</sup>. After obtaining Santhome on farm in 1677, the English took possession of all the weaving villages round it. Textiles also came from Tirukudikonam and Caliapetta apart from Kanchipuram<sup>47</sup>. Down south of Madras was Madurantakam taluq which contained many weaving and villages around them. Madras succeeded in tapping Kanchipuram, Arani, Chingleput and Arcot districts<sup>48</sup>.

Madras developed purely because of its mercantile activities as it hardly had any notable manufactures at the time the English came here<sup>49</sup>. Its poor manufacture can be explained by the fact that number of weavers residing in the town were very less. Apart from 200 to 300 weavers settled in Madras in 1641, no mention of additional weavers were made till 1690<sup>50</sup>. A further evidence is that the city got low revenues from the weavers when the revenue was collected on the basis of caste. They got just 20- pagodas from the weavers, where as the trading classes like Chittee caste gave 2000 pagodas, Quimittee caste 800 pagodas and Sattiguru gave 200 pagodas as revenue<sup>51</sup>.

However, the Madras government of the English attempted experimentation of certain manufacturers. An attempt was made

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46. Arasaratnam, p-22

47. RFG Sundry Book, p-4

48. Arasaratnam, p-140

49. Imperial Gazetteer, p-509

50. EFI, 1637-41, p-286, Love H.D., Vol. I, p-547-548

51. Ibid., p-11

regarding the saltpetre Industry at Madras, but it was scrapped as the cost of refining proved too expensive<sup>52</sup>. Like wise an attempt was made to manufacture silk which also failed in 1703<sup>53</sup>.

Regarding trade, it did not greatly increase in the seventeenth century. Especially its first 20 years of history was bad for trade at Madras<sup>54</sup>. This place was affected both economically and politically. Economically, the Dutch at Pulicat attracted most of its goods manufactured in the region and it took considerable time for the merchants to come to Madras for trade. Politically, the wars between the Qutbshahis and the kings of the declining Vijayanagar caused much havoc to trade in these parts. The kingdom of Vijayanagara was annexed in 1647, and Madras came into the fold of Qutbshahi kingdom, which also meant that it came under its administration. Thus from 1652, political warlords of the Qutbshahi were asserting their power in these European enclaves. Mir Jumla had his interests at Madras. Though favourable to the English he was very cautious about growing military strength of the English at Madras. He tried to assert his authority by claiming half the revenues, having commercial relations with the English merchants and also tried to gain control over production and consumption<sup>55</sup>. The last one created problems during the governance of Streysham Master, when Accanna tried to fix the price at fort market. The

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52. RFG, Letter from 1678/79, p-8

53. RFG, Letters from, 1703, p-18

54. Bruce, Annals, Vol. I, p-391

55. Sarkar J.N. "The English in Madras and Mir Jumla", 1652-54, IHC, 1940, p-259.

governor, however, declared that the market was free for all to buy and sell and no man could force the sellers to dispose at fixed prices<sup>56</sup>.

Coming to trade, Madras chiefly exported calicoes, long cloth, salemporis, lungees, paintings, saltpetre, iron and steel and diamonds. It imported wax cloth, gunny bags, rice from Bengal, butter, wine, vinegar rose water from Persia, and spices from Spice islands<sup>57</sup>. The major cities with which the Madras port had trading links were: Bengal, Masulipatam, Vizagpatam, Fort St. David, Bombay, Tricombar, Surat, Negapatnam, Madapollem in India Sidney, Persia, Hormuz, Colombo, China, Manila, Pegu Acheen and Canton outside India. With the beginning of the 18th century, trading activity of the company was at its zenith. From 1709 onwards, atleast, 12 ships were calling on the Madras port annually<sup>58</sup>. However, it is very hard to say anything about the volume of trade as it was fluctuating from year to year. Even in the 17th century the volume of trade seemed to have fluctuated because Madras was in a formative stage and concentrated much on the expansion of the settlement. Further the period is marked by severe disturbances in the region.

Organisation of trade till the end of the 17th century was very simple. the governor was the highest authority and was the first member of council<sup>59</sup>. Their came the Book keeper followed by ware house keeper and customer who has to collect all the

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56. Master. s, Vol. I, p-75

57. RFG, Letters from 1703, p-41

58. Love, H.D., Vol. II, p-133

59. When Madras was made presidency, the Governor became the highest authority and controlled the whole of Coromandel coast and Bengal.



customs, rent and taxes. The members of council under them had factors, writers and apprentices who did most of the procuring.

What is more important here is the growth of joint stock companies among the Indians under a chief merchant. Most of these Indian companies procured goods for the Europeans. The merchants who supplied textiles to the English company fell under different categories. There were contractors who supplied cotton goods. Shroffs and money changers gave loans to the company and some times advanced the money to the weavers. Over all these men was the chief merchant who had the responsibility of clearing the contracts. He also hired brokers who were directly paid by the chief merchant. For his work he received ten to fifteen per cent of commission on both sales and purchases. It looks like most of these chief merchants migrated from the northern Coromandel and significantly they all belonged to Telugu trading communities. The first of this kind was Sheshadra who came to Madras in 1640<sup>60</sup>. The most important chief merchants were Kasi Virranna, his brother Pedda Venkatadri, Sun&a Rama, Serrappa and Kittee Narain. These merchants wielded considerable influence in the kingdom of Golconda. For example, Pedda Venkatadri created many problems, because of his links with Golconda kings. The other class of people who came into prominence were the brokers or dubash (Do-basha). Their main work was to translate the documents from and into Persian. Apart from this, these people were employed by the company to negotiate between the English and

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60. Raychaudhari Tapan, Jan Company, p-42

the Qutbshahis, for which they got commission<sup>61</sup>. The most notable were Vir Raghavayya, Gopala Pantulu and Panga Brahminy.

Thus Madras by the end of the seventeenth century grew into an European stronghold, exercising its power on the whole coast. Though established with the idea of trading in this region, the history of Madras city in the first 60 years, shows that the English were more preoccupied with defending the city and thereby defending the trade. As discussed earlier, this was necessitated by not only the nature of local administration but also the structural changes in the trading policy following the rivalry with the Dutch company. Madras city is thus a classic example of how the English in order to protect trade were slowly infringing themselves into the local politics. This is also a stage where the Europeans were more concerned with defending their trade through these 'Forts'. The Madras fort, for instance, defended not only the artisans, and other merchants, but also its trade. In the 18th century, we see the trade increasing in this city, and for this the ground work was done by the English in the seventeenth century by expanding the city and strengthening its defences.

Madras because of its growing population, naturally needed certain administrative set up and slowly the English were successful in introducing many administrative changes, thereby making Madras an administrative fort for defending its material base-trade.

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61. Vir Raghavayya for example was employed to look into the matters of Golconda. He was the man responsible in getting Tribetore, Triplace, Egmore, Porto-Noro and Santhome. Ref: RFG Sundry Book 1677/78, p-4, 12, 13, 41.

CHAPTER V

## COROMANDEL COAST AT THE BEGINNING OF THE EIGHTEENTH CENTURY

The war in 1687 between Mughals and the Golconda had tremendous impact on the South Indian politics and economy. Politically Golconda came directly under the Mughal ~~SUZERAINTY~~ SUZERAINTY. Economically, especially on the coasts the European companies of the Dutch, English and the French realised that irrespective of the costs, they have to adopt themselves to a new regime. Dealing with the Mughals was not an easy one, as the Mughals distrusted the companies, especially the English, however, were aware that the companies can be good revenue raisers. Therefore, they followed, the old system of giving concessions to the companies. These Mughal concessions did not differ much from those ~~recognised the old ones~~ given by the Golconda, in the earlier period.

The French were the first to approach the Emperor for trading ~~concession~~ concession at Masulipatam. However, there trading activities were only ~~margin~~ marginal owing to serious shortage of capital, and have restricted themselves to Pondichery which steadily grew under the leadership of Francois Martin. The Dutch also got footing at Masulipatam apart from minting and renting rights at Pulicat. The English were the worst hit on the coast in the post war period. The English with ~~draw~~ drew all their ~~factories~~ factories in the Golconda territories, owing to the reprisal of the Mughals<sup>1</sup>. Except Madras and Fort St. David the English

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1. The English situation worsened ~~when~~ <sup>when</sup> they seized Mughal Ships on the Western coast. The emperor ordered complete arrest of the English merchants and the prohibition of trade with EIC through out the Empire. Ref. Richards J.F. in Joshi P.M. and Najeem M.A. ed. The Studies in the Foreign relations of India, Hyderabad, 1975, p-510

abandoned all the factories. It was only after the payment of war indemnity of 150,000 rupees to the Mughals that their situation improved<sup>2</sup> from 1690. This was the situation in the last decade of the seventeenth century in the southern India.

Mughal empire witnessed internal bickering from 1690's onwards, which helped the European strongholds to become important. By the end of the seventeenth century, the formation and growth of commercial centres constituted a significant southward shift in the patterns of trade and urbanization in peninsular India, from those prevailing under Golconda in the seventeenth century<sup>3</sup>. The causes for this type of shift are varied. The Dutch during this time secured Ceylon and were at any cost trying to defend this trade which was an entrepot for spices. Hence, they changed the capital from Pulicat to Negapatnam. The French on the other hand, as mentioned earlier, were troubled internally in the organisation, because of shortage of capital, adverse governmental policies in France. Lack of investment means a corresponding lack of economic and political influence beyond Pondichery. The English gave a different picture, though started with fear after the war, they perhaps were the most successful ones. Like most of the companies, they congratulated the Mughals for their take over of Golconda and got some concessions<sup>4</sup>. What made the English successful was their stronghold at Madras.

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2. Ibid p-510

3. Ibid p-513

4. RFG, Diary and Consultation Book 1687, p-29, 144, 145

The picture of Masulipatam from the last three decades of the seventeenth century is very disturbing for a student who is interested in the commercial history of Asia. A port which previously was acclaimed as Metropolitan port in 1660's, soon declined. The first seeds of decline can be traced to 1677, which was relatively peaceful from all types of disturbances when Christopher Hotton wrote to Master that "It was impossible to obtain goods without giving money out some months before, previously town was soe well stored with divers sorts of callicoes and were procurable in space of two or three days<sup>5</sup>.

The town was so dependent on the local polity that with the war in 1687, the trade from this place was totally ruined. Most of the native merchants, who were directly depending on the state declined. 'Moors' who had a thriving trade from this place on the account of their relations with the Golconda which had with shia rulers of Persia were not to be seen in the prominence at the end of the seventeenth century. Hindu merchants depended so much on the Europeans previously, could not establish themselves individually on the capitalist lines, once the Europeans left the place, therefore, we have large number of Merchants migrating from one place to another, and some settled in politics (Mir Jumla) giving up trade.

For Europeans the scene was different. The factories failed them to give necessary benefit to trade in the region peacefully. The troubles and problems they faced on account of wars, made the Europeans go far away from ~~the~~ Golconda in the seventeenth century, and made them establish fortified settlements in

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5. Master, S. Vol. I, p-61

relatively peaceful and less strong kingdoms of ~~the~~ South India especially under the Vijayanagara and under Naiks of Ginji. If we study carefully, it is observed that strong kingdoms did not allow Europeans to construct forts. This can be because of the reason that the kingdoms would not get as much as revenue as they would get in a factory. They also did not want to share the sovereign power and would not want to transfer politico-Administrative authority to the Europeans.

In the post war period, though most of the companies struggled to secure concessions to trade at Masulipatam (which still had a potential for trade) soon had to abandon this. The French for example, who established a regular trading factory here, closed it down in 1693, but was reactivated again in 1703 but soon fell into disuse again<sup>6</sup>. The Dutch still continued to maintain trading stations at Bimlipatam, Palakollu, Draksharamam and Petapoli, but did not greatly invest in defences. Their main thrust shifted to Nagapatnam. One major set back they got after the war the closure of their factory at Hyderabad, which always had been their important trading place throughout the seventeenth century. The English also like other Europeans maintained Masulipatam after some initial problems, but for them the trade did not greatly increase. One thing which perhaps affected Masulipatam was that in 1670s Madapollem and Virasvaram were declared independent of Masulipatam by the English which hitherto were under Masulipatam. This perhaps might have affected the trade of the port considerably. Trade for English do not appear to have increase, for in 1726, Masulipatam and Madapollem factory

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6. Richards, J.F., p-511f9

were maintained at a cost of 628 pagodas per annum while Visakapatnam factory at same date costed 6000 pagodas<sup>7</sup>.

Madras on the other hand has a different story to narrate at the end of the seventeenth century. Madras succeeded where Masulipatam failed. The structural defects in the factory were overcome in the forts of the Europeans. Because of the wars in the northern Coromandel, most weavers and merchants flocked to English strongholds for security. The factory could not provide this basic requirement for a merchants and hence by the end of the seventeenth century after the war we see a significant shift of well known Telugu merchants moving southwards. Throughout the second half of the seventeenth century we see Madras frequently concentrating on the strengthening of the fort, to defend the trade. The initiative taken by the administration of Pitt, the East India Company continued to possess a secure base of operations on the est coast by attracting merchants.

Foreign merchants especially the Jews who had <sup>been</sup> trading in diamonds at Masulipatam and Hyderabad, now increasingly moved to Madras from Hyderabad<sup>8</sup>. By 1709 the movement seems to have accelerated, for the Dutch at Machilipatam reported that the wealthy merchants preferred to their homes, migrated to Madras<sup>9</sup>. By 1702's we can say the whole trade was under the control of Madras for the troubles brought it from Masulipatam to Madras, from where Madras becomes one of the most important commercial centres in India.

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7. Imperial Gazetteer vol I P

8. RFG, Despatches, Vol 2, 1705 p-208.

9. Richards, J.F, p-514-515



The voyage from factory to fort did not end the matters for the Europeans. In the eighteenth and nineteenth century, when the English were establishing their foothold in the sub-continent, politically, they were at the same time seeking what is called as 'Extra-territoriality' in the land. It is significant to note here that it is from these forts of Madras, Calcutta and Bombay (the presidencies) that they could acquire extra territoriality, first in the neighbouring parts, but soon expanded to the whole of sub-continent.



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