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Mark Twain's ironic quote, "the lack of money is the root of all evil" aptly describes the predicament southern India descended into at the turn of the eighteenth century. Unlike northern India under Mughal rule, gold, rather than silver was the metal used in South India for currency, probably on account of its long history of trade with the Roman Empire. During the Vijayanagar Empire (AD 1336-1646), gold coins were struck in two denominations: the varaha, hun or pagoda weighing approximately 50 to 60 grains and the panam or fanam, a rather small coin weighing just about five to six grain. These grain weights corresponded to those of two seeds, the karanja bean (*Caesalpinia bonduc*) and the majandi (*Adenathera pavonina*) respectively, the latter commonly known as money plant. With foreign trade being an important component of the Vijayanagar Empire, the weight of varaha or pagoda was almost identical to that of the Venetian ducat and the Florentine florin.

SUNDAY BEST

Day-to-day dealings in bazaars and markets as well as collection of revenue were generally made in a smaller coin, fanam. Given the labour and trouble of reckoning large sums in such small currency, cashiers and moneychangers would use wooden boards called pana palaka, their surface studded with 100 to 1,000 cavities, the exact size of a fanam. The board would be plunged into a heap of coin, and with a little manual dexterity, the exact sum would be taken up and thrown aside. Copper coins too were also extensively used as currency for small-value transactions. They were called kasu, from which comes the English word, cash.

The splintering of the Vijayanagar Empire in the second half of the sixteenth century into separate kingdoms decentralized the currency system. Minting was undertaken by several, if not every successor-power, including the Nayakas of Keladi, the Wodeyars, Haider Ali and Tipu Sultan of Mysore. Kanteerava Nar-



MONEY TALK: A collection of old coins (below, left to right) A Chola coin, a pana palaka or counting board, a Hoysala coin, all attest to South India's rich monetary heritage.

South India's OLD MONEY

From how the seeds of the money plant were used to measure the weight of actual money to images of Siva and Parvathi appearing on Haider Ali's coinage, currencies in south India have never lacked for variety

asaraja Wodeyar who ruled between 1638 and 1659 was the first Raja of Mysore to establish a mint where the gold fanam, the Kantirava hana was struck. Kanteerava Wodeyar also issued the Kantiraya pagoda – the British called it the Canteroy – which continued in circulation for almost a century.

Meanwhile, the Keladi Nayakas issued the varaha from their mint at Bednur with the figures of Siva and Parvati on one side while the reverse was stamped with the word Sri in Nagari, an appellation of Goddess Lakshmi. After the conquest of the Nayakas by Haider Ali, the varaha was continued as currency but renamed

as Haideri hun or Bahaduri hun; the figures of Siva and Parvati remained while the word Sri was instead marked in Persian. Haider established mints at Nagar (earlier Bednur), Srirangapatna, Calicut (Kozhikode) and Dharwad. Tipu Sultan who succeeded his father, Haider Ali, minted gold coins (the Sultany hun) and introduced silver coins too.

The inability of any ruler to consolidate power across southern India, led to a multiplicity of mints. The Palegars of Chitradurga, Chikkaballapur, Doddaballapur and Nandidurg to those across present-day Tamil Nadu, established their own mints, issuing their own coins. To add to the problem of multiplicity of coinage was the abuse of authority by these chieftains who resorted to wanton debasement of their currencies. Stamping meant very little and in such a situation, the only means of avoiding loss and fraud was to weigh and assay each coin. The role of the moneychangers, the saraf (shroffs), included precision assaying of coins using touchstones and gold bars of standard purity, valuation of

debased coins and accounting for fluctuating prices of gold and silver. However, unaware cultivators, ignorant public and even foreign traders constantly faced the threat of being cheated by unscrupulous moneychangers or paying exorbitant fees for these services. In his survey of 1800-01 for the East India Company, Dr. Francis Buchanan reported that in Srirangapatna, thirteen different types of coins had to be assayed and converted by sarafs, who would charge a batta or commission of 2.5 percent for their services.

The problem over currency was not limited to southern India. With the decline of the Mughal Empire there ceased to be such thing as an imperial legal tender. A double coincidence of wants problem was developing with respect to currency itself – to find mutually acceptable currencies in which exchange of goods and services could take place. At the same time, the transactions costs in utilizing moneychangers too was increasing. Currency began losing its most



important property: their general and ready acceptability as a means of exchange, regressing into what

Stanley Jevons termed as, a system of "currency by weight". With territorial expansion, the East India Company was steadily consolidating its economic position through large parts of India in the early nineteenth century. It was now in their hands to solve the currency issue. Unfortunately, it did not turn out to be as easy as they imagined. However, after a series of missteps, a proclamation was issued in 1835 that put India on a monometallic silver rupee.

In erstwhile Mysore, although the standard coin, the Kantiraya pagoda was replaced by the rupee in 1854, hopes for its reintroduction continued to remain. But this did not happen; in 1881, the British finally decided that the coinage of erstwhile Mysore, which had been discontinued, would not be revived.

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