

Family Firms in Hyderabad: Gujarati, Goswami, and Marwari Patterns of Adoption, Marriage, and Inheritance

KAREN ISAKSEN LEONARD

Anthropology, UC Irvine

INTRODUCTION

Scholars are looking again at banking and mercantile families in India's early modern history, responding to the challenge issued by Claude Markovits in the epilogue of his 2008 volume, *Merchants, Traders, Entrepreneurs*, to "return the merchant to South Asian history."¹ Some of the underlying assumptions and questions being asked are old and some are new. My own longstanding assumption, upon which this article relies, has been that bankers and merchants played multiple and important roles with respect to states in South Asia, and that their relations with non-kin officials and other political actors determined their success or failure and sometimes the success or failure of a state, most notably, the Mughal state.² Questions are again being raised about "trust," assumed to be a leading attribute of and asset to financial networks (especially in long-distance trade diasporas), and the notion so commonly put forward by scholars to explain the success of Hindu banking and mercantile communities. Recent work by Francesca Trivellato has found that membership in the Sephardic trade diaspora facilitated but did not guarantee trust or cooperation: the Sephardic merchants relied on non-Jewish as well as Jewish agents and networks of information, and evolving legal norms guided their business activities.³

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¹ Claude Markovits, *Merchants, Traders, Entrepreneurs: Indian Business in the Colonial Era* (Palgrave Macmillan, 2008). Earlier, Sanjay Subrahmanyam and C. A. Bayly attempted to stimulate research on the precolonial period: "Portfolio Capitalists and the Political Economy of Early Modern India," *The Indian Economic and Social History Review* 25, 4 (1988): 401–24.

² Karen Leonard "The 'Great Firm' Theory of the Decline of the Mughal Empire," *Comparative Studies in Society and History* (Apr. 1979): 151–67, and repr. in Muzaffar Alam and Sanjay Subrahmanyam, eds., *The Mughal State 1526–1750* (New Delhi: Oxford University Press, 1998), 398–420; Karen Leonard, "Banking Firms in Nineteenth-Century Hyderabad Politics," *Modern Asian Studies* 15, 2 (1981): 177–201.

³ Francesca Trivellato, *The Familiarity of Strangers: The Sephardic Diaspora, Livorno, and Cross-Cultural Trade in the Early Modern Period* (New Haven: Yale University Press, 2009).

Consideration of legal norms alerts us to claims being made by Timur Kuran and Anantdeep Singh about the advantages of Hindu law over Islamic law (as written in legal texts) for capital accumulation and the continuity of family firms in the South Asian and Middle Eastern economic worlds. Islamic laws of inheritance, they argue, divide and diminish family resources, partitioning at least two-thirds of an estate among children, spouses, parents, and sometimes more distant relatives. While Muslim women receive only half of what men in each category do, legally they should inherit. Hindu Mitakshara law, by contrast, helps consolidate and maintain resources within joint families; Hindu women do not inherit and joint-family enterprises pool capital and discourage partitions of an estate.⁴

Other legal questions concern the interactions between customary or personal law and the evolution of British colonial law in much of South Asia. Sumit Guha, for example, discusses precolonial, eighteenth-century conceptions of rights and legal practices in the Maratha country, "a region of shifting political boundaries, often indefinite jurisdictions, in which several unwritten and written bodies of law and custom could be invoked or set aside as the case might be."⁵

The present research pertains to Hyderabad, a princely or native state outside British Indian jurisdiction, where the state made no attempt to regulate customary practices with respect to marriage, adoption, and inheritance within each kindred, caste, or community. Legal pluralism prevailed in the native states even as British India codified colonial laws from the 1860s, and, even in British India, attempts to devise laws and impose them on religious and caste communities varied over time and by region. Lauren Benton suggests that Indian litigants helped move a plural legal order toward a state-centered legal order by seeking to "exploit jurisdictional complexity." Speculating that colonial conditions "intensified the fluidity of the legal order and enhanced the strategic importance of personal law,"⁶ Benton anticipates Ritu Birla's arguments about negotiations between kin-based indigenous commercial networks

⁴ Anantdeep Singh, "The Divergence of the Economic Fortunes of Hindus and Muslims in British India: A Comparative Institutional Analysis," PhD diss., University of Southern California, 2008, 634–96, employs quantitative methods to show the disadvantages of Islamic law in India, following the lead of Timur Kuran. Kuran argues this for the Middle East in *The Long Divergence: How Islamic Law Held Back the Middle East* (Princeton: Princeton University Press, 2011); Timur Kuran and Anantdeep Singh, "Economic Modernization in Late British India: Hindu-Muslim Differences," MS.

⁵ Sumit Guha, "Wrongs and Rights in the Maratha Country: Antiquity, Custom and Power in Eighteenth-Century India," in Michael R. Anderson and Sumit Guha, eds., *Changing Concepts of Rights and Justice in South Asia* (Delhi: Oxford University Press, 1998), 14. Guha concludes that the ability to exercise rights "depended on the political strength of the persons concerned" (p. 24).

⁶ Lauren Benton, *Law and Colonial Cultures: Legal Regimes in World History, 1400–1900* (Cambridge: Cambridge University Press, 2002), 152, 259. She writes, "Legal norms encoded both culture and property, and neither could change without the other" (p. 262).

and market-oriented colonial commercial law from the late nineteenth century; Birla refers to the "extensive negotiability" that characterized vernacular practices governing the symbolic capital of kinship, caste, and lineage, and the capital flows of market exchange and production, a situation that colonial laws sought to restrict.⁷ In Hyderabad by the late nineteenth century, laws evolving in surrounding British India and the establishment of a British Residency in Hyderabad began to affect family firms by providing new legal arenas for cases involving transactions and property holding.

To consider these issues, I look closely at three Hindu and Jain banking and mercantile communities, focusing on adoption, marriage, and inheritance practices among Hindu and Jain family firms in Hyderabad, India. These firms came from three major financial communities: the Gujaratis, Goswamis, and Marwaris. Gujarati merchants and bankers are so named because their homeland is Gujarat, and they have many subdivisions, some of them Hindu (mostly Vaishnavite, worshippers of Vishnu) and some of them Jain.⁸ Marwaris came originally from the Marwar region of Rajasthan.⁹ The three major Marwari castes or subcastes are Agarwals, Maheshwaris, and Oswals, the first two predominantly Vaishnavite and the last predominantly Jain.¹⁰ The Goswamis in Hyderabad were Shaivite (worshippers of Shiva) *sanyasis*, celibate mendicants by tradition, whose roots were in northern and central India. Not much has been written about these communities in Hyderabad,¹¹ although listings of firms by locality and biographies of individuals appear in various sources.¹²

Historical study of Gujarati, Goswami, and Marwari banking firms in Hyderabad State prior to the state's 1948 incorporation into India suggests several lines of argument, the first concerning adoption. Before the demographic transition, high infant and child mortality made the survival of sons (the heirs under Hindu

⁷ Ritu Birla, *Stages of Capital: Law, Culture, and Market Governance in Late Colonial India* (Durham, North Carolina: Duke University Press, 2009), 21.

⁸ Government of India, *Gazetteer of the Bombay Presidency* (Bombay, 1884), vol. 23, 105–6.

⁹ Recent work on the entrepreneurial Marwaris in British India starts later than the period covered here and does not include material on inheritance and marriage practices. Anne Hardgrove, in *Community and Public Culture: The Marwaris in Calcutta, 1897–1997* (New Delhi: Oxford University Press, 2004), starts her investigation of the construction of the Marwari ethnic label in 1897; Birla, *Stages of Capital*, starts with the 1860s and 1870s, but most of the colonial laws she discusses were enacted decades later.

¹⁰ The Agarwals are divided into eighteen named exogamous groups, or *gotras*, the Maheshwaris have seventy-two exogamous sections, or *khamps*, and the Oswals also have many exogamous groups: Syed Siraj ul Hassan, *The Castes and Tribes of H.E.H. the Nizam's Dominions* (Bombay: The Times Press, 1920), I, 492–98; B. R. Gupta, *The Aggarwals in History and Legend* (New Delhi: S. Chand, 1975), 3–4.

¹¹ Omar Khalidi argues that the Nizam's state did not discriminate against Hindus: "Business Rajas: The Gujaratis, Gosains, and Marwaris of Hyderabad," *Deccan Studies* 4, 1 (2006): 49–79.

¹² For Gujaratis and Marwaris in the 1980s in Hyderabad, see: G. Viswanadham, "Gujarathi and Marwadi Migrants in Hyderabad: A Study in Residential Choice," conference paper, mimeo, ca. 1988; see also his *Urban Demography and Ecology: A Case Study of An Indian City (Hyderabad)* (New Delhi: Light & Life Publishers, 1979), 96–97, 105–6.

law) to adulthood problematic.¹³ Perhaps the most famous pre-modern Indian merchant's life history is that of Banarasidas, who wrote in a dialect of Hindi in Agra in 1641. He had nine children by his three successive wives, but none of the children survived him.¹⁴ With this pattern in mind, I argue that Hindu and Jain encouragement of adoption, in contrast to Islamic constraints on adoption, gave an obvious advantage to Hindu and Jain family firms when it came to the continuity of their firms and financial networks.¹⁵ Hindu law permits adoption even by widows and of adults as well as children, the purpose being to provide heirs to property and resources rather than to provide for children.¹⁶ I will present detailed evidence of the prevalence of adoption in Gujarati, Goswami, and Marwari family firms, derived from orally constituted genealogies and also from Hindi family histories of Marwari entrepreneurial families in Hyderabad.

My second argument is that marriage and inheritance practices among these patrilineal mercantile families were actually quite flexible, notably involving affines—relatives by marriage—as major players. Wives and their kin did play roles in mercantile family histories.¹⁷ Flexible family strategies meant not only continuity for the family firms but also a potentially broad spatial range of financial networks. Gujarati and Marwari Hindu and Jain bankers and financiers practiced caste endogamy but *gotra*, or subgroup exogamy, so marriage networks could be and often were wide-ranging. In contrast, Indian Muslims in general encouraged and often practiced cousin marriage. This could result in a more limited range of options for marital networks, possibly leading again to an advantage for the Hindu bankers and merchants in terms of access to capital and other resources. (On the other hand, cousin marriage could offset the dispersion of resources caused by Islamic inheritance law: empirical data is needed here.¹⁸) And although the Goswami *sanyasi* bankers did not marry, they did keep women and have children. There were no

¹³ India's mortality rate began falling in the 1920s, but India has not yet entered stage three of the demographic transition, when the fertility rate also falls significantly and stabilizes or decreases population growth.

¹⁴ Ramesh C. Sharma, "The Ardha-Kathanak: A Neglected Source of Mughal History," *Indica* 7, 1 (1971): 49–73, reference to 51, 119.

¹⁵ D. R. Gadgil drew attention to adoption in Hindu family firms: *Origins of the Modern Indian Business Class* (New York: Institute of Pacific Relations, 1959, [mimeo]), 34.

¹⁶ Jack Goody, "Adoption in Cross-Cultural Perspective," *Comparative Studies in Sociology and History* 2 (1969): 62–66; and "Strategies of Heirship," *Comparative Studies in Society and History* 15 (1973): 3–20. He stresses adoption and polygyny as ways to secure heirs to property.

¹⁷ Birla, writing primarily about Marwaris, states, "The constitution of native firms shifted depending on the birth of sons within joint families and the marriage of daughters into other families. This fluidity allowed the management of debt and the transfer of capital between [*sic*] retail, wholesale, and moneylending concerns." The British worried that this familial structure allowed evasion of contractual responsibilities and in 1907 introduced a bill giving provisions for the registration of family firms. *Stages of Capital*, 205–6.

¹⁸ Anantdeep Singh and others now need to trace actual Muslim inheritance practices over time, much as R. D. McChesney has done for *waqfs*, in: *Waqf in Central Asia: Four Hundred Years in the History of a Muslim Shrine, 1480–1889* (Princeton: Princeton University Press, 1991).

Goswami women before the twentieth century, but the men could choose (in Hyderabad) Rajput, Maharashtrian, or Telugu women, and they could adopt as *chelas*, or students, boys from a wide range of backgrounds.¹⁹

Finally, I argue that trust is a mischaracterization or overstatement of the values and practices that helped maintain family firms and their financial networks; at least it seems a less-than-useful concept when analyzing the family firms in Hyderabad. Discussions and debates about trust focus chiefly on long-distance trade diasporas but also raise issues of kinship, caste, and religion that are relevant here, as well as the issue of the degree of merchant reliance on or autonomy from state power.²⁰ Claude Markovits writes about trust as a necessary ingredient to the successful conduct of business transactions but dismisses its basis in common religion, ethnicity, and/or caste; he also dismisses idealized "fictive kinship ties of 'brotherhood.'" While he sees trust as based on shared information about past behavior, Markovits does link it to power relationships within communities, communities based on locality yet also, he writes, on co-residence, kinship, and matrimonial alliances.²¹ Others define business communities by shared dialects, account book scripts, or regional cultures, but shared caste and/or religion are always part of the discussion.²²

According to most scholars, trust is based on caste or kinship networks.²³ Kin or caste fellows care for family members in a trader's absence or apply negative sanctions to keep him in line.²⁴ Negative sanctions certainly depend upon membership in a kin-based or caste community. For example, asserting

¹⁹ In Mirzapur, Uttar Pradesh, the important northern depot for traders to the Deccan in the eighteenth and early nineteenth centuries, Alka Patel and I found that the Goswamis there kept Adivasi tribal women. Interview with Dr. Bhudev Pande, Mirzapur, 15 Aug. 2009.

²⁰ Current debates center on the medieval or early modern period in North Africa and Europe. Avner Greif points out that a regional business culture could prevail despite differences of religion, showing that Maghribi Jewish merchants adopted Arabic language and culture and did not relate to European Jewish merchants: *Institutions and the Path to the Modern Economy: Lessons from Medieval Trade* (Cambridge: Cambridge University Press, 2006). Greif maintains also that legal systems played marginal roles in mitigating agency problems in long-distance trade, while Jeremy Edwards and Sheilagh Ogilvie argue the opposite, in *Contract Enforcement, Institutions and Social Capital: The Maghribi Traders Reappraised* (Munich: Center for Economic Studies and Ifo Institute for Economic Research, 2008).

²¹ Claude Markovits, *The Global World of Indian Merchants, 1750–1947: Traders of Sind from Bukhara to Panama* (Cambridge: Cambridge University Press, 2000), 261–62, 249, 252.

²² Hanna Papanek's work on the Memon and Bohra Muslims stresses shared dialects and account book scripts: "Pakistan's Big Businessmen: Muslim Separatism, Entrepreneurship and Partial Modernization," *Economic Development and Cultural Change* 21, 1 (Oct. 1972): 1–32; "Pakistan's New Industrialists and Businessmen: Focus on the Memons," in Milton Singer, ed., *Entrepreneurship and the Modernization of Occupational Cultures in South Asia* (Durham, N.C.: Duke University Program in Comparative Studies in Southern Asia, 1973), 61–106; personal communication, 17 Feb. 2010.

²³ Stewart Gordon, writing about family firms, and citing Bohras in western India in particular as largely self-governing and sharing both a faith community and internal marriage ties, states, "Distances were long, sums large and transport slow. All this demanded an extraordinary degree of trust among traders." *Marathas, Marauders, and State Formation in Eighteenth-Century India* (Delhi: Oxford University Press, 1994), 176–77.

that caste-fellows were defending institutionalized trust when they tried to prevent a fellow long-distance trader in Moscow from converting to Christianity in the late seventeenth century, Scott Levi reasoned that the man's wife and other family members were being held accountable back in Multan, that their safety, even the children's access to marriage partners, depended on repayment of the loans taken to finance the man's trading venture to Russia.²⁵ Rather than illustrating positive aspects of trust, this stresses negative sanctions such as making transgressions public and denying opportunities for marriage.

However, although the Hindu and Jain family firms in Hyderabad to be discussed here were founded by migrants to the city and marriage partners were frequently brought from outside, the men heading the firms settled in Hyderabad and were not accountable to family members elsewhere. Thus entrepreneurial success on the part of Hyderabad's financial communities was more readily accounted for by close relationships with other political actors in Hyderabad, as I will show with case studies. Trivellato, reviewing scholarly work on trust, proposes instead the phrase "communitarian cosmopolitanism" to characterize the experience of Sephardic merchants who synthesized diverse traditions and mingled with non-Jews in a society of unequal and separate groups, and this conception is a useful one for considering diverse mercantile communities in the context of Hyderabad State.²⁶

HYDERABAD STATE: REVIEWING THE CRUCIAL ROLE OF BANKERS

Hyderabad State developed in the Deccan plateau in the course of the eighteenth century as the Mughal Empire in Delhi lost supremacy in the subcontinent. In southern India, Nizam ul Mulk, Mughal governor of the Deccan province, engaged in military battles and diplomatic negotiations with the expanding Marathas in the western Deccan, the new regional powers arising in Mysore and Madras, and the French and English trading companies

²⁴ Christopher Bayly, in *Rulers, Townsmen and Bazaars* (Delhi: Oxford University Press, 1992, 369–426), does not use the word "trust." He sees "the social and business practice of the merchant family firm as a special kind of economic enterprise" and remarks that the behaviors of such firms have been termed "'queer' or 'irrational'" (p. 375; his latter quotes are taken from L. C. Jain, *Indigenous Banking in India* [London: Macmillan, 1929, 91]). K. L. Sharma writes about "distinctive values and norms" and "traditionalism," in "Changing Aspects of Merchants, Markets, Moneylending and Migration: Reflections Based on Field Notes from a Village in Rajasthan," in Philippe Cadene and Denis Vidal, eds., *Webs of Trade: Dynamics of Business Communities in Western India* (Delhi: Manohar, 1997), 178. Richard Fox cites the rationale of kinship and family, a familial organization of business leading to structure and attitudes that discourage risk-taking, although he hedges this by speculating that prevailing economic conditions might have produced the conservatism and common traits of the Baniya (trading and commercial) castes: "Family, Caste, and Commerce in a North Indian Market Town," *Economic Development and Cultural Change* 15 (Apr. 1967): 297–314, 314.

²⁵ Scott Levi, "Trust Me! Family, Caste and Investment Capital in the Indian Merchant Diaspora," paper presented at the University of Wisconsin Conference on South Asia, 23 Oct. 2009, Madison.

²⁶ Trivellato, *Familiarity of Strangers*, esp. 9–20.

moving inland from their trading ports. Still professing allegiance to Delhi, the Nizam and his successors established a separate dynasty and administration by the end of the eighteenth century, continuing Mughal administrative practices in a new context and with new sets of participants.²⁷

Banking firms, particularly what have been termed "great firms,"²⁸ had been important participants in state-building in precolonial India, serving as state treasurers, minters of money, and revenue-collectors as well as maintaining long distance credit and trade networks.²⁹ The importance of these firms to state-building and maintenance is being increasingly confirmed,³⁰ and scholars are also looking hard at pre-modern merchant and trading networks in South Asia and beyond, reassessing their relationship to the development of capitalism.³¹ Yet there is still no definitive history of banking in India that integrates pre-modern and colonial materials across the subcontinent (including the native or princely states). No authoritative, comprehensive history relates the "great firms" and diasporic trading networks to the agency houses and joint-stock banks that emerged under the East India Company, the British Raj, and postcolonial South Asia.³²

²⁷ Yusuf Husain Khan, *The First Nizam* (New York: Asia Publishing House, 1963); P. Setu Madhava Rao, *Eighteenth Century Deccan* (Bombay: Popular Prakashan, 1963); Karen Leonard, "The Hyderabad Political System and Its Participants," *Journal of Asian Studies* (May 1971): 569–82.

²⁸ Thomas A. Timberg used this term to describe a firm engaged in a variety of enterprises, with several branches, often based on one "household." I further defined it as firms not only making loans but also receiving deposits and dealing in *hundis*, written orders for payment transmitted throughout India. See Thomas A. Timberg, "A North Indian Firm as Seen through Its Business Records, 1860–1914: Tarachand Ghanshyamdas, a 'Great' Marwari Firm," *Indian Economic and Social History Review* 8 (July–Sept. 1971): 264–83, reference to 267–68; Leonard "The 'Great Firm' Theory," 154–55.

²⁹ I cited many examples of merchants and "great firms" playing key political roles, in "The 'Great Firm' Theory." See also examples in C. A. Bayly, "Indian Merchants in a 'Traditional' Setting: Benares, 1780–1830," in Clive Dewey and A. G. Hopkins, eds., *The Imperial Impact: Studies in the Economic History of Africa and India* (London: Athlone Press, 1978), 171–93; Christopher Bayly, "Delhi and other Cities of North India during the 'Twilight,'" in R. E. Frykenberg, ed., *Delhi through the Ages: Essays in Urban History, Culture and Society* (Delhi: Oxford University Press, 1986), 221–36; Subrahmanyam and Bayly, "Portfolio Capitalists"; and Gordon, *Marathas, Marauders, and State Formation*.

³⁰ Samira Sheikh, contradicts Michael Pearson's earlier view that linkages between merchant and state in Gujarat were weak, in *Forging a Region: Sultans, Traders, and Pilgrims in Gujarat, 1200–1500* (New Delhi: Oxford University Press, 2010); Michael Pearson, *Merchants and the Rulers of Gujarat: The Response to the Portuguese in the Sixteenth Century* (Berkeley: University of California Press, 1976). See also Bhaswati Bhattacharya, Gita Dharampal-Frick, and Jos Gommans, "Spatial and Temporal Continuities of Merchant Networks in South Asia and the Indian Ocean (1500–2000)," *Journal of Economic and Social History of the Orient* 50, 2–3 (2007): 91–105, reference to 100.

³¹ A special 2007 issue of *Journal of Economic and Social History of the Orient* (50, 2–3) published revisions of a set of papers on South Asian merchant networks, first presented at the 2006 European Conference of Modern South Asian Studies, in Leiden.

³² For general surveys, see Jain, *Indigenous Banking in India*; Gadgil, *Origins of the Modern Indian Business Class*; and V. Krishnan, *Indigenous Banking in South India* (Bombay: Bombay

The communities that participated in banking and trade differed by region within the subcontinent. Some trading networks bridged regions and countries. Diasporic communities of Shikarpuris and Hyderabadis from Sind and Khatris from the Punjab traded in Central Asia.³³ Gujaratis, both Muslim and Hindu, traded to eastern and southern Africa and Southeast Asia.³⁴ Tamil-speaking Chettis and Muslims also traded in Southeast Asia,³⁵ and Afghan moneylenders moved down into India. Other bankers and merchants expanded primarily within the subcontinent. Major groups of Muslims, Hindus, and Jains moved out from Gujarat, Hindus and Jains extended out from Marwar and other parts of Rajasthan, and the Goswamis, *sanyasis* whose *maths*, or monasteries, were in northern and western India, also moved and became major traders between north India and the Deccan in the eighteenth century.

Bankers and merchants from these last three communities, of Gujaratis, Goswamis, and Marwaris, arrived in Hyderabad at different times, settled in certain localities, and established close relationships with particular officials and nobles at the Nizam's court. The communities' adoption, marriage, and inheritance practices varied somewhat, although for the non-*sanyasi* Hindus the Mitakshara system of Hindu law prevailed, so that all male members were coparceners of the joint family property. In the nineteenth century, the British resident in Hyderabad gave the localities under his jurisdiction some access to laws and precedents developing in British India, probably those from Bombay Presidency to the west,³⁶ but both legal pluralism in Hyderabad

State Co-operative Union No. 18, 1959). See also P. Datta, "Rise of the Calcutta Money Market in Relation to Public Borrowing and Public Credit," *Calcutta Review* 46 (Feb. 1933): 171–203; and B. Ramachandra Rau, "Organized Banking in the Days of John Company," *Bengal Past and Present* 37 (Jan.–June 1929): 145–57; and 38 (July–Dec. 1929): 60–80. A. G. Chandavarkar, "Money and Credit, 1858–1947," in Dharma Kumar, ed., *The Cambridge Economic History of India 2: c. 1757–1970* (Cambridge: Cambridge University Press, 1983), 762–803, discusses commercial banking (775, et passim) and "non-institutional" or indigenous finance and credit sectors (796, et passim), writing that not until 1929 did "unorganized finance" become a major concern of colonial policy (797).

³³ Markovits, *Global World of Indian Merchants*; Scott C. Levi, *The Indian Diaspora in Central Asia and Its Trade 1550–1900* (Leiden: Brill, 2002).

³⁴ M. Reda Bhacker, *Trade and Empire in Muscat and Zanzibar: Roots of British Domination* (New York: Routledge, 1992); Robert G. Gregory, *India and East Africa: A History of Race Relations within the British Empire 1890–1939* (Oxford: Clarendon Press, 1971); Rajeshwary Ampalavanar Brown, *Capital and Entrepreneurship in South-East Asia* (New York: St. Martin's Press, 1994).

³⁵ D. W. Rudner, *Caste and Capitalism in Colonial India: The Nattukottai Chettis* (Berkeley: University of California Press, 1994); Brown, *Capital and Entrepreneurship*.

³⁶ Amrita Shodhan's pioneering work on religious groups and colonial law in Gujarat shows that before 1827 in Bombay Presidency the colonial legal system treated caste and religious groups as active polities, whose internal affairs were the concern of courts. After 1827, it treated them as text-based self-regulating communities, and after 1857, the Bengal judicial model was applied to all three Presidencies and attempts were made to unify codes and decisions. See her *A Question of Community: Religious Groups and Colonial Law* (Calcutta: SAMYA, 2001); and "Caste in the

and the interplay between precolonial and colonial legal systems remain to be explored in Hyderabad State.

The tumultuous period of the late eighteenth and first half of the nineteenth century saw bankers becoming crucial players in Hyderabad state politics. The second Nizam, Nizam Ali Khan (1762–1803), moved the capital from Aurangabad to Hyderabad as the military aristocracy was succeeded by a Mughal-style bureaucracy based on the collection of land revenue. Nizam Ali Khan's successors, Sikander Jah (1803–1829) and Nasiruddaula (1829–1857), made agreements with the British resident establishing the Hyderabad Contingent, a military force that was, by 1813–1814, paid by the Nizam but led by British officers. The Nizam's inability to meet the payments put increasing financial pressure on the state as the East India Company became a creditor of the Nizam's government in 1813, making the Company a rival to the local banking firms that had been supplying loans.³⁷ Compelled to pay the Contingent but unable to use it as his own, the Nizam unsurprisingly built up his own forces, and support of these two military forces took a large part of Hyderabad's revenue.

When, in 1814, the payment of the Contingent Forces had to be guaranteed by the Nizam's government, the Diwan or Minister turned to the banking firm of William Palmer and Company, founded in 1810 by Captain William Palmer, Eurasian son of General William Palmer, and an officer in the Nizam's army. This firm, which I consider an indigenous one (see the case study of the Gujarati firm, below), advanced money to the Diwan Raja Chandu Lal at the rate of 2 1/2 *lakhs* rupees a month (a *lakh* is 100,000) and was assigned the revenues of certain districts (Berar) as security; the firm took interest at the rate of 25 percent. The firm continued to advance loans to the minister until its claim amounted to about a *crore* (100 *lakhs*) of

Judicial Courts of Gujarat, 1800–1860,” in Edward Simpson and Aparna Kapadia, eds., *The Idea of Gujarat: History, Ethnography and Text* (New Delhi: Blackwell Swan, 2010), 32–49. I think it probable that precedents in the Bombay Presidency had more influence in Hyderabad chiefly because continuing conflicts with the Marathas engaged officials in Hyderabad more with policies evolving in western India. See also the grouping of Hyderabad with Maharashtra in three sections by H. Fukazawa, in Tapan Raychaudhuri and Irfan Habib, eds., *The Cambridge Economic History of India, I: c. 1200–1750* (Cambridge: Cambridge University Press, 1982): “Maharashtra and the Deccan: A Note,” 193–203; “The Medieval Deccan and Maharashtra,” 249–60; and “Maharashtra and the Deccan,” 308–15. In Dharma Kumar, ed., *The Cambridge Economic History of India 2: c. 1757–1970*, Hyderabad has been largely shifted from western India, the Bombay Presidency, to South India, but it is not really covered therein since the focus is on Madras Presidency: see the sections on Western India by H. Fukazawa, 177–206; and V. D. Divekar, 332–51; and on South India by Dharma Kumar, 207–41, and 352–75.

³⁷ Originally a part of the Nizam's forces, this military unit was turned over by Raja Chandu Lal to the supervision of European officers under the Resident Henry Russell. The Nizam continued to pay the soldiers, but under successive residents the unit became in effect part of the East India Company's army and could not be used without the resident's permission.

rupees, and when in 1820 it advanced a further 60 *lakhs* of rupees to Chandu Lal, this became the talk of India. A few months later Sir Charles Metcalfe became British resident in Hyderabad and protested to the governor general, citing a prohibition on British subjects making loans to native princes—but Palmer was Eurasian and not a British subject.³⁸ Metcalfe's outrage also clearly stemmed from the Palmers' immense popularity in Hyderabad social circles, and his adamant opposition to Palmer and Company's key role in Hyderabad politics eventually led to inquiries in England and the firm's bankruptcy in 1824.³⁹

The British resident pressed for the back pay due to the Contingent, a debt that grew in the 1830s and 1840s and led to Hyderabad's financial crisis of the 1840s. Financial arrangements resorted to after the Palmer bankruptcy in 1824 failed to ameliorate the situation, and by 1850 the situation was drastic. Successive Diwans sought funds from bankers and mediated among bankers, revenue contractors, and mercenary troops, all of who became crucial to the state's finances. In the early nineteenth century, the Diwanship was held by the leading Shia nobles Mir Alam (Diwan 1804–1808), his son-in-law Munir ul Mulk (1809–1832), Munir ul Mulk's son Siraj ul Mulk (1846; 1851–1853), and finally, in 1853, Munir ul Mulk's younger son Salar Jung (1853–1883). During much of the early period, effective control was in the hands of Raja Chandu Lal (a Hindu Punjabi Khatri), Peskhar or deputy Diwan (1804–1843) and also Diwan (1832–1843). Then Lala Bahadur (a Hindu North Indian Kayasth, *daftardar*, or land revenue record keeper, for the eastern half of the state),⁴⁰ played a key role similar to that played earlier by Chandu Lal from the late 1840s until 1853. The challenge was to secure loans from bankers to pay administrative officials and military troops, then to parcel out land from which the bankers and their forces could collect the debts the state could not repay, and finally to fend off the mercenary forces demanding payment for their services from nobles, bankers, and land revenue contractors. Just before the young Salar Jung became Diwan in 1853, the Company forced the Nizam's cession to it of the rich province of Berar, the strategic revenue-rich

³⁸ I currently have under review a paper titled, "Palmer and Company: An Indian Banking Firm in Hyderabad State."

³⁹ The governor general initially declined to interfere, but when the resident persisted and the claim of the firm was found to be a *crore* of rupees, Lord Hastings insisted on its liquidation. The Nizam signed a deed relinquishing in perpetuity his claim to seven *lakhs* of rupees payable annually as *peshkush* for the Northern Circars. When the governor general received this deed from Chandu Lal, he remitted a *crore* of rupees to Hyderabad to settle the claims of Palmer and Co. However, these actions were censured and prompted an enquiry in England, leading to the firm's bankruptcy in 1824: Peter Wood, "Vassal State in the Shadow of Empire: Palmer's Hyderabad, 1799–1867" (Ph.D. thesis, History, University of Wisconsin, 1981).

⁴⁰ See Karen Isaksen Leonard, *Social History of a Hindu Caste: The Kayasths of Hyderabad* (Berkeley: University of California Press, 1978).

territory held successively by the banking firms of Palmer and Company, Puran Mal, and Pestonjee.⁴¹

HYDERABAD'S MUSLIM AND HINDU BANKERS

While the absence or near-absence of Muslim bankers is often attributed to the Islamic prohibition on the taking of interest,⁴² Muslims were bankers and traders in the subcontinent and in Hyderabad. One explanation offered for Muslim under-representation in the management of large Indian firms stresses not just Islamic inheritance laws but enforcement of them under British rule,⁴³ but this would not explain the scarcity of Muslim bankers in Hyderabad, a state outside British jurisdiction. Muslim bankers were present and active in Hyderabad in the late eighteenth and early nineteenth centuries, but they did not establish family firms that lasted.⁴⁴ Afghan or Pathan moneylenders were sometimes mentioned as loaning money to state officials and nobles but were not prominent as bankers.⁴⁵ Khoja and Bohra Muslims, from formerly Hindu caste communities that continued to follow Hindu law and so were important as merchants and bankers in western India,⁴⁶ were not leading bankers in Hyderabad, although there were Bohra families settled in the old city locality of Husaini Alam.

Tantalizingly, it seems that the original "Panch Bhai" (five brothers) bankers of Hyderabad in the late eighteenth century were Muslims, although later these roles were filled by various Hindus. These Muslim Panch Bhai were the four sons (Fatha Ali Khan, Baidar Ali Khan, Shar Ali Khan, and Murad Ali) of one Ghulam Hussain Khan, *subahdar* of Burhanpur, who came down to Hyderabad with the second Nizam, and a friend of theirs (Jan

⁴¹ See Leonard, "Banking Firms," for details of the financial crisis, the prelude to Salar Jang's long Diwanship (1853–1883). A. C. Lyall, ed., *Gazetteer for the Haidarabad Assigned Districts, Commonly Called Berar* (Bombay: Education Society's Press, Byculla, 1870), 132–33, states, "Messrs. Palmer and Company overshadowed the Government.... Then Puran Mal, a mighty money-lender of Haidarabad, got most of Berar in farm; [and then] Messrs. Pestanji sent agents to take his place ... [but] Pestanji and Company had no better luck in the sequel."

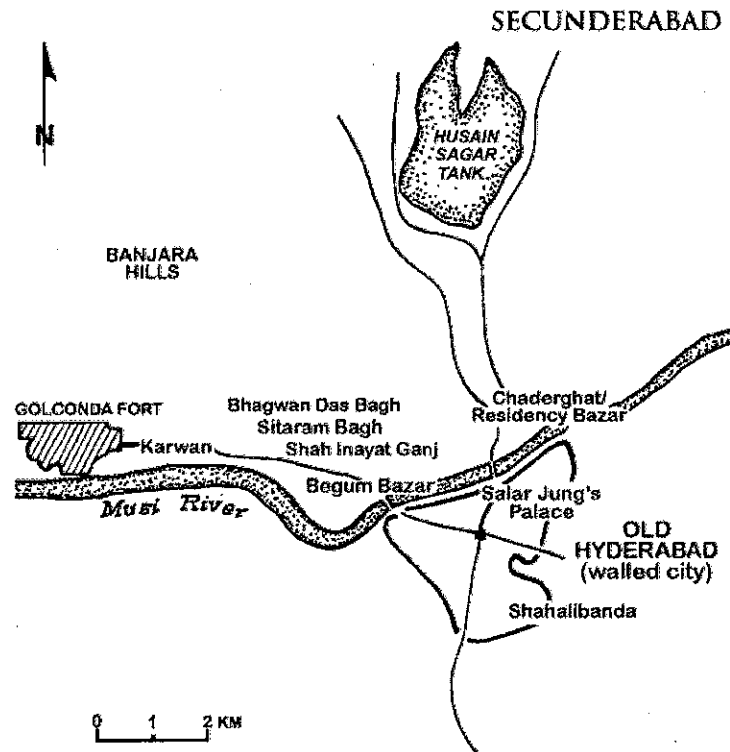
⁴² For example, Kamla Prasad Mishra, *Banaras in Transition* (New Delhi: Munshiram Manoharlal, 1975), 170.

⁴³ Kuran and Singh, "Economic Modernization."

⁴⁴ Archival materials on Hyderabad Muslim banking and mercantile family genealogies and residential patterns must be in the State Archives, the Wakf Board office, and other locations. The 1911–1913 maps of Hyderabad produced under the direction of Leonard Munn show Muslim names in both Karwan and Begum Bazar, the localities associated with bankers: *Hyderabad Municipal Survey* (Hyderabad: Town Planning Department, 1911–1913).

⁴⁵ In the 1820s, for example, an anonymous defender of Palmer and Company stated that the Nizam's government credit was so low that the Minister was unable to secure funds from "the native bankers" and had to turn to "Gosains or Patans": Anonymous, "Further Development of the Iniquitous Conduct of the Indian Government, as Connected with the Transactions at Hyderabad," *Oriental Herald and Journal of General Literature* 4 (1825): 471–502.

⁴⁶ Gordon, *Marathas, Marauders, and State Formation*, 176–77; Gordon also mentions Chitpavan Brahmins, Nagar Brahmins and Jains, and Gosains as important bankers and traders linking the western Deccan to central and northern India, the latter to Mirzapur.



Places in Hyderabad. Adapted from Map 3 in Karen Isaksen Leonard, *Social History of an Indian Caste: The Kayasthes of Hyderabad* (Berkeley: University of California Press, 1978).

Ali Khan). This information comes from the commissioner of Wakfs (Muslim trusts) in connection with the Makbarah Panch Bhai (tomb of the five brothers) in the Shahalibanda locality of the old city of Hyderabad. The tomb is set in the midst of Govind Bagh, a garden connected with Raja Chandu Lal's brother Govind Baksh.⁴⁷ There is also an *ashurkhana*, the Ashurkhana Panch Bhai.

⁴⁷ File number 1424/CWIII/66of 1965, titled "Makbarah Panch Bhai," in the office of the Commissioner of Wakfs. The file concerns a case against sellers of part of the *wakf* land, and cites historical references from Ghulam Husain Khan, *Tarikh-i-Gulzar-i-Asafiyah* (Hyderabad, 1890–1891, but written in 1842–1843/1258 Hijri); Makhan Lal's *Yadgar-i-Makhan Lal* (Hyderabad, [1829]); and Sayyid Muhiuddin Qadiri's *Guldastah-i-Tajalliyat* (new ed., Hyderabad: n.p., 1999). There were descendants, people consulted in 1965 by the commissioner's office, living in Purana Idgah, Mogulpura, and Khilvat Mubarak. The Wakf office also interviewed Atam Parkash, *mahant* of Govind Bagh, which lies on two sides of the *makbarah*, who said his grandfather gave the land to the Panch Bhai for a graveyard. In my interview with Roy Mahboob Narayan of Shahalibanda, on 19 June 1971, he reported a rumor that these Panch Bhai were Gaur Kayasths

(*Ashurkhanas* are Shia religious buildings housing *alams*, standards symbolizing the martyrdom of the Prophet's grandson Hussain in 680 CE that are taken out in procession during the annual Muharram commemorations of that martyrdom.) Located in Karwan (the bankers' locality) and registered as a *wakf* in 1940 by its Muslim *mutawalli*, or manager, who lived adjacent to it, this *ashurkhana* had the Nizam's name substituted as manager in 1958.⁴⁸ Whether these two sites were connected to the same family or families is unclear.

Then there was Makhdum Seth, known throughout India as the most famous of Hyderabad's Panch Bhai bankers early in the nineteenth century, and foremost among the bankers and grain merchants living in Begum Bazar. His son, Syed Ahmed, took an interest in military affairs; he dressed as an Afghan and maintained many Afghan, Arab, and other troops as well as seven horses and two elephants, hoping to be appointed a *jamadar*. Failing in this goal and in business, he disappeared from the banking scene, his *kothi* (residence/office) taken over by Pestonjee, a Parsi banker from British India, who by the early 1840s was paying Syed Ahmed 100 rupees a month rent for it.⁴⁹ In 1846, Syed Ahmed made a final attempt to collect debts he thought due him from nobles, traders, and bankers: he held a five-day party for young relatives of leading bankers and officials and then locked them up and held them hostage, demanding money for their release. The attempt ended badly for Syed Ahmed, since the Nizam sent troops to join with those of the families of the imprisoned youths and they were freed. Then the Diwan Siraj ul Mulk imprisoned not only Syed Ahmed but also eleven of his relatives, including—unusually, the source notes—his mother, wife, and sister.⁵⁰ This young man seems to have self-identified with the military regime characteristic of Hyderabad's earlier days, when individuals

who had converted to Islam. He also said that Chandu Lal's brother Govind Baksh had given the garden to his *guru* Bandari Maharaj, son of Hari Har Swami/Maharaj, who had *maths* at Aurangabad and Jalna and followed the Granth Sahib. This last fits well with my observations and interviews in August 2009 at Kabirpanthi and Udasin *maths* in Burhanpur.

⁴⁸ Note prepared for me on 18 June 1971, by the Commissioner of Wakf's office, citing *wakf* registration in Book of Endowments serial number 57 of 1350 Fasli/1940; and, for the 1958 transfer from Haji Mohammed Noor Khan to His Exalted Highness the Nizam Mir Osman Ali Khan, letter number 1867, [date uncertain: either 9 July or 7 Sept.] 1958, of the secretary of the A. P. Wakf Board, Hyderabad, and entry serial number 43 in the Register of Trustees. There are two graves within the *ashurkhana* limits but their occupants are unknown; there is a *pucca samakhana* attached to the *ashurkhana*.

⁴⁹ Khan, *Gulzar-i Asafiyah*, 625–66, 628–29.

⁵⁰ The bankers whose grandsons and sons Syed Ahmed entertained with dancing girls and then imprisoned were Hindus, the grandson of Jysee Ram and the sons of three other Marwari bankers. (Others imprisoned were a grandson of Raja Chandu Lal, the son-in-law and the grandson of one revenue minister and the son of the other revenue minister, and the son of Muktul Ram, Shums ul Umra's factotum). *Madras Spectator*, 3 Oct. 1846; Mahdi Syed Ali, ed., *Hyderabad Affairs* (Bombay: Times of India Steam Press, vols. 1–11, 1883–1889); and vol. 5 (1883): 602; also in vol. 5, *Madras Spectator*, 6 Oct. 1846: 603; and *Madras Spectator*, 5 Jan. 1847: 604.

sometimes defied caste or community stereotypes. For example, one Hindu Marwari, Raja Shambu Pershad Agarwal, in fact a military man, had converted to Islam after having founded a Hindu temple.⁵¹

The *Gulzar-i Asafia*, a Persian history, describes Hyderabad's evolving banking communities and their localities in the early nineteenth century and highlights non-Muslims. It lists ten bankers, five in Karwan (all Gujaratis), four in Begum Bazar (three Goswamis and a Marwari), and one in Chaderghat, or Residency Bazar (a Parsi): "Side by side in Begum Bazar are the houses of the Marwaris, Gosains, Komatis, Afghans, and other financiers and traders ... and in Karwan Sahu, the Gujaratis reside.... The bankers are millionaires, lending millions of rupees to the state and financing the land revenue contractors.... [One of them, a Gosain] associates with the Afghan military leaders and is fond of fighting.... The bankers also loan to the nobles and to the Nizam himself; they have access to the Court."⁵²

The case studies that follow highlight Gujarati, Goswami, and Marwari adoption, marriage, and inheritance patterns in Hyderabad and provide empirical details relevant to the assumptions and questions raised in the introduction. They also highlight a few instances where women played important roles in the family firms—we are interested in practice rather than legal norms. Given the provisions of Hindu Mitakshara law, Claude Markovits, for example, found a surprising incidence of women recognized as heirs in 118 succession cases among Shikarpuri Sindhi merchant court cases in the 1890s.⁵³

The first case study is of the Gujarati firm of Benkati Das Bhagwan Das, dating from the 1750s. This firm's fortunes were connected to the well-known Eurasian firm of Palmer and Company, discussed above. The second is of Goswami firms, in particular that of Umrao Gir/Narsingh Girji/Dhanraj Girji, dating from 1801, and the third is of the Marwari Agarwal firm of Mahanand Ram Puran Mal Ganeriwala, dating from 1802. These three firms, like some others from the late eighteenth and early nineteenth centuries, are all represented by descendants of one sort or another in Hyderabad today. And that is my point: their longevity.⁵⁴

⁵¹ For more on the Raja and his Devi temple, see Karen Leonard, "Hindu Temples in Hyderabad: State Patronage and Politics in South Asia," *South Asian History and Culture* (July 2011): 352–73.

⁵² Khan, *Gulzar-i Asafiyah*, 622–25.

⁵³ Markovits, *Global World of Indian Merchants*, 271.

⁵⁴ Thus Alka Patel was able to photograph and analyze many surviving residential and religious buildings of merchant/bankers in Hyderabad (and elsewhere), showing how architectural styles reflect interactions among regional cultures in South Asia. Alka Patel, "Mercantile Architectural Patronage in Hyderabad, Late 18th–19th Centuries," in Alka Patel and Karen Leonard, eds., *Indo-Muslim Cultures in Transition* (Leiden: Brill, 2012); Alka Patel, "Shekhawati and Beyond: 'Marwaris' at Home and in the Diaspora," *Marg* (forthcoming).

GUJARATIS: BENKATI DAS BHAGWAN DAS

The leading Hindu bankers in Hyderabad State were initially Gujaratis settled in Aurangabad and in Karwan (just outside Golconda Fort).⁵⁵ Early members of the Gujarati (Hindu, subcaste Modh Visa) banking family of Benkati Das Bhagwan Das moved from Aurangabad, settled in Karwan, and maintained a garden (*bagh*) between Begum Bazar and Karwan.⁵⁶ In the *Chronology of Modern Hyderabad from 1720 to 1890 A.C.*, a translated Persian court diary with brief entries about the Nizams' movements and meetings, Gordhan Das, or Govardhan Das Bagh (known today as the Bhagwan Das Bagh), was an important stopping place between Golconda Fort and the city of Hyderabad founded south of the Musi River.⁵⁷ Salabat Jung, son of the first Nizam and effective ruler from 1750 to 1761, left Hyderabad and stayed in the garden in 1756; he also stayed in the garden and left it for Golconda Fort in 1760. Nizam Ali Khan (the second titled Nizam) left Hyderabad and went to the camp at Gordhan Das' garden in 1764. (In 1765, Bokhan Das, a Gujarati name and perhaps a mistake for Gordhan Das, was appointed *khazanchi* or treasurer of the state.) Nizam Ali Khan marched to the garden and camped there in 1776 and 1777, and the army marched and camped near the garden of the *math* (compound, establishment) of Gordhan Das in 1782. Finally, when Sikander Jah assumed the throne as Nizam III in 1803, his flag was hoisted there.⁵⁸ The Benkati Das Bhagwan Das family also established a Gokulnathji temple in Karwan, and, in the early nineteenth century, an affine

⁵⁵ There were indigenous financiers, Komatis, in the Deccan, but the Nizam had no faith in indigenous folk, so outsiders, Gujaratis, became his preferred *sahukars* or bankers: Raja Vallabh Das, interview, 29 Aug. 1983.

⁵⁶ The family had other gardens too, resumed in about 1890, allegedly for not being properly managed. The first was named after Sardar Begum, the second after Qadar Ali or Qadar Khan, a prince who fell from his horse and died there. Told that it was inauspicious, the Nizam sold it to his valet and head of his personal cavalry, Tipu Khan, and somehow it went to the Gujarati family. Raja Vallabh Das, interview, 16 Aug. 1983.

⁵⁷ The Government of Hyderabad, *Chronology of Modern Hyderabad from 1720 to 1890 A.C.* (Hyderabad, 1954). The translation spells the name variously. Later references to bankers in the *Chronology* include Marwaris, Eurasians, Englishman, and Goswamis, all with access to the Nizam's court and, in 1851, to the British resident.

⁵⁸ *Chronology of Modern Hyderabad*, 21, 27, 31, 53, 55, 68, 102. Govardhan Das is an ancestor in the genealogy of Benkati Das discussed below. Govardhan Das, great grandson of Nandu Shah of Gujarat, probably lived in the time of the first Nizam; his grandson, Jagmohan Das, father of Benkati Das, was said to live in Aurangabad and died during "the war with Tipu Sultan" (battles with him occurred in 1787, 1791, 1792, and 1799). Raja Vallabh Das, interview, 16 Aug. 1983. Aurangabad was the capital until 1771–1772 (although Salabat Jang was based in Hyderabad), and the government offices moved from Golconda Fort to the Nizam's city palace only in 1779. According to the *Chronology of Modern Hyderabad*, 61: "21 July, 1779, the establishment and the officials of the Nizamat of Hyderabad are removed from the residence of Khan Dauran to the palace of the Nizam."

of this family functioned as *kotwal*, or mediator, for all Gujaratis in Karwan. Karwan was dominated by Gujaratis, although others were also settled there.⁵⁹

This Gujarati family firm all by itself illustrates many issues of interest here: adoption, flexible use of kinship ties, mistrust or rivalry among relatives, and, in oral accounts of the firm's affairs, leading roles for women. Oral interviews trace the family from Ahmedabad, Gujarat to Aurangabad and Hyderabad, with marital connections in Varanasi, Burhanpur, and other places. Benkati Das (grandson of Govardhan Das of the garden) was forced from the Aurangabad branch of the firm when it was looted and his father Jagmohan Das died. He and an older brother, unnamed and untraced, moved to Hyderabad's Karwan locality, but Benkati Das went on to Calcutta and supplied goods to Europeans. The story goes that a mutiny took place there in the late eighteenth century, and Benkati Das helped some Europeans escape by ship and gave them provisions.⁶⁰ He then went to Varanasi where he married Gangabai and brought her to Hyderabad in about 1800. There, he started with nothing, but the mother of the British political agent Sir William Rumbold identified him as the man who had saved her life in Calcutta and renewed their acquaintance.⁶¹ Benkati Das became a partner of Palmer and Company, from about 1810,⁶² and William Rumbold also became a partner of the firm, after 1816.⁶³ It is Benkati

⁵⁹ This family continued to serve its community and locality: Lachman Das (see below) and other descendants were *sarpanch* of the Modh *visa* in Karwan; relative Raghunath Das, Khazanchi of Karwan, now has descendants only in Madras. Raja Srinivas Rao, son of Kishnaji Naik from an old Deccani Brahmin family, also lived in Karwan, was a leading banker, and served on the Bankers Committee in 1300 Hijri: Manik Rao Vithal Rao, *Bustan-i-Asafiyah VII* (Hyderabad: Anvar ul Uhum Press, 1932), 268–69.

⁶⁰ Sirajuddaula's capture of Calcutta in 1756 is too early for this story; perhaps a more minor event is the basis of this "memory."

⁶¹ Raja Vallabh Das gave the name of Jagmohan Das' grandfather as Govardhan Das. He also told of the family's origin in Ahmedabad: "We came down with the daughter of King Karan Videla, in the time of Alauddin Khilji (1296–1316); she hid in the Ajanta caves and we stayed away in Devgiri, and therefore we ended up in Aurangabad." (These dates cannot be accurate.) Raja Vallabh Das, interview, 29 Aug. 1983. On 7 January 2008, descendant and current head of the family Krishna Kumar gave a variation when interviewed in Hyderabad by myself and Alka Patel: Jagmohan Das was *subahdar*, or collector, of Aurangabad and knew about the Tipu Sultan attack, so his son Benkati Das ran away to Calcutta. Kumar dated the troubles in Calcutta to 1785 and said that Benkati Das was walking in the bazaar in Hyderabad when seen by an English lady whose life he had saved in Calcutta.

⁶² According to some versions, Benkati Das helped Palmer in 1814 and then became a partner: Khan, *Gulzar-i Asafiyah*, 629; Henry George Briggs, *The Nizam: His History and Relations with the British Government* (London: B. Quaritch, 1861), vol. 2, 167–68. But Peter Wood shows that the East India Company recommended "Bungkuttee Doss" from Benares to Resident James Kirkpatrick in Hyderabad in 1805 ("Vassal State," 137). An original contract, undated, but because of the inclusion of William Rumbold as a partner, probably 1816, was in the private papers of Raja Vallabh Das, Hyderabad (viewed by the author in 1983).

⁶³ Young William Palmer came to Hyderabad in 1799 and became an officer in the Nizam's military forces. Edward John Thompson, *Life of Charles, Lord Metcalfe* (London: Faber & Faber Ltd., 1937), 192; H. Bullock, *List of Local Officers of the Nizam's Army, 1807–1853* (Rawalpindi: British Museum, 2d ed., 1938), 31. He was the first English officer to serve in Col. Finglass' Brigade, from 1800, and he was in charge of Berar where he stood off the Marathas in 1803 and put down Mohipat

Das' descendants who represent this famous firm in Hyderabad today.⁶⁴ They preserve not only an original partnership agreement with Benkati Das' signature in Hindi script, but also, in their *puja* room, William Palmer's silver sugar bowl and creamer, which bear his name and the date 1817.⁶⁵

Genealogies provided to me in 1983 for the Benkati Das family and six or seven other families relate leading Gujarati family firms to each other (Hari Das Kishen Das, Lachmi Das Lachman Das, and later permutations of these). These genealogies show the family firms responding to mortality and age structure, passing leadership to sons, cousins, nephews, or relatives through affines to carry on entrepreneurial activities. Whether or not actual adoptions were involved is not always known (only one was explicitly mentioned in interviews), but the flexible family strategies are very clear.⁶⁶

Benkati Das of this Govardhan Das/Bhagwan Das family, establishing himself in Hyderabad in the early nineteenth century, brought his sister's two sons from Burhanpur.⁶⁷ They, Kishen Das and Hari Das, also worked with Palmer and Company, and Kishen Das then started a firm of his own, working briefly with Henry Dighton, an English banker and revenue contractor in Hyderabad. Benkati Das retired to Varanasi in the late 1820s, leaving his two

Ram in 1808. In 1810, he left as brigadier general in the Nizam's Bodyguard to found his mercantile house. See "The Palmer Histories" [1934], India Office Library, Mss. Eur. D443, 3.

⁶⁴ Other firm affiliates included Henry Dighton, sometime revenue contractor for the Nizam, who split off and founded a rival firm; Raja Kandaswamy Mudaliar, who later served as Salar Jang I's *vakil*, or representative to the resident; and Sir William Rumbold, whose wife was a ward of Governor General Hastings. For Dighton, see Patrick Cadell, ed., *The Letters of Philip Meadows Taylor to Henry Reeve* (London: Oxford University Press, 1947), 19; and J.D.B. Gribble, *History of the Deccan* (London: Luzac and Co., 1896), 11, 191. For Mudaliyar, see Richard Temple, *Journals Kept in Hyderabad, Kashmir, Sikkim, and Nepal* (London: W. H. Allen and Company, 1887), I, 146. For Rumbold, Thompson, *Life of Charles*, 193. For Rumbold's connection to Lord Hastings, see H. Fraser, *Memoir and Correspondence of General J. S. Fraser of the Madras Army* (London: Whiting and Co., 1885), 289–91. In Dalhousie's view, Dighton's employment by the Nizam violated the Treaty of 1798 and also the Act of Parliament forbidding British subjects to lend money to native princes. Some Residency officials were also affiliated with the firm: the Chief Assistant Resident Sotheby (his partnership unknown to Metcalfe), and the Residency Surgeon Dr. Currie (Thompson, *Life of Charles*, 201). Dr. Currie, although fully British, was allegedly permitted to be a partner in the firm because of his low income as court physician (Rs 1000 per month) (*ibid.*, 194).

⁶⁵ The Nizam rewarded Palmer for opposing a plan for British administration of the state by giving him a monthly allowance for his own support and the education of his two sons in England: "Palmer Histories," India Office Library, Mss., 7–8. In the mid-twentieth century, Palmer's unmarried granddaughter Mabel was still getting a pension of 100 rupees left for her by him: email from Bruce Cox of Melbourne, Australia, a great-great-grandson of Palmer, 2 Feb. 2008.

⁶⁶ B. R. Agarwala wrote about his own Marwari community that not only lineal descendants but also sons-in-law, brothers-in-law, and maternal relatives formed kindreds that commanded capital and industries: "Caste in a Mobile Commercial Community," *Sociological Bulletin* 4 (Sept. 1955): 138–45, 141.

⁶⁷ K. Krishnaswamy Mudiraj, *Pictorial Hyderabad* (Hyderabad, 1929, 1934), states that this family went from Modhera or Morera, Gujarat, to Delhi, and then to Hyderabad: vol. 2, 497.

young sons to start over on their own, and his sister's sons Kishen Das and Hari Das assumed leadership roles before Benkati Das' young sons matured. Hari Das headed the community in Karwan in the 1830s, when it was divided between the residents of the upper and lower bazaars and there were often fights, especially on the occasion of Holi: "Injuries and even deaths were common, and after each year's battles people prepared for the next year. But Hari Das Seth called the inciters from the two sides to his house and gave them shawls; he forbade fighting and got trusted people as mediators. The people were thus saved and protected, and this wonderful Seth, devoted to the welfare of the masses, would soon get to see the Nizam."⁶⁸

By the 1840s, Benkati Das' sons had founded their own firm, Lachmi Das Lachman Das, which saved young Salar Jang's struggling Diwanship in 1856.⁶⁹ Lachmi Das had four sons, two by a first wife, and two by a second. Lachman Das had only a daughter, so he brought a son-in-law from Varanasi, along with a daughter-in-law for his brother Lachmi Das and the father of the groom and bride. He thus established another family line in Hyderabad, one of two that were termed Kashiwali (following the culture of Kashi or Varanasi) by Hyderabad relatives. When Benkati Das' nephew Kishen Das died in the 1860s, Kishen Das' second wife's brother in Surat filed suit in the British courts (Allahabad or Bombay), allegedly winning the suit in British India but unable to assume control in Hyderabad. There, the Diwan Salar Jung favored the descendants of Lachmi Das (Lachmi Das had saved his Diwanship, while Kishen Das had reportedly sided with his opponent, the *daftardar* Lala Bahadur). Although the two sons of Hari Das had died, several descendants of the brothers Hari and Kishen Das had married descendants of Lachmi Das, consolidating the assets of the two lines and adding to the Diwan's reluctance to allow alienation of the assets to the contender from British India. Politics based on wives again divided the firm in 1884, setting the two sons of Lachmi Das' first wife against the two sons of his second, and the elder branch was partitioned yet again in 1894 as the eldest son of the eldest son split from his two cousins, the sons of his father's younger brother.⁷⁰

⁶⁸ Khan, *Gulzar-i Asafiyah*, 630.

⁶⁹ This firm was the mystery one that came forward and backed the new young Diwan: Karen Leonard, "Banking Firms," 195.

⁷⁰ In 1884, one branch combined the descendants of Lachmi Das' two older sons (Govardhan Das and Mohan Das) by his first wife, and the other branch combined those of the two younger sons (Bhagwan Das and Balkishen Das) by his second wife. The first branch split again in 1894 when Chaturbhuj Das, the eldest son of the eldest son, split from his two cousins Purshottam Das and Venkati Das, sons of his father's younger brother Mohan Das. Raja Vallabh Das, the son of Bhagwan Das and grandson of Chaturbhuj Das, reported that the Chaturbhuj Das Govardhan Das firm closed in 1928, after Bhagwan Das died in 1922 and he himself, a minor, became a ward of the Court of Wards. The Balkishen Das Lachmi Das firm had done well in World War I, but then speculated unwisely and closed in 1921. The Purshottam Das Venkati Das firm that split off in 1894 had done little or no business. Raja Vallabh Das, interview, 29 Aug. 1983.

Oral accounts give considerable agency to the women in these families, and indicate their high status by calling several of them Raja (e.g., Chand Raja) and identifying many wives as sisters of so and so, showing the importance of brothers-in-law. When Lachmi Das and Lachman Das were kidnapped in 1853 (by the military? a Sikh mutiny?), their mother Gangabai was the one who paid the ransom.⁷¹ All of these twists and turns certainly suggest that trust, so often easily attributed to Hindu family firms, needs to be examined more closely. Many of the men had more than one wife, sometimes at the same time, suggesting that multiple wives as well as adoptions served the strategic end of securing living sons. The material also suggests that both patrilineal and affinal kin competed at times but also continued each other's claims when appropriate.

The British Residency, or Sultan Bazar locality, attracted increasing numbers of bankers from Karwan and Begum Bazar and the old city from the 1820s since the British Residency area offered them protection from the Nizam's desperate requests for more money.⁷² A competing British Indian legal system was developing there, one that enjoyed substantial military backing from nearby Secunderabad and in British India. The Benkati Das cluster of closely related Gujaratis in the banking business shifted residences and temples (their Gokulnath temple and the private Bhagwan Das family Giriraj temple) from Karwan to Sultan Bazar in about 1900. Also in the early twentieth century, part of the family property went under the Court of Wards administration because, although Raja Bhagwan Das' son Vallabh Das was living, he was a minor at the time of his father's death. We will see this pattern in the Hindi family histories cited below of sons inheriting while still minors, and this reminds us that a possible source for tracing Muslim banking families would be the Court of Wards records.

GOSWAMI RAJAS: UMRAO GIR/NARSING GIRJI/DHANRAJ GIRJI

The second case study is of Goswami Rajas, as leading bankers from the Gosain or Goswami *sanyasi* community were called in Hyderabad, and particularly of one leading Goswami *math* or establishment. Bernard Cohn suggested in a 1964 article that Gosains might have an advantage over Hindu family firms because their inheritances were not partible—one *chela* got most of the assets.⁷³ What this seems to have meant, at least in Hyderabad, was that contests among *chelas* for the resources of the *mathdars*, or heads of *maths*,

⁷¹ Raja Vallabh Das, interview, 16 Aug. 1983. Gangabai was from Varanasi but apparently did not accompany her husband when he left Hyderabad for Varanasi in the late 1820s.

⁷² In 1826, one Radha Kishen Sahu, who had a shop in the Residency area, gave two diamond rings to the Nizam through (then Minister) Raja Bala Pershad: *Chronology of Modern Hyderabad*, 179.

⁷³ Bernard Cohn, "The Role of the Gosains in the Economy of Eighteenth and Nineteenth Century Upper India," *Indian Economic and Social History Review* 1 (1964): 175–82, 180.

were serious affairs. In Hyderabad, there were sixteen or eighteen Goswami *maths* located east of Karwan in Begum Bazar, Shah Inayat Ganj, and down along the northern bank of the Musi river. These were loosely grouped into at least two factions, with contested rankings and internal divisions as well. Like other bankers, the Goswami Rajas began by the mid-nineteenth century to engage with the British resident and British Indian notions of Hindu law, but they continued to rely on mercenary troops to guard themselves and their interests.

Contemporary accounts of a mid-nineteenth-century inheritance dispute between two Goswami *chelas* vividly illustrate the political context in which Goswamis and other bankers operated. This dispute was between two *chelas*, the elder one, Baldevgir, claiming to be sole inheritor of his deceased *guru*'s property, but challenged by the younger one, Bijigir. The sources here, English-language newspapers of the mid-nineteenth century, reflect some British terminology and understandings of the community and the issues involved. These two Gosains quarreled about "a patrimony," and in the fall of 1849 their armed retainers battled in the midst of Begum Bazar, leaving two killed and six wounded. Bijigir had employed a party of Rohilla mercenaries and promised to pay them from his "share" once it was secured. The Rohillas wounded Baldevgir's "adopted son," or *chela*, and carried him off as a prisoner. Then the Rohillas demanded their pay, besieging Bijigir as well as Baldevgir and driving both Goswamis to seek protection in the Residency Bazar. A few months later, in May or June of 1850, the Rohillas held both Baldevgir's *chela* and Bijigir as hostages for their pay, but the Nizam's government paid some money and got them released. The Minister (Diwan) then confined Baldevgir and Bijigir in his own palace, so the Rohillas besieged that palace and demanded that the Gosains be turned over to them. Failing to achieve this, they seized a "person of note," namely Jai Gopal, the son of the leading Marwari Agarwal banker Govind Ram, and held him for a ransom equal to the pay they were owed by Bijigir. Jai Gopal was seized within two hundred yards of the Residency Bazar where he resided, leading to calls for the resident to intervene. Finally, Jai Gopal was released in exchange for Bijigir and Baldevgir, but the government sent troops against the Rohillas right in Begum Bazar, assisted by the armed guards long retained by these rich Goswami bankers.⁷⁴ This exciting and ongoing contest shows the growing engagement

⁷⁴ These accounts are in Ali, *Hyderabad Affairs*, V: *Madras Spectator*, 3 Oct. 1849, 646–67; *Englishman*, 16 Oct. 1849, 647; *Englishman*, 26 Oct. 1849, 649; *Englishman*, 24 June 1850, 664. The two were still fighting each other in 1853, as the "old quarrel" caused fresh bloodshed: Bijigir sent two hundred Sikhs to attack Baldevgir's house in Begum Bazar, which was defended by ten Arab retainers. When one of the Arabs was killed, one hundred Arab reinforcements showed up and drove the Sikhs away, wounding and capturing Bijigir in the battle. The journalist opined that the government, having awarded the property to Baldevgir for "a consideration," might now give Bijigir a share for a similar payment: *Englishman*, 18 May 1853, 746.

of both the Nizam's government and the British resident with questions of inheritance and jurisdiction in Hyderabad's urban localities.⁷⁵ Both governments sought to maintain law and order and to retain the allegiance of important bankers in the city, whether they resided in Begum Bazar or the Residency Bazar.

Goswami *gurus* and *chelas* were using both customary and British Indian law to claim successions and inheritances by the early twentieth century, and a gradual shift from *sanyasi* to Hindu family law took place in Hyderabad as a Goswami caste was constituted there in that period. One lineage or banking firm among the Hyderabad Goswamis, that of Umraogir/Narsing Girji/Dhanraj Girji, illustrates these changing community practices. Moving from Gandheri in northern India to Pune under the early Peshwas, and then to Hyderabad in 1801, the line of Dhanraj Girji and his older brother Pratap Girji testifies to the community's transition in the early twentieth century from *guru-chela* lineages to biological lineages, from *mathdars*, or ascetics to *grihasthas*, or householders. *Shejras*, or genealogies, for this and other Goswami *maths* trace *guru-chela* relationships over time, but dates are rarely given and it is difficult to calculate the rate of turnover, of mortality, for these *mathdars*. Three *shejras* with nine-to-thirteen generations, and some indication of dates, suggest that *gurus* presided over their *maths* for about fifteen years. Conflict and deaths saw the lineages dividing again and again. In the late nineteenth century, Hyderabad's Goswamis were grouped into two *dhadas*, or factions: those of Umrao Gir/Narsing Girji/Dhanraj Girji and Narpat Girji/Lal Girji/Birbhan Girji.⁷⁶ These *sanyasis* were supposed to be celibate and unmarried, but women were present as "keeps" or "garlanded wives," not as "real" wives. The custom was for the *mathdars* or *gurus* to appoint each other's real sons as *chelas* to each other, providing for both biological and "spiritual" heirs as best they could. Women associated with the Goswamis sued for inheritance, too, much as they did in British India.⁷⁷ The garlanded wives generally lost in Hyderabad, as the *mathdars* gave way to the *grihasthas*, the latter drawing "real" Goswami women from northern and central India where the trend to householdership had taken hold earlier.

⁷⁵ In a somewhat analogous situation, British Indian law and politics changed the field of play for successors to Sufi saints in the western Punjab: David Gilmartin, "Shrines, Succession, and Sources of Moral Authority," in Barbara Daly Metcalf, ed., *Moral Conduct and Authority: The Place of Adab in South Asian Islam* (Berkeley: University of California Press, 1984), 221–40.

⁷⁶ For biographies of Umrao Girji/Dhanraj Girji and Lal Girji, see Mudiraj, *Pictorial Hyderabad*, vol. 2, 433–40, 474–75. For Umrao Girji's powerful role in mid-nineteenth-century Hyderabad and his murder blamed on Salar Jung, see *ibid.*, 433–36; and Leonard, "Banking Firms."

⁷⁷ William Pinch, *Warrior Ascetics and Indian Empires* (New York: Cambridge University Press, 2006); Malavika Kasturi, "'Asceticising' Monastic Families: Ascetic Genealogies, Property Feuds and Anglo-Hindu Law in Late Colonial India," *Modern Asian Studies* 43, 5 (Sept. 2009): 1039–83.

Again the issue of trust comes up, as my Goswami informants traced the *guru-chela* lineages on *shejras* against the real biological lineages on other *shejras* and discussed past inheritance conflicts. Choices had to be made, and Dhanraj Girji became the head of his *math* (and one of the richest men in Hyderabad and Bombay in the twentieth century) only because his elder brother Pratap Girji married according to Hindu law early in the century. Dhanraj Girji had garlanded wives and children but did not marry them under Hindu law, so Pratap Girji lost his claim to the *math* because succession was still decided according to *sanyasi* customary law. Moving to Hindu law was preferable, I was told, because "the marriage system was better than the *shishya* [*chela*] system; there were fewer disputes under Hindu law." Fewer disputes perhaps, but there were still disputes among Goswami family members.

MARWARI AGARWALS: MAHANAND RAM PURAN MAL

The third case is that of the Marwari Agarwal firm of Mahanand Ram Puran Mal. Mahanand Ram, the banking firm founder in Hyderabad, migrated from Ganeri and Lakshmangadh, Rajasthan, in 1791, settling in Hyderabad's Begum Bazar in 1802. (Most Marwaris came to Hyderabad only in the nineteenth century.) A Hindi history of the Agarwal *jati*, or caste, claims that Mahanand Ram represented the twenty-third generation of a Rajasthani family, and seven generations descend from him in Hyderabad, one of the lines continued by adopting a younger brother of an issueless older one.⁷⁸ Begum Bazar was described in the 1830s and 1840s as a suburb with many kinds of people living there, in contrast to Gujarati-dominated Karwan Sahu, and during that period, just as the Gujarati banker Hari Das had mediated among factions in Karwan, the banker Puran Mal did the same among members of his community in Begum Bazar.

Mahanand Ram and his son Puran Mal were close to the Nizam's court. Mahanand Sahu stopped a beggars' riot near Char Minar in 1811 by giving out alms, and Puran Mal Seth sent gifts in 1839 for the marriage of the daughter of Jahanparwar Begum, a consort of Sikandar Jah, Asaf Jah III (and gifts were also sent by leading Gujarati bankers).⁷⁹ Puran Mal established Sitaram Bagh Temple in Begum Bazar in Hyderabad in 1825, funded by *jagirs* granted as *inam* by the government.⁸⁰ The temple's grounds included a mosque from an

⁷⁸ "Ganeriwala," in S. R. Bhandari, *Agravala Jati ka Itihasa*, I (Bhanpura, Indore: Agraval History Office, 1937), 382–85.

⁷⁹ For the 1811 incident: *Chronology of Modern Hyderabad*, 146. For the *manja* requisites sent to the court in 1839: *ibid.*, 217–18. Puran Mal sent his gifts on 20 August, the day of the *mehndi* ceremony, and Kishen Das, Lachmi Das, and Jaganath Das, Gujaratis of Karwan, sent theirs the next day, when the bridegroom left for the bride's residence.

⁸⁰ A *jagir* is a conditional or unconditional land assignment from which the holder collects the land revenue. An *inam* is a hereditary, rent-free land grant.

earlier period, older than the temple and sharing a stepwell with it.⁸¹ An 1894 newspaper article about a controversy over who should manage the mosque says the Nizam himself attended the laying of the temple's foundation, but the Agarwal Hindi history makes no mention of this.⁸² The family lived within the temple compound, and two impressive *samadhis*, or tombs, of Mahanand Ram and Puran Mal were erected on the temple grounds.⁸³

In this Marwari genealogy, I found only the one legal adoption (and it worked against the adopted son, who later tried to claim the *jagirs* but had been adopted out of the "natural" line of descent).⁸⁴ However, the men often had more than one wife—two or three each—the women coming from Hyderabad's old city localities of Char Minar and High Court and also from Nagpur, Ajmere, Calcutta, and Gaya Bihar. Again, having multiple wives was another way of securing heirs and increasing one's marital and financial networks. One can make the obvious point that this option was even more available to Muslims, if they did practice polygyny.

While the Hindi history of this Ganeriwal family mentions no women, family oral tradition credits women from the Mali (gardener) community as having helped connect Puran Mal to the Nizam directly. The story is that a Mali woman and her descendants worked for the Ganeriwal family, and the Nizam had a "keep" who was the daughter of a Mali woman working for the Ganeriwals. The latter came to visit her mother in the Ganeriwal home and reported back to the Nizam that she had seen her grandfather (Puran Mal or perhaps Mahanand Ram) and that he was "good with money." Therefore, the Nizam appointed Puran Mal Treasurer in Berar, and Puran Mal's son Prem Sukh Das collected revenue there in the midst of Nizam/Maratha conflicts. This case again suggests that wives and women could have significant roles,

⁸¹ Alka Patel and I found the same situation at the Jham Singh Deval in Hyderabad, where an earlier mosque on the grounds was hidden behind a new and ugly *rathkhana* (carriage house) and disavowed by temple authorities in January 2009.

⁸² "Sitarambagh Temple Case," *Evening Mail*, 17 Apr. 1894, in the Andhra Pradesh State Archives Clipping Collection. "A respectable Hyderabad merchant" had been preserving the mosque and appointing Muslim managers for some seventy years, but then an old *moulvi* claimed it and the Hyderabad government got involved, leading to petitions submitted to the Nizam, the resident, and the viceroy by leading merchants. For more details (but no resolution), see also *Bombay Gazette*, 12 Apr. 1894; *Deccan Budget*, 13 Apr. 1894; and *Hyderabadee*, 30 Apr. 1894, all in the Andhra Pradesh State Archives Clipping Collection.

⁸³ Family members today continue to maintain property, including temples in Rajasthan, in Lakshmangadh and Pushkar.

⁸⁴ Since the *jagirs* were in Berar, ceded to the British to support the Hyderabad Contingent in 1853, the cases went through the Court of the Resident in Hyderabad in 1896: installment 9, list 1, serial number 26, D2/d1, Religious Affairs, Endowment Department, "Sitaram temple complaint of mismanagement," Andhra Pradesh State Archives. Also in the Archives, see installment 31, list 9, serial number 663, L5/b945, settled in 1933 by the Commissioner of the Berar Division of the (British) Central Provinces; and the 1307 Fasli file titled "Sita Ram Bagh," in the Amur-i-Mazhabi files.

serving to relate bankers to potential partners or clients and, in this case, to the Nizam himself.

WHAT HYDERABAD'S MARWARI FAMILY HISTORIES TELL US

We turn now to Hindi histories of Marwari family firms that by the early twentieth century had ended up in the Nizam's dominions in Hyderabad State. They allow us to measure the timing of migrations and the incidence of adoption as leadership passed from one generation to the next.⁸⁵ The Marwaris came later than the other groups to Hyderabad, many of them possibly in reaction to the 1857 Mutiny and the decisive shift of power to the British from the Mughals and related courts. Most family histories of the Oswals, Agarwals, and Maheshwaris covered only the nineteenth and early twentieth centuries. The Maheshwaris and Oswals, the latter mostly Jains whose inheritance laws are like those of Hindus, arrived in the Deccan first: half of the forty-two Maheshwari families had come to the Nizam's state by 1850, while half of the sixteen Oswal and thirty-two Agarwal families were there by 1860. The four Maheshwari families that arrived before 1800 settled in Hyderabad, Khandesh, and Jalna.⁸⁶ Two Oswal families settled in Bijapur and Aurangabad in the 1750s and 1790s, respectively. More of the Maheshwaris settled in Hyderabad's old city (three of the twelve in Hyderabad specified Purana Kabuter Khana and Nur Khan Bazar), while ten families of Oswals settled in the British areas, Residency Bazar, Secunderabad, and Trimulgherry. Two Agarwal families came in the 1780s and 1790s, and Agarwals seem to have settled mostly in Begum Bazar and Hyderabad's old walled city.

No matter how brief the histories, again and again only one son of two or three survived, and many fathers died leaving a very young son or sons. Adoptions were plentiful,⁸⁷ usually of relatives but not always. Of the sixteen Oswal Jain family histories, ranging in generations from one to eleven,⁸⁸ eight

⁸⁵ S. R. Bhandari, C. R. Bhandari, K. L. Gupta, B. L. Soni, and B. R. Ratnawat, *Osavala Jati ka Itihas* (Bhanpura, Indore: Osavala Histri Publisinga Hausa, 1934); S. R. Bhandari, *Agravala Jati ka Itihasa*, vol. 1 (Bhanpura, Indore: Agrawal History Office, 1937), and vol. 2 (Bhanpura, Indore: Agrawal History Office, n.d.); S. R. Bhandari, *Maheshvari Jati ka Itihasa*, vols. 1 and 2 (Bhanpura, Indore: Maheshvari Histri Aphisa, 1940). Thomas A. Timberger first used these books, in: *The Marwaris, from Traders to Industrialists* (New Delhi: Vikas, 1978).

⁸⁶ The earliest, the family of Seth Srichand Das Raghunath Das Jhandawala, came in the 1730s, reportedly recommended by the Jodhpur ruler to the Nizam. The ancestor Maluk Chand was Treasurer of Jodhpur, and when the Nizam sent for an able person to develop banking in Hyderabad, Seth Maluk Chand responded. His grandson Srichand Raghunathdas became *choudhri* (headman) of Kasai Kata and Begum Bazar (metal and grain markets), and Srichand's son Raghunath Das briefly served as Diwan and gained the title Jhandawala (flagbearer) from Salabat Jang (1750–1752), becoming one of only three people with flags (the Nizam, Raghunath Das, and Fakir Sajjad Ali Saheb): Bhandari, *Maheshvari Jati*, vol. 2, page numbers illegible on available copies.

⁸⁷ Tarun Sharma, who in 1985–1986 translated histories relevant to the Nizam's dominions for me, from Hindi, wrote: "Out of the families analysed, more than 50 percent have adoption cases."

⁸⁸ I counted generations of named men, and sometimes the earliest named ancestors had not migrated to Hyderabad.

mention no adoptions, and the other eight record sixteen. Of the forty-two Maheshwari family histories, of from one to eleven generations, twenty mention no adoptions, and twenty-two mention a total of thirty-five. Of the thirty-two Agarwal family histories (including a few Digamber Jains), ranging from two to nine generations, there were thirty-seven adoptions in nineteen families. In sum, forty-nine of these ninety Marwari families migrating to the Nizam's state give histories that include adoptions, eighty-nine in all. In some families there were as many as four or five adoptions, most of them being a second or younger son of a younger brother given to an older brother or cousin brother.

Other relevant features of these histories concern age at marriage, age of becoming head of a firm, and divisions within family firms. Sometimes mentions are made that a man married at or before puberty (perhaps because this was unusual), and of boys taking on business responsibilities at the ages of nine to twelve (again, perhaps since it was unusual).⁸⁹ The histories routinely specify the year of division for family firms, usually between or among brothers. No reasons are given for these divisions, although they seem to be associated with the number of surviving males in the family and with expansion into new territories or enterprises. Scholars sometimes state or imply that trust required keeping family firms undivided across generations, reading divisions among brothers or other descendants as negative indications of a family firm's healthiness.⁹⁰ But in these texts such divisions were not viewed as negative events or breaches of trust. This raises questions about whether non-partibility was necessary for the continuity and prosperity of family firms.

Only eight women appeared in these family histories. In one Oswal family, a nineteenth-century widow, whose son was only two at her husband's death, carried on the business until she herself died.⁹¹ Women are mentioned in five Maheshwari family histories. In the first case, "the ladies of the family" went to Khandesh and worked successfully to raise money to free their ancestor, whom the ruler Mewat had imprisoned after the firm had been looted. In another case, the mother of a leading banker was famous for her charity, reportedly rivaling Hyderabad's Diwan Chandu Lal in her openness and generosity. In the other cases, a nineteenth-century widow saved the firm by carrying on the business while her son studied, and two early-twentieth-century educated women became community and political activists.⁹² In one Agarwal family,

⁸⁹ However, McChesney remarks, in *Waqf in Central Asia* (p. 99), that in the seventeenth century in Balk sons came of age—what he terms "the age of discretion"—at about seven years.

⁹⁰ Cynthia Holton, "Changing Property Relations in a Bombay Merchant Caste," paper presented at the Association for Asian Studies meeting, 1981, Toronto.

⁹¹ This was the family of Sri Raghunath Mal: Bhandari et al., *Osavala Jati*, 92–93.

⁹² These were the families of, respectively, Rae Sahib Seth Rup Chandji Lathi, Surat Ram Govind Ram, Ramsukh Puran Mal Hera, Sri Harishchandrajii, and Sri Satyanarayanji Loya (Bhandari, *Maheshwari Jati*, vol. 2, page numbers illegible).

a nineteenth-century widow raised her young adopted son with the advice of the firm's accountant. In the same family, a second wife, widowed in the early twentieth century at age twenty-nine, took over the business and ran it efficiently; she directed factories and cotton mills and managed the accounts and books, while educating her three daughters and marrying them well.⁹³ Most of these Oswal, Maheshwari, and Agarwal family histories feature, for early-twentieth-century members, activities linked to community welfare and even Indian nationalism, and educated women were beginning to participate in those activities.

CONCLUSION

Patterns of adoption, marriage, and inheritance among the predominantly Hindu and Jain banking communities in Hyderabad State show family histories interacting with changing political and legal regimes. Recent work by Kuran and Singh relates normative Islamic and Hindu inheritance laws⁹⁴ to the relative continuity of Muslim and Hindu family firms. While the possibilities of such links are promising (particularly with respect to adoption, not considered by Kuran and Singh), much more study is needed. Their work rests on several assumptions: first, that both Hindu and Muslim financial firms actually followed Hindu and Islamic inheritance law when it came to succession; second, that the common Muslim practice of cousin marriages did not effectively counteract the divisive effects of Islamic inheritance law; and third, that the striking success of the Khoja and Bohra Muslim communities was due chiefly to the continued adherence of these endogamous communities (once Hindu castes) to Hindu law with respect to inheritance.⁹⁵ Further, while the Hyderabad evidence testifies to the frequency of adoption in Hindu and Jain financial communities, it also shows that multiple wives and the flexible incorporation of at least some affines into family businesses helped supply male heirs to the family firms. For Muslims, multiple wives would be even more probable, and while this would have supplied heirs, as adoption did for Hindus and Jains in the days before the demographic transition, it would also have increased the partibility of estates according to Islamic law. Conflict

⁹³ This was the family of Seth Narayan Das Chuni Lal; the boy brought up was Seth Motilal Hirakhanwala, and his second wife was Tarabai, from Aurangabad (Bhandari, *Agravala Jati*, vol. 2, page numbers illegible).

⁹⁴ Kuran and Singh ("Economic Modernization") consider other factors too, notably preferences for partnership or for joint family enterprises and the establishment and operation of *wagfs*.

⁹⁵ I did not find members of these mercantile communities playing major financial roles in Hyderabad State. In 1937 in British India, the Muslim Personal Law (Shariat) Application Act denied groups like the Khojas their customary rights of inheritance: Asaf Ali Fyzee, *Outlines of Muhammadan Law* (Oxford: Oxford University Press, 3d ed., 1964), 68, cited by Shodhan, *A Question of Community*, 194. Showing the complexity of the situation, this 1937 Act was inconsistent with various sections of acts and regulations in Bombay, Madras, Oudh, the Punjab, the Central Provinces, and Ajmere (see Repeals subheading).

between or among family members (or *chelas* in the case of Goswamis) contributed to some divisions of Hindu and Jain firms, but divisions also occurred because of the numbers of surviving males and/or the expansion of the business into new territories or enterprises. Finally, oral and written evidence revealed a small number of women achieving public recognition for one reason or another in the Hindu and Jain communities; research on women in Muslim mercantile communities is needed.

Scholars continue to compare European and Asian economic histories,⁹⁶ and family firms are central to these histories. Claude Markovits argues that Asian merchants were "some kind of capitalists" and writes that the South Asian merchants were able "to maintain significant areas of independent international operations throughout the period of European economic and political domination in Asia."⁹⁷ Jack Goody contends that in both South Asia and Europe kinship groups and extended domestic units often played critical roles in commercial and industrial activities both before and after the development of capitalism.⁹⁸ Francesca Trivellato in her work on the early modern Sephardic Jewish trade diaspora relates Jewish and Christian marriage, dowry, and inheritance laws and practices to evolving legal norms,⁹⁹ and frequent marriages between close relatives are credited with insuring the continuity of the famous Rothschilds family banking firm.¹⁰⁰

As scholars look again at South Asian banking and mercantile families and firms, the material presented here highlights the significance of marriage, adoption, and inheritance practices within communities, and whether or not such practices were regulated by the state in any way. Trivellato's phrase "communitarian cosmopolitanism" well describes the operation of Hyderabad's banking and mercantile firms, people of diverse traditions engaging with each other in a plural society organized around the Nizam's court in precolonial times. Hyderabad's bankers and merchants relied upon state power and responded to the constraints and opportunities offered by the state and its

⁹⁶ Kenneth Pomeranz, *The Great Divergence: China, Europe, and the Making of the Modern World Economy* (Princeton: Princeton University Press, 2000), draws on relevant work by South Asianists, especially Frank Perlin, "State Formation Reconsidered, Part Two," *Modern Asian Studies* 19, 3 (1985), 415–80; C. A. Bayly, *Rulers, Townsmen and Bazaars*; and Sanjay Subrahmanyam, *The Political Economy of Commerce: South India 1500–1650* (Cambridge: Cambridge University Press, 1990).

⁹⁷ Claude Markovits, "Structure and Agency in the World of Asian Commerce during the Era of European Colonial Domination (c. 1750–1950)," *Journal of Economic and Social History of the Orient* 50, 2–3 (2007): 106–23, 122.

⁹⁸ Jack Goody, *The East in the West* (Cambridge: Cambridge University Press, 1996); and *The European Family: An Historico-Anthropological Essay* (Oxford: Blackwell Publishers, 2000).

⁹⁹ Trivellato, *Familiarity of Strangers*, 132–39.

¹⁰⁰ Joseph Wechsberg, *The Merchant Bankers* (Boston, 1966), 351–52; David Landes, "Bleichroders and Rothschilds: The Problem of Continuity in the Family Firm," in Charles E. Rosenberg, ed., *The Family in History* (Philadelphia: University of Pennsylvania Press, 1975), 108. Daughters did not inherit property under Jewish law.

officials.¹⁰¹ By the late nineteenth century, however, new legal arenas and practices offered by the British Residency and British India beyond the state's boundaries competed with those available through the Nizam's administration.¹⁰² Indian litigants in colonial India took advantage of new resources and participated in shaping new legal regimes rather than being dominated by them, in processes that were complex and multi-layered.¹⁰³ How mercantile families and communities were actually constituted, transmitted their resources, and participated in changing legal regimes still needs far more historical study, in both British India and leading native states like Hyderabad.

¹⁰¹ I argue that Hyderabad was a plural society, not a cultural synthesis, in Karen Leonard, "The Deccani Synthesis in Old Hyderabad: An Historiographic Essay," *Journal of the Pakistan Historical Society* (Oct. 1973): 205–18. For political changes in the course of the nineteenth century, see Leonard, "Banking Firms"; and Karen Leonard, "Mulki—non-Mulki Conflict in Hyderabad State" in Robin Jeffrey, ed., *People, Princes and Paramount Power: Society and Politics in the Indian Princely States* (Oxford: Oxford University Press, 1978), 65–108.

¹⁰² Anne K. Bang describes the situation in Zanzibar when a relatively informal hierarchy of Sunni and Ibadi *qadis* appointed by the Sultan was reorganized, from 1890 to 1908, and courts presided over by British judges were set up. She concludes that the dual legal system was in flux for decades, relatively open to use by litigants not clearly identified as either Sultanate subjects or British-protected subjects: "Cosmopolitanism Colonised? Three Cases from Zanzibar 1890–1920," in Edward Simpson and Kai Kresse, eds., *Struggling with History: Islam and Cosmopolitanism in the Western Indian Ocean* (New York, 2008), 177–79.

¹⁰³ Benton, *Law and Colonial Cultures*, 150–53, 255–65. Benton states that shifts toward state legal hegemony need not foreclose possibilities for "alternative legal authorities centered in ethnic subpolitics or cross-border communities" (264).