

Dr. D.K. Taknet is a well-known business historian and writer. He has undertaken many analytical research studies and been awarded scholarships and fellowships by premier institutions like the University Grants Commission, Indian Council of Social Sciences Research, New Delhi, and others. He is the author of a number of books which have been widely reviewed, excerpted and serialised in daily newspapers. His selected research-based coffee table books are: *Industrial Entrepreneurship of Shekhawati Marwaris*, *Marwari Samaj*, *Marwari Samaj aur Braj Mohan Birla*, *B.M. Birla: A Great Visionary*, *The Heritage of Indian Tea*, *Jaipur: Gem of India*, *The Marwari Heritage*, *Oil: Lighting Up Our Lives*, *The Colours of Rajasthan*, *An Illustrated History of Indian Business*, *Diamond: Divine Gift of Nature*. These were internationally applauded for their insights, both analytical and succinct.

Dr Taknet is enriched with over thirty years of research and teaching, his documentation of India industrialists and business houses has resulted from over a thousand interviews with eminent corporate CEOs, executives and organisations. In addition, he writes extensively for the national and international print media. An avid traveller, he has participated in numerous international seminars and conferences and is also associated with several prestigious professional and social organisations throughout the world. Recipient of the President's Award, he is currently working on several research projects of national importance. He can be reached at [dktaknet01@gmail.com](mailto:dktaknet01@gmail.com)

Some Opinions:

This is a valuable contribution to our remarkable history of Indian Business.

[Manmohan Singh](#)  
Former Prime Minister, India

It provides a comprehensive overview of India's industrious entrepreneurs over the centuries and brings out Indian industry's contribution to national progress with interesting visuals. A useful compendium.

[Rakesh Bharti Mittal](#)  
Former President, CII

Dr D.K. Taknet, a reputed business historian and writer has written this lavishly illustrated volume with rare photographs and maps which charts the business history of India from the dawn of civilisation to the creation of the globally-recognised 'India Inc.' brand of today. It is well-researched and extremely interesting because of its style and rare pictures. It provides the reader with a holistic perspective of Indian business. I have no doubt that the way in which the book has been conceptualised and written will prove to be absorbing, exciting and informative for the reader.

[Suresh Prabhu](#),  
Former Minister of Commerce & Industry, Govt. of India

This well researched and well written book makes for an engrossing read with its rare picture.

[Dr. Rajiv Kumar](#),  
Vice Chairman NITI Aayog

This well researched and well written book makes for an engrossing read with its rare picture.

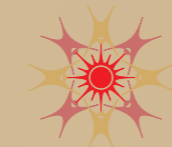
[Dr. Rajiv Kumar](#), Vice Chairman NITI Aayog

A particularly valuable feature is the largely rare illustrations, depicting a range of aspects of Indian business life at different stages in its long history. Readers will find it rewarding.

[Dwijendra Tripathi Kasturbhai Lalbhai](#),  
Prof. of Business History (Emeritus),  
Indian Institute of Mngt, Ahmedabad

It is creditable that such a book has been published which brings us up to date to contemporary times. The illustrations and some rare photographs and visuals give this book a unique perspective.

[Rashesh Shah](#)  
Former President, FICCI

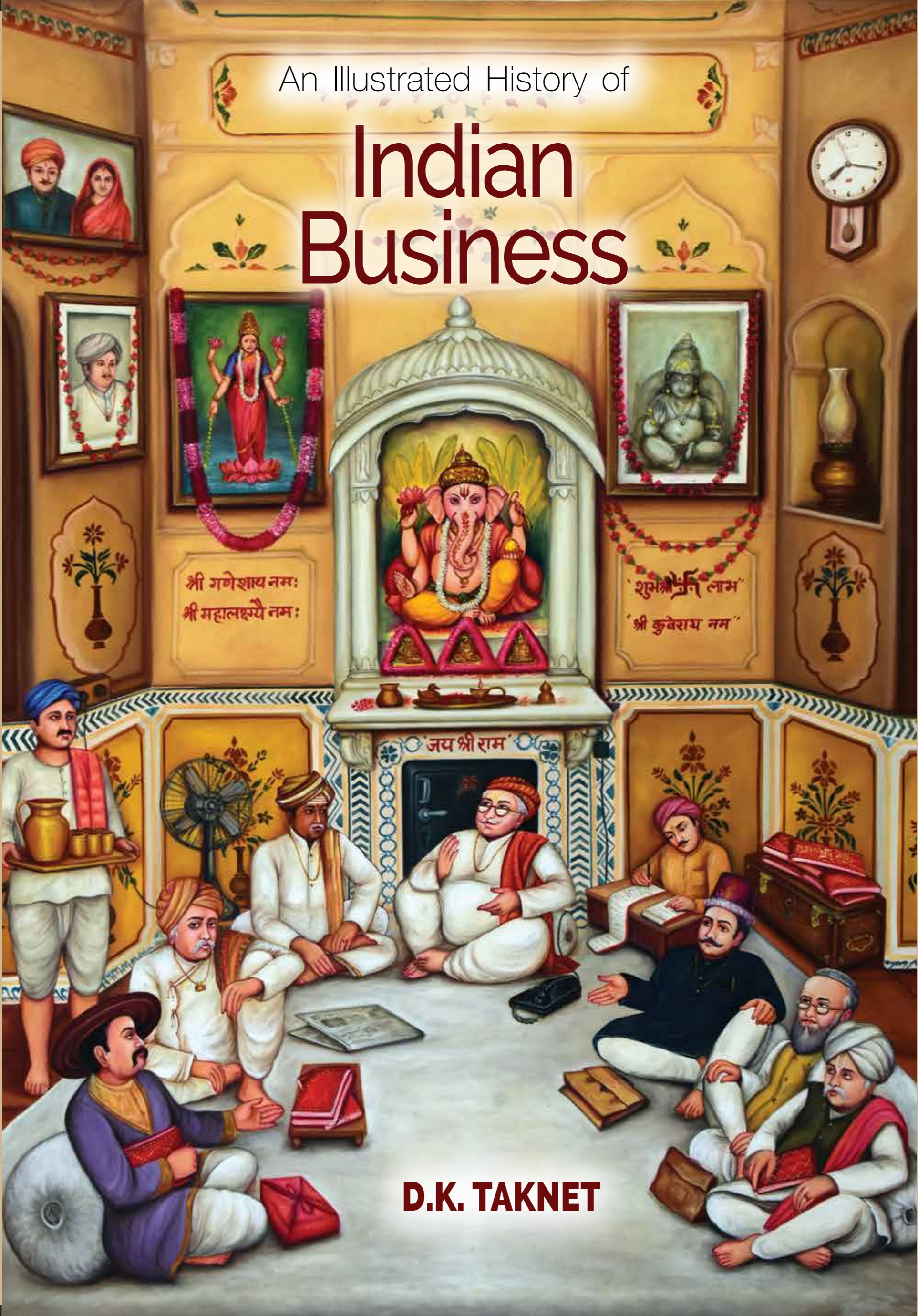


IIME

D.K. TAKNET

An Illustrated History of

Indian Business



An Illustrated History of  
Indian Business

D.K. TAKNET

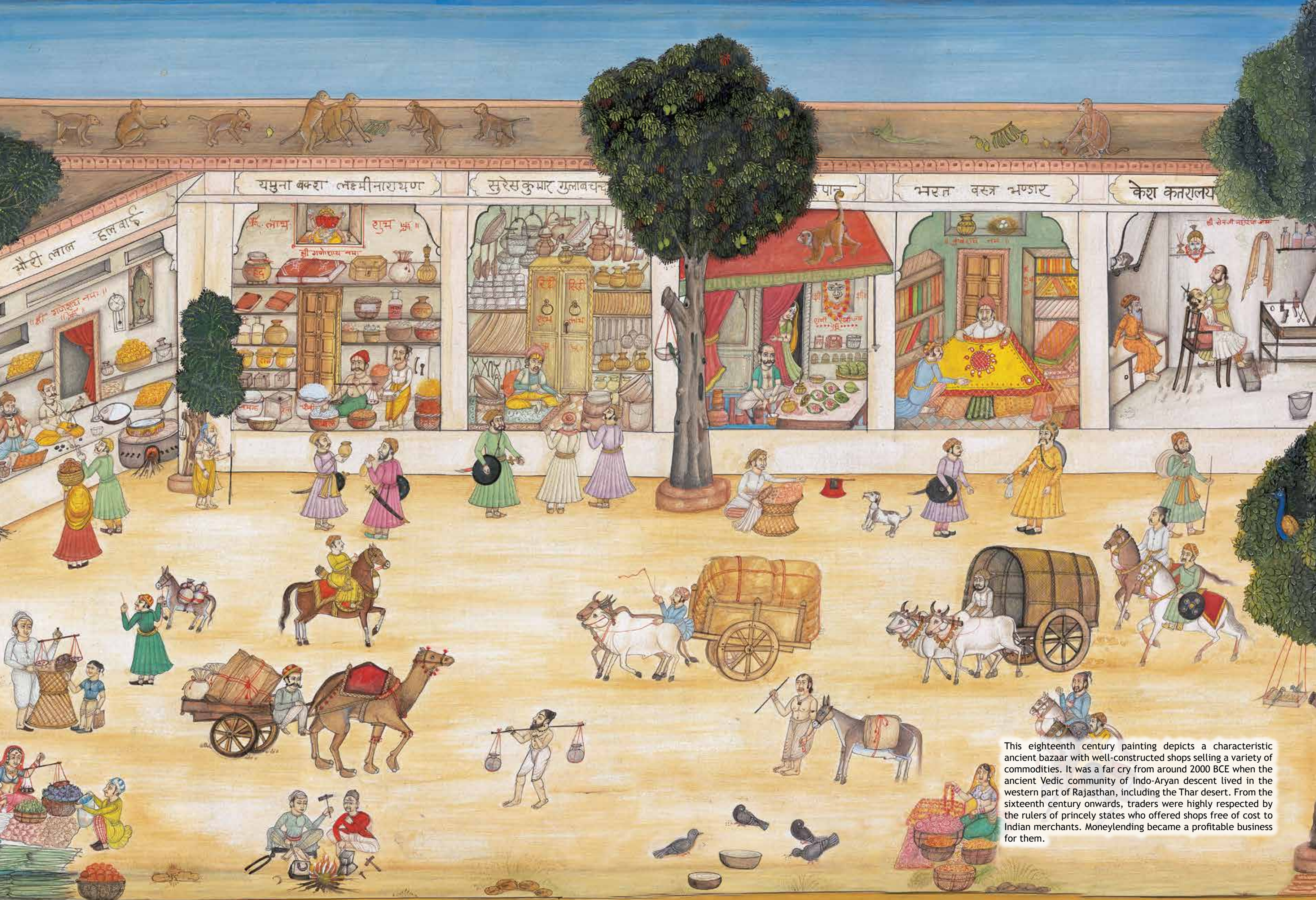
Business studies in a historical framework have long been prevalent in the West but in India this is a relatively recent phenomenon notwithstanding the richness of the field. India offers rich pastures for studies such as this. Both ancient and medieval India had extensive trade relations with far-flung corners of the world. Indian merchandise was bought by the Phoenicians and Arabs. The Silk Route played a seminal role in building cultural and economic bridges between India and China. Indian manufactures were prized in the courts of Egypt, Greece and Rome right up to the Industrial Revolution.

Given the range, richness and diversity of its arts, crafts and natural produce, India was a major exporter of cotton, silk, textiles, shawls, jewellery, carpets, indigo and saltpetre. Indian spices, herbs and condiments were much sought after throughout the world. It is significant that this vast range of trade and business was conducted solely by private individuals and leading business communities such as the Marwaris, Parsis, Gujaratis, Bohras, Khatri and Chettians rather than by states and rulers.

This lavishly illustrated book, with 548 coloured and 241 black and white photographs, many of them rare selections from scattered but well-endowed archives, traces the history of Indian trade and business, both local and international, from the Indus Valley civilisation to the present, traversing ancient, medieval, British and modern India, in each period sketching in the historical, social, political and technological developments of the time.

The book concludes, as noted, with the modern period, tracing the evolution of Indian business and trade from the controlled socialist model during the post-independence period to the modern vibrant, dynamic free-market economy it is today, spreading its tentacles to every corner of the world. It is ironical that this is precisely what happened in its earliest incarnation as this book reveals. For anyone interested in a carefully researched, beautifully designed and illustrated account of the development of Indian business through the ages, this is an ideal companion.

Front Cover: A painting depicting a scene of a meeting of leading representatives of numerous Indian business communities. They became the uncrowned kings, first of trade and business, and later of industry. Wholeheartedly engaging in the freedom struggle they played a conspicuously active role, many courting imprisonment and even martyrdom. Today, the roots of Indian business communities are deeply enmeshed in the social, cultural and economic fabric of India. Their innate psyche of giving back to the society has seen them donate generously to various causes. This painting is Deepak Sharma's special creation for this book.



This eighteenth century painting depicts a characteristic ancient bazaar with well-constructed shops selling a variety of commodities. It was a far cry from around 2000 BCE when the ancient Vedic community of Indo-Aryan descent lived in the western part of Rajasthan, including the Thar desert. From the sixteenth century onwards, traders were highly respected by the rulers of princely states who offered shops free of cost to Indian merchants. Moneylending became a profitable business for them.

An Illustrated History of

# Indian Business

D.K. Taknet



IIME, JAIPUR



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Dedicated to  
warm memories of past and present generations of  
Indian entrepreneurs  
whose enterprise, effort and sense of social responsibility map  
a blueprint for the future.

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## Introduction

The history of Indian trade, commerce and industry dates back to the ancient civilisations of India, Egypt, Greece and China. Indian sailors were well acquainted with the sea routes connecting Cambodia in the east and Alexandria in the west. In consequence India was a major beneficiary of the ancient sea trade with gold bullion pouring into the seaports of the Malabar coast. Remnants of the settlements of Roman merchants and their colonies in south India, and the discovery of several Roman coins in the coastal areas, provide graphic evidence of ancient India's thriving trade with the outside world.

This volume entitled An Illustrated History of Indian Business maps how, over the years, Indian business created, innovated and adapted to the changing needs, political and social environments and conditions, to serve their clientele, high and low. It narrates how through their knowledge, efforts and skills many Indian businessmen so completely won the trust and recognition of the rulers of the states in which they worked that they were appointed to high office, and even on occasion commanded troops on the battlefield. So integrated were they in the society which they served that they played a seminal role in the Indian independence movement. Also, in line with the traditional Indian belief system, they have from the earliest times contributed munificently in financial resources and kind to the welfare of their country and less well-endowed fellow citizens.

Dr D.K. Taknet, a reputed business historian, has meticulously and lucidly traced the historical roots of Indian business from its origins to contemporary times and highlighted the entrepreneurial and business acumen of Indian businessmen. His coffee table book is lavishly illustrated with rare visuals and charts the business history of India from the dawn of civilisation across the Harappan, Mauryan, Mughal and British periods to the construction of the globally recognised 'India Inc.' brand of today.



## Foreword

One of the oldest civilisations in the world, India has been a favoured subject of cultural, social and political history. Its trade and commerce date back to ancient times when the Phoenicians, and later the Arabs, carried Indian goods to Egypt, Mesopotamia and later, to Turkey, Greece and Rome. Besides, India had extensive trade links with the countries of South East Asia which were connected by sea routes during the early centuries of the contemporary era.

Indian merchants were treated with great respect for their pivotal role in business as well as their philanthropy. Today, the roots of Indian entrepreneurs are deeply enmeshed in the social, cultural and economic fabric of India. The Indian economy is the world's fastest growing and owes much to the pioneering spirit, inspired vision, missionary zeal, and rich legacy of our nation's entrepreneurship and enterprise.

Both the private and public sectors have emerged as important driving forces in the new millennium and are the benchmark of global standards of quality and competitiveness. India has always looked forward, and in the twenty-first century it is uniquely positioned to emerge as one of the foremost economic superpowers of the world.

Dr D.K. Taknet, an eminent business historian and writer has written this volume entitled *An Illustrated History of Indian Business* which is lavishly and profusely illustrated with rare photographs and maps and charts the business history of India from the dawn of civilisation to the creation of the globally-recognised 'India Inc.' brand of today. Dr Taknet's pictorial book is well-researched and extremely interesting because of its style and rare pictures. It provides the reader with a holistic perspective of Indian business. The wide range of rare illustrations in the book is a delight to the eye and supplements the text effectively. I have no doubt that the way in which the book is conceptualised and written will prove to be absorbing, exciting and informative for readers.



## Prelude

History deals with the past but the questions it seeks to answer spring from the present. The past is simply a laboratory, as it were, for the historian to investigate particular facets of human endeavour that may exercise society at a given point in time. That explains the shifting foci of historical enquiries. Frederick Jackson Turner, an acclaimed American historian, rightly observed about a century ago that every generation writes its own history.

The rising interest in the study of Indian business history over the past several years is a case in point. As recently as 50 or 60 years ago, business history, as an area of academic enquiry, was virtually unknown in India. It began to be studied around the mid-1960s in the wake of the rise of business education in India. I recall that when I introduced a Master's level course in Business History in 1964 at the newly established Indian Institute of Management, Ahmedabad, visitors often wondered whether what I was doing was at all worthwhile. However, with the progress of business education in India over the past fifty years or so, Business History has emerged as an important area of enquiry, and in consequence a substantial number of well-researched studies focusing on various aspects of Indian business have been published in recent years.

Apart from a few, the target readership of these studies is academics: teachers, scholars and students. Though not excluding these groups, **An Illustrated History of Indian Business** seeks to address the common reader. Drawing on scholarly studies of Indian business history, it presents an integrated account of the change and continuity in Indian business life from the ancient days to the present. A particularly valuable feature is the largely rare illustrations, depicting a range of aspects of Indian business life at different stages in its long history.

I recommend this book to all those who are interested in the antecedents and growth of Indian business. They will find it rewarding reading.

Dwijendra Tripathi  
Kasturbhai Lalbhai Professor of Business History (Emeritus)  
Indian Institute of Management, Ahmedabad

Ahmedabad



## Preface

From the Aryan civilisation onwards, the merchant class was considered an asset to society and accorded immense respect. As the Mahabharata has it: 'The power of production in merchants should always be encouraged. They make the realm strong, enhance agriculture and develop its trade...There is no wealth in a kingdom greater than its merchants.' In the Arthashastra, Kautilya emphasised: 'There is no other asset which is more precious than this commercial community.'

Business communities in India occupied a significant place in ancient times and over the centuries have played a significant role in the socio-economic development of India. Scant scholarly attention was however devoted to their contribution until relatively recently when, inspired by the West, economic historians seriously began assessing their role.

The principal focus of this richly illustrated volume is on the evolution of Indian business from trade to industry. In early times, the integrity, foresight and business acumen of traders won them the confidence of the larger community. Indeed, so much so, that traders were in many instances entrusted with the administration of states, others served as commanders of the military and courageously led their men into pitched battle. Many rulers appointed them as ministers, advisors and diwans, and accorded them high honour and recognition. Their multifaceted skills saw them rise to commanding positions in trade, business and industry, and other spheres of social life. Today however, there is insufficient public awareness of the socio-economic contribution of the leading business communities, such as the Parsis, Marwaris, Gujaratis, Banias, Khatri and Chettiars, and therefore this book is an attempt to fill this lacuna.

In ancient times, India was connected across caravan routes to China, Egypt, Iran, Afghanistan, Turkey, Greece, Egypt and Rome. There were also extensive maritime trade links with countries such

as Sri Lanka, Thailand, Malaysia, Burma, Indonesia, the Philippines, Indo-China and Japan. India exported textiles, spices, medicinal plants, precious stones, pottery, jewels, gold, ivory, carpets, rhino horns, ebony, aloe, wood, perfumes, sandalwood, pearls, rose-water, zinc, lead, silk thread, silk and cotton cloth, muslins, cardamom and chintzes. In addition, dyes, drugs, timber, sesame, oil, parrots, animals and their products, wool, tortoise shells, saltpetre, corals, perfumes, pepper, shawls, handicrafts, agricultural products, cinnamon, opium, indigo, herbs and condiments were exported.


Through the enterprise of Dutch and English companies, Indian goods gained considerable popularity and cachet in Amsterdam, London, Paris and other European markets. In more recent times, the Indian business communities played a major role in India's independence struggle, working in tandem with the political leaders. How all this happened against the background of changing historical contexts and the vignettes surrounding it is the subject of this book.

India has always looked forward, and in the twenty-first century it is uniquely positioned to emerge as an economic superpower. Indian entrepreneurs, scientists, technologists and engineers are engaged in developing cutting edge technologies. Today, Indians and people of Indian origin serve as CEOs in many multinational corporations and the next generation will undoubtedly carry forward this inherited legacy of excellence.

I have always been fascinated by the multidimensional impact of Indian trade and business from the earliest times. This journey, of studying Indian business, both ancient and modern, began when I wrote a book entitled **Industrial Entrepreneurship of Shekhawati Marwaris** in 1980. Later, I contributed articles and books directly or indirectly relating to the subject.

Researching this book has by no means been an easy task. To the innumerable letters I wrote and questionnaires I sent to a wide cross-section of Indian corporate houses seeking research data, I received only a lukewarm response. My research teams have also faced financial constraints in covering the expanse of such a vast country. I began my research with meagre resources at my disposal, compensated somewhat by the enthusiasm, dedication and indomitable spirit of my team.

In order to conduct relevant interviews, over the past four years my research teams travelled over 4,50,000 kilometres. During this period, we spent 1450 days on the road and interviewed over 3,500 people directly or indirectly associated with trade and business, ranging from chairpersons emeritus to petty traders. In order to write this book, we pored over approximately 2,50,000 pages of material which included reports, British gazetteers, census reports,



biographies, daily newspapers, journals, periodicals and official records. People from diverse backgrounds poured out their hearts narrating fascinating stories, replete with previously unknown facts, inspiring anecdotes, opinions and vignettes, providing dramatic insights into the world of Indian business.

I have many people to thank for the valuable assistance they provided. I must thank the Research Advisory Committee, research associates and the Business History Museum (BHM)-IIME, a treasure-trove of knowledge and literary resources, for their invaluable support. The access provided by BHM-IIME to its outstanding collection of rare, old and new books and journals on a vast spectrum of subjects phenomenally helped to enrich our research. I must also acknowledge the courteous and efficient services extended by various private and public libraries, museums, art collectors and galleries in India and abroad. Special thanks go to the Nehru Memorial Museum & Library, the Library of the National Archives of India, Central Secretariat Library, National Library, Kolkata and Asiatic Society Library: it is from their collections that most of the paintings, prints, maps, illustrations and early photographs have been reproduced.

I would like to express a special word of gratitude for all the support extended by Prof Dwijendra Tripathi who is known as the father of Indian business history. He was sufficiently generous to spare an enormous amount of his valuable time critically reading the manuscript and offering valuable advice. It was he who first thought about this subject in 1964 as a member of the faculty at the Indian Institute of Management, Ahmedabad. At that time there was little awareness about or interest in the subject. Thanks to his sustained efforts, IIM-Ahmedabad has launched a master's and doctoral level courses and organised seminars on this subject, enabling interaction among researchers from a range of academic institutions.

My special thanks to Adil Tyabji and Jehanara Wasi who have edited the manuscript and also provided other constructive suggestions. They have helped in refining the ideas, concepts and framework. I am especially indebted to those who have provided continuing support and suggestions. I am grateful too to Pankaj Bhatnagar and his team of talented artists who have designed this

book. I am grateful to the members of numerous companies and associations for providing information on varied aspects of the industry. The active support of Kamal Morarka, Ajit and Anil Jain, Hemant Kanoria and N.R. Kothari for immense assistance in the compilation of this research study deserves the warmest thanks and appreciation.

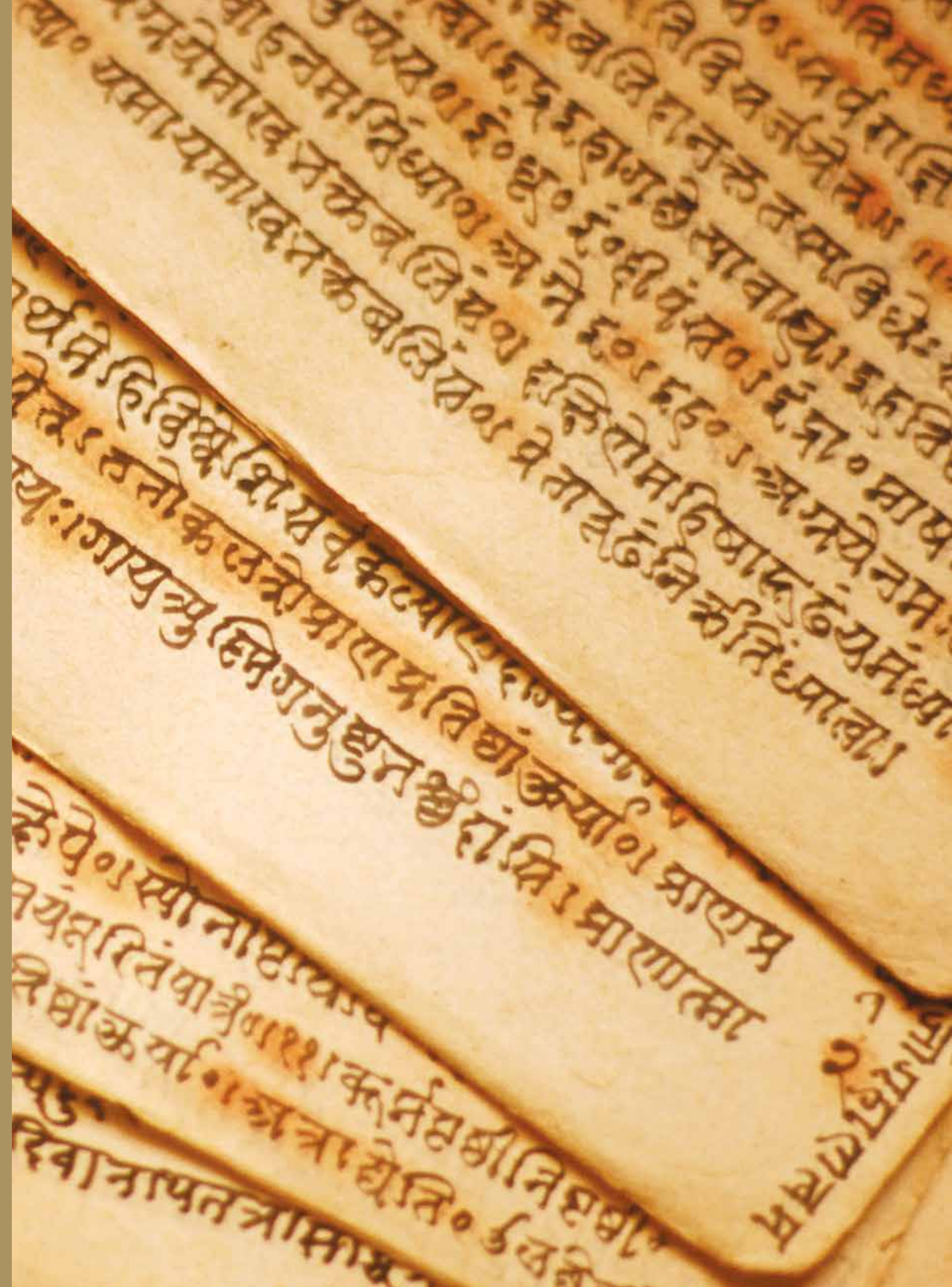
I must also record my appreciation of the ungrudging support of Brig K.N. Pandit (VSM), Govind Singh Negi, Rajesh Kudiwal, Siddharth Mukherjee, Surendra Singh Chauhan, Anand Soni, Shiv Khatana, Mithlesh Chaturvedi and Chhotelal Mahawar for their untiring efforts and timely feedback. I also acknowledge my debt of gratitude to Suresh Prabhu and Prof Dwijendra Tripathi for their perceptive foreword and prelude respectively. Thanks are due to S.N. Singh and Manju Shekhawat for providing me with valuable suggestions, interaction and frank exchanges of views. Sincere thanks are due to K.K. Agrawal, Raj Chauhan, Deidi Von Schaewen, Michele Beguin, and Gopal Kumawat for providing rare and valuable photographs. Many individuals whose names do not figure here have given me no less encouragement, and I am, needless to say, obliged to all of them.

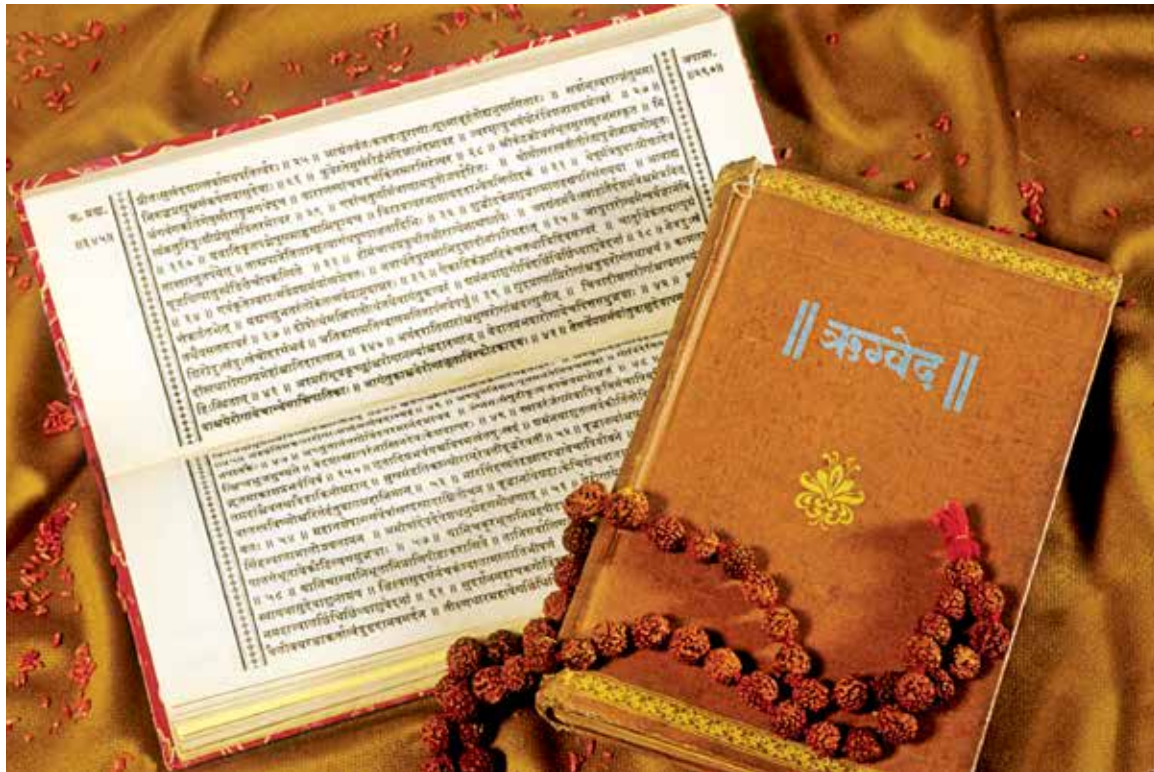
I sincerely hope that this book will create a wider awareness, understanding and appreciation of Indian business and at the same time will interest all those associated with the business profession. Knowledge of the past is an essential resource for our understanding of the present and insight into the future, and therefore my fervent wish is that this book will spur further research into the subject.

Finally, I appeal to business communities to protect and conserve their history. Material wealth is transient but the experience and wisdom of the ages is permanent and need to be cherished. I believe that Indian entrepreneurs will continue to play a major role as nation-builders. I hope that the lives of the great Indians who have been portrayed in this book will be a source of inspiration to them, and to Indian youth at large.

CHAPTER 1

# Trade in Ancient India





Above and facing page: The Vedas derive their name from the word *veda*, meaning knowledge. They are a body of texts written in Vedic Sanskrit. Originating in ancient India, they are the most ancient body of Sanskrit literary texts and Hindu scriptures. The Rig Veda, the Yajur Veda and the Sama Veda relate to the performance of *yajnas* or sacrifices. The Atharva Veda comprises incantations and spells. Transmitted orally down the generations, they were recorded in writing only in 1500 BCE. The Rig Veda comprises 1,028 Vedic Sanskrit hymns and 10,600 verses organised in ten volumes.

According to the Rig Veda, 'Let a man think well in wealth and strive to win it by the path of law and by worship, and let him take counsel in his own inner wisdom and grasp with spirit greater ability.' The Vedic age began around 1500 BCE with the establishment of a new civilisation in the Indo-Gangetic plains. '*Vedic civilisation*' connotes the society referred to in Vedic literature. The term *veda* is derived from the Sanskrit word *vid* which means to know or to acquire knowledge, and *veda* therefore means knowledge. The most important components of Vedic literature are the Rig Veda, Sama Veda, Yajur Veda and Atharva Veda. Each Veda is accompanied by Samhitas and each Samhita is accompanied by Brahmins, Aranyakas, and Upanishads as closely related texts. The great Ramayana and the Mahabharata epics also relate to this period.

The Mahabharata refers to business caravans travelling long distances carrying goods for trading purposes. Other ancient texts too refer to goods being transported to distant areas by merchant caravans. The Rig Veda Samhita states that the Panis undertook voyages in connection with trade and commerce. They sold commodities at prohibitive prices and charged interest on the selling price. Panis were referred to as Aryans in the Rig Veda as respected members of the community who were unwilling to share their wealth. Panis were known as Phoenicians in the ancient West and as Foniks in ancient Greece and Germany.

Although the Vedic civilisation was predominantly rural, there are references to urban settlements called *purs*. One of the shlokas of the Rig Veda mentions a city with a hundred walls. There is another reference to

*shatmshmnmayipuram*, which means a hundred cities built of stone. Although the civilisation's principal source of subsistence was agriculture and animal husbandry, there are ample references to *purams*, suggesting that these were locations which later developed into centres of trade and commerce.

### Vaishyas: The Backbone of Trade

During the early Vedic period the society was divided into four distinct classes: Brahmins, Kshatriyas, Vaishyas and Shudras. Subsequently this division became a stratified feature of Aryan society. The Mahabharata refers to a Vaishya as one who acquires fame and wealth from cattle-rearing, agriculture, trade and craftsmanship. Vaishyas are known to be upright and devoted to the Vedas.

Later in the Vedic period, the Vaishyas began specialising in trade and the distribution of goods. With the passage of time, trade and distribution began spreading to other areas and development of transport became an urgent requirement. The Vaishyas gained recognition as a class of merchants and traders. Blessed with a native acumen, they developed several systems

for marketing goods and commodities. In addition, the community undertook other activities such as moneylending and banking, and even combined these functions with trading.

Religious treatises provide detailed descriptions of the duties of the Vaishya varna. Prior to the Manu Smriti, Atri, a sage, wrote a treatise known as Atri Smriti which clearly stated that charity, learning, business and the performance of yajnas were the principal responsibilities of a Vaishya. These responsibilities were increased from four to seven in the Manu Smriti. Amongst these, the protection of animals, charity, learning, trade, realisation of interest and agrarian functions were accorded prominence. Of these seven functions, two, learning and sacrifice, were dropped in the Harit Smriti.

According to the Gautama Dharmasutra, agriculture, commerce, cattle-breeding and money lending were Vaishyas' principal responsibilities. The Bhagavad Gita too states, '*Krishi goraksya vanijyam vaishyakarma svabhavajam*', which means that agriculture, the protection of cows and business are the principal responsibilities of



a Vaishya. Kautilya declared that acquiring knowledge, performing sacrifices, dispensing charity, performing agricultural functions, cattle-breeding and trade were the principal responsibilities of Vaishyas. The responsibilities and functions of the Vaishyas continued to change periodically but the accumulation of capital remained their mainstay.

In the Rig Veda, the term used for the houses of Aryans is *griha* or *shala*. These houses were constructed from wood, bamboo and hay. There are many references in the Rig Veda which suggest that the Aryans considered agricultural fields and houses to be private property but pasturelands and grasslands were considered to be public property. The Vedic period witnessed a slow but steady development of crafts and occupations. The former are mentioned in Vedic literature, for example, *taksha* or *tvashtha* meaning carpentry, *karmar* or working with metal, *vaya* meaning weaving, *charmamamn* or working with leather and *hiranyakar* or goldsmith.

#### Craftsmen and Artisans

Carpenters held an important and respected status in the economy and society because they manufactured chariots and carts. They are referred to as *rathakars* in the Rig Veda. Chariots were an indispensable commodity because of their use in warfare. They also constructed boats for river transportation. Carpenters were important because Aryan houses were constructed of wood. Other specialist craft activities were tanning, the fashioning of bows and bowstrings, sewing, weaving and weaving mats from grass and reeds.

*Above:* Clad in traditional dhotis, kurtas, and *paggars* or *safas* (forms of turban), Vaishya traders lived in joint families, working together and sharing responsibilities. Apart from agriculture and cattle-rearing, they began engaging in distribution activities in which transport became an urgent requirement. They used cattle yoked to carts to transport goods from one place to another.

*Facing page:* The older generation imparts moral and social values to the new. Important among these is a culture of perseverance and dedication.



*Right:* Colour illustrations of the Shrimad Bhagavad Gita, a foundation text of Hindu philosophy. In relation to business, it advocates an approach based on ethics, principles and values.

*Below:* A gold coin minted in the fifth century CE during Chandragupta II's reign. It depicts Lakshmi, the consort of Lord Vishnu. As the goddess of wealth, she was almost invariably depicted on ancient Indian coins from as early as the second century BCE.

*Facing page above:* A popular scene depicting the Mahabharata war at Kurukshetra field in Haryana district in India. Here Krishna is propounding the knowledge of the Bhagavad Gita to his best friend and intimate devotee Arjuna. The Bhagavad Gita is regarded by most Hindus, including the business community, as being the last word on ethics and morality.

*Facing page below:* Lord Ganesha with the Mahabharata. Lord Brahma suggested to Ved Vyasa that he should request Lord Ganesha, given his superior wisdom, to write the Mahabharata. He accepted the request on condition that as he wrote his pen should not cease to function.



The word *ayas*, referring to metal, is used in several instances. It is not certain whether this term connoted copper, bronze or iron. The word is used to describe Indra's thunderbolt; columns of *ayas* find mention in the descriptions of the chariots of Mitra and Varuna, and Soma's home. A hymn addressed to Agni beseeches Indra to be like a fort of *ayas* to his worshippers. The metal smelter is called *ayas* and is referred to as *dhmatrin* in Vedic literature.

### Travel, Transport and Trade

The hymns of the Vedic period suggest long-distance voyages. The gods are invoked to ensure safety during the journey. Trade was conducted across land and water. Carts and chariots drawn

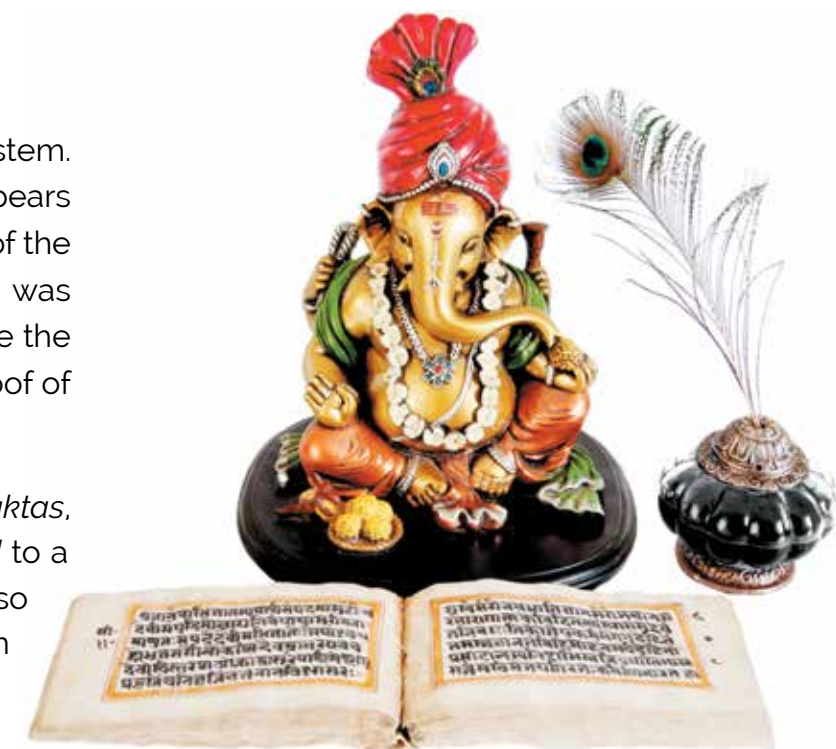
by horses or oxen were used for transportation on land while boats made of wood were used to move across water.

In one of the *shlokas* of the Rig Veda, the word *plava* is used to describe a boat. *Plava* is synonymous with *pakshinah*, which means bird-like. This suggests that boat construction was fairly advanced during the period. There are also several references to the word *samudra* or sea. Some scholars claim that the word is only used for large waterbodies or rivers, and argue that the Aryans were not very familiar with the oceans. Other historians however dispute this argument on the basis of additional information garnered from the Rig Veda.

### Vedic Currency

Trade was largely transacted through a barter system. The term *nishka* is referred to in several *shlokas* and appears to mean a piece of gold, a gold necklace, or coins. One of the hymns in the Rig Veda, mentions that Rishi Kakshivan was granted a hundred horses and a hundred *nishkas* where the word means coins. However, there is no substantive proof of this interpretation.

Another term *hiranya pind* is used in one of the *suktas*, in the context of a grant by the king of ten *hiranya pind* to a *purohit*. According to some scholars, *hiranya pind* was also the term for a specific amount of gold. Besides, the term *mana* in the Rig Veda refers to gold and was also an ancient Babylonian unit of measurement.





Above: A view of Dwarka, an ancient city on the Kathiawar peninsula at the mouth of the Gulf of Kutch. The city's economy relies heavily on pilgrims and tourism but is supplemented by the production of millets, ghee (clarified butter), oilseeds and salt, which are transported from its port.

Facing page left: The economy during the Vedic period was sustained by a combination of pastoralism and agriculture. There are references in the Rig Veda to the levelling of fields, seed-processing and storage of grains in large jars.

Facing page right: Kautilya was Chandragupta Maurya's most influential legal advisor and was known for his monumental work Arthashastra on statecraft and economy. His influence was crucial in the consolidation of the great Mauryan empire.



### The Vedas, Vaishyas and the Sea Trade

One of the shlokas in the Rig Veda mentions the western and eastern seas of India. The story of Bhugyu in the Rig Veda offers an intriguing account of seafaring activities. According to the historian V.M. Apte, the 'Aryans were engaged in trade through the sea.' Historians R.C. Majumdar, Tapan Raychaudhuri and Romesh Chunder Dutt have also expressed their support of the claim that the Aryans were acquainted with sea routes. According to them, the similarity in the usage of the term mana as a unit of measurement of gold in Babylon as well as in the Vedic civilisation is evidence of trans-oceanic contact and possible trade between the two civilisations. It appears from the Rig Veda that cattle in general, and cows specifically, were treated as units of value.

The Vaishyas were regarded as a special unit of society and they undertook their responsibilities as specified in the Bhagavad Gita. It was during this period that the Vaishyas were compelled to abandon agriculture and cow-rearing, and trade alone became their mainstay. Vipin K. Garg has observed that by the third century BCE, the Vaishyas as a class had gained recognition more as merchants and traders than as agriculturists or cattle-breeders.

### The Vedas and the Panis

The Rig Veda also mentions the Panis as a community wholly devoted to trade. The exact meaning of the word '*pani*' is merchant, as is mentioned in the treatise Nirukta by Yaska. Several shlokas of the Rig Veda confirm the prosperity and opulence of the merchant class. It is suggested that the Panis engaged in moneylending, cattle-rearing and long distance trade. At some points in the



Rig Veda, they are referred to as Bekanat. Yaska, the author of Nirukta, clarified that the meaning of the term *bekanat* was usury. From the Rig Veda, we learn of a famous Pani, Brivu, who made generous donations and gave away a sizeable amount of his wealth to Rishi Bhardwaj, who was one of the revered Vedic sages (rishis) in Ancient India and a renowned scholar and economist.

The Rig Veda mentions business and mercantile people, whom it calls Vaniks and Panis respectively, and refers to the Vedic people such as Turvasa and Yadu. Ancient European history testifies to the influence of the Vaniks in East Asia and southern Europe. They took the ancient civilised world by surprise when they manufactured glass and introduced the letters of the alphabet and navigation techniques before 2000 BCE. The people of Egypt, Greece and Rome learnt the art of navigation from them. The Pani caste was the oldest mercantile caste of India. The Marwaris, Gujaratis, Bengalis, Bhotias, Chettiars, Aroras, Khatris and Lalas of Delhi were offshoots of it.

Indian works of art, literature and philosophy were remarkable through this period. Hindu-

Buddhist kingdoms from South East Asia to Central Asia looked towards India for intellectual and cultural leadership. Pilgrims, students and tourists visited India to pay homage to the sacred places or see the famous universities of Takshashila, Nalanda and Ujjain. The travelogues written by these visitors have provided valuable information about ancient India. The great centres attracted international endowments. An inscription dated 860 CE states that the king of Suvarnadvipa (Sumatra) made an endowment to Nalanda.

### Economy in the Vedic Age

The Vedic Age witnessed a major economic revolution. Systematic and large-scale cultivation of cotton enhanced production and catapulted India to the top position in the world in terms of cotton production and manufacture of fine cotton textiles. Weaving fine-quality cotton became a highly specialised and foremost cottage industry. India emerged as the provider of cotton textiles to many centres of human settlement and several parts of the world became consumers of Indian cotton goods. This economic boom was a prime contributor to the second wave of urbanisation in the Indian subcontinent.