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COINAGE SYSTEM UNDER THE MIR OSMAN ALI KHAN PERIOD (1911-1948)

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ABSTRACT:

This article focuses on the coinage system of Hyderabad Nizam Mir Osman Ali Khan period (1911-1948). During his period many coins were introduced in the state. He issued coins in various metals viz. gold, silver, bronze, nickel and copper-nickel in shapes such as round or irregular and square. These coins were found in various denominations like Rupee, Ashrafi, Pai and Annas. And bank notes (paper currency) also introduced in the state those also available and mentioned in this article.



KEY WORDS: Coin, Nizam, Currency, Metals, Language, Domino etc.

INTRODUCTION:

The Nizams were the 18th to 20th century rulers of Hyderabad State. Nizam of Hyderabad Nizam-ul-Mulk also known as Asaf Jah. It was the title of the monarch of the Hyderabad State. Nizam shortened from Nizam-ul-Mulk. It means administrator of the Realm, was the title inherited by Asaf Jah I. he was the viceroy of the Great Mughal in the Deccan, the premier courtier in Mughal India in 1724 and the founding "Nizam of Hyderabad". Later it was merged with the Indian Union in 1948 by the police action. Hyderabad was the only Indian princely state that was permitted to continue issuing its own notes after it was subjected to join the Dominion of India in 1948 and the Republic of India in 1950.

After the First War of Independent 1857 and extinction of the Mughal Empire in the north, the Mughal mints in the Deccan ceased to function. And on the persuasion of the British the Nizam Afzaluddaula Asaf Jah V agreed to drop the name of the Mughal Emperor from the coins and introduce his own coins. Thus, with the royal Farman of 29th Muharram 1275H (29th August, 1858), the Nizam's halli sicca (current coins) were introduced with the name of "Nizam-ul-Mulk" for the first time. On the top of the observe, was the figure '92' for the Prophet Muhammad (Peace be Upon Him). Below it was "Nizam-ul-Mulk Asaf Jah Bahadur" in the centre. At the bottom was the year in Hijrah. The reverse had the regnal year of the Nizam on top, and the name and place of the mint, 'Hyderabad'.¹

Some of the coins are seen during the period of Afzaluddaula Asaf Jah V (Mir Tahniyath Ali Khan), Asaf Jah VI (Mir Mahbub Ali Khan), and Asaf Jah VII (Mir Osman Ali Khan).

Coinage System of Mir Osman Ali Khan:

Mir Osman Ali Khan was the last Nizam of the Hyderabad State. He ruled the state between 1911 to 1948. He issued coins in various metals viz. gold, silver, bronze, nickel and copper-nickel in shapes such as round or irregular and square from Haidarabad (Farkhanda Bunyad) mint. These coins were found in various denominations like Rupee, Ashrafi, Pai, and Annas.

These coins bore the Persian inscriptions in beautiful Tughra calligraphy. The obverse bears the legend 'Nizam-ul-Mulk Asaf Jah' with letter (Ain) for Usman with AH date while the reverse has the mint name, julus formula and face value. Later series depicts the Charminar on its obverse.²

The Hyderabad State had its own currency known as the Hyderabad rupee, until 1951. The pace at which the last Nizam Mir Osman Ali Khan amassed wealth made him one of the world's richest men in 1937, also known for his miserliness. He was estimated to be worth ₹ 660 corers (roughly US\$2 billion by the then exchange rates). According to the Forbes All-Time Wealthiest List of 2008, Nizam Mir Osman Ali Khan is the fifth richest man in recorded history per the figures, with an estimated worth of US\$210.8 billion adjusted by Forbes as per the growth of the US GDP since that period and the present exchange rate of the US dollar against the Indian rupee.

The Hyderabad Rupee was the currency of the Hyderabad State from 1918 to 1959. Hyderabad silver Rupee featuring the Charminar. It coexisted with the Indian rupee from 1950. Like the Indian rupee, it was divided into 16 annas, each of 12 pai. Coins were issued in copper (later bronze) for denominations of 1 and 2 pai and 1/2 anna, in cupro-nickel (later bronze) for 1 anna and in silver for 2, 4 and 8 annas and 1 rupee.³



Mir Osman Ali Khan One Rupee Silver Coin

Mir Osman Ali Khan's One Rupee - Silver coin which consist (.818) 11.178 g 30 mm. during 1330-1343 (1912-1925). (The Urdu letter "Ain" inside the Charminar represents 1st letter of the word "Osman").



Mir Osman Ali Khan 2 Pai Copper Coin

The Government of Hyderabad made several efforts to organize private bankers to set up a banking company which could issue paper money. The British, however, resisted the attempts of Indian princely states to issue paper currency. The acute shortage of silver during the First World War and the contributions of Hyderabad to the British war effort led them to accept, in 1918, paper currency in denominations of Rs.10/- and Rs.100/- issued under the Hyderabad Currency Act.

The currency was designated the Osmania Sicca (OS). One and five rupee notes were subsequently issued in 1919 and in the same year a nickel one-anna coin also introduced. These coins value was also indicated in four languages called, English, Kanarese, Telgu and Marathi in four corners. During the Second World War (1939-1945) there was a great demand for Hyderabad silver coins and their market value was enhanced considerably. During the 1940's when the rectangular one-anna coin was minted in copper instead of nickel, in the two-pie coin a central hole was made to facilitate differentiation between the two types of coins.⁴ One thousand rupee notes were issued in 1926. After the setting up of the India Currency Notes Press at Nasik, Hyderabad notes came to be printed there.

The Bank Notes (Paper Currency):

The banknotes of Hyderabad were issued from 1918 until 1953. The ruling Nizam of Hyderabad was Mir Osman Ali Khan. Notes issued as early as 1916 have been reported. The notes are dated in the Fasli Era, so adding 589 to the FE date will convert it to the A.D date. In 1918 a paper currency department was established under the act of 1918. This act provided for the issue and regulation of a paper currency. There were 100, 10 and 5 rupees notes available on 17 and 23 shareware respectively. They were printed in Urdu, with the value of currency written in Urdu, Marathi, Telgu, Kannada and English on them.⁵

In 1932, a quantity of unissued, but water stained Hyderabad notes in 5, 10, 100 and 1000 rupee denominations were recovered from the SS Egypt, which sank off the island of Ushant near Brest, northern France in 1922. Many of these were given a special stamping and sold as souvenirs. These notes were in the process of being shipped from England where they had been printed. These notes are of historic interest to notaphilists. Some of the notes are printed slightly later than the dates that they bear. We also found that some stamps like, Silver Jubilee Commemoration Stamps 1937 and Independent Commemoration Stamps of Hyderabad 1947.⁶

The double letter serial number prefix determines what series the note is located in. Some of the 1939-53 issues have a single serial number prefix series code letter. Hali Osmania paper currency in Hyderabad State that was returned to the treasury from 1 July 1953 to 31 October 1953 is O. S. Rs. 8.05 crores including one-rupee notes and O. S. Rs. 18.42 crores including rupee coins and small coins as on 28 November 1953.

Establishment of the Hyderabad State Bank

The Hyderabad State Bank was established by the Nizam Mir Osman Ali Akhan in April 1942. It was designed by Muhammad Fayyazuddin, an alumnus of London Association of architecture. The first manager of this bank was Salah Haydri, son of Sir Akbar Haydri. The bank was entrusted with the function of State Bank. The regulation and maintenance of external stability of Hyderabad Rupee Osmania Sicca, became the responsibility of the bank in order to maintain the stability of Hyderabad currency the bank had powers to buy and sell British Governments Currency. These facilities the Hyderabad businessmen to transfer their transactions from different parts of India. It also augmented the monetary system of State. The Hyderabad State Bank served as the Reserve of Bank of India.⁷ The Hyderabad State Bank, with the responsibility, inter alia, of managing the OS. Hyderabad continued to mint its own coins until 1948, when India occupied the state after the Nizam refused to cede it to the new Dominion.

In 1950, the Indian rupee was introduced alongside the local currency, with the relationship of 7 Hyderabad rupees = 6 Indian rupees being used. In 1951, the Hyderabad rupee ceased to be issued and the Indian rupee became the main circulating currency, although the Hyderabad rupee was not demonetized until 1959.

CONCLUSION:

In concluding, the coinage system of Mir Osman Ali Khan is very different from one and another Nizams in the State. He introduced ruppe, ashrafi, anna and pai. These had their won value of amount. He also established banking system in the state for financial services in the Hyderabad State. He is continued the Mughal emperor coinage in the Deccan.

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