

ECONOMIC POLICY OF CHHATRAPATISHIVAJI MAHARAJ (1630-1680)

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Abstract :

Many millennia before the rise of civilization in many parts of the world, India had advanced business, production, commerce, overseas foreign trade, transportation of goods for sale by water, land and air and advanced rules and regulations related to them, regulation and taxation of business. A very detailed discussion of the principles of is found in abundance in the ancient Vedic texts of India. There is also evidence of the existence of an economy with advanced business administration and management in ancient India. Regarding the tax system it is said in our ancient Vedas that the king should avoid tyranny in the form of excessive taxation. According to **Kautilya**, excess of taxes gives rise to feelings of poverty, greed, dissatisfaction, dispassion etc. among the people. The king was prohibited from levying any tax other than that prescribed by the Smritis. The amount of tax depended on the price and time of the item. The king could generally take one-sixth of the produce. Yes, there was only one exemption for imposing additional tax at the time of objection. Heavy taxes were not imposed on barren lands. Taxes always seem light to the taxpayer, which he can pay without any difficulty and tax evasion. Just as **a bee takes honey from flowers without causing any trouble**, in the same way a king should take honey from his subjects without causing any trouble. Economic inequality and deficit financing were controlled through the tax system.

Keywords : Economy , Tax system , booty & tributes , inampatti, balutedars.

Introduction :

A Modern State has a countless number of source of income such as taxation, fees, prices, special assessments, public loans, fine, penalties & grants etc. In fact as the economies continue to grow their needs also grow. Hence need for making financial resources available is also felt .In this respect the modern states are fortunate because they can tap a number of resources and meet their requirements without much difficulty.

But this was not the situation in the 17th century when Shivaji Maharaj , the great ruled. In those days the stats had to depend upon their own sources of income howsoever they were limited. Therefore they had to face a number of difficulties & hurdles. Shivaji Maharaj state was no exception to it. It was newly born small state with limited resources. Shivaji Maharaj had to toil & use his skill as an administrator to utilize these available scare resources for the upliftment of his subjects. He always faces this problem ,the problem of resources ,He had

many ideas in his mind but he could not embody them due to Paucity of funds & revenue.

The whole Shivaji life was spent in battles wars & fights earlier to extend the kingdom or to earn money meet expenses of administration or raising & expanding army. He preferred to invade the surrounding areas of his kingdom belonging to the Mughals or the Adilshah of Bijapur to raise necessary funds but he never imposed heavy taxes on his Subjects. Whenever , he can short of funds he ransacked the territory but never exploited his people. He wanted to reduce the financial burden of his people therefore he never imposed heavy taxes on them. The major source of income for his state was the booty & tributes which he got from a number of battles he fought. He will deal with the booty & tributes that he received from other & his enemies.

Industry & Trade :

Chhatrapati Shivaji Maharaj was aware of the important of a flourishing trade for the economic well being of the state. He encouraged the tender and merchant by creating peths (Market place) . ‘Shete’ & ‘Mahajan’ were the officers who supervise the transaction of these Pethes . Chaul , Rajapur , Dabhol , Kelshi , Ratnagiri were some of the important ports and trade centre of this periods self , sufficeint village was the basis unit of the Swarajya. The economics system of the village was never affected greatly by external political change , Every village had 12 ‘Balutedar’ (Service providers in the village) . There occupation were hereditary in nature . Every occupation int this system had a specific status in the social hierarchy . the ballutedars , for examples Goldsmith (Sonar) , Blacksmith (Lohar) , Branziers (Tamabat) etc. Heredity occupation weekly markets were set up in big villages . Such villages were know as ‘ Kasba ‘. People visit weekly market to buy daily provision and other goods. Some Industries of this period included textile industries , metallurgy , sugar industries etc. The rural Maharashtra of Maratha period was organised in to different social classes such as nobility (Sardars), Landlords (Watandar) , balutedars and Ryot (rest of the subjects)

Land Revenue:

Land revenue was the major source of public income. It was refer as Rajbhag i.e share of the king. The share of the state as land Revenue in agriculture produce was fixed at 2/5 of produce or one third 1/3 part of the value of the produce at market prices. Under the rule of Shivaji Maharaj the system surveying of land was charged. One of his Peshwa name **Annaji Datto** was appointed to survey land in the state & decide upon the land revenue. In case of dry land rate of land revenue was not fixed per bigha but on the value of the produce. This was the benefit the cultivator because if, the rate of the land revenue was fixed as per bigha the cultivator was required to pay land revenue. It would mean exploitation of cultivator. To fix the rate of land revenue an average of 3 years oncome was considered & then rate was fixed. In beginning the rate of land revenue was fixe 33 % of total income but later on it was 40 %.. The agriculture tax was collected regularly. The Hawaldar of the village & Patil was responsible person to collect total revenue of the village. The account book collection will be submitted to Deshmukh.

Most importantly, Shivaji tried to bring financial unity by establishing one common

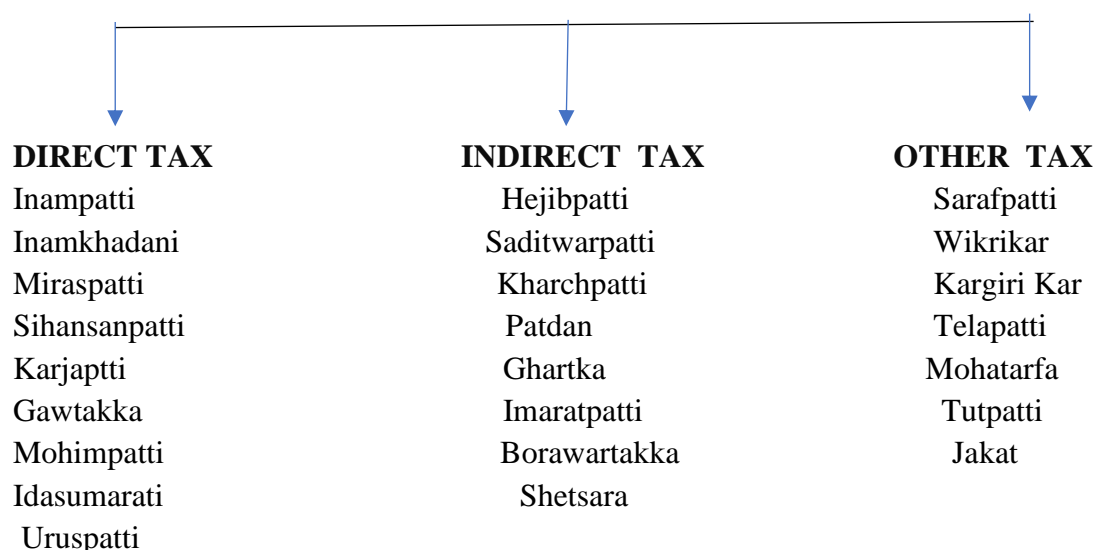
method for the collection of revenue. For this, he revived Malik Ambar's (He was Peshwa (Prime Minister) of the Ahmadnagar Sultanate in the Deccan region credited with carrying out a revenue settlement of much of the Deccan) revenue system and land in every province was surveyed for assessing the rent and other dues payable by the cultivators. The main features of Ambar's system accepted by Shivaji were (i) the classification of lands according to fertility; (ii) ascertainment of their produce; (iii) fixing the government share; (iv) collection of rents either in kind or money and (v) abolition of the intermediate collecting agents as farmers of the revenue. Using the Tagai and Istawa principles new lands were brought under the plough and the farmer was subsidized with seeds and cattle. New cultivators were given seeds and cattle, and loans advanced to them were recovered over years. The cultivable wastelands were excluded when a village was assessed. When later, some of the wastelands were brought under cultivation; they were taxed moderately to begin with. .

Taxation :

Besides land revenue, many other sources contribute to the state treasury such as customs, transit duties, judicial fees, and fines, forest revenue, profits of mintage, presents by subjects and officers, escheat and forfeitures, plunder of hostile territory, war booty, capture of ships, various kinds of cesses and last but not the least Chauth and Sardeshmukhi. Chauth was essentially a tax paid by those kingdoms that did not want the Marathas to enter their realm. The Chauth thus served as protection money against Maratha invasions of the chauth paying state. It was an annual tax levied at 25% on revenue or produce. Sardeshmukhi, on the other hand, was an additional tax of 10% which Shivaji claimed from the hereditary overlord of Maratha territory. The third source of the income to the Maratha state was king imposed various taxes from time to time.

We are classified tax in three categories .

Classification of taxes :



- 1) **Inampatti** : The service tax or tribute from grant holders or heredity – right holders mostly collected from vatandars, Inamdar, etc.

- 2) **Miraspatti** : Shivaji imposed a tax named 'miraspatti' to keep a check on watanadars who indulged in unethical means of earning . It was essentially collected only from watanadars . There was no coordination in the recovery of this tax because the official did not understand the meaning of this tax and from whom it was supposed to be recovered .
- 3) **Sihansanpatti** : Throne tax , event tax or occasion -tax levied on the fief-holders on their Coronation-ceremony .
- 4) **Karjpatii** : The tax charge the amount to be recovered by the people to pay the government loan.
- 5) **Gawtakka** : A tax levied on people for the development of villages .
- 6) **Mohatrfa** : A tax charge on shopkeepers or merchants This tax was paid both in cash or kind .
- 7) **Uruspatti** : Urus is a festival that is celebrated at the shrines of muslim saints .This tax is of Muslim nature and also a religious tax .
- 8) **Mohimpatti** : The tax will have to be the given to the villagers to go the mission .
- 9) **Hejibpatti** : Postage tax , currier charge .
- 10) **Kharch patti** : The tax charge on people for public works ex. Making Bridge , roads etc.
- 11) **Imaratpatti** : A tax levied on the people for the fort of the king .
- 12) **Borwartakka**: A health tax levied to protect a village from infectious or accompanying disease.
- 13) **Inamkhandani** : A tax levied on inam grants ,land or revenue assigned either in favour or charity ,or a commensation of the duties of hereditary officials .
- 14) **Tutpatti** : It was a tax for covering losses . It might be similar to ' KASAR' . Tut means deficit.

Chhatrapati Shivaji Maharaj tax policy can also divided into the following method..

Government Dues:

Deduction from income of various hereditary officials Pargana was also a tax income .This tax was named as Inampatti ,Miraspatti ,Deshmukhpatti & Sardeshmukhpatti.

Professional Tax :

Tel Patti , Sarafpatti, Vethbegari & HejibPatti.

Indirect Taxes :

Among all the indirect taxes custom duties occupied the proem place. It was like exports & imports, Chaul ,Dhabol , Vengurla ,Rajpur & Ratnagiri were the chief ports of Shivaji Maharaj which were bussy with import & export goals. Along with export duties a transit duty was imposed on foreign goods traveling through Shivaji Maharaj's state.The custom duty i.e Jacket was the main & important item of state revenue. Shivaji Maharaj received a number of valuable gifts & presents From his subordinates, kings & envoys. It also formed the income of the state. Another important source of income was judicial fees & fines imposes on the criminals & law breakers. A small income was earned from mints & coins ,a license was issued

& the license had to pay a certain percentage of coin minted.

The Booty & Tributes :

The other source of income to state of Shivaji Maharaj was booty & tribute, which he got from the battles and wars he fought. For three years from 1660 to 1663, Shahiste Khan destroyed the territory of Swarajya. It had to be compensated. Maharaj devised a plan to teach the Mughals a lesson. Surat was a trading center during the Mughal era. In favour of English and French there. This city provided high revenue to the Mughal emperor. Also, Maharaj rode on Surat as it was financially prosperous.

The Victory over Afzalkhan brought great wealth to Shivaji defeat of Afzalkhan, made him available 65 elephants, 4000 best Arabic Horses, 1200 camels & jewellery of Rs.3 lakhs. He also got 2000 bales of rich clothes of rupees seven lakhs in cash. In addition he got cannons, guns & weapons of all types including thousands of tents. It was grateful wealth to Swaraj. Shivaji Maharaj always need of funds for building his nation. His state emerged out of nothing. Therefore need for funds was always there.

This was reason behind plundering the rich city Surat besides, he wanted to give fitting reply to the Mughals who were not only Plundering in his kingdom but also did atrocities on the ryots. The Mughals never spared anyone from their onslaught, But Shivaji Maharaj never harassed common People or the poor, children & women. He demanded amount of ransom or tribute from the rich & merchants. If they refused to pay him the only he used force & looted their establishments. The attack on Surat was enormous. IT valued at one core. The second attack on Surat valued at rupees 75 lakhs along with gold silver. The Maratha army also found rich furniture in city of Surat. The second attack on Surat proved to be death blow to the rich city, The Mughals failed to protect it. In Addition with this, the merchants raided Bahadurkhan's camp at Pedgaon & collected a Booty of Rupees on crore in cash and 200 Horses. Merchants got ¼ of the collection revenue from the Portuguese.

Conclusion :

Shivaji Maharaj's emphasis on supporting farmers through tangible resources rather than cash resonates with modern discussions on rural development and sustainable agriculture. Shivaji Maharaj's economic policies were not limited to revenue collection; he recognized the interdependence of agriculture, irrigation, and trade in creating a self-sustaining ecosystem. His promotion of these sectors aimed at fostering economic prosperity, ensuring food security, and facilitating robust trade networks. This comprehensive approach reflected his visionary understanding of the intricate connections between different facets of the economy. An out of the world and unusually differential characteristics of economy and economics of Shivaji Maharaj has been the 'always surplus funds' and 'no deficit finance'. Chhatrapati Shivaji Maharaj's governance was characterized by a profound commitment to social justice and economic well-being. His alleviation of the tax burden on the poor, audacious financial strategies, humble acknowledgment of divine will, and promotion of agriculture and trade collectively underscored his holistic approach to governance.



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