

BANKING IN THE 18TH CENTURY : A CASE STUDY OF A POONA BANKER

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IN this paper an attempt is made to understand the banking system as it existed in the 18th century in Western Maharashtra. A large number of account books of a banking firm styled Dixit-Patwardhan are available with the Bharat Itihas Samshodhak Mandala, Poona. The documents give very valuable information about the growth of that banking house and the functions of bankers in the 18th-century Maharashtra, a subject about which our knowledge is extremely limited. In the past V. G. Kale, N. G. Chapekar and C. B. Joshi have made some attempts in throwing light on this subject.¹

The documents available for study cover a period of nearly a century starting from 1740 to 1836. Rich in the variety of details, minuteness of information and statistical accounts, the records are almost continuous. However, notice has been taken only of one year's accounts viz. 1777-78 (Saka 1699) in this paper, for the sake of an intensive study. The unit of time so selected is not based on any particular consideration.

The Patwardhan family had settled down at Nasik some time in the first decade of the 18th century. The Patwardhans started their business of money lending on a small scale at Nasik. Later they came in contact with the Peshwas through one Vishwanath Pethe, a prominent General of the Peshwas. In 1729 Bajirao I brought them to Poona. In subsequent years they had matrimonial relations with the Peshwas. All these years their business flourished a good deal. Their main office was at Poona and branch offices at Nasik, Bombay, Aurangabad and Bijapur. Banking became the main business of the Patwardhans, and several generations of the family engaged in it.

In 18th-century Maharashtra, bankers were chiefly responsible for money transactions like lending and borrowing etc., but not with the creation of credit money as such, in the modern sense of the term.

¹ Kale, V. G., *Bharat Itihas Samshodhak Mandala Quarterly (BISM)* March 1930, pp. 25-32, March 1936, pp. 103-4, June 1936, pp. 41-43, September 1936, pp. 65-66.

Chapekar, N. G., *Peshawaichya Savaleet*, 1937, pp. 120-160. Joshi, C. B., *BISM Quarterly*, Sept. 1934, pp. 65-79. Chapekar has also used the records of the Dixit-Patwardhan.