

**IDPM FINANCIAL DIARIES COVER SHEET FORMAT**  
**India: Rural**

*Interview taken by:* Sushil Kumar      *date:* 15<sup>th</sup> September 2001

Category: Better off      Initial wealth ranking: Better off      Code: KBH10

**Site:** Barahulla **Principal respondent(s):** RG (self), RK (son), HK (son)      **Caste:** Brahmin

RG's family has been in Barahulla for generations. Like K's (KBH03) grandfather, RG's father did service to VP Singh's family, quitting 20 years ago when irrigation enabled the family to live by farming alone. The last land purchase made was of 2 bighas 20 years ago by RG's father. They live as a joint family while 2 brothers separated in 1992. This was not seen as a negative development, although it doubled expenses during ceremonies. The irrigation of the region 20 years ago led to the influx of farmers from Bihar which increased land prices but also led to an improved quality of farming techniques since they were coming from intensive, high-production regions where land was in increasingly short supply.

In spite of their relative wealth and influence, the family has faced drought every other year on average since their irrigation network was realised 20 years ago. They explain this by lack of power supply and mismanagement/ monopoly by more influential villagers. More generally however, farming has been developing continuously over last 10-15 years.

Due to mechanisation & division of joint families more and more farmers are retaining the land themselves to farm. They also realise that it is the increased availability of land to landless or small farmers on share-cropped/ leased basis which is aggravating labour supply problems. So by avoiding letting land out, they try to secure availability of wage labour when they require it.

RK – the eldest of RG's five sons – holds a secure and well-paid teaching job in a government middle school. The third son, HK, also held a teaching job which he lost two years ago and has since devoted himself full-time to the family's farm.

The family borrows from the Society for their agriculture but other borrowings are largely for other expenses and they generally manage their farming investment needs without credit. They have borrowed from government for a range of lifecycle/ general costs and have recently acquired a KCC while its main virtue for them is its flexibility & "no questions asked" approach. RK in particular is able to borrow interest-free from friends and colleagues. The family also lend regularly interest-free to relatives and provide reciprocal gifts in marriages.

RK is a compulsive saver and the only family member with regular cash earnings. He has an LIC policy through his job but has taken another. He has three other savings accounts (two fixed deposits and the other, recurring) and is thinking ahead to the construction of permanent house and the marriage of his daughters.

### 1. Initial household profile:

Name	Relation ship to HH	Age	Highest School grade	Main Economic Activities
RG	Self	68	3 <sup>rd</sup> Std	Helps in family
Chomasi Devi	Wife	65	Illiterate	Housewife
RK	Son	40	Graduate	Primary school teacher
Amarawati Devi	D-in-law	38	Illiterate	Housewife
Ban Kali	Gdd	17	8 <sup>th</sup> Std	Married but lives with family
Indra Kali	Gdd	14	8 <sup>th</sup> Std	Attends school
Snehlata	Gdd	11	4 <sup>th</sup> Std	Attends school
Sadhana	Gdd	5	1 <sup>st</sup> Std	“
Aradhana	Gdd	3	-	
Jalahankar	Gds	12	9 <sup>th</sup> Std	Attends school
Kripa Shankar Pandey	Gds	7	2 <sup>nd</sup> Std	Attends school
Jay Shankar Pandey	Son	38		Operator in a private paper mill
Shakuntala Devi	D-in-law	35		Housewife
Sushil Kumar Pandey	Gds	13	5 <sup>th</sup> Std	Attends school
Rohit Kumar Pandey	Gds	7	2 <sup>nd</sup> Std	Attends school
Prabhawati	Gdd	11	4 <sup>th</sup> Std	Attends school
Sarmo Devi	Gdd	5	-	
HK	Son	35	MA LLB	Helps in farming
Heeta Devi	D-in-law	32		Housewife
Neeraj Pandey	Gds	5		
Pankaj Pandey	Gds	3		
Margala Prasad Pandey	Son	30		Farming
Omprakash Pandey	Son	25		Working in Delhi since 3 mths ago

### 2. Significant changes to household profile during research year:

Ban Kali leaves the family to join her husband after her 2<sup>nd</sup> marriage (gauna)

### 3. Residence:

RG is a relative of KS Pandey (KBH03) and have lived in Barahulla for generations.

### 4. Tenure:

Owner-occupiers

### 5. Support networks:

RK's colleagues and teacher friends and other old friends are important support network. BP Tiwari – their neighbor and better-off than this family – provides support. While the family provides support to their relatives it appears such relatives are not so well off so are not in a position to help or at least are not asked for help, while the Pandeys are confident it would be forthcoming if they needed to ask. They prefer to rely on friends and neighbors as above. As the only salaried member of the family, most expenses are borne by RK.

HK & RK have two other brothers married, one a neighbor, and the other in Calcutta, both married & separated. They have a better-off sister in Delhi but between all these siblings, there appears to be few transactions. They are a well-reputed in the village (which could be more to do with history & links with KS Pandey than their own doing) and this reflects on his ease in accessing formal financial services.

## 6. Public entitlements:

Availability of land opens access to several government-managed financial services (in particular Bank loans & PAC Society). But they don't actively hunt for government schemes explaining that they're not ambitious and don't want to harbor more business risk (for example, with prospective scheme of cattle-rearing from which some wealthier families are seeking to benefit).

## 7. Food habits:

Good food

## 8. Significant assets:

Asset type	Description	Value (if known or estimated)
Homestead Land	15 bisa with well, several mango, mahua & eucalyptus trees & 3 bamboo clumps.	
Farm land (state if irrigated)	20 bigha very fertile land	
Home (equipment, furnishings etc)	Large 6-room mud house with tiled roof.	
Machinery	2 bicycles, fodder machine, radio	
Livestock	4 oxen, 2 cows, 1 buffalo & 4 calves	
Jewelry etc	Yes but no idea of nature	Or value

## 9. Significant changes to assets during research year:

A new bicycle is purchased (Aug 00)

## 10. Income pattern: estimated annual income over research year: Rs.113,000

Name	Income source	Frequency	Scale	Comments
RG, HK	Paddy farming	No sales – store grain	25 Q (Rs.10,000)	Poor irrigation due to poor supply & disease led to very low output
“	Wheat farming	Sales every 1-2 mths	50 Q (Rs.25,000) (ave. sale is 2 Q)	Also less than expectations/ capacity
RK	Gov't primary school teacher	Regular mthly salary	Rs.6500/ mth	Receives Rs.950 extra for over-time trainer

## 11. Expenditure pattern:

Expenditure item	Scale	Comments
General expenses	Rs.750/mth	No need to purchase grain
Housing	-	-
Clothing	Rs.300	1 entry
Education	Rs.4000	Admission fees, notebooks, mostly on two elder children studying in Koraon at government high school
Health	Rs.4800	6 entries, large costs for one of daughter's miscarriage & son's foot wound
Travel	small	Doesn't remember details
Festivals & ceremonies	Rs.15,500	Rs.11,000 on Ban Kali's gauna. Rest on festivals.
Farm investment (fertilizer, seed, tractor, wages, irrigation)	Rs.30,000	Mostly on fertilizer & wages. Also seeds, irrigation & tractor hire, includes both seasons.
Paperwork & fee for Green Card	Rs.600	On-off (official expenses)

## 12. Financial services/devices used during research year:

Type	Instances	Total value (Range)	Comments
Interest-free loans taken	5	Rs.7000 (Rs.500- Rs.5000)	For farming, marriage, buffalo purchase & festivals. Mostly taken by RK from colleague/ teacher friends & also BP Tiwari.
Loan taken from government bank	2	(i)Rs.5000 (ii)Rs.5000	(i)Against fixed deposit from Allahabad Bank for the daughter's marriage (gauna) repaid in 8 mths deducted from his salary (ii)Green Card from Allahabad Bank (Rs.30,000 limit), in 2 installments both as interest-free loans to others.
Co-operative loan taken	2	Rs.6000 (Rs.3000 each)	In fertilizer for farming, both repaid fully
Groceries on credit	2	Rs.1000 (Rs.500)	From 2 shops, one
Goods bought on credit	3	Rs.5100 (Rs.100-4000)	Bangles, fertilizer & buffalo (exchanged with old in Feb 01)
Reciprocal gifts out	5	Rs.2750 (Rs.100- Rs.1000)	1 (Rs.1000) for a relative's funeral, balance for relatives' marriages
Interest-free loans given	4	Rs.4200 (Rs.1000- Rs.1500)	All old (between 1-7 years ago) to relatives, lent on request; hopes for recovery but not sure when
Wage advance given	2	Rs.200 (grain) & Rs.300	To laborers (one "attached")
Savings in the home	1	Rs.1500	Nov 00. Generally keep cash at home but this is to be spent, not saved.
Bank savings account	3	(i)N/a (ii)N/a (iii)Rs.40,000	(i)Fixed Deposit, Allahabad Bank. (ii)Recurring Dep Rs.11,000 at maturity after ?? years for daughter's marriage (iii) FD, All'd Bank Ayodhya about to mature at Rs.80,000 over 5 years in RK's wife's name. Plan to make permanent house & redeposit balance
Life Insurance	2	(i)Rs.860/ yr (ii)Rs.860/ 6 mths	(i)Departmental policy through school: 20 yrs @ Rs.20,000 (ii)Maturity period? Taken 8 yrs earlier, bonus of Rs.5000 received after 5 yrs

## 13. Cheating:

None

## 14. Comments on financial services and devices:

The family has had a Society account for last 15-20 years which they use continuously. They're aware of possibilities of government loans but generally avoid because they can manage without (recently they have taken two loans for general/ domestic needs rather than farming).

They have recently acquired a Green Card since it provides more flexibility than anything else. It was not difficult to acquire. They were especially thinking of purchase of a diesel pump set for their farming and were keen to avoid product-tied loan since it is more expensive and they felt unpredictable.

They regularly lend out to other relatives without clear terms of return. These are reciprocal since they also take from them at other times. But since he can follow up on repayment they are loans rather than reciprocal gifts. RG would have been more quickly reciprocated since there are so many marriages in the household.

**15. Recording financial service transactions:**

Keeps vouchers. Only separate records are of purchasing on credit.

**16. This year compared to previous years:**

The harvest has been good this year. Otherwise not very different to other years.

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