

Financial Vulnerability, Sustainable Livelihoods, and Entrepreneurial Resilience among SC and ST Communities: Evidence from Pune District



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Abstract

Financial vulnerability and economic resilience are central to understanding the socioeconomic conditions of Scheduled Caste (SC) and Scheduled Tribe (ST) communities in India. Despite constitutional safeguards, affirmative action policies, and welfare initiatives, these communities continue to face structural disadvantages related to unstable income, limited asset ownership, informal employment, indebtedness, and restricted access to institutional finance. This study examines financial vulnerability, sustainable livelihoods, and entrepreneurial resilience among SC and ST households in Pune District over the period 2015–2025. Using a mixed-method approach, the study draws on primary data from 60 respondents and secondary information from policy documents, government reports, and financial inclusion sources. Key indicators include income level, employment status, indebtedness, savings behavior, asset ownership, access to formal banking, participation in welfare schemes, self-employment, micro-enterprise activity, skill development, and market access. The findings indicate that financial inclusion has improved through bank accounts, welfare benefits, direct benefit transfers, and microfinance support. However, low income, dependence on informal credit, limited insurance coverage, and weak productive asset ownership continue to constrain long-term resilience. Education, savings habits, welfare participation, SHG support, and livelihood diversification strengthen household resilience. The study concludes that financial inclusion alone is insufficient unless linked with entrepreneurship development, institutional credit, skill training, market linkages, and asset-building strategies to promote sustainable livelihoods and inclusive economic growth among SC and ST communities.

Keywords: financial vulnerability, economic resilience, sustainable livelihoods, entrepreneurial resilience, financial inclusion

1. Introduction:

Financial vulnerability and economic resilience are integral aspects of assessing inequality and inclusive development, particularly in the context of the Scheduled Castes (SCs) and Scheduled Tribes (STs) in India. These groups have been historically excluded and discriminated against, impacting their access to resources. Caste is still influencing economic participation, control of wealth, employment, and institutional opportunities in India with unequal access to education, assets, employment and institutional opportunities (Munshi, 2019; Tagade & Thorat, 2020). There are still disparities in income, asset ownership, employment quality and access to formal financial services despite the various affirmative action policies and welfare programs. The significance of caste in the study of economic vulnerability has also been established in recent studies, which reveal caste-specific differences in poverty and economic inequality, and in financial inclusion (Tiwari et al., 2022; Pradhan et al., 2022). Entrepreneurship is one of the tools that contributes to the improvement of the livelihood security of the marginalized groups

from a sustainable development perspective. Micro-enterprises, skill-based self-employment, informal enterprises, and self-help groups are opportunities for economic resilience for SC and ST households. Sustainable livelihood solutions highlight the need for assets, capabilities and income generation as a way of lowering long term vulnerability (Scoones, 2015). But the lack of institutional credit, insufficient asset holdings, poor financial knowledge, and irregular income hampers the sustainability of entrepreneurial activities of marginalized households. The structural constraints in business participation and enterprise growth further highlight the differences in enterprise ownership and entrepreneurial outcomes that are faced by marginalized groups (Kumar, 2023). Financial vulnerability is the likelihood of facing economic shocks, lack of income security and indebtedness, especially among SC/ST groups. The vulnerability is exacerbated by structural factors like low educational levels, informal and seasonal jobs, geographic isolation, particularly in tribal areas and limited use of productive assets. Financial resilience is also driven by financial literacy of the ST

communities, with their awareness of financial products and services and a lack of them or being limited in access hurts their ability to manage savings, credit and risk (Singh & Singh, 2023). Economically resilient households, on the other hand, are those that can withstand and bounce back from economic challenges and maintain or enhance their living standards. The relationship between vulnerability and resilience needs to be analysed to understand the nature of long-term socioeconomic mobility. Over the last decade (2015-2025), there have been significant policy efforts on financial inclusion, particularly digital banking. Such are the steps taken to make financial services more accessible, encourage entrepreneurship among deprived groups, and increase the social protection coverage. The access to digital channels of financial inclusion has gained crucial importance for SC and ST communities with a view to enhancing access to bank and financial services, direct benefit transfer (DBT) and formal financial systems. The focus has also been strongly on skill development to enhance economic participation and empower people through skill-building initiatives. Furthermore, direct benefit transfers have been introduced to rationalise support and further actions towards greater financial service access, leading to a more inclusive economic landscape. The objective of this study is to explore financial vulnerability, economic resilience and livelihood-based entrepreneurship potential of SC and ST for the last decade. It examines a range of indicators such as income trends, indebtedness, savings behaviour, employment patterns, educational attainment, access to welfare schemes and so on to measure whether policy measures have resulted in sustainable improvements in the economy. Further, the study takes into account the differences between regions and between rural and urban areas, which will have a critical impact on financial outcomes in these areas. This paper has provided a decadal perspective of the analysis and enlivens the discourse on social justice and inclusive growth. It highlights the importance of policy interventions that are more than inclusion-based on access, and that facilitate structural change. Emphasis is given to asset building and long-term economic empowerment, which is designed for historically marginalized communities. This approach focuses on the interconnection of social justice and economic strategies to be instrumental in equitable development.

2. Literature Review

In recent years, financial vulnerability and economic resilience of the poor and socially marginalized communities, such as the Scheduled Castes (SCs) and Scheduled Tribes (STs) in India, have attracted much attention. The disproportionate disadvantage

of these communities continues to be economic, stemming from their historical marginalisation, unequal access to education, limited access to assets, and to formal employment. Economic mobility and livelihood security of the disadvantaged groups remain unequal, and suffer from extreme income inequality (Deshpande & Ramachandran, 2024; Anand & Thampi, 2021). Strong correlations exist between economic vulnerability and reliance on informal labour markets, precarious incomes and no social security. This vulnerability was even more apparent in the COVID-19 pandemic when informal and low-income households were subjected to major income losses. Some households were able to cope with the economic shocks through financial inclusion, digital payments and access to formal financial services, while many of the marginalised groups continued to be vulnerable due to the lack of financial depth and precarious employment (Demirgüç-Kunt et al., 2021; Saurabh & Ramanamurthy, 2023). Education and asset ownership are important enablers of resilience. Increased education leads to increased financial literacy, job prospects, savings habits and decision-making ability. Likewise, land, housing, livestock, savings, and asset holdings in the business sector also equip households with resilience in the face of monetary shocks and help livelihood diversification. But, the households in SC and ST are less likely to have access to productive assets, limiting their financial resilience and entrepreneurial development (Saurabh & Ramanamurthy, 2023). The importance of financial inclusion as a poverty reduction and resilience-building instrument is increasingly being discussed. Bank Accounts, Direct Benefit Transfer, Digital Payment, Credit, Insurance and Saving Facilities can enhance household security. Yet, financial inclusion would not be enough without financial literacy, low-cost credit and income-generating opportunities. Access to finance must be accompanied by access to livelihoods, welfare and economic participation for sustainable poverty alleviation (Demirgüç-Kunt et al., 2021; Singh & Chudasama, 2020). Self-help groups (SHGs) and microfinance are important tools for the support of rural and marginalized households. SHGs can help transform women's behavior in saving, provide access to small loans, offer peer support, and enhance women's involvement in small income-generating activities. They also help to foster entrepreneurship and the creation of micro-enterprises in the region. But the impacts of microfinance are more pronounced when there is financial, skill development, market linkages, and enterprise training (Pandhare et al., 2024). Increasingly, entrepreneurship is perceived as a means of inclusive and sustainable development. Self-employment, SHG and micro-enterprises and livelihood-based entrepreneurship can help SC/ST

households to reduce reliance on informal wage labor to generate better income streams. But entrepreneurship participation by the marginalised is limited due to a variety of factors like caste barriers, limited access to credit, low skills, weak market linkage, and low asset ownership (Deshpande & Sharma, 2016; Deshpande & Ramachandran, 2024). Financial vulnerability and resilience are also intricately connected to gender. The mobility of women from disadvantaged groups is constrained, as is their access to resources, participation in the labor market, and access to capital. If supported with appropriate institutional and market mechanisms, SHGs, microfinance, financial literacy and women-led enterprises can contribute to the resilience of households and support inclusive entrepreneurship (Pandhare et al., 2024). The overall picture from the literature reveals that the financial vulnerability of the SC/ST population is influenced by their low income, informal employment, indebtedness, poor access to formal credit, and lack of education. Educational programs, financial inclusion, welfare packages, SHGs, microfinance, skill development and livelihood entrepreneurship can also boost economic resilience at the same time. Hence, the long-term sustainable development must be combined with financial inclusion and entrepreneurship support, market access, innovation, asset formation, and social protection. This study continues these themes by analyzing financial vulnerability and economic resilience of SC and ST households in Pune District, and how it is related to sustainable livelihood and entrepreneurial resilience.

3. Research Methodology:

3.1 Research Design

The research design adopted is descriptive and analytical in nature, and the study aims to analyze the situation of financial vulnerability and economic resilience of the Scheduled Caste (SC) and Scheduled Tribe (ST) communities over the last ten years. It utilizes a mixed-methods approach, combining both quantitative and qualitative methods to get a deep insight into the financial situation of households. This research design allows for the assessment of the socioeconomic factors which increase vulnerability as well as the exploration of personal experiences with strategies for resilience.

3.2 Study Area

The study was conducted in the Pune District of Maharashtra, India, with a diverse socio-economic environment comprising of urban, semi-urban and rural settings. Though Pune city has undergone extensive industrialization and urbanization, there are some rural blocks and tribal areas where

economic problems still prevail. Pune is an appropriate context for considering the financial vulnerability and financial resilience of different population groups in the context of changing economic conditions, since the city also hosts a population of Scheduled Castes (SC) and Scheduled Tribes (ST).

3.3 Sampling Design and Sample Size

The study focuses on the primary data, which is collected from 60 respondents of the Scheduled Castes (SC) and the Scheduled Tribes (ST) of the Pune District. To represent these communities, these communities were sampled using the purposive sampling technique, particularly from the rural and semi-urban communities. A sampling process ensured that the sample had a proportional representation of gender and occupational categories to best represent the various socioeconomic conditions.

3.4 Data Collection Methods

3.4.1 Primary Data

The data were obtained from primary data using a structured questionnaire interview. There were sections of the questionnaire covering:

- Demographic profile (age, gender, education, family size)
- The sources of income or employment status
- The number of assets owned, such as land, housing, livestock, and savings
- Women in the informal sector are more likely to be excluded from formal banking and credit institutions than those in the formal sector.
- The relationship between saving and indebtedness.
- Involvement in the government welfare programs
- Engagement in self-employment, micro enterprise or livelihood-based entrepreneurship.
- Access to enterprise credit, microfinance and SHG support.
- Skill Development & Entrepreneurship Training Programmes (SDETP)
- The necessity of market access and constraints to increasing income-generating opportunities
- Use of digital banking or digital payments for livelihood activities

Qualitative information was collected through structured interviews to gain insight into financial stability, social support and resilience strategies.

3.4.2 Secondary Data

Secondary data was drawn from government reports, census data, district statistical handbooks and policy documents to provide background

information on the general socio-economic context over the past 10 years (2015-2025).

3.5 Variables of the Study

The three main constructs that are highlighted in the study are: financial vulnerability, economic resilience, and entrepreneurial and sustainable livelihood indicators. Some financial vulnerability indicators are: income instability, high debt burden, dependency ratio, not owning assets, and low institutional credit access. Economic resilience indicators are diversified income sources, saving behavior, insurance coverage, educational attainment and welfare scheme participation. Self-employment status, micro-enterprise ownership, self-help group membership, access to enterprise credit, skill training participation, market access, adoption of digital financial services and income generation activity are some of the entrepreneurship and sustainable livelihood indicators.

3.6 Data Analysis Techniques

The quantitative data were analyzed using descriptive statistics, and systematically coded by using percentages, averages and frequency

distributions. The disparities, if any, were identified by performing a comparative analysis between the respondents of the Scheduled Castes (SC) and the Scheduled Tribes (ST). Further, simple correlations examined links between education and income stability, asset ownership and resilience indicators. The association of entrepreneur indicators (self-employment, SHG, skill training, enterprise credit, market access) with resilience outcomes of households was also investigated. Qualitative responses were analyzed thematically to identify common themes and patterns in terms of coping strategies, social capital and financial security perceptions.

4. Data Analysis and Interpretations

4.1 Profile of Respondents

The study was conducted on 60 respondents of SC and ST communities in Pune District. In the total sample, 35 (58.3%) respondents belonged to the SC communities, and 25 (41.7%) respondents belonged to the ST communities. Gender distribution included 34 males (56.7%) and 26 females (43.3%). Almost 63% of the respondents lived in rural areas, and 37% lived in semi-urban areas.

Table 1: Socio-Demographic Profile of Respondents (N = 60)

Variable	Category	Frequency	Percentage (%)
Community	SC	35	58.3
	ST	25	41.7
Gender	Male	34	56.7
	Female	26	43.3
Education	Primary	18	30.0
	Secondary	27	45.0
	Higher	15	25.0
Occupation	Informal Labor	29	48.3
	Agriculture	17	28.3
	Formal Employment	14	23.4

As displayed in the table, the employment vulnerability was high as close to half of the respondents (48.3%) were engaged in informal sector occupations. A high share of the respondents involved in informal work indicates low transition to stable livelihood enterprises or formal entrepreneurial activities. This means that entrepreneurial skills development and livelihood diversification programmes are needed.

4.2 Income and Financial Vulnerability

Monthly household income was categorized into three groups: below ₹10,000, ₹10,000–₹20,000, and above ₹20,000.

Table 2: Monthly Income Distribution

Income Level	SC (n=35)	ST (n=25)	Total (%)
< ₹10,000	14	13	45.0
₹10,000–₹20,000	15	9	40.0
> ₹20,000	6	3	15.0

Almost 45% of the total respondents are earning less than ₹10,000 per month, which shows that the financial vulnerability is high. ST households have a higher share of low-income households than SC households. To visualise the income distribution of SC and ST respondents, the income distribution is further presented in Figure 1.

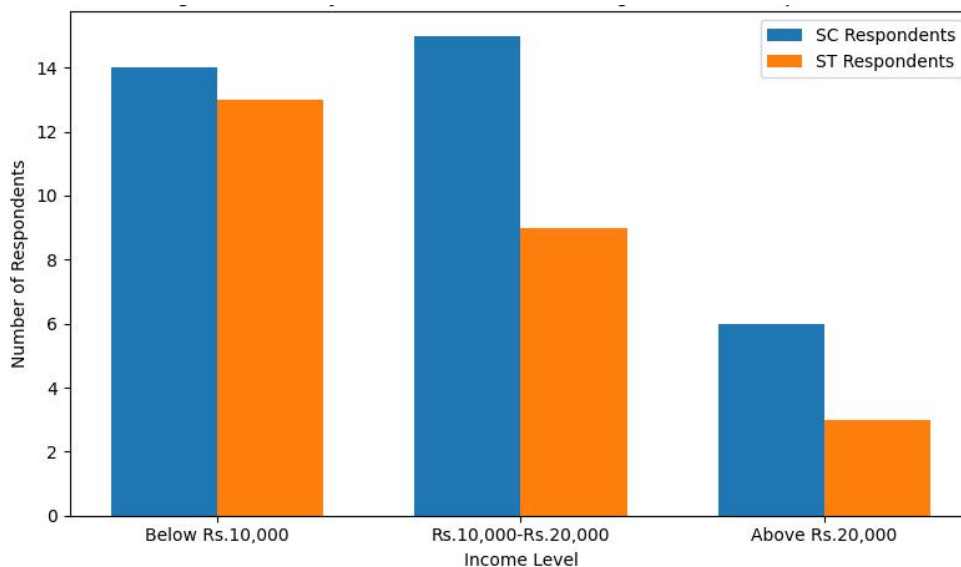


Figure 1. Monthly Income Distribution among SC and ST Respondents

The distribution of the SC and ST respondents is concentrated in lower income brackets, as can be seen from Figure 1. In the case of SC respondents, the highest number falls in the income group of ₹10,000-20,000 and for the ST respondents, the highest number falls below ₹10,000. The above suggests that there is a slightly higher concentration of ST households in the lowest income category, but both households are faced with financial constraints. The figure emphasizes that the income capacity of the SC and ST households is very small, which impacts their savings formation, asset building and ability to engage in sustainable livelihood-based entrepreneurial activities.

A **Chi-square test** was conducted to examine the association between community status (SC/ST) and income category.

- χ^2 calculated value = 2.14

- df = 2
- p > 0.05

The findings show no statistically significant relationship between caste category and income at the 5% level of significance, and so both groups have similar income constraints.

When the monthly income is low, the SC and ST households are unable to invest in small businesses, productive assets or skill-based self-employment. This reduces entrepreneurial resilience and the reliance upon low-paying work.

4.3 Indebtedness and Credit Access

Out of 60 respondents, 38 households (63.3%) reported outstanding debt. Of these, 24 depended on informal moneylenders, and only 14 obtained formal banking credit.

Table 3: Source of Borrowing (Among Indebted Households)

Source	Frequency	Percentage (%)
Informal lenders	24	63.2
Banks/SHGs	14	36.8

Structural barriers to access to institutional credit are suggested by high dependency on informal sources of credit.

A proportion test further confirms that the dependence on the informal credit is much higher than the formal credit (p<0.05), again supporting the vulnerability concerns.

The high dependency on the informal lending market is a significant constraint on entrepreneurial capacity, as households are not able to obtain cheap loans for productive investment. In order to promote sustainable livelihood entrepreneurship, therefore, it is important to make use of formal enterprise credit, finance based on SHGs and microfinance support.

4.4 Asset Ownership and Savings Behaviour

Asset ownership (land, house, livestock, savings) was analyzed as an indicator of resilience.

- 42% reported owning small agricultural land.
- 68% owned a house (mostly semi-pucca structures).
- Only 37% reported regular savings habits.
- 28% had any form of insurance coverage.

A **correlation test** was conducted between education level and regular savings.

- Pearson's r = 0.46
- p < 0.01

This shows a moderate positive correlation, suggesting that there is a strong link between higher

education and better savings behaviour and financial resilience.

The acquisition of assets and regular saving are key pillars of entrepreneurial resilience. Access to savings and productive assets is more conducive to the initiation or maintenance of micro-enterprises, the ability to cope with shocks, and investments in IGA.

4.5 Impact of Welfare Schemes

Out of the 60 respondents:

- 44 (73.3%) possessed bank accounts.
- 39 (65%) received benefits from at least one government welfare scheme.

A **t-test** was conducted to compare mean income stability scores between beneficiaries and non-beneficiaries of welfare schemes.

Category	Mean Resilience Score	Standard Deviation
Beneficiaries (n=39)	3.8	0.72
Non-beneficiaries (n=21)	2.9	0.65

- t-value = 3.92
- p < 0.01

The results show that there is a significant difference in economic resilience scores between beneficiaries and non-beneficiaries, meaning that welfare participation is a positive influence on economic resilience.

Welfare schemes can help reinforce resilience, but can be made even more effective when combined with entrepreneurship development, skill training, market access and asset-building programmes. Welfare support should go beyond consumption assistance and instead help in sustainable livelihood creation.

4.6 Coping Mechanisms During Financial Shocks

During economic shocks (particularly COVID-19):

- 40% relied on borrowing.
- 28% used personal savings.
- 20% reduced household consumption.
- 12% relied on community or SHG support.

This means that low buffer capacity persists as borrowing continues to be the main coping strategy. Low financial buffers and low livelihood diversification are reflected in the dominance of borrowing as a coping strategy. Supporting entrepreneurial income sources can lessen reliance on debt financing in financial shocks and enhance long-term household resilience. The coping strategies used by the respondents to the financial shocks are pictorially presented in Figure 2.

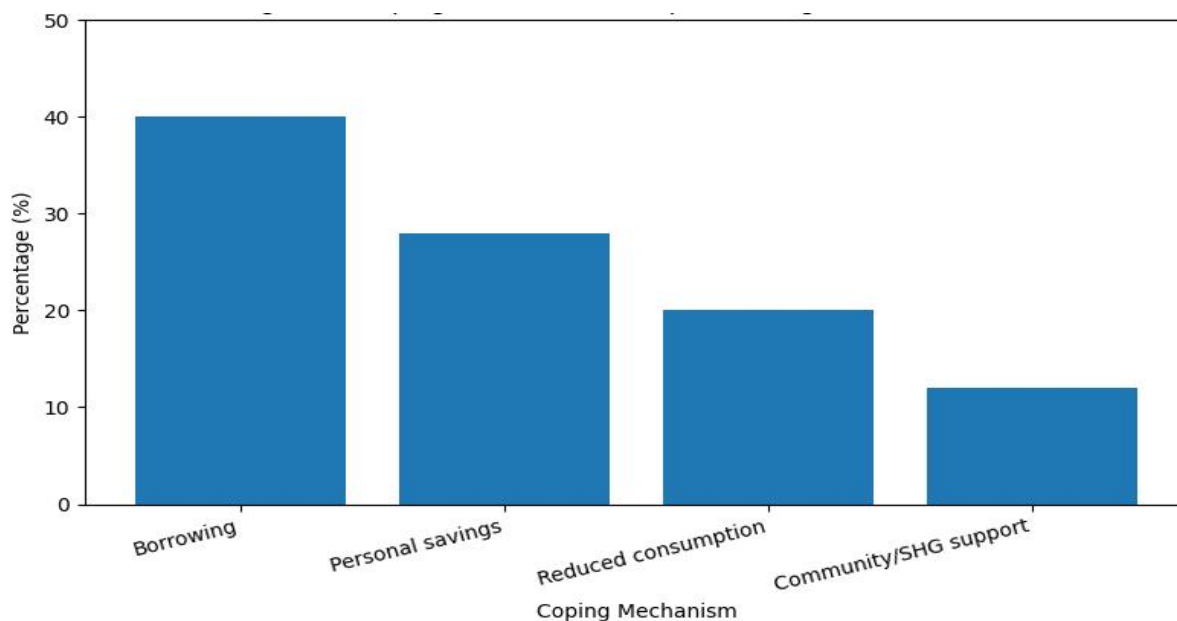


Figure 2. Coping Mechanisms Adopted during Financial Shocks

Respondents most frequently engaged in coping strategies related to borrowing, as shown in Figure 2, with this strategy being adopted by 40% of the respondents. This indicates that there is a low level of savings and poor financial coping capacity among SC and ST households. Only 28% relied on their own savings, 20% cut their household expenses, and only

12% sought support from the community or SHG. Continued financial vulnerability and limited livelihood diversification are demonstrated by the high level of borrowing. The discovery confirms the importance of low-cost institutional credit, insurance, small group formation (SHG) support and income diversifying for entrepreneurship.

Overall Interpretation

The results obtained from Pune District suggest that financial inclusion programs have helped to increase access to basic banking services for SC and ST households. But just having access to bank accounts has not been enough to ensure financial security, stable income, and long-term economic resilience. Financial vulnerability is still strongly associated with structural constraints like low financial literacy, weak livelihood diversification, low monthly income from employment, and limited ownership of financial assets, which are related to the continued reliance on informal employment and livelihoods. Financial inclusion is an effective tool for poverty alleviation and enhancing the livelihoods of poor households, but it is more powerful when combined with access to financial services for savings, credit, and insurance purposes, as well as opportunities for productive investments (Inoue, 2019; Mishra et al., 2024). Limited access to stable employment and sustainable entrepreneurship opportunities is reflected in the high percentage of respondents involved in informal employment. Welfare schemes and direct benefit transfer have contributed to enhancing household security, but their effectiveness can be enhanced if associated with skill development and livelihood generation, and with the availability of institutional credit in affordable terms. To promote sustainable livelihood development, financial access must also be supported by microenterprise growth, livelihood diversification and the potential of the household to access financial services to support productive activities (Mahato & Jha, 2023; Tabares et al., 2022). The data also reveal that debt is a significant risk factor for vulnerability. Informal debt is still a significant source of credit for many households, aggravating the debt burden and limiting the capacity to save and invest in productive assets. This limits their ability to engage in micro enterprises, self-employment and entrepreneurial activities to sustain their livelihoods. Institutional credit is also inequitably distributed based on caste and contributes to the poor status of sustainable development opportunities for the marginalised rural households (Khan et al., 2025). The level of education, savings habits and participation in welfare schemes seem to be critical for enhancing resilience. Having a higher educational level and being more likely to save regularly are associated with being better able to cope with financial shocks and plan for future income requirements. By the same token, increased resilience is associated with participation in welfare schemes, but welfare support should not be confined to short-term income support. It is essential to be linked to entrepreneurship training, digital financial literacy, market access and asset-building programmes.

Financial inclusion is also found to be positively associated with the financial well-being of marginalised workers, if it's linked with real livelihood needs and income generation opportunities (Nandru et al., 2021). The results also indicate the role of self-help groups, microfinance and micro-enterprises in developing sustainable livelihoods. SHGs can promote financial inclusion and social participation, as well as access to small loans for the marginalised rural communities. They are more effective in livelihood diversification and enterprise development than only savings and borrowed funds, however. Microfinance and the SHG model can help to tackle social exclusion in combination with income generation and support for community-based enterprises (Maity, 2023). From a broad perspective, the research indicates that a multi-faceted approach is needed to achieve financial transition to economic resilience. Education, skill development, institutional credit and market access, insurance coverage, asset creation and entrepreneurship support should go hand-in-hand with financial inclusion. Entrepreneurship as a sustainable livelihood can contribute to minimizing informal employment, increasing income secularization and promoting sustainable socioeconomic mobility among the SC and ST communities. Inclusive institutions, financial resources, and market opportunities can be important means of addressing extreme poverty and improving resilience through entrepreneurship (Sutter et al., 2019). So efforts towards financial inclusion should shift from access to inclusive, enterprise-based, and sustainable livelihood systems.

5. Findings

1. **Financial security:** The majority of the respondents (45.9%) had an income of less than ₹10,000 per month, suggesting low financial security.
2. **Debt Dependence:** The majority of the respondents are indebted and have heavy dependence on informal credit sources.
3. **Education boosts Resilience:** Education is statistically significantly correlated with increased saving behaviour.
4. **Welfare Schemes Enhance Resilience:** Welfare recipients have much higher scores of resilience than those not receiving welfare.
5. **Low productivity of assets and insurance coverage:** Poverty and lack of long-term livelihood security due to low productive asset ownership and insurance coverage.
6. **Limited access to micro-enterprises and self-employment due to Weak Entrepreneurial Capacity:** Low income, limited institutional credit and inadequate asset ownership.

7. There is a need for financial inclusion to be connected with skill development and market access, as well as entrepreneurship support, to create long-term resilience.

7. Conclusions

The study concludes that financial vulnerability among Scheduled Caste (SC) and Scheduled Tribe (ST) communities in Pune District remains closely linked to low income, informal employment, indebtedness, limited asset ownership, and restricted access to institutional credit. Although financial inclusion initiatives have improved access to bank accounts, welfare benefits, direct benefit transfers, and microfinance services, these measures alone have not fully ensured long-term economic resilience. The findings show that many households continue to depend on informal borrowing during financial shocks, indicating weak savings capacity and limited risk protection. Education, regular savings behavior, welfare participation, and access to social support systems play an important role in strengthening resilience. The study also highlights that sustainable livelihood-based entrepreneurship can serve as an effective pathway for reducing financial vulnerability. Micro-enterprises, self-help group-led activities, skill-based self-employment, and livelihood diversification can help SC and ST households move beyond dependence on informal wage labor and create more stable income sources. However, entrepreneurial resilience requires affordable institutional credit, productive asset creation, market linkages, digital and financial literacy, and targeted skill development. Therefore, policy efforts must move beyond basic financial inclusion and focus on integrated livelihood support, enterprise development, and asset-building strategies. Strengthening institutional mechanisms, improving welfare delivery, expanding insurance coverage, and promoting inclusive entrepreneurship can contribute to sustainable economic mobility. Overall, the transition from financial vulnerability to economic resilience requires a multidimensional approach that combines financial access, education, social protection, entrepreneurship, and sustainable livelihood development for historically marginalized communities.

8. Policy Recommendations

Based on the findings, the following policy measures are recommended:

8.1 Promoting Sustainable Livelihood and Entrepreneurship Opportunities

To create jobs for SC and ST in Pune District with stable and diversified employment, the skill development programmes must be aligned with the demands of the local economy in various sectors.

Furthermore, there is a need for targeted entrepreneurship support, including start-up grants, linkages to markets, etc., to reduce informal wage employment.

8.2 Expanding Enterprise Credit and Inclusive Financial Access

Financial institutions must develop credit products with low interest rates for the marginalized groups to decrease the use of informal money lenders. Access can be enhanced by simplified documentation and credit guarantee schemes and by strengthening community-based alternatives to exploitative credit, such as self-help groups (SHGs) and cooperative credit systems.

8.3 Supporting Productive Asset Creation for Entrepreneurial Resilience

Long-term resilience depends on having assets and policies that foster increased security of land rights, livestock distribution, housing improvements, and support for micro-enterprises. Asset-building programmes can generate long-term livelihoods and provide financial and economic buffers.

8.4 Strengthening Financial and Entrepreneurial Literacy

The financial literacy initiatives need to be improved, particularly for women and youth, to include financial planning for saving, responsible borrowing habits, insurance awareness and financial bank digital banking. The study demonstrates that financial resilience is enhanced through education, thus making the impact of literacy interventions even more significant.

8.5 Linking Welfare Schemes with Enterprise Development

While participation in welfare increases resilience, there are still gaps in implementation. Improve last-mile delivery, increase awareness and increase benefits transparency to improve outcomes. Moreover, there should be a strengthening of monitoring and evaluation systems to measure impact at the district level.

8.6 Expanding Risk Protection for Sustainable Livelihoods

The penetration of insurance among the respondents is low. Micro insurance products for health, crops and life should be encouraged to promote affordable products. Also, the scaling up of informal workers' pension and social security systems can contribute to reducing long-term vulnerability.

9. Implications of the Study

9.1 Theoretical Implications

The study makes a significant contribution to the existing financial vulnerability literature, economic resilience literature, and sustainable entrepreneurship literature by documenting the financial vulnerability situation and economic resilience strategies of the marginalized communities in India.

9.2 Practical Implications

The results indicate that financial inclusion interventions should be combined with skill enhancement, enterprise assistance through SHGs, market access, and micro-enterprise development to enhance the resilience of households.

9.3 Policy Implications

Policy measures that shift from welfare to entrepreneurship-oriented models of resilience—focusing on asset creation, livelihood diversification and inclusive economic participation of the SC and ST communities—should be encouraged.

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