

Micro-Entrepreneurship Among Marginalized Groups: A Model for Sustainable Livelihoods

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Received: 25 November 2025 Accepted & Reviewed: 28 November 2025, Published: 30 November 2025

Abstract

This study examines the impact of micro-entrepreneurship on promoting sustainable livelihoods within marginalised communities in India, encompassing Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC), women, and the rural impoverished. It aims to comprehend how localised, small-scale entrepreneurial endeavours facilitate poverty reduction, job creation, and social empowerment within the framework of Indian development. The study utilises a mixed-methods approach, combining secondary data analysis from government initiatives such as MUDRA Yojana, PMEGP, DAY-NRLM, and Stand-Up India with field-based case studies from specific states, including Bihar, Odisha, and Maharashtra. Semi-structured interviews with micro-entrepreneurs, Self-Help Group members, local NGOs, and financial institutions provide qualitative insights into operational issues and success determinants. The Sustainable Livelihoods Framework (SLF) assesses micro-enterprises based on economic, human, social, and institutional capital. The results indicate that micro-entrepreneurship in India is an essential mechanism for livelihood diversification, especially for women and rural youth. Businesses in industries such as tailoring, food processing, handicrafts, and small-scale trading have enhanced income security and diminished dependence on subsistence agriculture or migrant labour. Government initiatives have enhanced financial accessibility and skill acquisition; yet, deficiencies persist in market access, digital literacy, and post-loan assistance. Case studies demonstrate that collective structures, including Self-Help Groups (SHGs), Farmer Producer Organisations (FPOs), and women-led cooperatives, are especially effective in amplifying impact and fostering resilience. Micro-entrepreneurship provides a transformative avenue for equitable and sustainable development in India. Micro-entrepreneurship in India can foster self-sufficiency and equitable development, aligning with Aatmanirbhar Bharat and Viksit Bharat@2047 objectives. Legislative reforms can streamline processes and improve digital infrastructure.

Keywords:

Micro-entrepreneurship, marginalized communities, sustainable livelihood, Aatmanirbhar Bharat, Viksit Bharat 2047.

Introduction

In India, micro-entrepreneurship is becoming a vital component of sustainable development plans, particularly for underserved communities. Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC), women, and rural poverty communities are examples of marginalised groups that frequently encounter systemic obstacles such as restricted credit availability, insufficient skills, and institutional prejudice. In this regard, micro-entrepreneurship offers a simple and revolutionary means of boosting income, diversifying sources of revenue, and empowering people. Micro-entrepreneurship promotes social inclusion and economic resilience by empowering people to create small, local businesses.

Micro-entrepreneurship is further positioned as a strategic pillar for national development by the Indian government's current push for self-reliance under Aatmanirbhar Bharat and long-term growth under Viksit

Bharat@2047. The goals of programs like MUDRA Yojana, PMEGP, DAY-NRLM, and Stand-Up India are to promote entrepreneurship in both rural and urban areas, democratise financial access, and improve capacity-building. These programs assist create livelihood opportunities and build local value chains, especially when combined with digitalisation and community-led organisations like Farmer Producer Organisations (FPOs) and Self-assist Groups (SHGs). Notwithstanding these developments, there are still enduring disparities in post-loan assistance, digital skills, and market access, which calls for a more thorough analysis of the micro-entrepreneurial ecosystem.

This study examines the economic, human, social, natural, and institutional aspects of micro-entrepreneurship among marginalised communities in India, informed by the Sustainable Livelihoods Framework (SLF). Utilising a mixed-methods framework, it integrates quantitative examination of governmental datasets with qualitative perspectives derived from field-based case studies in Bihar, Odisha, and Maharashtra. The research seeks to comprehend not only the economic advantages of micro-enterprises but also their broader socio-cultural influence on empowerment, resilience, and sustainable development. By using this perspective, the study emphasises the transformative potential of micro-entrepreneurship and the necessity of more robust institutional and governmental support to increase its impact.

Literature Review:

The literature on sustainable livelihoods and micro-entrepreneurship emphasises how small businesses can significantly improve social empowerment, resilience, and poverty reduction in marginalised communities. Three fundamental dimensions that are pertinent to this study are identified by existing scholarship: Access to microfinance is a crucial factor in facilitating entrepreneurship for low-income households, according to studies by Chambers & Conway (1992), Banerjee & Duflo (2011), and several World Bank reports. Schemes to increase capital availability in India, including MUDRA, PMEGP, and NRLM, have been extensively documented (Khanna & Ramaswamy, 2021). Research continuously demonstrates that access to credit is not enough for enterprise sustainability; post-loan assistance, financial literacy, and risk mitigation strategies are also crucial.

Social Capital and Collective Institutions A significant amount of research emphasises the value of collective organisations such as Farmer Producer Organisations (FPOs), cooperatives, and Self-Help Groups (SHGs) in fostering entrepreneurship and generating social capital. Scholars like Agarwal (2018) and Kabeer (2005) contend that by enhancing social cohesion, financial behaviour, and negotiating power, SHGs greatly contribute to women's empowerment. According to recent assessments of NRLM, SHG federations improve rural businesses' formalisation, skill development, and access to markets.

Diversification of Livelihoods and Value-Addition A popular tool for evaluating how microenterprises improve institutional, human, social, and economic capital is the Sustainable Livelihoods Framework (SLF). Diversification into food processing, handicrafts, dairy, and agro-services lessens reliance on subsistence farming and lessens the impact of seasonal income fluctuations, according to empirical research from rural India. Value-addition is important for stabilising incomes and boosting resilience against market shocks, according to research from the tribal areas of Odisha and the cooperative belt of Maharashtra.

Innovation and Digital Inclusion in Rural Business Current research highlights how digital technologies—such as social media marketing, e-commerce, and mobile payments—are increasingly influencing rural entrepreneurship. According to studies by Gupta & Sahu (2022) and NITI Aayog's Digital India evaluations, digital adoption improves business efficiency, transparency, and market reach. The degree to which

marginalised entrepreneurs can profit from developing digital ecosystems is constrained by the persistence of digital divides.

The Literature's Gaps Despite the fact that current research offers significant insights into microfinance, SHG-led development, and value-chain enhancement, there are still important gaps: There is a dearth of comparative studies across states that represent different livelihood structures. A lack of field-based records of actual entrepreneurial experiences. Under-exploration of institutional variations influencing enterprise success. SLF must be integrated with value-chain viewpoints in order to evaluate sustainability. Through a comparative, mixed-methods analysis of Bihar, Odisha, and Maharashtra, the current study fills these gaps and provides well-founded insights into the ways that micro-entrepreneurship supports sustainable livelihoods in a range of socioeconomic contexts.

Research Methodology:

In order to determine how micro-entrepreneurship helps underprivileged communities in India build sustainable livelihoods, this study uses a mixed-methods research strategy that combines quantitative and qualitative analysis. The economic, social, and institutional factors impacting micro-enterprises were studied in depth using a mix of secondary data from national livelihood and enterprise promotion schemes (such as MUDRA Yojana, PMEGP, DAY-NRLM, and Stand-Up India) and primary field data. Research took place in three intentionally chosen states- Bihar, Odisha, and Maharashtra representing a range of socioeconomic situations, such as cooperative-led dairy and agribusiness models, tribal handicrafts and forest-produce ventures, and rural enterprises based on self-help groups (SHGs). In districts like Nalanda and Gaya in Bihar, Mayurbhanj and Kandhamal in Odisha, and Kolhapur, Amravati, and Nashik in Maharashtra, 35 semi-structured interviews with local entrepreneurs and community members and 8 key informant interviews with officials and NGO stakeholders made up the field-level engagement.

Human, monetary, social, and institutional capital, as well as market access and resilience, were all examined using the Sustainable Livelihoods Framework (SLF). We used descriptive statistics and trend analysis to delve into quantitative datasets, allowing us to compare insights across states, and grounded theory to thematically code qualitative data. Strict adherence to ethical protocols was maintained by taking precautions to guarantee sensitive personal information handling, informed consent, and confidentiality. The results may not be applicable to a broader population due to caveats such as small sample sizes, difficulties in reaching outlying tribal areas, and possible biases in government-reported data.

Case Studies

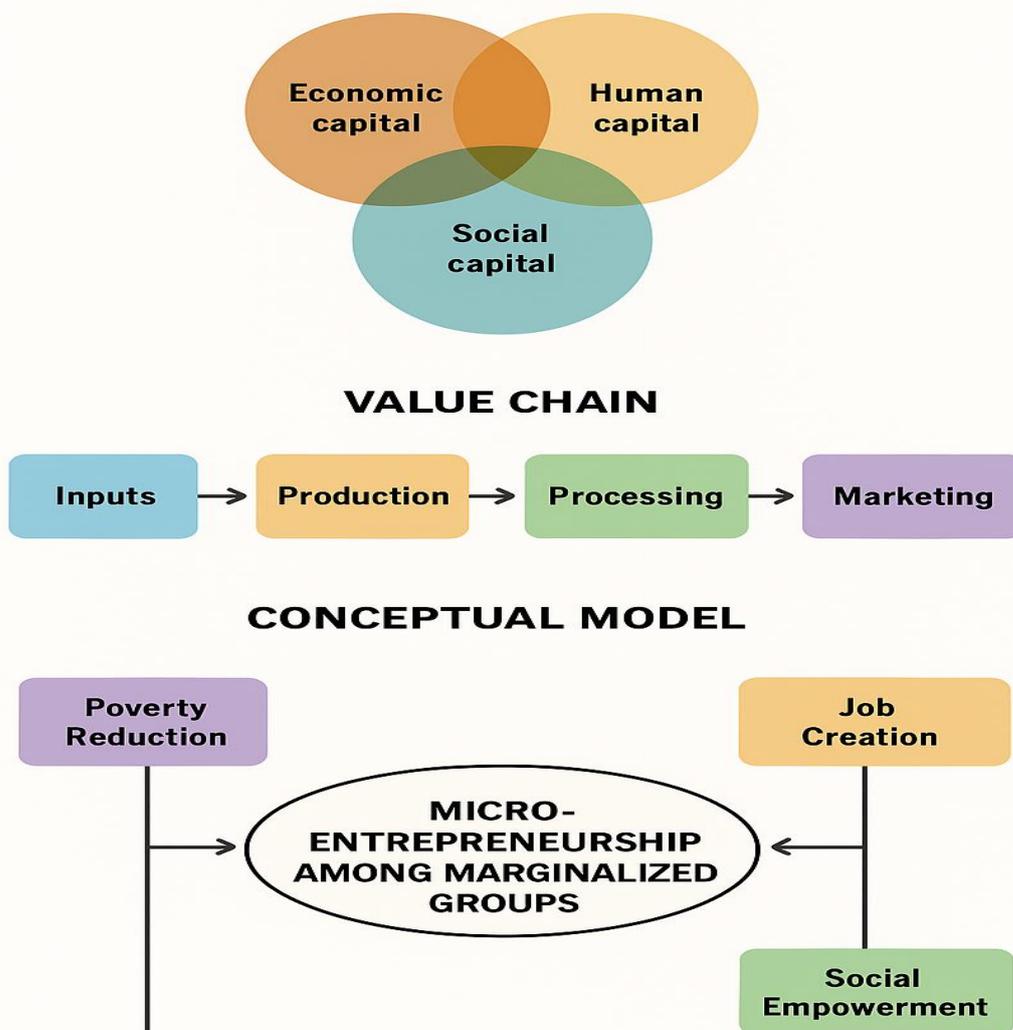
This section presents a comprehensive collection of state-specific case studies that demonstrate the various methods by which micro-entrepreneurship promotes sustainable livelihoods for marginalised groups in India. These case studies underscore disparities in socio-economic contexts, business models, institutional assistance, and community-based frameworks across Bihar, Odisha, and Maharashtra.

Bihar: Women-Led Food Processing and Household Enterprise Expansion

Bihar, notwithstanding its socio-economic difficulties such as elevated rural poverty, restricted non-farm employment, and pervasive seasonal migration has experienced a notable increase in women-led micro-entrepreneurship. The Self-Help Group (SHG) initiative under DAY-NRLM has been pivotal in mobilising and organising women from marginalised communities, facilitating their shift from unpaid domestic labour to income-generating endeavours. Micro-enterprises offer economic independence and improved social standing

for women from Scheduled Castes, Extremely Backward Classes, and marginalised rural households. With the assistance of community leaders, SHG federations, and livelihood resource centres, Bihar has emerged as a prominent state in SHG-driven enterprise development.

SUSTAINABLE LIVELIHOODS FRAMEWORK



The "Jeevika Didis" of Nalanda – Spice and Sattu Microenterprise An exemplary real-time instance arises from the Harnaut block of Nalanda district, where a collective of Self-Help Group members, referred to as Jeevika Didis, has established a micro-enterprise focused on the production of sattu, spices, and roasted grains. Initially, the women fabricated these items utilising domestic tools and marketed them in weekly village bazaars. With assistance from DAY-NRLM, the group obtained a Revolving Fund and subsequently a Community Investment Fund (CIF) loan, facilitating the acquisition of electric grinders, roasters, and sealing machines. Their venture, currently branded as “Jeevika Shakti Masala,” distributes products to adjacent towns and has been featured at district fairs. Numerous members indicated a rise in monthly income from ₹2,000–₹3,000 to ₹7,000–₹10,000, enabling investments in children's education and home enhancements.

Institutional and Societal Support The success of such enterprises is significantly bolstered by multi-tiered institutional frameworks. Self-Help Group federations facilitate financial literacy, accounting, and credit connections. District officers affiliated with NRLM partner with NGOs to provide training on food safety, packaging, and enterprise management. In Harnaut, the Jeevika Didis gained advantages from branding workshops organised by a partner NGO, allowing them to create labels featuring nutritional information and QR codes for traceability. Banks, acknowledging the robust repayment patterns of SHGs, have progressively approved micro-enterprise loans to facilitate growth. Social networks within Self-Help Groups (SHGs) bolster resilience by providing emotional support, facilitating risk-sharing, and enabling knowledge exchange among women entrepreneurs.

Obstacles and Emerging Prospects Notwithstanding favourable results, women-led micro-enterprises in Bihar face obstacles including erratic raw material supply, restricted access to wholesale markets, and inadequate digital literacy. Transportation challenges stemming from inadequate rural road infrastructure hinder their capacity to access urban consumers. Nevertheless, nascent initiatives—such as Jeevika e-haats, collaborations with e-commerce platforms for rural goods, and training in digital marketing—are commencing to close these disparities. The Jeevika Shakti Masala enterprise in Nalanda recently implemented WhatsApp-based order management, allowing customers from Patna to place bulk orders directly. With augmented institutional support, enhanced market integration, and focused digital literacy initiatives, women-led enterprises in Bihar possess significant potential to transition from home-based operations to scalable rural businesses.

Key Insights

- Self-help group networks mitigate risk and promote engagement among women lacking prior entrepreneurial experience.
- Market limitations persist; however, digital marketplaces initiated by NGOs exhibit initial promise.

Odisha: Tribal Handicrafts, Forest-Based Livelihoods, and Market Gaps

The tribal-majority districts of Odisha namely Mayurbhanj, Kandhamal, Rayagada, and Keonjhar boast abundant natural resources and cultural heritage, providing a conducive environment for micro-entrepreneurship centred on forest-based and craft-based livelihoods. Nevertheless, restricted connectivity, inadequate financial inclusion, and feeble market linkages frequently hinder enterprise expansion. Notwithstanding these challenges, tribal communities have progressively utilised micro-entrepreneurship for income diversification and cultural preservation. The state's assistance via Mission Shakti, TRIFED, and the Odisha Rural Development and Marketing Society (ORMAS) has bolstered tribal and women-led enterprises.

Mayurbhanj Sabai Grass Craft Cluster – The "Bhanjpur Sabai Collective" An exemplary real-time instance is the Bhanjpur Sabai Collective in the Baripada block of Mayurbhanj, comprising over 120 tribal women from the Santhal and Ho communities who manufacture sabai grass baskets, table mats, coasters, and ornamental storage containers. Initially, these women marketed unrefined sabai grass ropes to local merchants at reduced prices. With technical support from ORMAS and training from Mission Shakti, they acquired advanced weaving techniques, color-dyeing methods, and product finishing skills. The consortium allocated resources to communal workspaces and precision instruments utilising Mission Shakti loans. Currently, their products are displayed in ORMAS exhibitions throughout Bhubaneswar and Cuttack, and the collective consistently meets large orders for home décor retailers in Kolkata and Bengaluru. Member incomes have increased from ₹2,500–₹3,000 to ₹8,000–₹12,000 per month, markedly enhancing household food security and children's educational outcomes.

Kandhamal Tribal Honey Producers – "Mahua Hill Honey" Micro-Enterprise

An additional pertinent example originates from Phulbani in the Kandhamal district, where tribal youth and women founded a micro-enterprise dedicated to the production and bottling of wild forest honey under the initiative "Mahua Hill Honey." The group, supported by TRIFED's Van Dhan Vikas Kendras (VDVKs), underwent training in hygienic honey extraction, filtration, and bottling. They acquired knowledge of pricing strategies and digital catalogue creation via workshops organised by a local NGO. The enterprise currently markets honey at local haats, district fairs, and via social media platforms operated by local youth. A collaboration with an organic brand in Bhubaneswar has resulted in consistent monthly orders of 40–50 kg of honey. Household incomes rose by 20–40%, enabling families to diminish dependence on migratory wage labour.

Obstacles and Emerging Prospects Micro-entrepreneurs in Odisha encounter obstacles including insufficient transportation infrastructure, excessive reliance on intermediaries, and restricted digital marketing proficiency. Tribal artisans frequently encounter difficulties in standardising products for urban markets. Nevertheless, governmental initiatives such as the augmentation of VDKs, digital cataloguing via ORMAS, and collaborations with e-commerce platforms are generating novel opportunities. In Mayurbhanj, the Bhanjpur Sabai Collective recently implemented QR-coded product tags to improve traceability and narrative, while honey producers in Kandhamal commenced trials of online sales via WhatsApp and Instagram. Enhancing branding, logistics collaborations, and digital education can further expand these enterprises.

Key Insights

- Natural capital is plentiful, yet institutional capital is inadequate.
- Government initiatives offer credit, but sustained income stability necessitates improved integration with national value chains.

Maharashtra: Dairy Cooperatives, Agribusiness, and Youth Enterprise Maharashtra has historically been acknowledged for its robust cooperative movement, varied agricultural foundation, and relatively developed rural infrastructure. Districts like Kolhapur, Ahmednagar, Pune, and Nashik exemplify how micro-entrepreneurship, bolstered by cooperatives, Farmer Producer Organisations (FPOs), and governmental initiatives, can generate scalable and sustainable livelihood prospects. Women and youth, specifically, have gained from enhanced access to dairy value chains, agribusiness services, and digital platforms. The state's focus on rural innovation and value addition has facilitated marginalised farmers and workers in shifting from subsistence activities to lucrative micro-enterprises.

Shivshakti Women's Dairy Unit in Kolhapur

A notable real-time instance originates from Shirgaon village in Kolhapur, where a collective of 18 women established the Shivshakti Women's Dairy Unit, with the assistance of the local Farmer Producer Organisation (FPO). Initially, each member possessed merely one or two cattle and sold milk independently to private vendors at low and variable prices. Subsequent to establishing the collective, the women secured PMEGP loans to acquire communal equipment, including milking machines, chilling units, and fodder cutters. The group enhanced milk yields and quality through training in animal nutrition and quality testing from the District Dairy Development Office. Currently, the unit provides approximately 500–600 litres of milk daily to a regional cooperative dairy, effectively increasing their income from ₹4,000–₹6,000 to ₹10,000–₹14,000 per month. Members indicate heightened financial autonomy, improved savings, and diminished reliance on informal lenders.

Vidarbha Youth Agro-Service Enterprise – "KrishiTech Service Centre" In the Amravati district of Vidarbha, a quartet of rural youths founded the "KrishiTech Seva Kendra," a micro-enterprise providing tractor rentals, soil testing services, drone spraying, and drip irrigation installation. After finishing secondary education and being initially unemployed, the youth reached out to the District Industries Centre (DIC) to investigate entrepreneurial prospects. They secured financing through PMEGP and received technical training from the Agriculture Technology Management Agency (ATMA). The enterprise currently offers services to over 300 farmers in six villages, imposing reasonable fees for machinery rentals and agricultural operations. Members of the group with digital proficiency facilitate bookings via WhatsApp and a straightforward mobile application. Their monthly income varies between ₹12,000 and ₹18,000 each, and they currently engage two supplementary contract workers during peak agricultural periods.

Nashik's Grape Value-Addition Facility – "Sahyadri Raisin Makers" A significant instance is the Sahyadri Raisin Makers initiative in the Niphad block of Nashik, where small and marginal grape farmers, predominantly from OBC and economically disadvantaged backgrounds, collaboratively established a raisin processing facility. The group, backed by the Sahyadri Farmer Producer Company and the Maharashtra State Agricultural Marketing Board, underwent training in dehydration methods, quality assessment, and packaging. Prior to the establishment of the collective, farmers frequently sold grapes at diminished prices owing to market fluctuations. Through the sultana unit, they now enhance value and stabilise their revenue. Raisin sales to wholesalers in Mumbai and Pune have augmented household incomes by 25–40%, allowing farmers to endure variations in fresh grape prices.

Obstacles and New Prospects Notwithstanding robust institutional backing, micro-entrepreneurs in Maharashtra encounter obstacles including escalating input costs, competition from larger agribusiness corporations, and inadequate cold storage facilities in certain areas. Digital tools are increasingly vital for market integration; however, rural digital literacy is inconsistent. Nevertheless, the expansion of FPO networks, the emergence of agri-tech platforms, and governmental investments in rural infrastructure are generating favourable opportunities. Initiatives promoting drone-assisted agriculture, contractual farming collaborations, and value-added processing are especially advantageous for marginalised and small-scale producers.

Key Insights

- Maharashtra exemplifies the effects of integrating physical, institutional, and human capital.
- Youth entrepreneurship is becoming a pivotal catalyst for rural modernisation.

Interstate Comparative Insights

- Bihar: Robust Self-Help Group movement; women's empowerment is the primary catalyst.
 - Odisha possesses substantial natural capital yet exhibits inadequate market integration, presenting opportunities for branding and e-commerce.
 - Maharashtra: Robust cooperative culture; youth and women gain from organised market connections.
- These case studies collectively demonstrate the various avenues by which micro-entrepreneurship fosters sustainable livelihoods, while also highlighting the distinct challenges encountered in each region.

COMPARATIVE CASE STUDIES IN MICRO-ENTREPRENEURSHIP

	BIHAR	ODISHA	MAHARASHTRA
FOCUS AREA	Food Processing	Handicrafts	Agriculture
TARGET GROUP	Women	Rural Youth	Rural Youth
EXAMPLES	Derawar SHG	Sabai Grass Collective Mayurbhanj Mahua Hill Honey	Dairy entrepreneurship Youth-led agro-services Grape value-addition
OUTCOMES	Increased income Enhanced empowerment	Job creation Community strengthening	Income diversification Skills development

Comparative Analysis of Case Studies: Bihar, Odisha, and Maharashtra

Dimension	Bihar	Odisha	Maharashtra
Primary Enterprise Types	Food processing (sattu, spices, papad), household-based units	Sabai grass crafts, tribal handicrafts, forest honey	Dairy cooperatives, agro-service centers, grape value-addition
Leading Beneficiaries	Women (SHG members), marginalized caste groups	Tribal communities (Santhal, Ho, Kondh), women artisans	Small & marginal farmers, women dairy entrepreneurs, rural youth
Institutional Support	DAY-NRLM, SHG federations, local NGOs, banks	ORMAS, Shakti, VDVKs	Mission TRIFED, FPOs, cooperatives, PMEGP, ATMA, DIC
Income Increase	30–40% rise (post enterprise formalization)	20–40% rise for honey producers; 200–300% for sabai craft	40–70% rise across dairy, agro-services, and raisin making
Market Linkage Strength	Moderate (district fairs, local markets;	Moderate to weak (dependent on	Strong (urban wholesale markets, cooperative networks, agro-tech)

Dimension	Bihar	Odisha	Maharashtra
Digital Adoption	limited access) Limited emerging (WhatsApp orders, social media)	digital exhibitions; entry slow) but Low but improving (QR tagging, cataloging)	digital bookings, digital payments)
Key Challenges	Poor branding, weak transport, low digital skills	Remote locations, intermediaries, product standardization	Rising input costs, competition, uneven rural digital skills
Emerging Opportunities	E-haats, women-led clusters, branding	E-commerce partnerships, strengthened VDVKs	Agri-tech expansion, drone-based services, value-addition
Overall, Strength	Strong foundation women's empowerment	SHG and base and cultural crafts	Advanced cooperative ecosystem and rural innovation

Narrative Analysis of the Comparative Table

The comparative analysis of Bihar, Odisha, and Maharashtra uncovers unique regional trends in the development of micro-entrepreneurship among marginalised populations, influenced by socio-cultural contexts, resource accessibility, and institutional frameworks. Bihar's framework is fundamentally based on women-led self-help group networks, illustrating the transformative potential of collective mobilisation. The robust grassroots presence of DAY-NRLM and well-structured SHG federations has empowered women to engage in food processing and domestic enterprises, consequently enhancing their income and self-assurance. Nevertheless, market access and digital literacy are moderate, signifying a necessity for enhanced post-production assistance.

Odisha demonstrates a divergent path in which tribal communities utilise livelihoods based on natural resources. Enterprises like sabai grass crafts and forest-based honey production exemplify how indigenous knowledge, when integrated with organised support from ORMAS, Mission Shakti, and TRIFED, can foster sustainable livelihoods. However, geographical isolation and dependence on seasonal resources engender vulnerabilities. Notwithstanding these challenges, Odisha distinguishes itself through its robust cultural branding potential and community-focused production models. In Maharashtra, micro-entrepreneurship exhibits a greater degree of market integration and technological adaptability. Dairy cooperatives, Farmer Producer Organisations, agro-service centres, and grape value-added units exemplify the progression of micro-enterprises into semi-formalized, scalable models. In this context, digital adoption is elevated, institutional connections are robust, and market channels are more varied. This signifies a developed entrepreneurial ecosystem in which micro-enterprises are progressively integrating into national supply chains.

The comparative table indicates that Bihar excels in social mobilisation and women's empowerment, Odisha in community-driven natural resource entrepreneurship, and Maharashtra in market integration and

technology adoption. These variations highlight the necessity of contextualised policy frameworks that synchronise intervention strategies with regional strengths and limitations.

Policy Recommendations

A resilient micro-entrepreneurship ecosystem necessitates interventions that extend beyond financial access, tackling structural barriers, skill deficiencies, market inefficiencies, and institutional shortcomings. Based on the comparative analysis of Bihar, Odisha, and Maharashtra, the subsequent policy recommendations are designed to amplify impact, improve sustainability, and guarantee equitable growth:

Enhancing Financial Inclusion and Credit Assistance

- Implement ultra-micro credit offerings (₹5,000–₹25,000) for novice entrepreneurs, particularly women and tribal communities, to lower entry barriers.
- Implement mobile-based credit scoring utilising transaction histories (UPI, SHG savings, cooperative payments) to enhance loan eligibility.
- Establish district-level "Entrepreneurship Financial Facilitation Cells" to aid in documentation, loan restructuring, and digital onboarding.

Developing Advanced Competencies, Innovation, and Digital Proficiency

- Incorporate AI-driven and digital entrepreneurship components into rural skill development programs (ChatGPT-based training, digital marketing, e-commerce logistics).
- Advocate for livelihood-oriented vocational education for youth in educational institutions via experiential learning in collaboration with local enterprises.
- Initiate Rural Digital Labs in collaboration with universities to facilitate product design, branding, and digital narrative development.

Enhancing Value Chains and Market Ecosystems

- Facilitate contract farming and corporate partnerships with SHGs/FPOs to secure stable markets and diminish dependence on intermediaries.
- Assist micro-entrepreneurs by providing value-chain mapping tools to pinpoint bottlenecks and opportunities for diversification.
- Establish rural logistics hubs- mini-warehouses, cold storage facilities, and aggregation points to enhance supply chain efficiency.

Strengthening Collective Institutions and Cooperative Governance

- Enhance cooperative incubation initiatives to assist Self-Help Groups (SHGs) and Farmer Producer Organisations (FPOs) in governance, leadership, bookkeeping, and regulatory compliance.
- Implement gender-sensitive leadership training in cooperatives to enhance women's representation in managerial positions.
- Facilitate cooperatives' subsidised access to digital platforms for integrated procurement, sales, and accounting.

Infrastructure, Technology, and Resource Accessibility

- Augment investment in rural industrial clusters featuring communal production facilities and shared tools/machinery.
- Advocate for renewable-powered micro-enterprises (solar dryers, solar cold storage, electric vehicles for delivery).

- Implement drone-assisted land mapping and agricultural services via youth-led enterprises.

Institutional Reforms and Oversight Mechanisms

- Establish a national Rural Entrepreneurship Dashboard to monitor enterprise performance, loan disbursements, gender metrics, and supply-chain integration.
- Establish state-level Rural Enterprise Ombudsman offices for the resolution of grievances.
- Implement performance-based grants for panchayats that effectively incubate and assist local micro-enterprises.

Findings and Discussion:

Diversification of Income and Economic Empowerment Micro-entrepreneurship empowers marginalised populations to diminish reliance on singular income streams, especially subsistence agriculture. Typical micro-enterprises encompass tailoring, food processing, handicrafts, dairy production, and small retail shops. Enhanced income stability diminishes seasonal migration and facilitates asset accumulation.

Empowerment of Women Women-led micro-enterprises substantially enhance decision-making authority, mobility, financial independence, and social engagement. Self-Help Groups (SHGs) grant women access to microfinance and communal savings. In states such as Bihar and Odisha, women-operated food processing enterprises exhibited significant market resilience.

Entrepreneurship Among Youth Rural youth gain advantages from digital and skill enhancement initiatives under PMEGP and DAY-NRLM. Technology-driven enterprises: small e-commerce ventures, digital service hubs, and repair establishments constitute burgeoning prospects.

Function of Government Initiatives Government initiatives enhanced access to credit and capacity-building programs. Nonetheless, obstacles remain: - Insufficient market access - Restricted digital literacy - Elevated reliance on intermediaries - Insufficient post-loan guidance
Collective Models: Self-Help Groups, Farmer Producer Organisations, and Cooperatives
 Case studies demonstrate that collective structures mitigate vulnerability by aggregating risks and resources. FPOs in Maharashtra augmented the bargaining power of farmers involved in small-scale agribusiness, whereas SHG-led clusters in Odisha facilitated access to wholesale markets.

Ongoing Challenges

- Insufficient product diversification
- Deficient branding and packaging expertise
- Limited digital and financial literacy
- Deficiencies in supply chain integration

Conclusion

Micro-entrepreneurship occupies a pivotal position in economic empowerment, social inclusion, and sustainable development in India. This study illustrates that marginalised communities: women, tribal groups, OBC communities, and rural youth can establish resilient and diversified livelihood opportunities when they gain access to financial services, skills, and institutional support. Data from Bihar, Odisha, and Maharashtra indicates that micro-enterprises not only increase incomes but also bolster community cohesion, augment autonomy, and diminish reliance on subsistence agriculture or precarious wage labour. The comparative findings demonstrate that regional ecosystems significantly influence micro-entrepreneurial success. Bihar's robust SHG networks empower women to establish sustainable household enterprises;

Odisha's tribal communities utilise natural resources and cultural knowledge for sustainable products; and Maharashtra exhibits the highest level of market integration and technological application through cooperatives, FPOs, and agri-tech innovations. Notwithstanding differences, a consistent result arises: collaborative frameworks and focused institutional assistance markedly enhance micro-entrepreneurial results.

As India progresses towards the long-term objectives of Aatmanirbhar Bharat and Viksit Bharat@2047, micro-entrepreneurship should be prioritised in inclusive development strategies. Scalable initiatives in digital literacy, market access, infrastructure, and governance will guarantee that grassroots enterprises develop into robust catalysts for rural transformation. Enhancing these pathways will empower millions of marginalised entrepreneurs to attain economic stability and significantly contribute to India's pursuit of self-reliance and equitable development.

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