

## **Exploring Investment Patterns Among Scheduled Tribes in Himachal Pradesh: A Household Perspective**

**BHUSHAN SINGH**  
Assistant Professor

Department of Commerce, Indraprastha College for Women, University of Delhi, New Delhi (India)

### **ABSTRACT**

This study explores the investment behaviour of Scheduled Tribes (STs) in Himachal Pradesh, focusing on their preference for low-risk and non-financial investment avenues such as gold, silver, and real estate. Despite government efforts to promote financial inclusion, STs show limited engagement with moderate and high-risk financial products, largely due to low financial literacy and restricted access to formal financial services. The research identifies the impact of various demographic and socio-economic factors, including education, income, occupation, and internet accessibility, on investment choices. The findings emphasize the need for targeted financial education, improved digital infrastructure, and culturally sensitive financial products to enhance financial participation among STs. These measures are crucial for promoting economic inclusion and achieving sustainable development for this marginalized community.

**Key Words :** Schedule tribes, Economic development, Financial education

### **INTRODUCTION**

Investment is one of the most significant components for the economic advancement and sustainability among individuals to nations. Personal investing is essential for enabling individuals to achieve security, wealth accumulation and accommodation of long-term goals like schooling, wellbeing or retirement (Poterba and Wise, 1998). It supports better macro-economic outcomes as economic development, rapid productivity growth and the implementation of infrastructure projects help drive a country's prosperity at national level (Gemson *et al.*, 2012). The relevance of investment in India is further emphasized by the presence of its heterogeneous population that encompasses a variety of marginalized communities, e.g., Scheduled Tribes (STs). Scheduled Tribes, many of whom constitute the least advanced level within Indian citizenry as well- endowed with a unique cultural pattern but historically under-developed segment in socio-economic terms affecting their financial behavior especially saving and investment habits (Gedela, 2013;

Nair and Shankar, 2015). Understanding the financial practices of STs is important to have an inclusive financial policy and elimination of economic disparity (Gedela, 2013).

Investment behaviour of the Scheduled Tribes in India is influenced by various factors such as restricted accessibility to financial services, lack of finance and awareness about it (Barsky *et al.*, 2002; Smith, 1995) socio-economic constraints etc. Considering the distances at which many members of such communities in and around areas live, banking facilities have become more difficult to access (Ministry of Tribal Affairs, 2013). Moreover, practices of the earlier days such as and dependence on unofficial saving techniques have typically interrupted mobilizing more official investment aspirations. Therefore, the saving and investment behavior is expected to be vary across different population groups with in India (Chakraborty and Digal, 2011; Sood and Kaur, 2015).

There are several reasons to study the investment

patterns of Scheduled Tribes. One, it enables policymakers and financial institutions to appreciate the kind of challenges that these communities are dealing with in terms of accessing formal finance. This knowledge is essential in designing effective interventions that can enhance financial inclusion and economic opportunities for STs. Second, analyzing these patterns sheds light on the effectiveness of current financial policies and programs in fostering investment among underserved populations. Finally, it fuels broader conversations around social and economic justice emphasizing that sustainable development happens only when all aspects of society can participate in the process-when everyone is involved economically.

### Review of Literature:

The country is not homogenous and investment behaviour among the Indian population largely depends on socio-economic factors. Indian investors have traditionally preferred to park their wealth in physical assets, especially real estate and gold which they see as safe investments. The roots of these conservative choices are identified with social, just as spiteful inclination towards formal financial markets (Reserve Bank of India, 2017). Instead in the recent years, trend has shifted more towards financial assets such as equity shares, mutual funds and insurance which can be attributed to growing awareness about finance among public mass incomes sector income is vary degrees of pension basic ICICI (Goyal, 2015).

Whether the investment decisions of Scheduled Tribes are provided by several demographic factors like age, education, income level and place they belong to. Because of more exposure to technology and education, even among the young people belonging from ST communities are slowly opening up around investments in other asset classes like digital financial services. But older people tend to be set in their ways within traditional investment tools, showing a much more risk-averse (Ameriks *et al.*, 2004; Geetha and Ramesh, 2012). The level of education significantly influences financial awareness and literacy. Higher level of educational attainment, studies reveal, is associated with a larger likelihood in investing on financial products. Yet education disparities in these communities restrict their participation significantly to advanced financial markets (Nair, 2015 and Shankar; Singh and Bhandari, 2012).

Income variability is another important factor as the STs generally have low levels of income than other social

groups which affects their savings and investment capacity. Their irregular income mostly from agriculture and informal labour adds to the major problem of handling regular savings and investments a challenge for (Ministry of Tribal Affairs, 2013). Large geographical distances from formal banking institutions make ST communities dependent on informal financial systems and local moneylenders, who charge usurious rates of interest, often exploitative for the borrowers. Though urbanisation has resulted in some change, status-tribes domiciled in towns and cities are more amenable to formal financial systems (Ministry of Tribal Affairs, 2013).

Top three barriers to improving investment amongst STs include; low level of financial literacy, absence of customized financial products and restricted access to formal banking services. To address these challenges, a multi-pronged strategy is needed engaging policy interventions as well by targeting financial education programs and culturally appropriate financial product development.

## METHODOLOGY

For the purpose of collecting data for present study a questionnaire was prepared which contains two parts in Part-I questions related to basic demographics of the respondents i.e. age, income, education, family structure etc. were included and in part-II questions for assessing respondent's investment profile were asked. This part of questionnaire contains two sections, section one listed the non-financial avenues and in the other part a comprehensive list of possible investment options, segregated into four categories i.e. low risk avenues, moderate risk avenues, high risk avenues and others.

Analysis for the present study is done with the help of basic descriptive statistics, cross tabulation and pie charts and line charts etc.

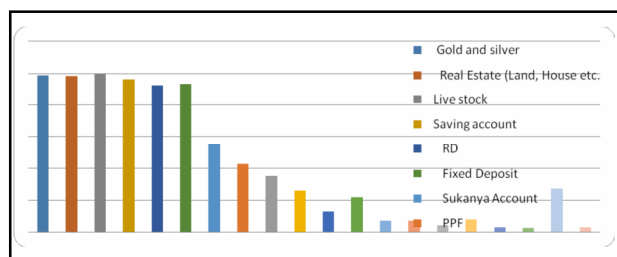
## RESULTS AND DISCUSSION

### Respondents Awareness on Different Investment Avenues:

In order to seek respondent awareness about different saving and investment avenues a question having different option of saving and Investment Avenue is being asked from the respondents and the summary of the responses has been presented in the Table 1 and Fig. 1 the results shows that despite of the fact that government and RBI is putting all its efforts to cover all the people in

organized financial set up but the fact is that non financial investment or traditional investment avenues are still very popular among tribal as more than 98.0 per cent of respondents are aware about all type of investment options listed under the head of non-financial avenues. Awareness level of investment in gold and real estate is the most known investment avenues among the respondents.

| <b>Table 1 : Respondents Awareness about Investment Avenues</b> |                   |
|---|-------------------|
| <b>Non Financial Investment Avenues</b>                         | <b>Number (%)</b> |
| 1. Gold and silver  | 296(98.7)         |
| 2. Real Estate (Land, House etc.)                               | 295(98.3)         |
| 3. Live stock   | 300(100.0)        |
| <b>Financial Investment Avenues</b>                             |                   |
| 1. Low risk avenues   |                   |
| 1. Saving account   | 289(96.3)         |
| 2. RD   | 276(92.0)         |
| 3. Fixed Deposit  | 278(93.3)         |
| 4. Sukanya Account  | 165(55.0)         |
| 5. PPF  | 128(42.7)         |
| 6. Kisan Vikas Patra  | 105(35.0)         |
| 7. NSC  | 78(26.0)          |
| 8. Postal Life insurance  | 38(12.7)          |
| 2. Moderate risk avenues  |                   |
| 1. Mutual Fund/SIP  | 66(22.0)          |
| 2. Debenture  | 21(7.0)           |
| 3. Gold Bonds   | 21(7.0)           |
| 4. Other Bond   | 12(4.3)           |
| 3. High Risk Avenues  |                   |
| 1. Equity Share   | 24(8.0)           |
| 2. Commodity Market   | 08(2.7)           |
| 3. FOREX  | 07(2.3)           |
| 4. Other avenue   |                   |
| 1. Local Money Lenders  | 82(27.3)          |
| 2. Chit Fund  | 08(2.7)           |



**Fig. 1 : Respondents Awareness about Investment Avenues**

More than 90.0 per cent respondents are aware about the traditional investment avenues *i.e.* saving account, fixed deposit and recurring deposit, whereas the

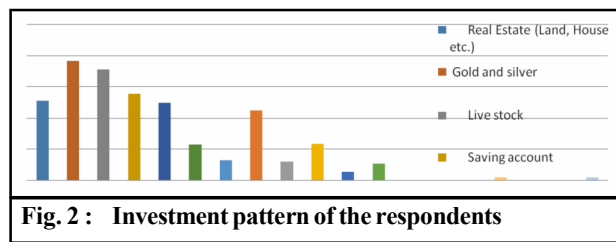
investment avenues like Sukanya account, public provident fund, Kisanvikaspatra are less popular investment avenues among the sample respondents. Whereas, knowledge about moderate risk investment avenues is confined to a limited number of investors as only 22.0 per cent respondents are aware about Mutual Fund/SIP and just 7.0 per cent respondents are aware about debenture and gold bonds. While analysing the results it is found that only 8.0 per cent respondents have some information regarding equity shares and 2.7 and 2.3 per cent respondents on commodity and FOREX respectively.

Thus, it may be concluded from the above discussion that respondents are comparatively more familiar with low risk and non-financial as against moderate and high risk avenues.

### Investment pattern of the respondents :

In the Table 2 and Fig. 2 the Investment pattern of the respondents has been presented and it has been noticed that investment in gold and silver is being preferred by most of the respondents (77 %) followed by live stock (70 %). Both of these are non-financial avenues (NFA) meaning that tribal in these areas prefers

| <b>Table 2 : Investment pattern of the respondents</b> |                             |
|--|-----------------------------|
| <b>Non Financial Investment Avenues</b>                | <b>Numbers (Percentage)</b> |
| 1. Real Estate (Land, House etc.)                      | 153(51.0)                   |
| 2. Gold and silver                                     | 231(77.0)                   |
| 3. Live stock  | 212(70.7)                   |
| <b>Financial investment avenues</b>                    |                             |
| 1. Low risk investment avenues                         |                             |
| 1. Saving account                                      | 167(55.6)                   |
| 2. Fixed Deposit                                       | 150(50.0)                   |
| 3. PPF   | 68(22.7)                    |
| 4. NSC   | 38(12.7)                    |
| 5. RD  | 135(45.0)                   |
| 6. Kisan Vikas Patra                                   | 36(12.0)                    |
| 7. Sukanya Account                                     | 69(23.0)                    |
| 8. Postal Life insurance                               | 16(5.3)                     |
| 2. Moderate risk avenues                               |                             |
| 1. Mutual Fund and SIP                                 | 32(10.6)                    |
| 2. Debenture   | 00(0.0)                     |
| 3. Gold Bonds  | 00(0.0)                     |
| 4. Other Bond  | 00(0.0)                     |
| 3. High Risk Avenues                                   |                             |
| 1. Equity Share  | 05(1.7)                     |
| 2. Commodity Market                                    | 00(0.0)                     |
| 3. FOREX   | 00(0.0)                     |
| 4. Other avenue  |                             |
| 1. Other avenues                                       | 05(1.7)                     |



investment in these avenues than others. About 51 per cent respondents have their investment in real estate (also a NFA). The best investment option among financial avenues for these people is saving or fixed deposit accounts as more than fifty respondents have these accounts. As the respondent's awareness about national saving certificate, public provident funds, KisanVikaspatra etc. is very low so their investment in these assets is also very low *i.e.* between 10 to 20 per cent

Among moderate risk avenues, the mutual fund and SIP is considered as best investment alternative as 10.7 per cent respondents are investing in mutual fund and SIP and not even a single respondent has invested in

other investment alternative listed under moderate risk avenues. The respondent's investment in high risk avenues is negligible as only 1.7 per cent of total respondents have invested money in equity share or stock. Not even a single respondent has tried their hand in derivative market. Thus, it may be concluded that low risk and non-financial investment avenue remains the most preferred investment alternative as against the moderate and high risk avenues. The reason for not investing in moderate or high risk avenues may be the low level of risk tolerance among large number of respondents as, around 80.0 per cent of respondents have low risk tolerance.

#### Age and investment pattern of the respondents:

Present study did not observed any clear association between age and investment patterns. As there exist almost similar investment pattern of different age group respondents so it may be concluded that age does not have any significant influence on investment behaviour of the respondent tribal (Table 3).

**Table 3 : Age and investment pattern of the respondents**

| Saving and Investment Avenues    |                      | Age      |          |          |          | N         |
|----------------------------------|----------------------|----------|----------|----------|----------|-----------|
|                                  |                      | 25 to 34 | 34 to 44 | 45 to 54 | 55 to 64 |           |
| Number (percentage)              |                      |          |          |          |          |           |
| Non-financial Investment Avenues |                      |          |          |          |          |           |
| 1.                               | Real Estate          | 25(60.0) | 60(53.5) | 44(45.8) | 24(47.0) | 153(51.0) |
| 2.                               | Gold/Silver          | 32(78.0) | 90(80.3) | 71(73.9) | 43(84.3) | 231(77.0) |
| 3.                               | Livestock            | 32(78.8) | 77(68.7) | 69(71.8) | 34(66.6) | 212(70.7) |
| Financial Investment Avenue      |                      |          |          |          |          |           |
| 4.                               | Low Risk Avenue      |          |          |          |          |           |
|                                  | 1. Saving a/c        | 19(46.3) | 65(58.0) | 53(55.2) | 30(58.8) | 167(55.6) |
|                                  | 2. Bank FD           | 29(70.7) | 52(46.4) | 43(44.7) | 26(50.9) | 150(50.0) |
|                                  | 3. PPF               | 15(36.5) | 52(46.4) | 19(19.7) | 12(23.5) | 68(22.7)  |
|                                  | 4. NSC               | 09(21.9) | 09(8.0)  | 12(12.5) | 08(15.6) | 38(12.7)  |
|                                  | 5. RD                | 22(53.6) | 49(43.7) | 44(45.8) | 20(39.2) | 135(45.0) |
|                                  | 6. KVP               | 06(14.6) | 16(14.2) | 09(9.3)  | 05(9.8)  | 36(12.0)  |
|                                  | 7. Sukanya A/C       | 06(14.6) | 29(25.8) | 24(25.0) | 10(19.6) | 69(23.0)  |
|                                  | 8. PLI               | 03(7.3)  | 06(5.3)  | 03(3.1)  | 04(7.8)  | 16(5.3)   |
| 5.                               | Moderate risk Avenue |          |          |          |          |           |
|                                  | 1. Mutual Fund(SIP)  | 10(24.3) | 09(8.0)  | 07(7.2)  | 06(11.7) | 32(10.6)  |
|                                  | 2. Debenture         | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)   |
|                                  | 3. Gold Bond         | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)   |
|                                  | 4. other Bond        | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)   |
| 6.                               | High Risk Avenue     |          |          |          |          |           |
|                                  | 1. Equity share      | 02(4.8)  | 01(.89)  | 01(1.0)  | 01(1.9)  | 05(1.7)   |
|                                  | 2. Commodity Market  | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)   |
|                                  | 3. FOREX             | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)  | 00(0.0)   |
| 7.                               | Other Avenue         |          |          |          |          |           |
|                                  | 1. Other             | 00( 0.0) | 03(2.6)  | 02(2.0)  | 00(0.0)  | 05(1.7)   |

**Education and investment pattern:**

Highly educated person have a well diversified portfolio which means the choice of portfolio selection does vary with the education. Taking the same approach present study has tried to observe the interdependency between level of education and investment pattern, a contingency table has been prepared and the results are summarized in the Table 4. The study did find similar investment pattern among respondents having different level of education especially while investing in non-financial and low risk investment avenues.

However, the respondent participation in mutual funds has been increased with increase in the level of education as the percentage of investor investing in mutual funds is comparatively higher (23.5 %) for investors having education above 11 year as compared to only 2.8 per cent for investors having no formal education. A similar trend has been noticed in respondent's participation in equity market as the equity participation is 2.9 per cent respondents from above 11 years of education as compared to 1.4 per cent in case of illiterate respondents.

Hence, from the above discussion it may be concluded that the risk behaviour of the respondents may improve with improvement in their education level, thus, for the greater involvement of household in formal financial system, policy maker should focus more on improving education among tribal.

**Family type and investment pattern:**

A unique characteristic in Indian family system that large number of persons live with their parents even after getting married, For this purpose a cross table on family type across several saving and investment options has been prepared and found that the respondents living under joint family system are investing more in non-financial avenues in comparison to the respondents living under nuclear family system. The results did not show any clear association in case of low risk avenues.

Whereas a clear difference in a case of moderate and high risk avenues in respondent's investment patterns has been observed as investment in mutual funds and SIP is comparatively more in case of the respondents who belongs to nuclear families (11.8 %) as compare to

**Table 4 : Education and investment pattern**

| Saving and Investment Avenues       | Year of schooling |              |               |              |           |
|-------------------------------------|-------------------|--------------|---------------|--------------|-----------|
|                                     | Illiterate        | Upto 5 years | 6 to 10 years | 11 and above | N         |
| <b>Non-Financial Avenues</b>        |                   |              |               |              |           |
| 1. Real Estate                      | 35(50.7)          | 47(55.9)     | 36(45.5)      | 35(51.4)     | 153(51.0) |
| 2. Gold/Silver                      | 50(72.4)          | 68(80.9)     | 58(73.4)      | 55(80.0)     | 231(77.0) |
| 3. Livestock                        | 46(66.6)          | 65(77.3)     | 55(69.6)      | 46(67.6)     | 212(70.7) |
| <b>Financial investment Avenues</b> |                   |              |               |              |           |
| 4. Low Risk Avenue                  |                   |              |               |              |           |
| 1. Saving a/c                       | 36(52.2)          | 51(60.7)     | 43(54.4)      | 38(55.9)     | 167(55.6) |
| 2. Bank FD                          | 41(59.4)          | 41(48.8)     | 31(39.2)      | 37(54.4)     | 150(50.0) |
| 3. PPF                              | 12(17.4)          | 19(22.6)     | 18(22.8)      | 19(27.9)     | 68(22.7)  |
| 4. NSC                              | 11(15.9)          | 10(11.9)     | 09(11.4)      | 08(27.9)     | 38(12.7)  |
| 5. RD                               | 28(40.6)          | 39(46.4)     | 36(45.6)      | 32(47.1)     | 135(45.0) |
| 6. KVP                              | 08(11.6)          | 08(9.5)      | 09(11.4)      | 11(16.2)     | 36(12.0)  |
| 7. Sukanya A/C                      | 20(29.0)          | 19(22.6)     | 17(21.5)      | 13(19.1)     | 69(23.0)  |
| 8. PLI                              | 03(4.35)          | 04(4.7)      | 04(5.06)      | 05(7.35)     | 16(5.3)   |
| 5. Moderate Risk Avenue             |                   |              |               |              |           |
| 1. Mutual Fund                      | 02(2.8)           | 05(5.9)      | 09(11.3)      | 16(23.5)     | 32(10.6)  |
| 2. Debenture                        | 00(0.0)           | 00(0.0)      | 00(0.0)       | 00(0.0)      | 00(0.0)   |
| 3. Gold Bond                        | 00(0.0)           | 00(0.0)      | 00(0.0)       | 00(0.0)      | 00(0.0)   |
| 4. other Bond                       | 00(0.0)           | 00(0.0)      | 00(0.0)       | 00(0.0)      | 00(0.0)   |
| 6. High Risk Avenue                 |                   |              |               |              |           |
| 1. Equity share                     | 01(1.4)           | 00(0.0)      | 02(2.5)       | 02(2.9)      | 05(1.7)   |
| 2. Commodity Market                 | 00(0.0)           | 00(0.0)      | 00(0.0)       | 00(0.0)      | 00(0.0)   |
| 3. FOREX                            | 00(0.0)           | 00(0.0)      | 00(0.0)       | 00(0.0)      | 00(0.0)   |
| 7. Other Avenues                    |                   |              |               |              |           |
| 1. Others avenues                   | 01(1.4)           | 02(2.3)      | 01(1.2)       | 01(1.4)      | 05(1.7)   |

9.6 per cent in case of joint family. Therefore, from the above discussion it may be concluded that the respondents living under nuclear family system are participating more in the stock market in comparison to the respondents living under joint families system and respondents living under joint family system are investing more in traditional/non-financial investment avenues (Table 5).

#### Occupation and investment pattern:

Respondents occupation may influence wealth distribution as people working in banking, insurance or stock market have more expertise in stock matters as compare to people working in other field. It has also been observed that government employees are among the highest investors in all types of investment avenues as 39.3 per cent of those working in govt. sector have included mutual fund in their financial portfolio whereas only 15.8 per cent respondents from pvt. Sectors have invested in mutual fund and none of the other professionals have chosen mutual fund as their investment alternative.

Less than 2.0 per cent has included high risk assets

in their financial portfolio of which again the highest investors are those engaged in govt. services. Study did not observe any clear association in case of low risk avenues. Therefore, it may be concluded from the table that the respondents in govt. services makes more investments in comparison to other, the reason may be the steady income source (Table 6).

#### Income and investment pattern:

Income does influence the respondent portfolio, higher income group people can take more risk of investing in risky assets as compare to low income group in present study we made a cross frequency table. Study observed a clear rise in respondent's investment in non-financial avenues with an increase in their income level (Table 7).

Whereas, in case of financial avenues the association between respondent investments in low risk avenues and income is not very clear. While in case of moderate risk avenues, a positive association is being observed, it is clear from the table that respondent's participation in risky assets is increasing with an increase in their household

| Table 5 : Family type and investment pattern |                      |                     |           |
|--|----------------------|---------------------|-----------|
| Saving and Investment Avenues                |                      | Family Type         |           |
|  |                      | Joint               | Nuclear   |
|  |                      | N                   |           |
|  |                      | Number (percentage) |           |
| Non-Financial Investment Avenues             |                      |                     |           |
| 1.   | Real Estate          | 81(51.9)            | 72(50.0)  |
| 2.   | Gold/Silver          | 123(78.8)           | 108(75.0) |
| 3.   | Livestock            | 115(73.7)           | 97(67.3)  |
| Financial Investment Avenues                 |                      |                     |           |
| 4.   | Low Risk Avenues     |                     |           |
| 1.   | Saving a/c           | 91(58.3)            | 76(52.8)  |
| 2.   | Bank FD              | 73(46.8)            | 77(53.5)  |
| 3.   | PPF                  | 30(19.2)            | 38(26.4)  |
| 4.   | NSC                  | 21(13.5)            | 17(11.8)  |
| 5.   | RD                   | 74(47.4)            | 61(42.4)  |
| 6.   | KVP                  | 15(9.62)            | 21(14.6)  |
| 7.   | Sukanya A/C          | 39(25.0)            | 30(20.8)  |
| 8.   | PLI                  | 10(6.41)            | 06(4.17)  |
| 5.   | Moderate Risk Avenue |                     |           |
| 1.   | Mutual Fund          | 15(9.6)             | 17(11.8)  |
| 2.   | Debenture            | 00(0.0)             | 00(0.0)   |
| 3.   | Gold Bond            | 00(0.0)             | 00(0.0)   |
| 4.   | other Bond           | 00(0.0)             | 00(0.0)   |
| 6.   | High Risk Avenues    |                     |           |
| 1.   | Equity share         | 02(1.2)             | 03(2.0)   |
| 2.   | Commodity Market     | 00(0.0)             | 00(0.0)   |
| 3.   | FOREX                | 00(0.0)             | 00(0.0)   |
| 7.   | Other Avenues        |                     |           |
| 1.   | Others avenues       | 04(2.5)             | 01(.69)   |

income. The percentage of respondents has increased from zero per cent in less than five thousand income level to 22.9 per cent in above twenty thousand income level.

#### Number of Dependents and investment pattern:

To study the association between wealth distribution and number of dependents a contingency table has been prepared and findings are presented in the Table 8 and did not observed any clear association between number of dependents and non-financial, low risk and moderate risk investment avenues.

While, the study has observed a clear association between high risk avenues and number of dependents, where respondents with more number of dependents in family are investing more. Hence, from above discussion it can be concluded that number of dependents may improve the chances of respondent's participation in high risk investment avenues upto some extent but it did not

have any association with other investment alternatives.

#### Internet accessibility and investment pattern:

Internet is one biggest revaluation in human's life, it makes the world more closer, it can lead to greater access of information and hence could impact the respondent investment pattern, with view of this present study internet access as one of the variable to study its association with investment patterns. It has been noticed from the table that internet accessibility does affect the respondent investment pattern. The accessibility to internet has increased investments in financial as well as non-financial investment avenues. As the results show that 18.6 per cent respondents with access to internet are investing in mutual funds as against 6.5 per cent respondents with no access to internet are investing in mutual funds (Table 9).

Thus, it may be concluded that internet accessibility may improve the tribal people's chances of investing in

**Table 6 : Occupation and investment pattern**

| Saving and Investment Avenues           | Occupation             |             |               |           |          |                    |           |
|---|------------------------|-------------|---------------|-----------|----------|--------------------|-----------|
|   | Agriculture and allied | Daily wager | self-employed | Govt. Job | Pvt. job | Business and other | N         |
| Number (percentage)                     |                        |             |               |           |          |                    |           |
| <b>Non-financial Investment Avenues</b> |                        |             |               |           |          |                    |           |
| 1. Real Estate                          | 30(55.6)               | 21(37.5)    | 20(58.8)      | 39(59.0)  | 17(43.5) | 15(29.4)           | 153(51.0) |
| 2. Gold/Silver                          | 39(72.2)               | 38(67.8)    | 25(73.5)      | 55(83.3)  | 36(92.3) | 49(96.0)           | 231(77.0) |
| 3. Livestock                            | 41(75.9)               | 38(67.8)    | 23(67.6)      | 51(77.2)  | 29(74.3) | 30(58.8)           | 212(70.7) |
| <b>Financial Investment Avenues</b>     |                        |             |               |           |          |                    |           |
| 4. Low Risk Avenues                     |                        |             |               |           |          |                    |           |
| 1. Saving a/c                           | 24(44.4)               | 30(53.6)    | 18(52.9)      | 41(62.1)  | 27(69.2) | 27(52.9)           | 167(55.6) |
| 2. Bank FD                              | 23(42.6)               | 23(41.1)    | 15(44.1)      | 37(56.1)  | 25(64.1) | 27(52.9)           | 150(50.0) |
| 3. PPF                                  | 08(14.8)               | 08(14.3)    | 11(32.4)      | 22(33.3)  | 11(28.2) | 08(15.7)           | 68(22.7)  |
| 4. NSC                                  | 05(9.26)               | 07(12.5)    | 06(17.6)      | 12(18.2)  | 03(7.6)  | 05(9.8)            | 38(12.7)  |
| 5. RD                                   | 27(50.0)               | 22(39.3)    | 17(50.0)      | 28(42.4)  | 22(56.4) | 18(35.3)           | 135(45.0) |
| 6. KVP                                  | 03(5.56)               | 07(12.5)    | 06(17.6)      | 08(12.1)  | 02(5.1)  | 10(19.6)           | 36(12.0)  |
| 7. Sukanya A/C                          | 13(24.1)               | 12(21.4)    | 05(14.7)      | 20(30.3)  | 08(20.5) | 11(21.6)           | 69(23.0)  |
| 8. PLI                                  | 00(0.0)                | 00(0.0)     | 00(0.0)       | 16(24.2)  | 00(0.0)  | 00(0.0)            | 16(5.3)   |
| 5. Moderate Risk Avenues                |                        |             |               |           |          |                    |           |
| 1. Mutual Fund                          | 00(0.0)                | 00(0.0)     | 00(0.0)       | 26(39.3)  | 06(15.8) | 00(0.0)            | 32(10.6)  |
| 2. Debenture                            | 00(0.0)                | 00(0.0)     | 00(0.0)       | 00(0.0)   | 00(0.0)  | 00(0.0)            | 00(0.0)   |
| 3. Gold Bond                            | 00(0.0)                | 00(0.0)     | 00(0.0)       | 00(0.0)   | 00(0.0)  | 00(0.0)            | 00(0.0)   |
| 4. other Bond                           | 00(0.0)                | 00(0.0)     | 00(0.0)       | 00(0.0)   | 00(0.0)  | 00(0.0)            | 00(0.0)   |
| 6. High Risk Avenues                    |                        |             |               |           |          |                    |           |
| 1. Equity share                         | 00(0.0)                | 00(0.0)     | 00(0.0)       | 03(4.5)   | 00(0.0)  | 02(3.9)            | 05(1.7)   |
| 2. Commodity Market                     | 00(0.0)                | 00(0.0)     | 00(0.0)       | 00(0.0)   | 00(0.0)  | 00(0.0)            | 00(0.0)   |
| 3. FOREX                                | 00(0.0)                | 00(0.0)     | 00(0.0)       | 00(0.0)   | 00(0.0)  | 00(0.0)            | 00(0.0)   |
| 7. Other Avenues                        |                        |             |               |           |          |                    |           |
| 1. Others Avenues                       | 00(0.0)                | 02(3.5)     | 00(0.0)       | 03(4.5)   | 00(0.0)  | 00(0.0)            | 05(1.7)   |

| Table 7 : Income and investment pattern |                       |          |           |            |            |           |           |
|---|-----------------------|----------|-----------|------------|------------|-----------|-----------|
| Saving and Investment Avenues           |                       | Income   |           |            |            |           |           |
|   |                       | Less 5k  | 5k to 10k | 10k to 15k | 15k to 20k | Above 20k | N         |
| Non-financial Investment Avenues        |                       |          |           |            |            |           |           |
| 1.                                      | Real Estate           | 25(40.3) | 29(46.7)  | 38(54.2)   | 17(54.8)   | 44(59.4)  | 153       |
| 2.                                      | Gold/Silver           | 41(66.1) | 42(67.7)  | 59(84.2)   | 25(80.6)   | 64(86.4)  | 231       |
| 3.                                      | Livestock             | 39(62.9) | 44(70.9)  | 51(72.8)   | 23(74.1)   | 55(74.3)  | 212       |
| Financial Investment Avenues            |                       |          |           |            |            |           |           |
| 4.                                      | Low Risk Avenues      |          |           |            |            |           |           |
| 1.                                      | Saving a/c            | 30(48.4) | 30(47.6)  | 43(61.4)   | 18(58.1)   | 46(62.2)  | 167(55.6) |
| 2.                                      | Bank FD               | 28(45.2) | 31(49.2)  | 36(51.1)   | 16(51.6)   | 39(52.7)  | 150(50.0) |
| 3.                                      | PPF                   | 08(12.9) | 10(15.9)  | 19(27.1)   | 05(16.1)   | 26(35.1)  | 68(22.7)  |
| 4.                                      | NSC                   | 08(12.9) | 02(3.1)   | 09(12.9)   | 05(16.1)   | 14(18.9)  | 38(12.7)  |
| 5.                                      | RD                    | 24(38.7) | 23(36.5)  | 39(55.7)   | 19(61.3)   | 30(40.5)  | 135(45.0) |
| 6.                                      | KVP                   | 07(11.3) | 08(12.7)  | 10(14.3)   | 01(3.2)    | 10(13.5)  | 36(12.0)  |
| 7.                                      | Sukanya A/C           | 11(17.7) | 15(23.8)  | 15(21.4)   | 04(12.9)   | 24(32.4)  | 69(23.0)  |
| 8.                                      | PLI                   | 02(3.2)  | 00( 0.0)  | 04(5.7)    | 02(6.4)    | 08(10.8)  | 16(5.3)   |
| 5.                                      | Moderate Risk Avenues |          |           |            |            |           |           |
| 1.                                      | Mutual Fund And SIP   | 00(0.0)  | 04(6.4)   | 07(10.0)   | 04(12.9)   | 17(22.9)  | 32        |
| 2.                                      | Debenture             | 00(0.0)  | 00(0.0)   | 00(0.0)    | 00(0.0)    | 00(0.0)   | 00        |
| 3.                                      | Gold Bond             | 00(0.0)  | 00(0.0)   | 00(0.0)    | 00(0.0)    | 00(0.0)   | 00        |
| 4.                                      | Other Bond            | 00(0.0)  | 00(0.0)   | 00(0.0)    | 00(0.0)    | 00(0.0)   | 00        |
| 6.                                      | High Risk Avenues     |          |           |            |            |           |           |
| 1.                                      | Equity share          | 00(0.0)  | 00(0.0)   | 01(1.4)    | 01(3.2)    | 03(4.0)   | 05        |
| 2.                                      | Commodity Market      | 00(0.0)  | 00(0.0)   | 00(0.0)    | 00(0.0)    | 00(0.0)   | 00        |
| 3.                                      | FOREX                 | 00(0.0)  | 00(0.0)   | 00(0.0)    | 00(0.0)    | 00(0.0)   | 00        |
| 7.                                      | Other Avenues         |          |           |            |            |           |           |
| 1.                                      | Others avenues        | 01(1.6)  | 00(0.0)   | 01(1.4)    | 01(3.2)    | 02(2.7)   | 05        |

| Table 8 : Number of Dependents and investment pattern |                     |                      |          |             |           |
|---|---------------------|----------------------|----------|-------------|-----------|
| Saving and Investment Avenues                         |                     | Number of Dependents |          |             |           |
|   |                     | 0 to 2               | 3 to 5   | 6 and above | N         |
|   |                     | Number (Percentage)  |          |             |           |
| Non-financial Investment Avenues                      |                     |                      |          |             |           |
| 1.  | Real Estate         | 101(54.5)            | 49(45.3) | 03(42.8)    | 153(51.0) |
| 2.  | Gold/Silver         | 146(78.9)            | 79(73.1) | 06(85.7)    | 231(77.0) |
| 3.  | Livestock           | 139(75.1)            | 68(62.9) | 5(71.4)     | 212(70.7) |
| Financial Investment Avenues                          |                     |                      |          |             |           |
| 1. Low Risk Avenues                                   |                     |                      |          |             |           |
| 1.  | Saving a/c          | 100(54.1)            | 63(58.3) | 04(57.1)    | 167(55.6) |
| 2.  | Bank FD             | 91(49.2)             | 54(50.0) | 05(71.4)    | 150(50.0) |
| 3.  | PPF                 | 48(25.9)             | 19(17.6) | 01(14.3)    | 68(22.7)  |
| 4.  | NSC                 | 18(9.7)              | 19(17.6) | 01(14.3)    | 38(12.7)  |
| 5.  | RD                  | 84(45.4)             | 47(43.5) | 04(57.1)    | 135(45.0) |
| 6.  | KVP                 | 26(14.1)             | 10(9.2)  | 00(0.0)     | 36(12.0)  |
| 7.  | Sukanya A/C         | 37(20.0)             | 31(28.7) | 01(14.3)    | 69(23.0)  |
| 8.  | PLI                 | 10(5.4)              | 06(5.5)  | 00(0.0)     | 16(5.3)   |
| 2. Moderate Risk Avenues                              |                     |                      |          |             |           |
| 1.  | Mutual Fund And SIP | 18(9.7)              | 13(12.0) | 01(14.2)    | 32(10.6)  |
| 2.  | Debenture           | 00(0.0)              | 00(0.0)  | 00(0.0)     | 00(0.0)   |
| 3.  | Gold Bond           | 00(0.0)              | 00(0.0)  | 00(0.0)     | 00(0.0)   |
| 4.  | Other Bond          | 00(0.0)              | 00(0.0)  | 00(0.0)     | 00(0.0)   |
| 3. High Risk Avenues                                  |                     |                      |          |             |           |
| 1.  | Equity share        | 02(1.0)              | 02(1.8)  | 01(14.2)    | 05(1.7)   |
| 2.  | Commodity Market    | 00(0.0)              | 00(0.0)  | 00(0.0)     | 00(0.0)   |
| 3.  | FOREX               | 00(0.0)              | 00(0.0)  | 00(0.0)     | 00(0.0)   |
| 4. Other Avenues                                      |                     |                      |          |             |           |
| 1.  | Others avenues      | 02(1.0)              | 02(1.8)  | 01(14.2)    | 05(1.7)   |



**Table 9 : Internet accessibility and investment pattern**

| Saving and Investment Avenues     |                       | Internet Accessibility |           |           |
|-----------------------------------|-----------------------|------------------------|-----------|-----------|
|                                   |                       | Yes                    | No        | N         |
|                                   |                       | Number (Percentage)    |           |           |
| Non- Financial Investment Avenues |                       |                        |           |           |
| 1.                                | Real Estate           | 55(53.9)               | 98(49.4)  | 153(51.0) |
| 2.                                | Gold/Silver           | 80(78.4)               | 151(76.2) | 231(77.0) |
| 3.                                | Livestock             | 74(72.5)               | 138(69.6) | 212(70.7) |
| Financial Investment Avenues      |                       |                        |           |           |
| 1.                                | Low Risk Avenues      |                        |           |           |
| 1.                                | Saving a/c            | 58(56.9)               | 109(55.1) | 167(55.6) |
| 2.                                | Bank FD               | 56(54.9)               | 94(47.5)  | 150(50.0) |
| 3.                                | PPF                   | 26(25.5)               | 42(21.2)  | 68(22.7)  |
| 4.                                | NSC                   | 13(12.7)               | 25(12.6)  | 38(12.7)  |
| 5.                                | RD                    | 46(45.1)               | 89(44.9)  | 135(45.0) |
| 6.                                | KVP                   | 17(16.7)               | 19(9.6)   | 36(12.0)  |
| 7.                                | Sukanya A/C           | 23(22.5)               | 46(23.2)  | 69(23.0)  |
| 8.                                | PLI                   | 10(9.8)                | 06(3.0)   | 16(5.3)   |
| 2.                                | Moderate Risk Avenues |                        |           |           |
| 1.                                | Mutual Fund And SIP   | 19(18.6)               | 13(6.5)   | 32(10.6)  |
| 2.                                | Debenture             | 00(0.0)                | 00(0.0)   | 00(0.0)   |
| 3.                                | Gold Bond             | 00(0.0)                | 00(0.0)   | 00(0.0)   |
| 4.                                | other Bond            | 00(0.0)                | 00(0.0)   | 00(0.0)   |
| 3.                                | High Risk Avenues     |                        |           |           |
| 1.                                | Equity share          | 03(2.9)                | 02(1.0)   | 05(1.7)   |
| 2.                                | Commodity Market      | 00(0.0)                | 00(0.0)   | 00(0.0)   |
| 3.                                | FOREX                 | 00(0.0)                | 00(0.0)   | 00(0.0)   |
| 4.                                | Other Avenues         |                        |           |           |
| 1.                                | Others avenues        | 01(.98)                | 04(2.0)   | 05(1.7)   |

financial as well as non-financial investment avenues.

### Conclusion:

The study emphasizes on the investment behavior of Scheduled Tribes (STs) in India which are risk averse and prefers more traditional investments like gold, silver, real assets. Those in the LT category (usually STs, especially at lower levels of income and education) tend to avoid moderate-and high-risk investments like mutual funds equities derivatives. In addition, the research charts the subtle impact of demographic and socio-economic-characteristics on investment trend. Though, the age did not show any notable significant association with investment behaviour, but variables like education, income, occupation, family structure and access of internet can be seen clearly impacting the respondent's investment behaviour. People with higher education and better internet connectivity have shown investment in the moderate and high risk avenues. Also a varied portfolio of government employees is seen due

to a stable income source. These insights suggest that enhancing education and providing more income generating sources are critical to fostering a more inclusive financial environment for India's ST communities. This approach can help ensure that all segments of society benefit from economic growth and development opportunities. These findings underscore the need for tailored financial education and inclusive policies to bridge the gap between marginalized communities and the broader financial market.

### REFERENCES

- Ameriks, J., Zeldes, S.P., Dickson J., Holden S., Metrick A., Starr-Mccluer, M., Sinai, T. and Warshawsky, M. (2004). How do household portfolio shares vary with age? We are grateful to [TIAA-CREF working paper] (Vol. 112)
- Barsky, R., Bound, J., Charles, K.K. and Lupton, J.P. (2002). Accounting for the black-white wealth gap: A nonparametric approach. *Journal of the American*

- Statistical Association*, **97** (459) : 663-667.
- Chakraborty, S. and Digal, S. (2011). A study of saving and investment behaviour of individual households—An empirical evidence from Orissa. . In *In Personal Finance & Investments (PF&I) 2011 Conference*.
- Gedela, S. P. R. (2013). Determinants of saving behaviour in rural and tribal households (An empirical analysis of Visakhapatnam District). *Internat. J. Res. Soc. Sci.*, **2**(3) : 108-128.
- Geetha, N. and Ramesh, M. (2012). A Study On Relevance Of Demographic Factors In Investment Decisions, **10-11** (1-2) : 14–27. Retrieved from [www.academicpublishingplatforms.com](http://www.academicpublishingplatforms.com)
- Gemson, J., Gautami, K.V. and Thillai Rajan, A. (2012). Impact of private equity investments in infrastructure projects. *Utilities Policy*, **21** : 59–65. <https://doi.org/10.1016/j.jup.2011.12.001>
- Goyal, M. (2015). Why Indians are shifting from physical to financial assets, and why this bodes well for economy. *Economictimes. Indiatimes.Com*.
- Ministry of Tribal Affairs (2013). *Statistical profile of scheduled tribes in India 2013*.
- Nair, T. S. and Shankar, B. (2015). Livelihoods and Financial Behaviour of Tribal Households: Linking Experience and Strategies. In *Tribal Development in Western India* (pp. 267–284). Routledge India.
- Poterba, J.M. and Wise, D.A. (1998). *Individual financial decisions in retirement saving plans and the provision of resources for retirement. In Privatizing social security*.
- Reserve Bank of India (2017). *Indian Household Finance*.
- Singh, S. and Bhandari, M. (2012). Money management and control in the Indian joint family across generations. *The Sociological Review*, **60**(1) : 46–67.
- Smith, J.P. (1995). Racial and Ethnic Differences in Wealth in the Health and Retirement Study. *The Journal of Human Resources*, **30**, S158. <https://doi.org/10.2307/146282>
- Sood, D. and Kaur, N. (2015). A study of saving and investment pattern of salaried class people with special reference to Chandigarh (India). *International Journal of Research in Engineering, IT & Social Sciences*, **5**(2) : 1–15.

\*\*\*\*\*