August 26 Vol.24, No.4 | ISSN : 0972-8945 (Print) 3048-6165 (Online)

Assessing Government Policy Interventions for the Growth of Women's Entrepreneurship in Assam: Evidence from Two Districts

Aparupa Sarma*
Research Scholar, Department of Economics, Cotton University, Guwahati, Assam
Suresh Kumar Nath
Head, Department of Political Science, Cotton University, Guwahati, Assam
*Corresponding Author Email: mailaparupa77@gmail.com

Abstract: *Women's entrepreneurship is a crucial stimulus for the inclusive growth of an economy. This study examines the role of government policy interventions on women entrepreneurs' economic growth in the services sector by selecting the Darrang and Kamrup (M) districts of Assam, India. The study is based on the primary data collected from 384 participants and uses descriptive statistics and Pearson's chi-square test to determine the association between institutional support variables and the metrics of enterprise development, that is, net profit and employment generation. The results also show that 59.1 percent of the respondents have not received the benefit of government schemes, and there is no statistically significant effect of government schemes on profitability or the generation of employment. Although net profit is not influenced by training programs, employment generation is positively related to training programs ($p < 0.01$). The major challenges are a lack of awareness, complicated loan processes, and sociocultural barriers to the accessibility of government policy interventions. The study found that the current policy interventions are limited, with gaps in implementation, and highlighted the necessity of an integrated intervention that combines financial assistance, skill development, and institutional change to improve the growth of women-led businesses.*

Keywords: Government Schemes, Growth, Training Programmes, Women Entrepreneurship

DOI: https://doi.org/10.62656/SIJSS.v24i4.2482

INTRODUCTION

Entrepreneurship is a strategic force for the inclusive development and growth of a nation (Zeb and Ihsan, 2020). Female entrepreneurs have recently been a rising segment of entrepreneurship, and successful entrepreneurs with their talents, high goals, and traits contribute to the country's economic development (Akhtar et al., 2023). Currently, women's participation in entrepreneurial endeavours has increased, especially in developing economies, where women increasingly engage in small and service-oriented enterprises (Aliyu, 2013; Akhter et al., 2023). Nevertheless, female entrepreneurs encounter countless obstacles in their entrepreneurial activities, such as low financial accessibility, low family support, sociocultural problems, market inaccessibility, and limited skills. (Hazarika and Kalita, 2019; Saikia 2017). To overcome these barriers, governments worldwide have developed numerous policy initiatives intended to stimulate women's involvement in entrepreneurial endeavours (Minniti & Naudé, 2010; Naudé, 2013). The Indian government has implemented numerous policies and institutional programs to increase women's involvement in various sectors (Jaitly and Thangallapally, 2022). These initiatives intend to strengthen the Micro, Small, and Medium Enterprises (MSME) sector by enhancing access to finance, entrepreneurship development training, institutional assistance, and policy incentives among women (SIDBI, 2025; Ministry of MSME, 2025). The northeastern state of Assam is no exception, as more women are involved in service sector operations such as retail trade, beauty services, education services, and food processing (NCEAR, 2025). The present study chose Kamrup (Metropolitan) and Darrang districts because both districts portray contradictory entrepreneurial landscapes to examine the enterprises in the service sectors within Assam. Kamrup (M) is an urban district, whereas Darrang District is a rural and agriculture-based district. Consequently, this study assesses the major policy initiatives of the central and state governments for the endorsement of women entrepreneurship, with specific reference to Kamrup (Metropolitan) and Darrang districts.

REVIEW OF LITERATURE

Empirical research on women's entrepreneurship in various geographical settings has shown that the rate of female entrepreneurial involvement is based on both opportunity and necessity motives, the latter of which is prevalent in most cases, particularly in developing and transitional markets (Martinez-Rodriguez et al., 2022). Government policy interventions have an uneven impact on female entrepreneurs. Salami et al. (2023) found a significant relationship between supportive policy environments and enterprise growth. In contrast, others show minimal or statistically insignificant effects of regulatory frameworks on enterprise growth indicators, including profits, employment creation, and sales (Simiyu et al., 2016). In addition, institutional approaches highlight that policy support is usually concerned with the improvement of skills, training, and access to finance but ignores profound structural limitations, including gender norms, institutional bias, and socio-cultural barriers (Henry et al., 2017). Rana et al. (2025) show that there are persistent challenges in policy outreach, especially in rural and semi-urban regions, where women entrepreneurs find it difficult to access credit, are unaware of schemes, and have insufficient digital and institutional support systems. Even though special financial initiatives, that is, credit programs, have shown a remarkable impact on the economic and social empowerment of women, their effects on the autonomy of decision-making and sustainability are limited due to existing patriarchal systems (Vigg Kushwah et al., 2021). Institutional support mechanisms, such as Entrepreneurship Development Agencies (EDAs), training institutes, and government-based programs, play an important role in India and Assam in promoting women's entrepreneurship through training, financial aid, and market connectivity. Nonetheless, its growth pattern remains uneven, implying a lack of coordination, accessibility, and effectiveness of these interventions (Sarma and Barman, 2024). However, the available literature reveals that although many scholarly works assess the effects of government schemes, training programs, and policy support on women entrepreneurship, most studies have focused on the methodological approach, which is predominantly regression, correlation, and descriptive analysis (Simiyu et al., 2016; Salami et al., 2023; Martinez-Rodriguez et al., 2022). These methods mainly represent causal or predictive linkages and do not investigate the categorical relationship between the growth indicators of the enterprise and the institutional support mechanisms. In addition, Henry et al. (2017), Rana et al. (2025), and Sarma and Barman (2024) raise the issues of structural and institutional difficulties but fail to statistically test the relationship between profitability, the number of jobs created, and the availability of support programs. Thus, there is an apparent gap in the chi-square test of independence usage for observing the association between the categorised net profit ratio and employment generation with government schemes and training programs on their part, which is not totally ignored by the available literature. This study fills this gap by using a non-parametric method to offer more formidable insight into the association between policy interventions and enterprise growth.

OBJECTIVES

1. To explore how government policy interventions can foster female entrepreneurship.
2. To identify challenges in accessing government policies.

HYPOTHESIS

1. Government-supported schemes and training programs do not significantly influence the net profit of women-led enterprises.
2. Government-supported schemes and training programs do not significantly influence employment generation in women-led enterprises.

METHODOLOGY

This study employs a quantitative research design by collecting data from 384 women entrepreneurs engaged in various service activities in the Darrang and Kamrup (M) districts of Assam, India, focusing on capturing both rural and urban entrepreneurial dynamics. The sample size was finalised using Yamane's formula. A purposive sampling method was used for the selection of districts. Specifically, one district with the highest concentration of women-owned enterprises and another with the lowest concentration were deliberately chosen to facilitate this study. This study considers net profit ratio and employment generation as the key indicators of entrepreneurial performance, consistent with previous research stressing profitability and job creation as crucial measures of enterprise growth (Simiyu et al., 2016). Government schemes and training programs are regarded as independent variables, while challenges faced by entrepreneurs are inspected to offer contextual understanding. Data analysis was performed using both descriptive and inferential statistical techniques. Descriptive statistics, including frequencies and percentages, were employed to examine respondents' distribution across different schemes and challenges. The Pearson chi-square test was applied to assess the association between institutional support mechanisms and growth indicators.

RESULTS

The Government of India has initiated many initiatives, including Pradhan. Mantri Mudra Yojana (PMMY), the Prime Minister's Employment Generation Program (PMEGP), the Credit Guarantee Scheme for small and microenterprises, and Stand-Up India to promote financial inclusion and enterprise generation among women entrepreneurs (Ministry of MSME, 2025). Nevertheless, the existing literature has found that awareness, access, and proper use of such schemes are not disseminated homogeneously across regions and socioeconomic groups (Rana et al., 2025; Henry et al., 2017; Sarma and Barman, 2024). Therefore, in order to examine the inclusiveness and effectiveness of policy interventions, the following table reveals the government schemes' accessibility among women entrepreneurs in the Darrang and Kamrup (M) districts.

Table 1: Government Schemes accessibility

Government Scheme	Beneficiaries		Percentage (%)		Total	
	Darrang	Kamrup(M)	Darrang	Kamrup(M)	Total	Percentage (%)
Pradhan Mantri Mudra Yojana	33	22	20.6	9.8	55	14.3
PMEGP	22	11	13.8	4.9	33	8.6
Stand-Up India	0	24	0	10.7	24	6.3
Other schemes	25	20	15.6	8.9	45	11.7
No scheme	80	147	50	65.7	227	59.1
Total	160	224	**100**	100	384	100

Source: Survey data

Table 1 shows that most respondents (59.1%) had not availed themselves of any government scheme, with the proportion being notably higher in Kamrup (M) (65.7%)

than in Darrang (50.0%). This shows that the inability to access institutional support is still a prevalent characteristic, especially in urbanised areas. The Pradhan Mantri Mudra Yojana has the highest percentage (14.3%), especially in Darrang (20.6%), implying that the program reaches comparatively more semi-rural environments. While 8.6% of female entrepreneurs attain the advantage of Prime Minister Employment The Programme and other schemes (11.7%) are moderate, and Stand-Up India is urban-centred, with 10.7% of respondents in Kamrup (M) and no respondents in Darrang.

The quantitative estimation of the connection between government intervention policy and women-led business growth is provided by applying the Pearson chi-square test of independence. This statistical method is suited for the evaluation of relationships among categorical variables, and the data of the study are usually non-parametric (Gujarati and Porter, 2009). In the present analysis, significant indicators of enterprise growth, namely, net profit ratio and employment generation, are examined in relation to critical support variables such as government schemes and entrepreneurial training programs. The following table examines the results of Pearson's chi-square test for the association between entrepreneurship growth indicators and support factors.

Table 2: Results of Pearson's Chi-Square Test

Growth Indicator	Independent Variable	χ^2 Value	df	Asymptotic Significance (2-sided)	Decision on H_0
Net Profit Ratio	Government Schemes	4.35	3	0.226	Accepted
	Training Programme	7.87	6	0.25	Accepted
Employment Generation	Government Schemes	0.335	1	0.567	Accepted
	Training Programme	14.069	2	<0.01	Rejected

Source: Survey Data

Table 2 presents the role of institutional support in influencing the growth of women-led enterprises. This shows that net profit ratio and government schemes have a statistically insignificant ($\chi^2 = 4.350$, $p = 0.226$) relationship. Similarly, training programs show no significant association with net profit ($\chi^2 = 7.870$, $p = 0.250$). Meanwhile, the p-values in both cases exceeded the threshold of 0.05; thus, the null hypotheses were accepted. This implies that neither government schemes nor training programs have a direct measurable impact on the profitability of the sampled enterprises. Correspondingly, government schemes also display no statistically significant relationship ($\chi^2 = 0.335$, $p = 0.567$) with employment generation, indicating that there is not much success in using policy support for employment generation. However, the relationship between training programs and employment generation is highly significant ($\chi^2 = 14.069$, $p < 0.01$), and the null hypothesis is rejected.

Existing studies underscore that women-led enterprises often confront structural, financial, and sociocultural barriers that limit their entrepreneurial performance (Saikia, 2017) in Assam. The following table presents the major obstacles for women entrepreneurs in the Darrang and Kamrup (M) districts.

Table 3: Challenges in Accessing Government Schemes

Challenge	Frequency		Percentage (%)		Total	
	Darrang	Kamrup(M)	Darrang	Kamrup(M)	Total	Percentage (%)
Lack of awareness about schemes	50	60	31.3	26.8	110	28.7
Complex loan procedures	20	81	12.5	36.2	101	26.3
Lack of collateral	15	5	9.4	2.2	20	5.2
Limited training opportunities	18	50	11.2	22.3	68	17.7
Lack of confidence	8	6	5	2.7	14	3.6
Socio-Cultural Problems	49	22	30.6	9.8	71	18.5
Total	160	224	100	100	384	100

Source: Survey data

Table 3 shows that the foremost challenge in retrieving government schemes among female entrepreneurs is the lack of awareness about government schemes (28.7%), followed by complex loan procedures (26.3%), socio-cultural problems (18.5%), and limited training opportunities (17.7%). District-wise, complex loan procedures are the most salient issue in Kamrup (M), as compared to the socio-cultural issues, which are more ascetic in Darrang. The less significant challenges in both districts are a lack of collateral (5.2%) and a lack of confidence (3.6%).

DISCUSSION

The distribution of beneficiaries throughout government schemes reveals a serious gap between policy provision and actual outreach. Most respondents (59.1%) had not availed themselves of any government scheme in either district, indicating a significant disconnect between policy objectives and their implementation. This result is consistent with the existing literature, which also concludes that awareness barriers and procedural intricacies often confine access to formal institutional assistance by women entrepreneurs (Saikia, 2017). This increased participation in Stand-Up India schemes in Kamrup (M) may be due to the urban advantage (Rana et al., 2025). The test outcomes of the chi-square test indicate that the two ratios of net profits and the generation of employment are not statistically significant with government policy interventions.

These findings are consistent with those of Simiyu et al. (2016), who revealed an insignificant relationship between government policy interventions and net profit and employment generation. Similarly, the non-significant relationship between training programs and net profit indicates that existing training interventions are not as influential a factor toward increasing the enterprise's profit. Nevertheless, there is one rather prominent exception: training programs show a strong influence on the creation of employment, and this fact reflects the important role of training in increasing the employment rates of enterprises. This result is similar to that of Balcha (2022), who revealed a considerable relationship between training programs and employment generation.

The most prominent barriers to the accessibility of government schemes include a lack of awareness about schemes (28.7%), complex loan procedures (26.3%), and socio-cultural constraints (18.5%), which show the impact of structural and institutional bottlenecks on the utilisation of government support. Socio-cultural problems also act as a significant hindrance in the Darrang district. In addition, limited training opportunities (17.7%) act as a significant challenge to the accessibility of government schemes. These findings align with those of Saikia (2017) and Hazarika and Kalita (2019), who emphasised the impact of financial, institutional, and sociocultural barriers to the accessibility of government schemes.

IMPLICATION

The empirical findings exhibit the dominance of non-beneficiaries of government schemes (59.1%), which proves the necessity of enhancing the mechanisms of awareness and outreach among women entrepreneurs. More attention should also be paid to the decentralised dissemination of information by local institutions and digital platforms. The negligible effect of government schemes on net profit and job creation suggests an integrated support system involving financial assistance and business development services, such as mentoring, market access, and digital literacy, and gives attention to redesigning schemes like MUDRA and PMEGP with post-financing support systems. The significant impact of training programs on employment generation accentuates the significance of skill development interventions. Nonetheless, the lack of any substantial relation with profitability necessitates the reorganisation of training modules with demand-driven skills, industry-specific competencies, financial management, and digital entrepreneurship. The prevalence of challenges, such as complex loan procedures and collateral requirements, necessitates institutional reforms in the formal financial system. Additionally, the incidence of socio-cultural barriers in rural areas like Darrang entails the need for gender-sensitive policy interventions. Consequently, the regional disparity between Darrang and Kamrup (M) suggests that a "one-size-fits-all" policy approach may not be effective. However, region-specific strategies must be introduced, considering the differences in infrastructure, market access, and socioeconomic conditions across regions. The study stresses the need for continuous monitoring and evaluation of government programs by establishing robust feedback mechanisms for measuring actual enterprise growth and the effectiveness of schemes.

CONCLUSION

The study indicates that a considerable number of women in business are not covered by any formal government programs, as the percentage of non-beneficiaries is high, which indicates the limited outreach and accessibility of government schemes for women entrepreneurs. The study also identifies local disparities between Darrang and Kamrup (M) and underscores the value of place-specific policy interventions. In general, the findings indicate that the current policy framework needs a paradigm shift, whereby the approach to enhancing the growth of women-led enterprises is more of a collective and inclusive approach to a more isolated financial intervention approach. Therefore, this study contributes to the existing literature by offering a micro-level empirical study based on Assam, adding to the women-entrepreneurship discussion in developing countries.

REFERENCES

1. Akhter, A., Ali, M. J., Tanchi, K. R., Latif, W. B., & Karim, M. M. (2023). Determinants of women's entrepreneurial performance: Evidence from Bangladesh. *Problems and Perspectives in Management, 21*(1), 302–311. http://dx.doi.org/10.21511/ppm.21(1).2023.26
2. Aliyu, S. M. (2013). An assessment of women entrepreneurship performance in Nigeria. *Malaysian Management Journal, 17*, 1–12.
3. Balcha, A. A. (2022). The impacts of entrepreneurship training and start-up capitals on promoting youth employment in Ethiopia (The case of Bale Gasger Woreda). *Academy of Entrepreneurship Journal, 28*(7), 1–15.
4. Gujarati, D. N., & Porter, D. C. (2009). *Basic econometrics* (5th ed.). McGraw-Hill.
5. Hazarika, M. K., & Kalita, M. D. R. (2019). Women empowerment through women entrepreneurship: A study of home-based enterprises run by women in Sonitpur district of Assam. *International Journal of Research and Analytical Reviews, 6*(2), 350–359.
6. Henry, C., Orser, B., Coleman, S., & Foss, L. (2017). Women's entrepreneurship policy: A 13-nation cross-country comparison. *International Journal of Gender and Entrepreneurship, 9*(3). 10.1108/IJGE-07-2017-0036
7. Jaitly, S., &Thangallapally, L. S. (2022). *Decoding government support to women entrepreneurs in India: The anatomy of entrepreneurship support schemes*. MicroSave Consulting. https://www.niti.gov.in/sites/default/files/2023-03/Decoding-Government-Support-to-Women-Entrepreneurs-in-India.pdf
8. Martínez-Rodríguez, I., Quintana-Rojo, C., Gento, P., & Callejas-Albiñana, F. E. (2022). Public policy recommendations for promoting female entrepreneurship in Europe. *International Entrepreneurship and Management Journal, 18*(3), 1235–1262. https://doi.org/10.1007/s11365-021-00751-9
9. Minniti, M., & Naudé, W. (2010). What do we know about the patterns and determinants of female entrepreneurship across countries? *European Journal of Development Research, 22*(3), 277–293. https://doi.org/10.1057/ejdr.2010.17
10. Ministry of Micro, Small and Medium Enterprises. (2025). *Schemes for MSMEs, 2025–26*. Government of India. https://msme.gov.in/sites/default/files/Scheme-booklet-Eng.pdf
11. National Council of Applied Economic Research (NCAER). (2025). *Survey of the MSME sector of Assam with focus on sectors with data gaps*. Directorate of Economics and Statistics, Government of Assam.
12. Naudé, W. (2013). *Entrepreneurship and economic development: Theory, evidence and policy* (IZA Discussion Paper No. 7507). Institute for the Study of Labor.
13. Rana, M., Kumar, K. T. P., &Suriakala, R. (2025). Analyzing the impact of government policies on women entrepreneurship: A secondary data study. *International Journal of Environmental Sciences, 11*(8s), 198–206.
14. Saikia, P. (2017). Women entrepreneurs and their complications in the journey of entrepreneurship: A study of Assam. *Indian Research Journal of Extension Education, 17*(3), 69–73.
15. Salami, C. G. E., Ekakitie, S. E., & Ebinim, L. O. (2023). Impact of government policy on entrepreneurship growth and development of small-scale business. *Journal of Global Social Sciences, 4*(14), 73–102. 10.58934/jgss.v4i14.154
16. Sarma, A. K., & Barman, K. (2024). The role of entrepreneurial development agencies in promoting entrepreneurship development in Lakhimpur district of Assam: An observation. *Journal of East-West Thought, 14*(4), 1308–1324.
17. SIDBI. (2025). *Understanding Indian MSME sector: Progress and challenges*. https://www.sidbi.in/uploads/Understanding_Indian_MSME_sector_Progress_and_Challenges_13_05_25_Final.pdf
18. Simiyu, F. M., Namusonge, G. S., & Sakwa, M. (2016). Effect of government policy and regulations on the growth of entrepreneurial women micro and small enterprises in Trans Nzoia County, Kenya. *International Journal of Research in Business Studies and Management, 3*(10), 12–26.
19. ViggKushwah, S., Singh, T., Das, S., & Sharma, A. (2021). The role of government initiatives on women empowerment: The case of women entrepreneurs in India. *Annals of the Romanian Society for Cell Biology, 25*(4), 11522–11535.
20. Zeb, A., & Ihsan, A. (2020). Innovation and entrepreneurial performance in women-owned small and medium-sized enterprises in Pakistan. *Women's Studies International Forum, 79*, 102342. https://doi.org/10.1016/j.wsif.2020.102342