

Chapter 7

Conclusion and Policy Recommendation

7.1 Summary

The study explores the implementation and impact of the Aspirational Districts Programme (ADP), launched in 2018 to uplift underdeveloped districts in India by improving key socio-economic indicators. It focuses on 14 districts in North East India, evaluating how ADP has influenced entrepreneurship development, particularly in the MSME sector. In this chapter, summary of all the chapters, major findings and future scope of research are presented.

Summary: Chapter 1

Using human capital and entrepreneurship ecosystem theories, the study argues that ADP can enhance economic opportunities by fostering skill development and creating supportive institutional frameworks. However, challenges such as low awareness, inadequate infrastructure, and limited access to financial resources hinder entrepreneurship growth in these districts. The study seeks to measure ADP's effectiveness in generating entrepreneurial ventures, assessing the types of enterprises that have emerged, and understanding the benefits entrepreneurs have received.

Given the lack of prior research on ADP's impact on entrepreneurship, this study aims to provide valuable insights for policymakers to enhance the programme's effectiveness. By addressing regional disparities and fostering an enabling business environment, ADP has the potential to drive inclusive growth and economic transformation in North East India.

Summary: Chapter 2

This chapter focuses on reviewing existing literature and outlining the research methodology applied in the study. The first part critically examines studies related to entrepreneurship, the Aspirational District Programme (ADP), and its impact on entrepreneurial development in Northeast India. The literature review identifies key themes, including government initiatives, financial inclusion, skill development, and

challenges faced by entrepreneurs, particularly women and rural business owners. It also highlights the role of awareness in improving participation in ADP programs.

The second part discusses the research methodology, emphasizing a quantitative approach with both descriptive and correlational research designs. A structured questionnaire was used to assess awareness and the impact of ADP among entrepreneurs, with data collected from 373 micro-entrepreneurs across 14 aspirational districts. Statistical tools like ANOVA, Pearson correlation, and non-parametric tests were used for analysis. The chapter concludes by identifying research gaps, particularly the lack of comprehensive studies on ADP's long-term impact on entrepreneurship in the region.

Summary: Chapter 3

The chapter analyzes the extent of implementation of the Aspirational Districts Programme (ADP) across India, with a focus on North East India and a detailed case study of 14 selected districts. The study finds that while ADP has contributed to significant improvements in various indicators such as health, education, agriculture, financial inclusion and infrastructure, the progress remains uneven across regions. In particular, North East India exhibits significant variability in outcomes, with some districts achieving substantial gains while others continue to struggle with systemic challenges.

Health and education indicators show overall positive trends, including improvements in school enrolment and immunization rates, though gaps remain in access to medical facilities and sanitation. Financial inclusion has improved in some districts, but challenges persist in loan disbursement and insurance scheme enrolments. Agriculture and water resources interventions show good improvements with further scope for developments in sectors like micro-irrigation coverage, soil health card distribution etc. Infrastructure development has also been uneven, with significant disparities in road connectivity, internet access, and housing availability.

The study highlights the role of real-time data monitoring in driving evidence-based policy adjustments but notes that administrative capacity, resource constraints, and local governance play crucial roles in shaping implementation outcomes.

Additionally, the comparative analysis of ADP implementation at the national level versus North East India underscores the need for region-specific policy interventions. Data limitations in certain districts further hinder effective assessment and decision-making. The findings suggest that while ADP has made significant contributions, sustained efforts and targeted strategies are required to ensure equitable development across all aspirational districts.

Summary: Chapter 4

The chapter examines the state of MSME-based entrepreneurship in the 14 Aspirational Districts of North East India. It explores the differences in MSME growth across districts, analyzing ownership by social categories and sectoral composition (manufacturing vs. service). Findings indicate that micro-enterprises dominate, making up 98.4percent of the total MSMEs. Rhiboi district in Meghalaya has the highest number of small and medium enterprises, whereas Barpeta in Assam leads in micro-enterprises. Ownership distribution shows that the majority of MSMEs belong to the General category (65percent), followed by Scheduled Tribes (17.7percent), OBCs (11.1percent), and SCs (6.1percent). Employment generation is highest in micro-enterprises, though medium enterprises provide more jobs per unit. Growth analysis reveals that MSME expansion accelerated post-implementation of the Aspirational District Programme, with service enterprises outnumbering manufacturing enterprises. Statistical tests confirm significant associations between ownership category and enterprise type, as well as employment differences across enterprise sizes. The study concludes that higher MSME ownership aligns with the dominant social category in a given district.

Summary: Chapter 5 &6

These chapters focuses on the awareness levels of the Aspirational District Programme (ADP) among entrepreneurs in North-East India's Aspirational District, benefits received by the entrepreneurs, and impact of ADP on entrepreneurs. It emphasizes that the success of government initiatives, such as ADP, depends on how well entrepreneurs understand and engage with these programs. Studies show that awareness significantly impacts participation in entrepreneurial activities, with education and local dissemination playing a crucial role.

The chapter reviews previous studies on ADP awareness, revealing gaps in comprehensive research covering all aspirational districts in the region. It highlights the need for targeted awareness campaigns, particularly for micro-entrepreneurs. Findings indicate that most entrepreneurs are only somewhat aware of key ADP components like financial inclusion, skill development, infrastructure, agriculture, education, and health provisions. However, awareness of basic ADP objectives remains low. Though many benefits are received by the entrepreneurs, impact of ADP is found to be very low. The major findings are mentioned below.

7.2 Major Findings

7.2 (i) Extent of implementation of ADP

The Aspirational Districts Programme (ADP), launched in 2018, aims to improve health, education, agriculture, financial inclusion, and infrastructure in North East India (NEI). The program's progress has been uneven across districts, with variations in governance, resource allocation, and local challenges. Some districts, such as Udalguri, Namsai, and Dhubri, have made notable strides in multiple sectors, while others face stagnation or decline, often due to inadequate infrastructure and difficult terrain.

In terms of sector-wise performance, the sample districts have seen steady but uneven growth. Health and nutrition improvements lag behind the national average, with districts like Chandel and Darrang performing well, while Barpeta and Ri Bhoi struggle. Education shows progress in districts like Dhubri, but slower gains in Ri Bhoi and Soreng. Financial inclusion has been a success, with districts of North East India outperforming the national average, particularly Goalpara, though Kiphire lags behind. Agriculture and water resources show mixed results, with low adoption of micro-irrigation and crop insurance. Basic infrastructure improvements are evident in roads, electricity, and connectivity, though challenges remain in potable water and rural internet access.

In the 14 study districts, financial inclusion has seen high success in Aadhaar seeding and PMJDY account openings, but Mudra loan disbursements have been weak. While basic infrastructure like electricity and roads has improved, water supply and digital access remain significant concerns. Agricultural improvements are limited, with low uptake of soil health cards and credit access. Education has seen high transition

rates from primary to secondary school, though female literacy and sanitation gaps persist.

Overall, the ADP's data-driven governance has allowed for better interventions, but disparities in progress persist. Some districts have sustained improvements, while others show volatile performance, highlighting the need for targeted interventions to address administrative inefficiencies and ensure more consistent progress.

7.2 (ii) State of MSME-based entrepreneurship in the study area

- (a) The majority of the study's enterprises (98 percent) are Micro enterprises.
- (b) While the highest number of Medium (24 out of 59) and Small (120 out of 693) enterprises are located in the Rhibhoi district of Meghalaya, in the case of Microenterprises, the highest number of enterprises (8617 out of 46168) is located in Barpeta district of Assam.
- (c) The percent share of micro-enterprises of Barpeta district in Assam to the total micro enterprises is 18.6 percent
- (d) The percent share of small and medium enterprises of Barpeta district in Assam to the total small and medium enterprises is 17.3 percent and 40.7 percent respectively.
- (e) The majority of the MSMEs in the study area (66.1 percent) are service enterprises.
- (f) Majority of the micro and small enterprises (66.2 percent and 63.6 percent) are found to be service based whereas, in the case of medium enterprises, the majority of the enterprises (54.2 percent) are manufacturing-based enterprises.
- (g) While Mamit district of Mizoram has the highest share of ST-owned MSMEs (95.1 percent), Hailakandi district of Assam has the highest share of SC-owned MSMEs (12.4 percent); While Darrang district of Assam has the highest share of General category owned MSMEs, Soren district of Sikkim has the highest share ownership from the category of OBC with 43.1 percent.
- (h) Majority of the MSMEs (65 percent) are owned by people belonging to the General category and the ownership share of people belonging to the ST category is more than OBC and SC.

- (i) While the majority of the owners of manufacturing enterprises (50.9) belong to the general category, more than two-third of the total manufacturing enterprises are owned by people belonging to the ST category.
- (j) The ST's share of ownership in the Mamit district of Mizoram is found to be 95.1 percent which is the highest share compared with other aspirational districts considered for the study.
- (k) Out of 14 aspirational districts, in six districts, the majority of the MSMEs are owned by people belonging to the General category; in five districts, the majority of the MSMEs are owned by people belonging to the ST category.
- (l) On average, MSMEs of the study area provide 7 employment per enterprise.
- (m) In the case of micro-enterprises, the majority of the employment (59 percent) is generated by service-based enterprises whereas, in the case of small and medium enterprises, the majority of the employment (52 percent and 82 percent) is generated by manufacturing-based enterprises.
- (n) *There is a significant difference between manufacturing and service enterprises in terms of providing employment in the study area.*
- (o) The majority (73 percent) of the MSMEs in the study are established in the post-implementation of ADP.

7.2 (iii) Awareness of ADP among Entrepreneurs of the study area

Awareness plays a crucial role in the success of policy interventions, as entrepreneurs cannot access financial aid, training, or infrastructure support if they are unaware of government schemes like the ADP. Significant gaps in awareness highlight the need for better communication and outreach strategies. For entrepreneurs, understanding the ADP is vital for several reasons: it enables participation in government schemes, fosters entrepreneurial growth by connecting them with essential resources, drives behavioural and knowledge shifts such as improved financial literacy and digital adoption, and bridges information gaps, particularly in rural areas. Despite research showing that higher awareness increases program participation, current awareness levels remain low across the NEI, underscoring the urgency for more effective policy communication.

Awareness levels of the ADP among 373 surveyed entrepreneurs, revealing critical gaps in understanding. While the majority of entrepreneurs are "somewhat aware" of the ADP, less than 3percent are "highly aware," and nearly 20-25percent have no awareness at all about its objectives and functions. A breakdown of awareness across key ADP components shows that most respondents fall into the "somewhat aware" category, with only a small percent being fully informed. For instance, 20.6percent are unaware of ADP's objectives, 24.4percent lack knowledge of its key indicators, and 22.3percent are uninformed about the state government's role. These findings underscore that while partial awareness exists, a lack of deep understanding limits entrepreneurs' ability to effectively engage with government programs. Some the key findings are:

- (i) Most entrepreneurs have only partial awareness of ADP's functions.
- (ii) Less than 3percent are "highly aware" of ADP initiatives.
- (iii) 20-25percent of respondents have no awareness of ADP's objectives or functions.
- (iv) Overall awareness level if found to be low.
- (v) Awareness gaps exist across key aspects like objectives, indicators, and roles of state and district authorities.
- (vi) Limited understanding hinders effective engagement with government programs.

7.2(iv) Impact of ADP on Entrepreneurs of the study area

The key findings on the benefits of the Aspirational Districts Programme (ADP) on entrepreneurs in NEI, focusing on five key areas: financial resources, training and skill development, infrastructure, agriculture and animal husbandry, and education and health. The findings reveal both progress and gaps in ADP's effectiveness, highlighting areas for improvement to foster entrepreneurial growth.

- i. On Access to Financial Resources: Majority of the respondents (85percent) did not availed Mudra Loans as well as PMJJBY (80.4 percent) and Atal Pension

Yojana (80.4 percent). However, majority of the respondents (82.6 percent) received financial subsidies, showing strong government support.

- ii. Regarding Training & Skill Development: A few attended short/long-term training programs (15.8percent) and participated in certification programs for informal workers (24.9 percent).
- iii. On Infrastructure Improvements: Majority (74.5 percent) have electricity in homes and workplaces, access to all-weather roads and adequate drinking water (56.3percent) have access to adequate drinking water.
- iv. Agriculture & Animal Husbandry Benefits: Majority (84.2 percent) did not availed PMFBY crop insurance.
- v. Education & Health Benefits: Majority (72.4 percent) reported drinking water availability and electricity in schools (77 percent), schools met Right to Education (RTE) teacher-student ratios (73.7 percent).
- vi. Health: Majority of the respondents' family member belonging to women category (63 percent) had antenatal checkups and availed nutrition under ICDS (57.1percent) .

In terms of ADP's impact on Business Growth & Market Expansion: The majority of entrepreneurs rated ADP's impact between "Slightly" and "Moderately" ; according to few (with less than 8 percent) it helps 'to a great extent'.

In terms of ADP's impact on 'Profitability & Sustainability':Majority (55 percent) experiences profitable and sustainable business because of ADP; out of which, 35.7 percent of entrepreneurs saw 'slight' profitability growth, 13.9 percent experienced 'significant improvement', and 5.4percent reported substantial gains, reflecting a moderate but uneven economic impact.

7.3 Recommendations

Based on the comprehensive analysis of the impact of the Aspirational Districts Programme (ADP) on entrepreneurship in North East India, several strategic recommendations can be advanced to augment both the immediate outcomes and long-term sustainability of the programme. These recommendations are rooted in the empirical evidence and insights derived from the study's multidimensional approach,

and they aim to build upon the observed "quick wins" while addressing critical bottlenecks.

First, enhancing awareness and outreach remains pivotal. Future policy interventions should adopt localized communication strategies that incorporate regional languages and culturally nuanced messaging. For instance, leveraging digital platforms and social media channels in tandem with grassroots mechanisms—such as self-help groups (SHGs) and Panchayat-led initiatives—could significantly improve the penetration of ADP information. This would not only increase awareness but also facilitate greater utilization of financial and training schemes. In parallel, tailored financial literacy programs should be instituted to simplify access to credit facilities. The current data indicate a reliance on subsidies, with low uptake of Mudra loans; thus, streamlining loan application processes and providing targeted financial training may encourage entrepreneurs to engage more robustly with credit-based mechanisms.

Second, the capacity-building and skill development dimension warrants further attention. Expanding the scope and reach of vocational training initiatives—particularly those focused on digital literacy and technical skills—is essential to bridge the existing skill gap among entrepreneurs. Collaborative efforts with industry experts and training institutes can enhance the relevance of these programs, ensuring that they are closely aligned with market demands. Moreover, promoting apprenticeship schemes and certification programs, especially for non-formally skilled workers, could catalyze a more resilient entrepreneurial workforce. This focus on capacity building is expected to translate into enhanced business performance and sustainable growth.

Third, infrastructure enhancement must continue to be a central component of ADP's strategy. The study demonstrates that improvements in core infrastructure such as roads, electricity, and digital connectivity are strongly associated with higher MSME growth rates. Policy measures should thus focus on ensuring that these improvements are both widespread and tailored to the unique needs of different sectors. For example, manufacturing enterprises may benefit from the establishment of industrial clusters and enhanced logistics support, while agro-based enterprises require more robust irrigation and market linkage facilities. Strengthening these foundational elements will help create an environment that is conducive to sustained entrepreneurial expansion.

Finally, future research should consider employing longitudinal designs and advanced analytical techniques to capture the dynamic and evolving impact of ADP. Utilizing econometric models, machine learning, and geospatial analyses could provide more nuanced insights into the causal relationships between policy interventions and entrepreneurial performance. Furthermore, comparative studies across different regions and states could elucidate whether the positive trends observed in NEI are replicable in other contexts. Establishing continuous feedback mechanisms among policymakers, practitioners, and entrepreneurs would also be instrumental in fine-tuning ADP interventions and ensuring their adaptive and responsive evolution.

In sum, while the current study highlights several notable successes of ADP—particularly in enhancing financial subsidies and infrastructural development—it also identifies areas requiring strategic refinement. By adopting these recommendations, policymakers and stakeholders can transform early successes into sustained, scalable, and inclusive growth, ultimately fostering a more vibrant entrepreneurial ecosystem in North East India.

7.4. Conclusion

This study provides a comprehensive evaluation of the Aspirational Districts Programme (ADP) and its influence on entrepreneurship in North East India (NEI). The findings indicate that ADP has contributed significantly to financial inclusion, infrastructure improvements, and skill development, creating an enabling environment for MSME growth. However, regional disparities in implementation, gaps in entrepreneurial awareness, and sector-specific constraints highlight areas that require further attention to maximize ADP's long-term impact. While service-based MSMEs have shown steady expansion, manufacturing enterprises face greater challenges in credit access, market linkages, and regulatory navigation, necessitating targeted policy interventions.

Moving forward, enhancing programme awareness, simplifying access to credit, and introducing sector-specific support mechanisms will be critical in amplifying ADP's effectiveness. Digital outreach, localized financial literacy programs, and infrastructure investments tailored to business needs can serve as key enablers of sustained entrepreneurial success. Additionally, establishing longitudinal impact

assessments and comparative regional studies will provide deeper insights into ADP's evolving role in fostering economic transformation.

By leveraging its successes, addressing implementation challenges, and refining its strategic execution, ADP has the potential to transition from an enabler of early-stage business growth to a long-term driver of sustainable, inclusive, and innovation-led entrepreneurship in India's aspirational districts.

7.5. Future Scope of Research

This study sets the foundation for understanding the impact of the Aspirational Districts Programme (ADP) on entrepreneurship in North East India (NEI). However, given the complexity of entrepreneurship development and policy implementation, several areas remain open for further exploration. Future research can build upon these findings to provide deeper, more nuanced insights that contribute to both academic discourse and policy refinement.

One key area for future research is the inclusion of unregistered and informal businesses, which were beyond the scope of this study but play a crucial role in NEI's entrepreneurial landscape. Expanding the sample to include a more diverse range of enterprises, including women-led and tribal businesses, would allow for a more comprehensive analysis of ADP's effectiveness across different socio-economic groups. Additionally, while this study captures entrepreneurs' awareness and perceived impact of ADP, future research could employ a longitudinal approach to track actual business growth, financial performance, and employment trends over time, providing a more direct measurement of ADP's long-term impact.

From a methodological perspective, integrating qualitative research methods, such as case studies, interviews, and focus group discussions, could provide richer contextual insights into the challenges faced by entrepreneurs in aspirational districts. Further, employing advanced statistical models, econometric techniques, and geospatial analysis would enhance the ability to identify regional disparities, predict trends, and assess policy efficiency. Comparative studies across different regions or states could also offer valuable insights into whether ADP's impact varies across different economic and governance contexts.

By addressing these areas, future research can provide a more holistic evaluation of ADP's effectiveness and support the development of more targeted, data-driven policies. As entrepreneurship in NEI continues to evolve, continuous research will be essential to ensuring that government interventions remain adaptive, inclusive, and effective in fostering sustainable economic growth.