

# Empowering India's MSMEs: Overcoming Challenges, Harnessing Opportunities and Advancing Sustainable Growth

**Savitha D and Azil Hasar**

Faculty of Commerce

School of Economics and Commerce, CMR University, Bengaluru

savitha\_d@cmr.edu.in and azil.hasar@cmr.edu.in

**Abstract:** *Micro, small, and medium enterprises (MSMEs) play a vital role in India's economy, contributing significantly to GDP, exports, and employment. They are instrumental in fostering regional development, promoting industrialization, and reducing economic disparities. However, despite their importance, MSMEs face persistent challenges such as limited access to finance, outdated technology, regulatory hurdles, and skill shortages, which hinder their growth and competitiveness. This research explores these challenges in depth, assessing the impact of various government initiatives designed to support MSMEs. It reviews financial schemes, digital transformation programs, and skill development efforts, highlighting their effectiveness in strengthening the sector. The study also offers strategic recommendations to build a more resilient, innovative MSME landscape. By empowering MSMEs with improved financial access, advanced technology, and a skilled workforce, the sector can drive sustainable economic growth, foster innovation, and enhance India's global competitiveness.*

**Keywords:** The article focuses on Micro, Small, and Medium Enterprises (MSME) in India, exploring the critical aspects of financial inclusion and skill development, the role of technological advancements and digital transformation, and the impact of policy reforms on fostering sustainable economic growth

