



Thought Leadership

5 Growth Levers for Indian MSMEs in 2026

India's 63 million-plus micro, small, and medium enterprises are the backbone of the Indian economy, contributing around one-third of GDP and nearly half of exports. As formalisation deepens and digital infrastructure matures, sustainable growth in 2026 will be driven by disciplined execution across a handful of high-impact priorities.

1. Turn Formalisation into a Financing Advantage

Udyam registration, GST compliance and digitally verifiable financial records have become strategic assets. Cash-flow based lending models increasingly reward businesses that maintain transparent books and high-quality financial information. Financial discipline today directly influences access to affordable capital.

CredNexa Insight: Treat data quality and financial reporting as investments rather than compliance costs.

2. Embed AI Where It Delivers Measurable Value

The greatest returns from AI often come from automating repetitive activities such as customer support, bookkeeping, demand forecasting and marketing content. Focus on measurable productivity improvements before expanding adoption.

3. Diversify Revenue Streams

Reducing dependence on a single customer or marketplace improves resilience. Platforms such as ONDC, GeM and export marketplaces enable MSMEs to access new demand segments while strengthening pricing power.

4. Build a Resilient Supply Chain

Identify supplier concentration risks, qualify alternate vendors and strengthen inventory planning. Increasingly, larger customers also expect quality, compliance and ESG readiness from their suppliers.

5. Invest in Leadership Depth

Businesses scale when founders build capable second-line leadership, document processes and institutionalise decision-making. Organisational capability is a long-term competitive advantage.

The CredNexa Perspective

MSMEs rarely fail because of insufficient ambition; they slow down because too many priorities compete for limited resources. Businesses that sequence initiatives, execute rigorously and institutionalise improvements consistently outperform peers.

About CredNexa Advisory

CredNexa Advisory partners with businesses to strengthen finance, risk management, treasury, governance and growth strategy. Our approach combines deep financial expertise with practical execution support to help businesses scale sustainably.