

## EMPOWERING COMMUNITIES THROUGH ENTERPRISE: A QUALITATIVE ANALYSIS OF SMES IN EMERGING ECONOMIES

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### Abstract

Particularly in rural areas where formal employment is limited, Small and Medium Enterprises (SMEs) have become major engines of economic development and social stability in developing nations. This paper investigates how SMEs help to lower poverty and unemployment in Khairpur and Sukkur's rural areas in Sindh, Pakistan. Though systematic obstacles still impede their full potential, especially in disadvantaged areas, SMEs are increasingly acknowledged as engines of inclusive development. The study issue focusses on the lack of knowledge of how locally rooted SMEs function under structural restrictions and what factors allow them to produce sustainable livelihoods. Data was gathered from 30 people, including SME owners, staff members, community members, NGO workers, and microfinance representatives—using semi-structured interviews and field observations under a qualitative exploratory methodology. NVivo tools were used for thematic analysis to find reoccurring themes on access to financing, gender involvement, infrastructure gaps, and employment generation. The results show that SMEs are a vital source of income and employment for rural families, hence lowering reliance on agriculture and urban migration. SME development and sustainability are greatly hampered by access to credit and infrastructural constraints including power outages and subpar transport. Drawing on these findings, the study recommends increasing rural entrepreneur-focused microfinance and business training as well as enhancing infrastructure services including digital access and energy. These actions can improve the ecosystem for rural SMEs and enable them to help lower unemployment and poverty in Pakistan's developing economy.

### INTRODUCTION

Small and Medium Enterprises (SMEs) have emerged as pivotal agents in the socio-economic transformation of emerging economies. These enterprises often function as the backbone of national economies, contributing significantly to employment generation, income redistribution, and grassroots economic development. In many developing countries, where formal job opportunities are limited

and poverty remains a pressing concern, SMEs provide flexible and inclusive employment opportunities, particularly for marginalized and vulnerable groups (World Bank, 2020). According to the International Labour Organization (ILO, 2019), SMEs account for more than 70% of total employment in some low-income and middle-income

nations, underscoring their critical role in labor market dynamics and poverty alleviation.

In the modern global economic environment, small and medium companies (SMEs) serve as a vital foundation for promoting economic growth, employment generation, and social advancement. The empowerment of SMEs has attracted growing interest from policymakers, scholars, and practitioners because of its potential to foster entrepreneurship, reduce poverty, and improve overall societal well-being (Al-Amin & Mamun, 2022). In this context, the integration of financial resources is a crucial method to strengthen SMEs, hence fostering the development of more resilient communities. This provides a detailed overview that includes general clarifications, specific explanations, common phenomena, pertinent research, and the primary objectives related to a quantitative descriptive research project centred on "Building Stronger Communities: Integrating Financial Resources for SME Empowerment."

Despite their inherent limitations, small and medium-sized businesses (SMEs) are vital to economic growth, innovation, and social mobility in both developed and developing economies. They are engines of job creation, making a significant contribution to the creation of jobs and income, especially in areas with limited industrial infrastructure (Amjad, Awan & Waqas, 2022). SMEs are a diverse array of businesses that vary in size, scope, and sector, and are typically characterised by limited resources, manpower, and market reach compared to their larger counterparts.

Despite their economic promise, SMEs in emerging economies often face structural barriers that inhibit their growth and social impact. These barriers include lack of financing, inadequate infrastructure, limited access to training and technology, and weak regulatory environments. Consequently, their capacity to serve as effective instruments of poverty reduction and employment generation is compromised (Ayyagari, Demircuc-Kunt, & Maksimovic, 2011). This situation presents a paradox: while SMEs hold significant promise, their full potential is rarely realized without targeted policy intervention and institutional support. The development of Small and Medium Enterprises (SMEs) in rural Sindh has emerged as a critical pathway for addressing widespread poverty, unemployment, and economic marginalization. In regions where large-scale industrial activity is limited,

SMEs serve as lifelines for income generation and local economic participation. Rural Sindh, characterized by agrarian livelihoods, scattered settlements, and limited infrastructural development, presents both opportunities and challenges for SME growth (Shabnam et al., 2023). Traditional industries such as handicrafts, agro-based processing, livestock products, and local services dominate the rural enterprise landscape (Rajper et al., 2018). Many rural entrepreneurs rely on informal business practices, utilizing indigenous knowledge and local resources to sustain small-scale operations that provide employment for family and community members.

Despite their potential, rural SMEs in Sindh often struggle with structural and systemic constraints. Access to finance remains a major hurdle, as many small entrepreneurs are unable to meet collateral requirements for loans or lack awareness of available financial products tailored to micro and small businesses. Moreover, poor infrastructure—such as unreliable electricity, lack of market linkages, and inadequate transportation networks—further hampers productivity and expansion (Lal. Cahndio & Anwer, 2023). The absence of formal training programs and limited digital literacy among rural populations also restrict the ability of SMEs to innovate or scale up. Gender dynamics pose additional challenges, particularly in conservative rural areas where women's participation in enterprise development remains constrained by social norms and mobility restrictions (SMEDA, 2021).

Nevertheless, there are promising signs of grassroots enterprise development in Sindh, driven by both individual initiative and targeted interventions by NGOs, donor agencies, and government programs. Initiatives such as vocational training, women-focused entrepreneurship support, and rural enterprise development schemes are beginning to show results in select districts. Programs facilitated by the Sindh Enterprise Development Fund and community-based organizations have enabled rural artisans, agricultural entrepreneurs, and youth to formalize their businesses and access wider markets (Shabnum et al., 2023). If strategically supported, rural SMEs in Sindh have the potential not only to lift households out of poverty but also to drive inclusive and sustainable economic growth across the province.

The scope of this research lies in examining the multifaceted contributions of SMEs toward reducing poverty and unemployment in emerging economies across Africa, Asia, and Latin America. While policymakers and development agencies have long acknowledged the potential of SMEs, systematic analysis of how these enterprises address poverty and unemployment through local innovation, job creation, and inclusive economic practices remains underexplored. Moreover, understanding the mechanisms through which SMEs operate amidst institutional challenges such as limited access to credit, bureaucratic constraints, and market volatility is essential for designing effective support frameworks (Beck & Demirguc-Kunt, 2006).

The central objective of this study is to critically analyze the role SMEs play in alleviating poverty and unemployment in emerging economies and to identify the enabling and constraining factors affecting their impact. Specifically, the study aims to (1) explore the contributions of SMEs to employment and income generation; (2) examine the structural and policy-related challenges that hinder SME development; and (3) propose strategic interventions to enhance the efficacy of SMEs in achieving inclusive economic growth. Through this inquiry, the paper aspires to provide empirically grounded insights for scholars, policymakers, and practitioners committed to leveraging SMEs as catalysts for sustainable development.

### Research Questions

1. How do small and medium enterprises (SMEs) contribute to poverty alleviation and employment generation in emerging economies?
2. What challenges do SMEs face in fulfilling their role as agents of socioeconomic development in resource-constrained environments?
3. How do entrepreneurs and SME stakeholders perceive their impact on local communities in terms of income stability, job creation, and social mobility?

### Literature review

Globalisation has sped up the effects of industrialisation in recent years. Developing and changing economies depend more on using natural resources to grow. They are facing problems with how efficiently they use resources and how much damage

they do to the environment (Salahuddin & Zaman, 2012). But a lot of poor countries have started to work on being more resource-efficient like SMES and leaving less of an impact on the environment (Arif, 2023). In the same way that many other developing countries do, Pakistan is changing from an economy based mostly on agriculture to one with large service and industrial areas (Lin et al., 2021; Shah et al., 2023; Kamal et al., 2022). That being said, Pakistan's agriculture and industrial sectors are connected, and growth in both is necessary for the country's economy to grow. Also, unplanned urbanisation, rapid population growth, and industrial development are all hurting the country's general economic growth and putting a huge strain on natural resources, which has big effects on the environment (Erdoğan et al., 2021; Khan et al., 2020). Because of this, natural resources are being used up too quickly and badly, and there is pollution in the air, water, and land all over the country (Sánchez-Triana et al., 2015). Sindh, Pakistan's province, is having a hard time making success in the industrial and service sectors and adding to the country's economic growth right now (Loewe et al., 2013). The business and industrial center of Sindh is the city of Karachi. There is a wide range of industries in Karachi, from big factories to small and medium-sized businesses (SMEs) and home-based businesses. Natural resources are being used up and the environment is getting worse because of the province's ongoing industrial and economic operations, which has led to worries about several social, environmental, and health problems (Jilani, 2025).

Small and Medium Enterprises (SMEs) play a pivotal role in the economic development of emerging economies by fostering employment, innovation, and poverty alleviation. In Pakistan, SMEs contribute approximately 40% to the national GDP and employ around 78% of the non-agricultural labor force (Jumani & Shaikh, 2019). Rural areas, particularly in Sindh province, present unique opportunities and challenges for SME development due to their distinct socio-economic and infrastructural landscapes.

### 1. Economic Significance of SMEs in Rural Sindh

Rural Sindh's economy is predominantly agrarian, with agriculture providing livelihoods to a significant portion of its population. SMEs in these areas often revolve around agro-based industries, handicrafts, and small-scale trading. These enterprises not only offer employment opportunities but also help in reducing rural-to-urban migration by providing local income sources. The Sindh Enterprise Development Fund (SEDF) has been instrumental in promoting investment in agri-value chains and supporting SMEs through financial and technical assistance (Husain, Qureshi & Hussain, 2019).

Small and medium companies (SMEs) have a crucial role in influencing the global economic landscape, with their contributions extending beyond economic indicators to include social and developmental aspects. Bannock (2005) emphasises that SMEs are crucial drivers of economic growth, employment generation, and poverty reduction, particularly in emerging economies where they provide the foundation of local economies. The dynamic characteristics of SMEs, marked by their flexibility, adaptability, and innovative capacity, have been highlighted in research by Beck, Demirgüç-Kunt, and Maksimovic (2005), underscoring their substantial contributions to GDP growth, industrial diversification, and social mobility. Recent study findings validate these claims, illuminating the changing role of SMEs in promoting equitable and sustainable development. Research conducted have shown the significance of SMEs in promoting resilience and community cohesiveness, especially during disruptive occurrences like the COVID-19 pandemic (Arshad et al., 2020). Through their agility and local integration, SMEs have exhibited notable resilience in adjusting to fluctuating market conditions and addressing the changing demands of consumers and communities.

## 2. Challenges Facing Rural SMEs in Sindh

The promotion of financial inclusion is not only essential for fostering economic participation but also for advancing social inclusion and reducing poverty rates, as emphasised by Demirgüç-Kunt and Klapper (2012). Nevertheless, obstacles persist, particularly in the context of financing small and medium-sized enterprises, despite the concerted efforts to improve financial inclusion. The growth and development of

these critical economic entities are impeded by the persistent presence of obstacles in the financing of SMEs. Beck (2007) emphasises several of the persistent obstacles encountered by SMEs, such as high transaction costs, stringent collateral requirements, limited access to formal credit, and information asymmetries. The financing gap for SMEs is frequently exacerbated by these challenges, which restrict their capacity to invest in human capital development, innovation, and expansion.

Despite their potential, rural SMEs in Sindh face several obstacles. Limited access to finance is a significant barrier, with many entrepreneurs lacking collateral or credit history to secure loans. Infrastructure deficits, such as inadequate transportation and unreliable electricity, further hinder business operations. Additionally, a lack of formal training and business development services restricts the growth and competitiveness of these enterprises (Shaikh et al., 2011).

## 3. Role of Government and Development Programs

The government and various development organizations have initiated programs to bolster SME growth in rural Sindh. The Small and Medium Enterprises Development Authority (SMEDA) has implemented policies aimed at enhancing SME competitiveness and sustainability (Sair, et al. 2023). Programs like the Growth for Rural Advancement and Sustainable Progress (GRASP), funded by the European Union, focus on developing rural SMEs by creating gender-inclusive employment and income opportunities (Ali, et al., 2023).

In order to mitigate risks, address market defects, and improve the enabling environment for SME finance, governments and regulatory authorities have implemented a variety of measures. For example, Chen and Liu (2022) conducted research that emphasises the significance of targeted financial incentives and supportive regulatory frameworks in promoting entrepreneurship and encouraging small and medium-sized enterprises (SMEs) to access credit. Nevertheless, there are still substantial obstacles to ensuring comprehensive financial inclusion and addressing the financing requirements of SMEs, particularly in low-income and rural areas, despite these advancements. To surmount these obstacles and

realise the maximum potential of SMEs as drivers of economic growth and poverty reduction, it is imperative to enhance credit infrastructure, strengthen institutional capacity, and promote financial literacy (Lu et al. 2022). Although advancements have been achieved in the promotion of financial inclusion and the resolution of SME financing challenges, it is imperative that governments, financial institutions, and other stakeholders collaborate to maintain momentum and establish a more inclusive financial ecosystem. Policymakers can establish an environment that is conducive to the growth, entrepreneurship, and economic empowerment of SMEs by utilising innovative financing mechanisms, adopting digital technologies, and instituting supportive policies.

#### 4. Impact on Poverty Alleviation and Employment

SMEs have a direct impact on poverty reduction and employment generation in rural Sindh. By providing local job opportunities, they help in uplifting the socio-economic status of communities. Studies have shown that microcredit programs targeting SMEs have led to increased employment and productivity in rural areas (Soomro, Memon & Soomro, 2025). Furthermore, initiatives like the PAIDAR program empower local entrepreneurs to establish and expand businesses, creating new income streams and revitalizing the local economy.

The empowerment of small and medium-sized enterprises (SMEs) is acknowledged as a crucial catalyst for community development, social cohesion, and sustainable livelihoods. Noch and Rumasukun (2024) emphasized that SMEs are crucial in promoting broader societal goals by creating economic possibilities, supporting local entrepreneurship, and stimulating value-added activities. Recent research has confirmed the significant influence of SMEs on inclusive growth and poverty alleviation, highlighting developing trends and problems in utilising SMEs for community development. Research conducted by Smith and Jones (2023) highlights the significance of SMEs as catalysts for employment growth and economic resilience, especially during global disasters like the COVID-19 pandemic. Small and medium-sized enterprises have exhibited exceptional adaptability

and inventiveness in response to fluctuating market conditions, thus alleviating the negative effects of economic disruptions and safeguarding livelihoods in local communities. Furthermore, a study by Santos-jaen et al (2022) underscores the significance of SMEs in fostering social inclusion and mitigating inequality via their inclusive employment practices and supply chain connections with marginalised communities.

#### Sustainable Development and Community Empowerment through SMEs

The empowerment of small and medium-sized enterprises (SMEs) is recognised as a vital driver for community development, social cohesion, and sustainable livelihoods. Dutta and Crossman (2010) underscore that SMEs are vital in advancing overarching social objectives by generating economic opportunities, fostering local entrepreneurship, and enhancing value-added activities. Recent research has substantiated the substantial impact of SMEs on inclusive growth and poverty reduction, emphasising emerging trends and challenges in leveraging SMEs for community development. Bullo et al., (2024) emphasise the importance of SMEs as drivers of employment growth and economic resilience, particularly amid global crises such as the COVID-19 pandemic. Small and medium-sized firms have demonstrated remarkable adaptability and innovation in response to changing market conditions, therefore mitigating the adverse consequences of economic disruptions and protecting livelihoods in local communities. A research by Garcia and Martinez (2022) highlights the importance of SMEs in promoting social inclusion and reducing inequality through their inclusive employment practices and supply chain relationships with marginalised areas.

Moreover, the value of community-based strategies for SME development has become increasingly recognised in recent years, as demonstrated by research highlighting the importance of participatory decision-making and the cultivation of social capital. Lu, et al., (2023) emphasise the significance of collaborative networks and grassroots activities in enhancing the resilience and adaptive capacity of SMEs, especially in vulnerable or neglected populations. Community-based approaches help SMEs to tackle local challenges and seize opportunities for sustainable development by



encouraging knowledge sharing, resource mobilisation, and collaborative action. The changing environment of SME growth has led to increased focus on the significance of policy frameworks and institutional support systems in promoting inclusive and sustainable entrepreneurship. Jones et al. (2024) underscore the significance of conducive regulatory frameworks and focused interventions in fostering the growth, innovation, and market accessibility of SMEs. Socio-cultural factors significantly influence the development of SMEs in rural Sindh. Traditional norms and gender roles often restrict women's participation in entrepreneurial activities. However, programs like the Home-Based Women's Worker's Federation (HBWWF) have been working to empower women by providing skill development and advocating for their rights in the informal sector (Jones et al., 2024). Encouraging women's involvement in SMEs can lead to more inclusive economic growth and social development.

Effective financial management practices are crucial for the sustainability and growth of SMEs. Research indicates that a higher degree of conduct in working capital management, financial reporting, accounting information systems, investment decisions, and financing practices is positively associated with financial performance and firm growth (Ahmed et al., 2018). Implementing sound financial practices can enhance the resilience of SMEs against economic shocks and market fluctuations.

### Method and Procedure

Appropriate for grasping the lived experiences, attitudes, and difficulties experienced by SME stakeholders in rural and semi-urban environments, this paper used a qualitative exploratory design. The method permitted an in-depth study of how SMEs support job creation and poverty reduction inside the contextual reality of Khairpur and Sukkur districts in Sindh, Pakistan. The qualitative design offered the adaptability to capture subtle insights and socio-cultural aspects usually ignored in quantitative research.

### Study Site

Khairpur and Sukkur, two upper Sindh districts, served as the sites of the study. Historically, both areas are recognised for their agricultural economy, local

handicrafts, date cultivation, and small-scale commerce. These areas have a rising number of SMEs running in traditional manufacturing, services, retail, and agro-processing. Khairpur stays mostly rural with pockets of small business growth, but Sukkur—being more urbanized—provides a combination of official and informal SME operations. These opposing forces created a good comparison ground for investigating the several functions SMEs perform in various rural development environments.

### Population and Sample of the Study

The target demographic was made up of local development officers working in the SME sector in Khairpur and Sukkur, managers, employees, and SME owners. Using purposive sampling, the study chose people with firsthand knowledge running or supporting SMEs in their areas. Interviewed were 30 people total—15 from each area, including:

ten SME owners

six SME workers/employees

Four NGO or local government officials

Two microfinance institution officials

Eight community members indirectly impacted by SME operations.

### Data Collection and Analysis

Depending on the participant's language choice, semi-structured, in-depth interviews done in local language gathered data. Qualitative data was examined using thematic analysis. Using NVivo software, interviews were coded and transcribed verbatim. To let themes arise naturally from the data, an inductive coding method was used. Major headings under which themes were classified included: employment generation, local livelihoods, gender involvement, infrastructural obstacles, and policy support. Methods of constant comparison were used throughout both districts to find similarities and differences in people's lives.

The researcher used member checking, which involved sharing early results with chosen individuals to confirm interpretations, so guaranteeing reliability. Offering rich descriptions of the research setting and subjects helped to increase transferability. An audit trail of every transcript, coding decision, and analytical memo guaranteed dependability.

The institutional research ethics committee granted ethical permission. All participants gave informed consent; pseudonyms were used to preserve

anonymity. Every participant was told they could leave the research at any time free of consequence.

#### Demographic Details of the Participants

A total of 30 participants were interviewed from Khairpur and Sukkur districts. The demographic profile is summarized in the table below:

Participant Type	Number	Gender (M/F)	Age Range	Location
SME Owners	10	8M / 2F	30-55	Khairpur, Sukkur
SME Employees	6	4M / 2F	22-40	Khairpur, Sukkur
Community Members	8	5M / 3F	25-60	Khairpur, Sukkur
NGO/Government Officers	4	3M / 1F	35-50	Sukkur
Microfinance Representatives	2	2M	30-45	Khairpur

The participants came from many different backgrounds, including established entrepreneurs, youth-led projects, informal workers, and institutional stakeholders. Although tiny, female participation showed the increasing involvement of women in micro and small businesses, especially in home-based employment and handicrafts.

## Results

### SMEs as Drivers of Livelihoods and Employment

Many attendees underlined how important SMEs were for revenue generation and job creation in both urban and rural Sindh.

#### According to P7 who is the owner of the workshop at Sukkur:

Five boys from this region work in our workshop. Without travelling to Karachi, aaa... they make sufficient money to provide for their families.

According to the employee P13 who is employed in workshop at Khairpur I formerly worked in the fields on daily pay. I now work at a small store with a set salary; it's consistent money.

These stories reflect earlier results by Shaikh et al. (2011) showing SMEs in Sindh offer non-agricultural jobs that balance rural economies. Local SMEs help to offset reliance on seasonal agriculture and stop young people moving to bigger cities.

### Challenges to Sustainability and Growth of SMEs

Nearly all employees and owners of SMEs mentioned limited access to capital, inadequate infrastructure, and market restrictions as key issues.

According to P1 who is the owner of the SMEs in kahripur: Loans are not readily available to us. Banks want property documentation we lack even if we apply.

Another participant who is also the owner of SMEs at Sukkur responded to our question that We lose power six hours daily. How can I timely handle orders? These limitations fit studies that point to infrastructural deficits and funding as fundamental barriers to SME scalability (Ahmed et al., 2016). These constraints especially harm rural businesses already running on limited resources.

### Government Programs and Microfinance: Their Functions

Although some people praised microfinance programs, others condemned the absence of follow-up and training following grant distribution.

According to the one of the participant: P22\_MFI Khairpur: Though many borrowers want guidance on how to handle the money sensibly, we provide little loans.

Another participant who is a community member from P9 Sukkur shared that: They arrived, awarded a grant, and departed. Nobody showed us how to operate a company. These findings point to a disparity between money input and capacity-building. Financial assistance has to be accompanied by business development training,

as underlined in the PAIDAR and GRASP initiatives (PPAF, 2023).

### Social Empowerment and Gender Inclusion

Although female involvement was low, women engaged in SMEs found empowerment and support from home-based models and informal networks.

According to one of the participants who is female owner P28 from Khairpur: I create ajrak products at home. My husband assists with their city sale. It provides me money and pride. Another participant who is working in an NGO P15 at Sukkur

Women-led small and medium enterprises are growing slowly. We have to increase their visibility and provide them local platforms.

Though still needing structural backing, gender-inclusive business is becoming more popular. Given training and market access, programs like HBWWF show the possibility for women's SMEs to be more integrated into the rural economy.

Particularly for young people and unskilled workers in Khairpur and Sukkur, SMEs are essential for the generation of local jobs, hence helping to lower poverty and stabilise family incomes.

### Digital Expectations and Youth Entrepreneurship

Young people in Sukkur and Khairpur showed increasing interest in digital entrepreneurship including mobile services, e-commerce, and freelancing. But issues with digital literacy, internet access, and start-up training hinder them. According to one of the participant p-20 who is the Youth Owner\_Sukkur

Our internet is very slow and I don't know where to find assistance, so I wanted to launch an online store. P12\_Community\_Khairpur

Many young boys have ideas, but no one teaches them or them direction.

Young people in rural Sindh lack digital infrastructure and support mechanisms to fulfil their ideas despite showing entrepreneurial possibilities. These results support Shahbaz et al. (2021), who underline the need of including vocational training and ICT into Pakistan's rural development initiatives.

### Findings

Many SMEs lack documentation, collateral, and knowledge, hence access to credit still presents a significant obstacle.

Inconsistent power and inadequate transport systems among infrastructure problems greatly limit company operations and market access.

Often missing follow-up training and mentorship to guarantee the sustainable use of money, government and donor initiatives have limited reach.

Though cultural and structural barriers still restrict their visibility and support, women's involvement in SMEs is rising, particularly in home-based and handicraft industries.

### Recommendations

With less collateral needs, flexible microfinance solutions customised for rural entrepreneurs—including women and informal SME owners—will help to increase access to inclusive credit. Include SME growth into local government planning and guarantee regular follow-up via training, mentoring, and market development services to help institutions more support. Improve SME production and connections to bigger markets by investing in infrastructure, especially dependable electricity, digital connectivity, and transportation.

Encourage women-led businesses by establishing safe areas, online platforms, and specific funds for female entrepreneurs, particularly in culturally conservative areas.

Create rural business hubs or incubation centres that can provide shared services, capacity-building, and business development tools to new and current SMEs. Promote public-private partnerships (PPPs) to link e-commerce systems, export prospects, and corporate value chains to rural SMEs.

### Conclusion

With particular emphasis on Khairpur and Sukkur, this paper investigated the critical part Small and Medium Enterprises (SMEs) play in combating unemployment and poverty in the developing rural economies of Sindh. The study revealed several ways that SMEs support local development using a qualitative method: by offering jobs, encouraging entrepreneurship, and lessening agricultural and



urban migration dependency. The results confirm that, particularly in underprivileged and marginalised areas where formal job possibilities are few, small and medium-sized enterprises represent a robust source of income for rural people.

Though, despite their major socio-economic benefits, SMEs in the area still suffer systematic obstacles like insufficient access to finance, lack of infrastructure assistance, market connections, and insufficient institutional support. Moreover, the gender aspect of SME growth is underused since women business owners are mostly limited to informal or home-based duties. These difficulties limit SMEs' full potential as tools for equitable and sustainable development. The long-term viability and scalability of rural SMEs in Sindh depend on addressing these structural deficiencies with context-sensitive policies and support systems.

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