

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 281
TO BE ANSWERED ON: 02.02.2026

UDYAM REGISTRATION AND MSME CLASSIFICATION ENHANCEMENT

281. SHRI MOKARIYA RAMBHAI:
SHRI MAYANKKUMAR NAYAK:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the total number of enterprises registered on Udyam Registration and Udyam Assist platforms till December 2025;
- (b) the details of the revised Micro, Small and Medium Enterprises (MSME) classification criteria announced in the Budget 2025-26, including increased investment and annual turnover limits;
- (c) the expected impact of the revised classification in including more enterprises under the MSME category and enabling them to avail benefits; and
- (d) the details of the digital steps taken to simplify the registration and compliance procedures for MSMEs?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): The Ministry of Micro, Small and Medium Enterprises (MSME) launched Udyam Registration Portal (URP) on 01.07.2020 for registration of MSMEs. Further for registration of Informal Micro Enterprises (IMEs), Udyam Assist Platform was launched on 11.01.2023. As per data available, a total of 7,41,95,939 Enterprises including IMEs have registered till 31.12.2025.

(b) and (c): The revised criteria of classification of MSMEs was announced in Budget 2025-26, with enhanced investment and turnover limits as mentioned below:

Classification	Investment (Rs in Crore)		Turnover (Rs in Crore)	
	Previous	Revised	Previous	Revised
Micro Enterprise	1	2.5	5	10
Small Enterprise	10	25	50	100
Medium Enterprise	50	125	250	500

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The investment and turnover limits for classification of MSMEs was enhanced for achieving higher efficiencies of scale, technological upgradation and better access to capital. The enhanced re-classification limits of Investment and Turnover safeguards the benefits intended exclusively for micro enterprises.

(d): The revised definition of MSMEs, based on the twin criteria of investment and turnover, was adopted in 2020 and Notification S.O. 2119(E) dated 26.06.2020 was issued. To facilitate the enterprises and promote Ease of doing Business, Udyam Registration Portal was launched for registration of an enterprise on 01.07.2020. Udyam registration process is voluntary, fully online, free, paperless and based on self-declaration. No documents or proof are required to be uploaded for registering on Udyam Registration Portal. Any number of activities including manufacturing or service or both may be specified or added in one Registration based on self declaration. The process is fully automated and there is no human intervention involved at the end of the Ministry.

Further, digital initiatives like Champions Portal and Online Dispute Resolution (ODR) Portal have also been taken to support MSMEs and simplify compliance process.
