

# Five States report more than a million MSME registrations on Udyam portal

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Five States have reported more than a million MSMEs registering on the Udyam Portal, as formalisation of small units gathers pace.

In 2020, the Centre mandated that all MSMEs should register on the portal, after the change in MSME definition.

Udyam registrations, which started on July 1, 2020, are based on the criteria of investment and turnover for the classification of new and existing MSMEs.

By the middle of January last year, 66-lakh-plus MSMEs had registered on the portal.

As of March 21, 2023, registrations had increased to more than 1.5 crore units

employing about 10.84 crore people. Over 1.45 crore are micro-enterprises, 4.53 lakh small units and 40,678 medium enterprises.

“While Maharashtra and Tamil Nadu lead in MSME registrations with 27.60 lakh units and 15.43 lakh units, respectively, as of March 15, 2023, other States too have seen a significant increase in registrations. Uttar Pradesh has reported registration of 12.6 lakh units, Gujarat 11.27 lakh, and Rajasthan 11.24 lakh units, according to data provided in the Lok Sabha.

## ON GROWTH PATH

Many SME units have become larger, with several units crossing the threshold of ₹250 crore turnover, and turning into mid-sized corporates, by the new definition of MSME units. This reveals the integration of



As of March 21, over 1.5 crore units with 10.84 crore workers have registered on the portal

MSME units with larger value chains as PLI activity gains momentum, said a recent SBI research report.

India has less than half the number of MSMEs when compared with China (64 million against 140 million Chinese enterprises). More than 99 per cent of the units in the MSME segment in India are in the micro category,

and would need substantial hand-holding to grow organically. This could result in an MSME revolution in future, it added.

## GST REGISTRATION

Meanwhile, the recently launched Udyam Assist Platform (UAP), developed by SIDBI to formalise Informal Micro Enterprises (IMEs), has supported more than 13 lakh micro units. The platform seeks to enable IMEs that aren't registered under GST, to get a registration certificate based on the information available with banks/NBFCs.

The platform could benefit up to 5 crore IMEs, and States including West Bengal, Uttar Pradesh, Tamil Nadu, Karnataka, and Andhra Pradesh, could benefit with 2.6 crore IME registrations, the SBI report said.