Self-emulsifying formulations are isotropic mixtures of drugs, lipids (natural or synthetic oils) and emulsifiers (solid or liquid), usually with one or more of hydrophilic cosolvents / co-emulsifiers. The size and charge of oil — droplet in the emulsion formed other important factors that effects gastrointestinal absorption efficiency. According to biopharmaceutical classification (BCS) the 40% of active substances are poorly water soluble, high intra and inter subject variability. To overcome this problem, various technologies are developed like solid dispersion or cyclodextrin complex formulation. More attention has been given to lipid-based formulation with particular emphasis on self-emulsifying drug delivery system to improve the oral bioavailability of lipophilic drugs. Following their oral administration, these systems rapidly disperse in gastrointestinal fluids, to yielding micro or nanoemulsion. This microemulsified drug can easily be absorbed through various pathways by passing first pass effect. In this article gives an overview of self emulsifying drug delivery system with emphasis on different types of self emulsifying formulation, advantages, characterization and recent development.