

# Chapter One

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## Introduction: Coverage, Concepts, Design and Definitions

### 1.0 Introduction:

1.0.1 The National Sample Survey (NSS), set up by the Government of India in 1950 to collect socio-economic data employing scientific sampling methods, will start its seventy-third round from 1<sup>st</sup> July 2015. The survey will continue up to 30<sup>th</sup> June 2016. The seventy-third round of NSS is devoted exclusively to survey on economic and operational characteristics of unincorporated non-agricultural enterprises in manufacturing, trade and other services sector (excluding construction). The last such survey was conducted during NSS 67<sup>th</sup> round (July 2010 – June 2011).

1.0.2 **Objective of the survey:** In Indian economy, unincorporate sector is important because of the large number of enterprises in this sector and the magnitude of employment it provides to unskilled and semi-skilled persons, besides its contribution to Gross Domestic Product. The necessity for reliable and comprehensive data pertaining to informal sector for planning and policy formulations needs no emphasis. This round is devoted exclusively to an integrated survey on economic and operational characteristics of unincorporated non-agricultural enterprises in manufacturing, trade and other services sectors (excluding construction) to supplement the corporate sector data. This will help National Accounts Division (NAD) of Central Statistics Office to compute important components of national accounts. Specially designed three digit product codes introduced for the first time in the enterprise schedule of this round will help NAD to also make use of the survey results in preparation of Supply-Use Table. The data to be collected in this round will help in meeting the requirements of different Ministries, Organizations and researchers in general and also of:

- (i) National Skill Development Agency in measuring extent of skilled manpower engaged in this sector,
- (ii) Ministry of Micro, Small and Medium Enterprises in deriving distribution of enterprises by investment in plant, machinery and equipments,
- (iii) “Swachh Bharat Abhiyan” in measuring access to toilets in workplace and waste management prevailing in the unincorporate sector enterprises, in particular.

### 1.1 Outline of Survey Programme

1.1.1 **Subject Coverage:** The coverage of NSS 73<sup>rd</sup> round (July 2015 – June 2016) will be unincorporated non-agricultural enterprises belonging to three sectors viz., Manufacturing, Trade and Other Services (excluding construction).

The survey will cover the following broad categories:

- (a) Manufacturing enterprises excluding those registered under Sections 2m(i) and 2m(ii) of the Factories Act, 1948
- (b) Manufacturing enterprises registered under Section 85 of Factories Act, 1948
- (c) Enterprises engaged in cotton ginning, cleaning and baling (code 01632 of NIC- 2008) excluding those registered under Factories Act, 1948
- (d) Enterprises manufacturing beedi and cigar excluding those registered under beedi and cigar workers (conditions of employment) Act, 1966
- (e) Non captive electric power generation, transmission and distribution by units not registered with the Central Electricity Authority (CEA)
- (f) Trading enterprises
- (g) Other Service sector enterprises excluding construction

Categories of enterprises under coverage in (a) to (g) above will be:

- (a) Proprietary and partnership enterprises [excluding Limited Liability Partnership (LLP) enterprises]
- (b) Trusts, Self-Help Groups (SHGs), Non-Profit Institutions (NPIs), etc.

Following enterprises will be excluded from the coverage:

- (a) Enterprises which are incorporated i.e. registered under Companies Act, 1956
- (b) The electricity units registered with the Central Electricity Authority (CEA)
- (c) Government and public sector enterprises
- (d) Cooperatives

[All acts are subject to subsequent amendments, if any]

Coverage of the survey in terms of NIC – 2008 codes (considering the corrigendum as issued on 3<sup>rd</sup> May, 2011) is as follows:

<b>A. <u>NIC 2008 codes under coverage of the survey</u></b>	
Division/ Group	Description
<b>Manufacturing</b>	
10	Manufacture of Food Products
11	Manufacture of Beverages
12	Manufacture of Tobacco Products
13	Manufacture of Textiles
14	Manufacture of Wearing Apparel
15	Manufacture of Leather and Related Products
16	Manufacture of Wood and Products of Wood and Cork, except Furniture; Manufacture of Articles of Straw and Plaiting Materials

<b>A. <u>NIC 2008 codes under coverage of the survey</u></b>	
Division/ Group	Description
17	Manufacture of Paper and Paper Products
18	Printing and Reproduction of Recorded Media
19	Manufacture of Coke and Refined Petroleum Products
20	Manufacture of Chemicals and Chemical Products
21	Manufacture of Pharmaceuticals, Medicinal Chemical and Botanical Products
22	Manufacture of Rubber and Plastics Products
23	Manufacture of other non-metallic Mineral Products
24	Manufacture of Basic Metals
25	Manufacture of Fabricated Metal Products, except Machinery and Equipment
26	Manufacture of Computer, Electronic and Optical Products
27	Manufacture of Electrical Equipment
28	Manufacture of Machinery and Equipment n.e.c.
29	Manufacture of Motor Vehicles, Trailers and Semi-Trailers
30	Manufacture of Other Transport Equipment
31	Manufacture of Furniture
32	Other Manufacturing
33	Repair and Installation of Machinery and Equipment
3510	Electric power generation, transmission and distribution (except 35101, 35102, 35104)
01632	Cotton Ginning, Cleaning and Baling
<b>Trading</b>	
45	Wholesale and Retail Trade and Repair of Motor Vehicles and Motorcycles
46	Wholesale Trade, except of Motor Vehicles and Motorcycles
47	Retail Trade, except of Motor Vehicles and Motorcycles
<b>Other Services</b>	
37	Sewerage
38	Waste collection, treatment and disposal activities; materials recovery
39	Remediation activities and other waste management services
492	Other Land Transport (excluding 49212, 49213)
50	Water Transport
52	Warehousing and Support Activities for Transportation
53	Postal and Courier Activities
55	Accommodation

<b>A. <u>NIC 2008 codes under coverage of the survey</u></b>	
Division/ Group	Description
56	Food and Beverage Service Activities
58	Publishing Activities
59	Motion Picture, Video and Television Programme Production, Sound Recording and Music Publishing Activities
60	Broadcasting and Programming Activities
61	Telecommunications
62	Computer Programming, Consultancy and Related Activities
63	Information Service Activities
64193	Special code for Chit funds
643	Trusts, Funds and Other Financial Vehicles (including special codes 64309 for self –help groups)
649	Other Financial Service Activities Except Insurance and Pension Funding Activities (including special codes 64921 for investment club, 64929 for activities of private moneylenders)
661	Activities Auxiliary to Financial Service Activities, except Insurance and Pension Funding (excluding 6611)
6621	Risk and Damage Evaluation
663	Fund Management Activities
68	Real Estate Activities
69	Legal and Accounting Activities
70	Activities of Head Offices; Management Consultancy Activities
71	Architecture and Engineering Activities; Technical testing and Analysis
72	Scientific Research and Development
73	Advertising and Market Research
74	Other Professional, Scientific and Technical Activities
75	Veterinary Activities
771	Renting and Leasing of Motor Vehicles
772	Renting and Leasing of Personal and Household Goods
773	Renting and Leasing of Other Machinery, Equipment and Tangible Goods n.e.c.
78	Employment Activities
79	Travel Agency, Tour Operator and Other Reservation Service Activities
80	Security and Investigation Activities
81	Services to Buildings and Landscape Activities

<b>A. <u>NIC 2008 codes under coverage of the survey</u></b>	
Division/ Group	Description
82	Office Administrative, Office Support and Other Business Support Activities
85	Education
86	Human Health Activities
87	Residential Care Activities
88	Social Work Activities Without Accommodation
90	Creative, Arts and Entertainment Activities
91	Libraries, Archives, Museums and Other Cultural Activities
92	Gambling and Betting Activities ( <u>coverage will be restricted to legal activities only</u> )
93	Sports Activities and Amusement and Recreation Activities
941	Activities of Business, Employers and Professional Membership Organizations
949	Activities of Other Membership Organizations (excluding 9492 and part of 9491 relating to organization)
95	Repair of Computers and Personal and Household Goods
96	Other Personal Service Activities

<b>B. NIC 2008 codes outside the coverage of the survey</b>	
1.	All codes under sections: A (Agriculture, forestry and fishing excluding 01632); B (Mining and quarrying); D (Electricity, gas, steam and air conditioning supply excluding 35103, 35105, 35106, 35107, 35109); F (Construction); O (Public administration and defence; compulsory social security); T (Activities of households as employers; undifferentiated goods and services producing activities of households for own use); U (Activities of extraterritorial organizations and bodies).
2.	Codes: 36, 491, 49212, 49213, 493, 51, 641 (excluding special code 64193), 642, 65, 6611, 6622, 6629, 774, 942, 9491(organizations only), 9492

**1.1.2 Geographical coverage:** The survey will cover the whole of the Indian Union *except the* villages in Andaman and Nicobar Islands which remain extremely difficult to access due to the restriction imposed by local authorities.

**1.1.3 Period of survey and work programme:** The period of survey will be of one year duration starting on 1<sup>st</sup> July 2015 and ending on 30<sup>th</sup> June 2016. The survey period of this round will be divided into four sub-rounds of three months' duration each as follows:

- sub-round 1 : July - September 2015
- sub-round 2 : October - December 2015
- sub-round 3 : January - March 2016
- sub-round 4 : April - June 2016

In each of these four sub-rounds equal number of sample first stage units (FSUs) i.e. villages/ blocks will be allotted for survey with a view to ensuring uniform spread of sample FSUs over the entire survey period. Attempt should be made to survey each of the FSUs during the sub-round to which it is allotted. *Because of the arduous field conditions, this restriction need not be strictly enforced in Andaman and Nicobar Islands, Lakshadweep, Leh (Ladakh) and Kargil districts of Jammu & Kashmir and rural areas of Arunachal Pradesh and Nagaland.*

**1.1.4 Schedules of enquiry:** During this round, the following schedules of enquiry will be canvassed:

- Schedule 0.0 : list of households and non-agricultural enterprises
- Schedule 2.34 : unincorporated non-agricultural enterprises  
(excluding construction )

**1.1.5 Participation of States:** In this round all the States and Union Territories except Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Lakshadweep are participating. The following is the matching pattern of the participating States/UTs.

<b>State/UT</b>	<b>Extent of matching</b>
Nagaland (U)	triple
Andhra Pradesh, Manipur, Telangana, Chhattisgarh	double
Gujarat, Maharashtra (U)	one and half
Remaining States/ UTs	equal

## 1.2 Contents of Volume I

1.2.1 The present volume contains three chapters. Chapter one, besides giving an overview of the whole survey operation, discusses the concepts and definitions of certain important technical terms to be used in the survey. It also describes in details the sample design and the procedure of

selection of enterprises adopted for this round. Instructions for filling in the two Schedules are given in Chapters two and three.

1.2.2 Along with the instructions, a list of Frequently Asked Questions (FAQ) is also appended with each of the Chapters two and three.

### 1.3 Sample Design

1.3.1 **Outline of sample design:** A stratified multi-stage design will be adopted for the 73<sup>rd</sup> round survey.

*Rural sector:* The first stage units (FSU) will be the census villages in the rural sector. For rural part of Kerala, 2011 Population Census Enumeration Blocks (EBs) will be taken as FSUs.

*Urban sector:* The first stage units (FSU) will be the Population Census EBs in the urban sector. For those urban areas where Sixth EC data will not be used latest updated UFS (Urban Frame Survey) blocks will be the FSUs.

The ultimate stage units (USU) will be enterprises for both the sectors. In the case of large FSUs, one intermediate stage of sampling will be the selection of three hamlet-groups (hg's)/sub-blocks (sb's) from each large FSU.

#### 1.3.2 Sampling frame to be used for selection of FSUs

Census 2011 list of villages will be used as the sampling frame for **rural areas**. Auxiliary information such as number of enterprises, number of workers, type of enterprises, activities of enterprises, etc. available from Sixth EC frame will be used for stratification, sub-stratification and selection of FSUs, for those rural areas where EC data will be used. For other rural areas where EC data will not be used, the auxiliary information on non-agricultural workers (i.e. household industry workers + other workers) based on Primary Census Abstract (PCA) 2011 will be utilized for stratification, sub-stratification and selection of FSUs. For this purpose both main and marginal workers will be considered.

In **rural areas of Kerala**, list of EBs as per Census 2011 will be used as sampling frame.

For **all urban areas**, where EC data will be used, list of EBs as per Census 2011 will be used as sampling frame. The latest updated list of UFS blocks will be the sampling frame for those urban areas wherever EC data will not be used.

1.3.3 **Stratification:** Each district will be treated as a stratum. Within each district of a State/UT, generally speaking, two basic strata will be formed:

(i) rural stratum comprising of all rural areas of the district and

(ii) urban stratum comprising of all the urban areas of the district. However, within the urban areas of a district, if there are one or more towns with *population 1.5 million or more* as per

Census 2011, each of them will form a separate basic stratum and the remaining urban areas of the district will be considered as another basic stratum.

(iii) In case of rural sectors of Nagaland, one special stratum will be formed within the State consisting of all the villages which are difficult to access.

#### 1.3.4 Sub-stratification:

(i) **In rural areas of those States/UTs where EC data will be used:** There will be three sub-strata in the rural sector:

Sub-stratum 1: Villages with at least 3 establishments (NDE/DE) under coverage as per Sixth EC data for the following categories:

<b>NIC 2008 codes</b>	<b>Description of activities</b>
20, 21	Manufacture of chemicals, chemical products, pharmaceuticals, medicinal products etc.
451, 453	Sale of motor vehicles, motor vehicles parts and accessories
50	Water transport
521	Warehousing and storage
68	Real estate activities
582, 62, 631	Computer relating services
691	Legal activities
692	Accounting, book-keeping and auditing activities; tax consultancy
70, 71, 72, 73, 74, 78, 80, 81, 82	Research development, employment activities etc.
855	Educational support services
37, 381, 382, 39	Sanitary services
87, 88	Residential care activities, social work activities without accommodation

Sub-stratum 2: Out of the remaining, villages having at least 8 establishments (NDE/DE) under coverage in the manufacturing and services sectors as per Sixth EC data;

Sub-stratum 3: Remaining villages of the stratum.

(ii) **In rural areas of those States/UTs where EC data will not be used:**

If 'r' be the sample size allotted for a rural stratum, 'r/4' sub-strata will be formed in that stratum. The villages within a stratum (district) as per frame will be first arranged in ascending order of non-agricultural workers (i.e. household industry workers + other workers) as per PCA 2011. Then sub-strata 1 to 'r/4' will be demarcated in such a way that each sub-stratum will comprise a group of villages of the arranged frame and have more or less equal number of non-agricultural workers taken into consideration as per PCA 2011.



**(iii) In rural areas of Kerala:**

Sub-stratum 1: EBs with at least 3 establishments (NDE/DE) under coverage as per Sixth EC data as mentioned in Table 1.1;

Sub-stratum 2: Out of the remaining, EBs having at least 8 establishments (NDE/DE) under coverage in the manufacturing and services sectors as per Sixth EC data;

Sub-stratum 3: Remaining EBs of the stratum.

**(iv) In urban areas of those States/UTs (except 1.5 million plus cities) where EC data will be used:** There will be three sub-strata in these areas:

Sub-stratum 1: EBs with at least 3 establishments (NDE/DE) under coverage as per Sixth EC data and establishments mentioned in Table 1.1;

Sub-stratum 2: Out of the remaining, EBs having at least 8 establishments (NDE/DE) under coverage in the manufacturing and services sectors as per Sixth EC data;

Sub-stratum 3: Remaining EBs of the stratum.

**(v) Urban - 1.5 million plus cities where EC data will be used:**

In each such stratum, **14 sub-strata** will be formed as under:

**Table 1.2:** Coverage in terms of NIC 2008 codes for forming sub-strata in 1.5 million plus cities

sub-stratum number	Description	Coverage in terms of NIC 2008 codes
1	EBs with one or more establishment in warehousing and storage	521
2	Out of the remaining, EBs with one or more establishment in accommodation, event catering and other food service activities	55 , 562
3	Out of the remaining, EBs with one or more establishment in real estate, legal, accounting, management consultancy, professional, scientific and technical etc.	681, 69, 70, 71, 72, 73, 74, 78, 80, 81, 82
4	Out of the remaining, EBs with one or more establishment in manufacture of non-metallic products, basic metals, recycling, fabricated metal products etc.	23, 24, 25, 331
5	Out of the remaining, EBs with one or more establishment in manufacture of food products and beverages	101, 102, 103, 104, 105, 107, 11
6	Out of the remaining, EBs with one or more establishment in manufacture of textiles, wearing apparel, leather and related products	13, 14, 15
7	Out of the remaining, EBs with one or more establishment in manufacture of wood and wood	16, 17, 18, 31

**Table 1.2:** Coverage in terms of NIC 2008 codes for forming sub-strata in 1.5 million plus cities

sub-stratum number	Description	Coverage in terms of NIC 2008 codes
	products, furniture, paper and paper products, printing, publishing of books, periodicals etc.	
8	Out of the remaining, EBs with one or more establishment in sale of motor vehicles and wholesale trade, except of motor vehicles and motorcycles	451, 46
9	Out of the remaining, EBs with one or more establishment in transport, supporting and auxiliary transport activities, travel agency, tour operators, financial service and insurance activities, postal, courier, software publishing, information service and communication etc.	492, 50, 522, 53, 582, 61, 62, 63, 643, 649, 661, 662, 663, 79
10	Out of the remaining, EBs with one or more establishment in veterinary, human health, residential care, social work activities and membership organizations	75, 86, 87, 88, 941, 949
11	Out of the remaining, EBs with one or more establishment in education	85
12	Out of the remaining, EBs with one or more establishment in remaining manufacturing activities	016, 106, 108, 12, 19, 20, 21, 22, 26, 27, 28, 29, 30, 32, 332, 351
13	Out of the remaining, EBs with one or more establishment in remaining other services activities	37, 38, 39, 561, 563, 581, 59, 60, 639, 682, 771, 772, 773, 90, 91, 92, 93, 95, 96
14	all the remaining EBs of the stratum	

(vi) **In urban areas of those States/UTs where EC data will not be used:**

For each stratum, there will be two sub-strata based on the information as available from the latest available UFS blocks as follows:

sub-stratum 1: UFS blocks identified as Bazaar area (BA)/ Industrial area (IA)/ Hospital area (HA)/ Slum area (SA) which are likely to contain relatively higher number of enterprises

sub-stratum 2: remaining UFS blocks of the stratum

If the number of FSUs in the frame of a rural or urban sub-stratum is found to be less than 12, then separate sub-stratum will not be formed and it will be merged with the adjacent sub-stratum.

**1.3.5 Total sample size (FSUs):** About 16348 FSUs will be covered for the central sample at all-India level. State wise allocation of sample FSUs is given in Table 1 of page A-36.

**1.3.6 Allocation of total sample to States and UTs:** All-India sample size (FSUs) will be allocated to different State/UTs in proportion to total number of non-agricultural workers under coverage as per Fifth EC keeping in view the total allocation and number of FSUs surveyed in earlier rounds.

**1.3.7 Allocation of State/UT level sample to rural and urban sectors:** State/UT sample sizes will be allocated to rural and urban sectors of the State/UT in proportion to number of non-agricultural workers under coverage as per Sixth EC for the States/UTs where EC data will be used for frame preparation. For those States/UTs where EC data will not be used, sample sizes will be allocated to rural and urban sectors of the State/UT in proportion to non-agricultural workers (i.e. household industry workers + other workers) as per PCA 2011 within the State/UT. A minimum of 8 FSUs (minimum 4 each for rural and urban sector separately) will be allocated to each State/UT.

**1.3.8 Allocation to strata:** Stratum allocations of State/UT for each sector will be made in proportion to number of non-agricultural workers under coverage as per Sixth EC or in proportion to non-agricultural workers (i.e. household industry workers + other workers) as per PCA 2011 as the case may be. Stratum level allocation will be adjusted to multiples of 4 with a minimum sample size of 4.

For special stratum formed in rural areas of Nagaland as discussed in para 1.3.3 (iii) 12 FSUs will be allocated.

**1.3.9 Allocation to sub-strata:** Allocations to sub-strata will be made in proportion to:

- (a) number of non-agricultural workers under coverage as per Sixth EC in both rural and urban areas for EC based frame,
- (b) non-agricultural workers (i.e. household industry workers + other workers) as per PCA 2011 for PCA based frame,
- (c) number of UFS blocks with double weightage to 'sub-stratum 1', wherever possible, when UFS blocks are used as sampling frame.

Minimum allocation for a sub-stratum has, in principle, been decided as 4 to control seasonal fluctuation.

**1.3.10 Sampling of FSUs:** Sampling of the First Stage Units will be done separately in two phases – for first six months (July – December, 2015, 1<sup>st</sup> and 2<sup>nd</sup> sub-rounds) and next six months (January – June, 2016, 3<sup>rd</sup> & 4<sup>th</sup> sub-rounds). Samples are to be drawn in the form of two independent sub-samples in each phase for each sector ensuring stratum/sub-stratum allocation multiple of 2 (i.e. half of stratum/sub-stratum allocation which is multiple of 4). In the first phase, EC data will be used for preparation of sampling frame for those States, for which data will be available and for the remaining States, usual procedure of PCA based frame and UFS

based frame will be used. For drawing of samples for 3rd and 4th sub-rounds only EC based sampling frame will be used for all States/UTs.

### 1.3.11 Selection of FSUs:

**For both rural and urban sectors for EC based frame:** From each stratum/sub-stratum, required number of sample FSUs will be selected by Probability Proportional to Size With Replacement (PPSWR), size being the total number of non-agricultural workers under coverage in the village/EB as per Sixth EC.

**For rural sectors using PCA based frame:** In rural areas, from each stratum/sub-stratum, FSUs will be selected by PPSWR with size as non-agricultural workers (i.e. household industry workers + other workers) as per PCA 2011. For this purpose both main and marginal workers will be considered.

**For urban sectors using UFS frame:** In urban areas, from each stratum/sub-stratum, FSUs will be selected by SRSWOR scheme.

Both rural and urban samples are to be drawn in the form of two independent sub-samples in each phase of six months and equal number of samples will be allocated among the two sub-rounds of each phase.

**1.3.12 Proper identification of the FSU boundaries:** The first task of the investigators is to ascertain the exact boundaries of the sample FSU as per its identification particulars given in the sample list. For urban samples where UFS blocks will be treated as FSUs, the boundaries of each FSU may be identified by referring to the map for the relevant UFS Phase. For the cases where EBs will be considered as FSUs, in order to ensure complete coverage, it would be necessary to locate and identify each and every structure in the EB. Therefore the investigator has to go around the EB and become familiar with its boundaries, land marks and location of houses with the help of Layout Map (LM) and Abridged House List (AHL) of EB.

The Layout Map (LM) of EB provides the identification particulars i.e., names and codes of State, District, Tehsil/Taluk/PS/Dev. Block/Circle/Mandal, Town/village, Ward and Enumeration Block. The AHL provides a list of all the structures in a particular EB along with some information regarding use of census house such as residential and non-residential and distinct Census house numbers.

### 1.3.13 Formation of segment 9 and selection of hamlet-groups/ sub-blocks

**1.3.13.1 Formation of Segment 9:** Having determined the boundaries of the sample FSU, all non-agricultural enterprises having 20 or more workers in the entire FSU and having operated at least one day during last 365 days preceding the day of survey (hereinafter to be called as 'big enterprises') will be listed and all the *eligible units under coverage* will be surveyed. All the listed big units (whether under coverage or not) will constitute segment 9. All *eligible enterprises under coverage* will be surveyed in segment 9.

**1.3.13.2 Criterion for hamlet-group/sub-block formation:** Having constituted segment 9 as stated above, it will be determined whether listing will be done in the whole sample FSU or not. For this, approximate present population (P) and approximate total number of non-agricultural enterprises (E) for the whole FSU may be ascertained first from knowledgeable persons. Depending upon the values of 'P' and 'E', it will be divided into a suitable number (say,  $D_P$  and  $D_E$ ) of 'hamlet-groups' in the rural sector (except Kerala) and 'sub-blocks' in the urban sector and rural sector of Kerala as stated below. Final value of 'D' will be the higher of the two values ' $D_P$ ' and ' $D_E$ ' based on the dual criteria.

Population/enterprise dual criteria			
population (P)	no. of hg's/ sb's to be formed ( $D_P$ )	no. of non-agricultural enterprises (E)	no. of hg's/ sb's to be formed ( $D_E$ )
less than 1200	1	less than 120	1
1200 - 1599	4	120 - 159	4
1600 - 1999	5	160 - 199	5
2000 - 2399	6	200 - 239	6
and so on	...	and so on	...

While considering enterprise criteria, segment 9 enterprises, if any, may be excluded from the count of 'E'.

For rural areas of Himachal Pradesh, Sikkim, Andaman & Nicobar Islands, Uttarakhand (except four districts Dehradun, Nainital, Hardwar and Udham Singh Nagar), Punch, Rajouri, Udhampur, Reasi, Doda, Kishtwar, Ramban, Leh (Ladakh), Kargil districts of Jammu and Kashmir and Idukki district of Kerala, the number of hamlet-groups/sub-blocks will be formed as follows:

Population/enterprise dual criteria			
population (P)	no. of hg's/ sb's to be formed ( $D_P$ )	no. of non-agricultural enterprises (E)	no. of hg's/ sb's to be formed ( $D_E$ )
less than 600	1	less than 120	1
600 - 799	4	120 - 159	4
800 - 999	5	160 - 199	5
1000 - 1199	6	200 - 239	6
and so on	...	and so on	...

### 1.3.13.3 Formation and selection of hamlet-groups/sub-blocks:

In case hamlet-groups/sub-blocks are to be formed in the FSU, the same should be done either by more or less equalising population or by equalising number of non-agricultural enterprises. If the criterion for deciding the value of 'D' is population, then hg/sb may be formed by equalising population. On the other hand, if enterprise criterion is used for deciding 'D', then equalise the

number of non-agricultural enterprises to form 'D' number of hg/sb. If the value of 'D' is same for both population and enterprise criteria, then hg/sb may be formed by equalising population.

**1.3.13.4 Segments 1 & 2:** Two segments (in addition to segment 9 already formed) may be selected from a large FSU wherever hamlet-groups/sub-blocks have been formed in the following manner – Segment 1 will be the hg/sb having maximum number of establishments under the coverage. Two more hg's/sb's will be selected from the remaining hg's/sb's of the sample FSU with equal probability following the method of SRSWOR and combined to form Segment 2.

Listing and selection of the enterprises will be done independently in the two selected segments. The FSUs without hg/sb formation will be treated as sample segment number 1.

**1.3.14 Listing of enterprises and formation of their frame:** Having determined the area(s) to be considered for listing, the next step is to list all the households and non-agricultural enterprises (NAEs) [including those found to be temporarily locked after ascertaining temporariness of locked NAEs through local enquiry]. Although all non-agricultural enterprises are to be listed, only the unincorporated manufacturing, trade and service sector enterprises which are eligible as discussed in para 1.1.1 will be covered. Further, those enterprises which operated for at least 30 days (15 days for seasonal enterprises and SHGs) during the reference period (i.e. last 365 days preceding the date of survey) will qualify for survey. Such enterprises will hereafter be referred to as '**eligible enterprises**'.

Listing and selection of enterprises will be done separately for each of the segments 1, 2 and 9. For segment 2, hg/sb with order of selection number 1 will be listed first followed by that with order of selection number 2 but selection of enterprises will be made from the combined list.

It may be noted that while listing/preparing the frame of enterprises, adequate care should be taken to list all the enterprises, run by household members, located within the household premises or without fixed premises (like those of mobile vendors). Such enterprises are to be listed against the corresponding households for which visit to every household is necessary to ascertain whether household members run such enterprises.

#### **1.3.15 Formation of Second Stage Strata and allocation of enterprises for schedule 2.34:**

Sixteen (16) second-stage strata (SSS) will be formed within each sample FSU. Composition of various SSS is as under:

- (i) 3 SSS considering various broad manufacturing groups will be formed in each segment for **Manufacturing sector Establishments: SSS 1** – Food products and beverages, **SSS 2** – Cotton ginning, cleaning and bailing, textiles, wearing apparel, leather and leather products, wood and wood products, furniture, paper and paper products, printing, etc., **SSS 3** – Grain mill products, prepared animal feeds, tobacco, petroleum, chemical and chemical products, pharmaceuticals, rubber, plastic, motor vehicle, transport equipments, electric power generation and other manufacturing activities.

- (ii) 3 SSS will be formed in each segment for **Trade sector Establishments: SSS 4** – Wholesale and retail trade and repair of motor vehicles and motorcycles, **SSS 5** – Other wholesale trade, **SSS 6** – Other retail trade.
- (iii) 7 SSS will be formed in each segment for **Service sector Establishments (other than trade)** corresponding to the following broad activities: **SSS 7** – Accommodation, Event catering and other food service activities, **SSS 8** – Transport, supporting and auxiliary transport activities, travel agency, tour operators etc., **SSS 9** – Financial service and insurance activities etc., **SSS 10** – Postal, courier, software publishing, information service and communication, **SSS 11** – Education, **SSS 12** – Veterinary, human health, residential care, social work activities and membership organizations, and **SSS 13** – Other services activities.
- (iv) 3 SSS will be formed in each segment for own account enterprises (**OAEs**) as follows: **SSS 14** – OAEs in Manufacturing, **SSS 15** – OAEs in Trade, and **SSS 16** – OAEs in Other services.

SSS number	NIC 2008 codes	Description of major activities
<b>Establishments</b>		
<b>Manufacturing</b>		
1	101, 102, 103, 104, 105, 107, 11	Food products and beverages
2	01632, 13, 14, 15, 16, 17, 18, 31	Cotton ginning, cleaning and bailing, textiles, wearing apparel, leather and leather products, wood and wood products, furniture, paper and paper products, printing, etc.
3	106, 108, 12, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 35103, 35105, 35106, 35107, 35109	Grain mill products, prepared animal feeds, tobacco, petroleum, chemical and chemical products, pharmaceuticals, rubber, plastic, motor vehicle, transport equipments, electric power generation and other manufacturing activities
<b>Trade</b>		
4	45	Wholesale and retail trade and repair of motor vehicles and motorcycles
5	46	Other wholesale trade
6	47	Other retail trade
<b>Other services</b>		
7	55, 562	Accommodation, event catering and other food service activities
8	49211, 49219, 4922, 4923, 50, 52, 79	Transport, supporting and auxiliary transport activities, travel agency, tour operators etc.
9	64193 (chit funds), 643, 64309 (SHG), 6491, 6492, 64921 (investment club), 64929 (activity of private moneylenders), 6499, 6612, 6619, 6621, 663	Financial service activities, except insurance and pension funding and other financial activities
10	53, 58 - 62, 631, 639, 681, 69, 70, 71, 72, 73, 74, 771, 772, 773, 78, 80, 81, 82, 9511	Postal, courier, software publishing, information service and communication

SSS number	NIC 2008 codes	Description of major activities
11	85	Education
12	75, 86, 87, 88, 941, 9491 (organizations), 9499	Veterinary, human health, residential care, social work activities and membership organizations
13	37, 38, 39, 561, 563, 682, 90, 91, 92, 93, 9512, 952, 96	Other services activities
<b>OAEs</b>		
14	01632, 10–33, 35103, 35105, 35106, 35107, 35109	Manufacturing
15	45, 46, 47	Trade
16	37 – 39, 49211, 49219, 4922, 4923, 50, 52 – 63, 64193, 643, 64309, 6491, 64920, 64921, 64929, 6499, 6612, 6619, 6621, 663, 68, 69, 70 – 75, 771, 772, 773, 78 – 82, 85 – 93, 941, 949, 95, 96	Other services

### 1.3.16 Selection of enterprises

1.3.16.1 The **number of enterprises to be selected** for survey (excluding segment 9) from each FSU × segment × SSS is as given below:

enterprise type	sector	SSS number	number of enterprises to be surveyed	
			without hg/sb formation	with hg/sb formation (for each segment)
establishments	manufacturing	1	2	1
		2	2	1
		3	2	1
		<b>sub-total</b>	<b>6</b>	<b>3</b>
	trade	4	2	1
		5	2	1
		6	2	1
		<b>sub-total</b>	<b>6</b>	<b>3</b>
	services	7	2	1
		8	2	1
		9	2	1
		10	2	1
		11	2	1
12		2	1	
13		2	1	
<b>sub-total</b>	<b>14</b>	<b>7</b>		
OAEs	manufacturing	14	2	1
	trade	15	2	1
	services	16	2	1
	<b>sub-total</b>	<b>6</b>	<b>3</b>	

**It may be noted that from each segment × SSS, at least one enterprise must be surveyed if there are some enterprises in the corresponding frame. In other words, as per the notations used in Blocks 5a and 5b of Schedule 0.0,  $e > 0$  if  $E > 0$  for each FSU × segment × SSS.**



1.3.16.2 In addition to the above, **all the eligible enterprises of segment 9 will be surveyed.**

1.3.16.3 **Selection of Enterprises:** Sample enterprises from each SSS will be selected by SRSWOR.

However, **all the establishments in the frame will be selected** for a broad category of establishments (manufacturing/trade/other services) in the following situations:

- (i) All the manufacturing establishments if total number of establishments in manufacturing SSSs is less than or equal to 6 considering both the segments 1 & 2
- (ii) All the trading establishments if total number of establishments in trading SSSs is less than or equal to 6 considering both the segments 1 & 2
- (iii) All the 'other service sector' establishments if total number of establishments in other services SSSs is less than or equal to 14 considering both the segments 1 & 2.

## 1.4 Concepts and Definitions:

1.4.0 Important concepts and definitions relevant to different schedules of this survey are explained below.

1.4.1 **Population coverage:** The following rules regarding the population/households to be covered are to be remembered while visiting households for the purpose of listing of households and enterprises:

1. Under-trial prisoners in jails and indoor patients of hospitals, nursing homes etc., are to be excluded, but residential staff therein will be considered while listing is done in such institutions. The persons of the first category will be considered as normal members of their parent households and will be considered there. Convicted prisoners undergoing sentence will be outside the coverage of the survey.
2. Floating population, i.e., persons without any normal residence are not to be considered. But households residing in open space, roadside shelter, under a bridge, etc., more or less regularly in the same place, will be taken into account.
3. Foreign nationals will not be considered, nor do their domestic servants, if by definition the latter belong to the foreign national's household. If, however, an enterprise is run by a member of such household located within the premises of the household or without any fixed premises, it will be listed as an enterprise.
4. Persons residing in barracks of military and paramilitary forces (like police, BSF, etc.) will be kept outside the survey coverage due to difficulty in conduct of survey therein. However, civilian population residing in their neighbourhood, including the family quarters of service personnel, are to be covered. Permission for this may have to be obtained from appropriate authorities.
5. Orphanages, rescue homes, *ashrams* and vagrant houses are outside the survey coverage but enterprises run by them and located within the premises of those institutions are to be

listed. However, persons staying in old age homes, students staying in *ashrams*/ hostels and the residential staff (other than monks/ nuns) of these ashrams will be treated as forming households (as per the standing practice in NSS) for the purpose of identifying enterprises through such households. For orphanages, although orphans are not to be listed, the persons looking after them and staying there may be considered as forming households.

**1.4.2 House:** Every structure, tent, shelter, etc. is a house irrespective of its use. It may be used for residential or non-residential purpose or both or even may be vacant.

**1.4.3 Household:** A group of persons normally living together and taking food from a common kitchen will constitute a household. It will include temporary stay-aways (those whose total period of absence from the household is expected to be less than 6 months) but exclude temporary visitors and guests (expected total period of stay less than 6 months). Even though the determination of the actual composition of a household will be left to the judgment of the head of the household, the following procedures will be adopted as guidelines.

(i) Each inmate (including residential staff) of a hostel, mess, hotel, boarding and lodging house, etc., will constitute a single-member household. If, however, a group of persons among them normally pool their income for spending, they will together be treated as forming a single household. For example, a family living in a hotel will be treated as a single household.

(ii) In deciding the composition of a household, more emphasis is to be placed on 'normally living together' than on 'ordinarily taking food from a common kitchen'. In case the place of residence of a person is different from the place of boarding, he or she will be treated as a member of the household with whom he or she resides.

(iii) A resident employee, or domestic servant, or a paying guest (but not just a tenant in the household) will be considered as a member of the household with whom he or she resides even though he or she is not a member of the same family.

(iv) When a person sleeps in one place (say, in a shop or in a room in another house because of space shortage) but usually takes food with his or her family, he or she should be treated not as a single member household but as a member of the household in which other members of his or her family stay.

(v) If a member of a family (say, a son or a daughter of the head of the family) stays elsewhere (say, in hostel for studies or for any other reason), he/ she will not be considered as a member of his/ her parent's household. However, he/ she will be considered as a single member household if the hostel is listed.

**1.4.4 Enterprise:** An enterprise is an undertaking which is engaged in the production and/ or distribution of some goods and/ or services meant mainly for the purpose of sale, whether fully or partly. An enterprise may be owned and operated by a single household, or by several households jointly, or by an institutional body.

**1.4.5 Non-agricultural enterprise:** All enterprises covered under Sections 'C' to 'S' of NIC-2008 are "non-agricultural enterprises". The NIC-2008 booklet may be used for recording NIC

codes in various schedules. All non-agricultural enterprises will henceforth be referred to as NAE for this survey.

**1.4.6 Unincorporated non-agricultural enterprises:** Non-agricultural enterprises which are not incorporated (i.e. registered under Companies Act, 1956) will only be covered. Further, the domain of 'unincorporated enterprises' will exclude (a) enterprises registered under Sections 2m(i) and 2m(ii) of the Factories Act, 1948 or beedi and cigar manufacturing enterprises registered under beedi and cigar workers (conditions of employment) Act, 1966 or Limited Liability Partnership Act, 2008, (b) government/public sector enterprises and (c) cooperatives. Thus coverage will be restricted primarily to all household proprietary and partnership enterprises. In addition, Self Help groups (SHGs), Private Non-Profit Institutions (NPIs) including Non-Profit Institutions Serving Households (NPISH) and Trusts will be covered.

**1.4.7 Manufacturing Enterprise:** A manufacturing enterprise is a unit engaged in the physical or chemical transformation of materials, substances or components into new products. It covers units working for other concerns on materials supplied by them. Also included are units primarily engaged in maintenance and repair of industrial, commercial and similar machinery & equipment, which are, in general, classified in the same class of manufacturing as those specialising in manufacturing the goods.

Thus all activities covered by NIC – 2008 divisions 10 to 33 and 35 of NIC- 2008 will be considered as 'manufacturing' for the purpose of the survey. In addition, the activity of cotton ginning, cleaning and bailing (NIC - 2008 code 01632) will be covered in the present survey. *It is important to note that production of goods for the sole purpose of domestic consumption will not be considered as manufacturing.*

**1.4.8 Trading Enterprise:** A trading enterprise is an undertaking engaged in trade. Trade is defined to be an act of purchase of goods and their disposal by way of sale without any intermediate physical transformation of the goods. Thus all the trading activities, both wholesale and retail (perennial, casual or seasonal) listed under NIC-08 divisions 45 to 47 will be treated as trade. The activities of intermediaries who do not actually purchase or sell goods but only arrange their purchase and sale and earn remuneration by way of brokerage and commission will also be treated as trade. Thus purchase and sale agents, brokers listed under NIC-08 division and auctioneers listed under NIC group will also be under the survey coverage.

**1.4.9 Servicing Enterprise:** A servicing enterprise or service sector enterprise is engaged in activities carried out for the benefit of a consuming unit and typically consists of changes in the condition of consuming units realized by the activities of servicing unit at the demand of the consuming unit. It is possible for a unit to produce a service for its own consumption provided that the type of activity is such that it could have been carried out by another unit. Some examples of changes that a producer of service brings about in the condition of consumers of service are:

- a) Changes in the condition of consumer's goods: the producer works directly on goods owned by the consumer by transporting, cleaning, repairing or otherwise transforming them;
- b) Changes in the physical condition of persons: the producer transports the persons, provides them with accommodation, provides them with medical or surgical treatments, improves their appearance etc;
- c) Changes in the mental condition of persons: the producer provides education, information, advice, entertainment or similar services;
- d) Changes in the general economic state of the institutional unit itself: the producer provides insurance, financial intermediation, protection, guarantees, etc.

All activities under NIC – 2008 Sections E – U except section G (trade) are considered as *service activities other than trade*. However, F (Construction), O (Public administration and defence; compulsory social security), T (Activities of households as employer; undifferentiated goods and services producing activities of households for own use) and U (Activities of extraterritorial organizations and bodies) are excluded from coverage of this survey. Only unincorporated enterprises in the service sector under coverage as described in para 1.1.1 will be surveyed. Among these also, activities under certain NIC - 2008 codes are out of survey coverage: 36 (water collection, treatment and supply), 491 (transport via railways), 49212 (urban or suburban tramways), 49213 (urban or suburban underground or elevated railways), 493 (transport via pipeline), 51 (air transport), 641 (monetary intermediation), 642 (activities of holding companies), 65 (insurance, reinsurance and pension funding), 6611 (administration of financial markets) , 6622 (activities of insurance agents and brokers), 6629 (other activities auxiliary to insurance and pension funding), 774 (leasing of nonfinancial intangible assets), 942 (activities of trade unions), 9491 (activities of religious organizations [although activities of individuals are covered] ), 9492 (activities of political organizations).

**1.4.10 Financial enterprise:** A financial enterprise is a servicing enterprise that is principally engaged in financial intermediation or in auxiliary financial activities which are closely related to financial intermediation. Financial intermediation is a productive activity in which an institutional unit incurs liabilities on its own account for the purpose of acquiring financial assets by engaging in financial transactions on the market. The role of financial intermediaries is to channelise funds from lenders to borrowers by intermediating between them.

**1.4.11 Household Enterprise:** A household enterprise is one which is run by one or more members of a household or run jointly by two or more households on partnership basis irrespective of whether the enterprise is located in the premises of the household(s) or not. In other words, all proprietary and partnership enterprises are household enterprises.

**1.4.12 Non-household Enterprise:** Non-household enterprises are those which are institutional i.e. owned and run by the public sector (Central or State Government, local self-governments, local bodies, government undertakings, etc.), corporate sector, co-operative societies, other type of societies, institutions, associations, trusts, etc. Non-household enterprises covered under public sector are not included in the current survey.

1.4.13 **Own-account Enterprise:** An enterprise which is run without any hired worker employed on a fairly regular basis<sup>1</sup> is termed as an own account enterprise.

1.4.14 **Establishment:** An enterprise which is employing at least one hired worker on a fairly regular basis is termed as establishment. Paid or unpaid apprentices, paid household member/servant/resident worker in an enterprise are considered as hired workers.

1.4.15 **Non-directory establishment (NDE):** An establishment having one to five workers (household and hired taken together, with at least one hired worker) is termed as a non-directory establishment.

1.4.16 **Directory establishment (DE):** A directory establishment is an establishment, which has six or more workers (household and hired taken together, with at least one hired worker).

1.4.17 **Perennial enterprise:** Enterprises that are run more or less regularly throughout the year are called perennial enterprises.

1.4.18 **Seasonal enterprise:** Seasonal enterprises are those, which are usually run in a particular season or fixed months of a year.

1.4.19 **Casual enterprise:** Enterprises that are run occasionally, for a total of at least 30 days in the last 365 days, are called 'casual enterprises'.

#### 1.4.20 Classification of enterprises based on ownership:

(i) *Proprietary:* When an individual is the sole owner of an enterprise it is a proprietary enterprise. Own account production of fixed assets for own use, when produced by a single member, will be classified as proprietary enterprise.

(ii) *Partnership:* Partnership is defined as the 'relation between persons who have agreed to share the profits of a business carried on by all or any one of them acting for all'. There may be two or more owners, belonging to the same or different households, on a partnership basis, **with or without formal registration** (where there is a tacit understanding about the distribution of profit among the so-called partners). Own account production of fixed assets, when produced by two or more members belonging to the same or different households will be classified as partnership enterprises. Thus, own account production of fixed assets by a group of households for community use will be classified as partnership enterprise. **Note that partnership enterprises registered under Limited Liability Partnership (LLP) Act, 2008 are excluded from coverage of the survey. Also, partnership enterprises registered under Factories Act, 1948 (other than Section 85) will be outside the survey coverage.**

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<sup>1</sup> "fairly regular basis" means the major part of the period when operation(s) of an enterprise are carried out during a reference period.

(iii) *Government/Public Sector Enterprise*: An enterprise, which is wholly owned/ run/managed by Central or State governments, quasi-government institutions, local bodies like Panchayat, Zilla Parisad, City Corporation, Municipal authorities, etc., autonomous bodies like Universities, Education boards, and institutions like schools, libraries etc. set up by the government, panchayat, etc., will be treated as public sector enterprise. Enterprises owned/ managed by a single or a group of private persons with no participation of the Government, local body etc. in it, both in terms of management and shares, will be treated as private sector enterprises. An enterprise should not be treated as a public sector enterprise if it is run on a loan granted by government, local body, etc.

(iv) *Private Limited Company*: Private company means a company which by its articles:

- (a) restricts the right to transfer its shares, if any,
- (b) limits the number of its members to fifty not including-
  - (i) persons who are in the employment of the company, and
  - (ii) persons who, having been formerly in the employment of the company, were members of the company while in that employment and have continued to be members after the employment ceased; and
- (c) prohibits any initiation to the public to subscribe for any share in, or debentures of, the company.

[Where two or more persons **hold jointly** one or more shares in a company, they shall, for the purpose of this definition, be treated as a **single member**.]

(v) *Public Limited Company*: A public limited company is defined as a company that is not a private company. As such public companies can have an unlimited number of members and can invite the public to subscribe to its shares and debentures. The minimum number of members required to form a public company is **seven**.

(vi) *Co-operative Societies*: Co-operative society is one that is formed through the co-operation of a number of persons, recognised as members of the society, to benefit themselves. In the process, the funds are raised by members' contributions/investments and the profits generated out of the society's activities are shared by the members. A government agency itself can also be a member or shareholder of a registered co-operative society but this fact cannot render the society into a public sector enterprise for the purpose of this survey.

(vii) *Trust*: An arrangement through which one set of people, the trustees, are the legal owners of property which is administered in the interest of another set, the beneficiaries. Trusts may be set up to provide support for individuals or families, to provide pensions, to run charities, to liquidate the property of the bankrupts for the benefit of their creditors, or for the safe keeping of securities bought by trusts with their investor's money. The assets, which trusts hold are regulated by law, must be administered in the interests of the beneficiaries, and not for the profit of the trustees.

(viii) *Non-Profit Institutions (NPI)*: Non-profit institutions are legal or social entities created for the purpose of producing goods and services whose status does not permit them to be a source of income, profit or other financial gain for the units that establish, control or finance them. In practice, their productive activities are bound to generate either surpluses or deficits but the units that establish, control or finance them cannot appropriate surpluses. The articles of association by which they are established are drawn up in such a way that the institutional units which control or manage them are not entitled to a share in any profits or other income which the NPI's receive. For this reason, they are frequently exempted from various kinds of taxes.

NPIs are principally market producers but they may engage in non-market production also. It is important to distinguish between NPI's engaged in market and non-market production as this affects the sector of the economy to which an NPI is allocated.

Most market NPIs serving businesses are created by associations of the businesses whose interests they are designed to promote. They consist of chambers of commerce, agricultural, manufacturing or trade associations, employers' organizations, research or testing laboratories or other organizations or institutes which engage in activities which are of mutual interest or benefit to the group of businesses that control and finance them.

**1.4.21.1 Self-help Groups:** A **self-help group (SHG)** is a financial intermediary usually composed of between 10-20 local persons. Most self-help groups are located in India, though SHGs can also be found in other countries, especially in South Asia and Southeast Asia.

Members make small regular savings contributions over a few months until there is enough capital in the group to begin lending. Funds are lent back to the members or at times to others. In India, many SHGs are 'linked' to banks for the hand delivery of microcredit.

The characteristic features of self-help groups may be summarised as follows:

- SHG is a small group generally comprising of people who are poor or economically weak, who have voluntarily come forward to form a group for improvement of the social and economic status of the members.
- It can be formal (registered) or informal.
- The concept underlines the principle of Thrift, Credit and Self Help.
- Members of SHG agree to save regularly and contribute to a common fund.
- The members agree to use this common fund and such other funds (like grants and loans from banks), which they may receive as a group, to give small loans to needy members as per the decision of the group.
- The ideal size of an SHG is 10 to 20 members. Also, legally it is required that an informal group should not be of more than 20 people. However, in difficult areas like deserts, hills and areas with scattered and sparse populations and in case of disabled persons, this number may be 5-20.
- The group need not be registered.
- From one family, only one person can become a member of an SHG. (More families can join SHGs this way).

- The group normally consists of either **only men** or **only women**.
- Members should be between the age group of 21-60 years.
- Members should be poor people [the term poor is in relation to the economic and living conditions and this has no relation to poverty line. People living above poverty line (APL) can also form SHG like people living below poverty line (BPL)].

#### 1.4.21.2 Activity of self-help groups

Self-help groups are essentially engaged in the **financial intermediation** i.e. the activity of the SHG is focussed to provide loans to the members and the members can utilise the loan for the purposes - personal or entrepreneurial.

However, an SHG may be formed initially and later all or some members may be engaged in group-based non-financial activities. Examples of such group-based activities are given below:

- i. Collective organization of marketing for the produce of **individual enterprises established using micro-credit**, particularly milk collection centres/ diary cooperatives at village level.
- ii. Collective activities of SHGs **using group credit** to access larger natural assets for production e.g. leasing lands and ponds for cultivation and pisciculture.
- iii. Other collective economic activities based on **group credit** that combines labour and management: stone-cutting, processing rice, managing a tent house etc.
- iv. Management of government contracts such as running ration shops (as part of public distribution systems), cooking mid-day meal for school children, managing a subsidised fodder depot etc.

For **self-help groups engaged in financial intermediation** and also when **all or some members of the group run group based activities**, the following guidelines may be followed:

While listing an SHG the following three cases may be found:-

- (a) SHG is engaged in financial activities only. In that case, it will be listed under financial intermediation.
- (b) An SHG is formed and later all or some members of the group are engaged only in some non-financial activity under survey coverage. In that case, the members will be treated as running a partnership enterprise.
- (c) An SHG is engaged in financial as well as non-financial activity. If accounts are separable, the SHG will be listed under financial intermediation for its financial activity. For the non-financial part, it will be treated as separate partnership enterprise. If separate accounts are not identifiable, the major activity will be decided based on the maximum turnover/employment.



### 1.4.21.3 Determination of eligibility of an SHG

An SHG will be considered as eligible enterprise for the purpose of survey if the total number of days of operation of that SHG in last 365 days is at least 15. Working days will include-

- a) Days of meeting
- b) Days of interaction with the bank for purpose of deposit/withdrawal/loan/repayment etc.
- c) Days of performing other jobs related to SHG like maintenance of register

Generally, the SHG activities are coordinated by President/Secretary/Treasurer. In that case the SHG may be listed in the house of the President/Secretary/Treasurer. In case any such member is absent for an SHG it will be listed against the household of the member maintaining the accounts/records. If more than one person maintains the accounts/records, the SHG will be listed against the household of the senior-most member of the group.

### 1.4.21.4 Determination of number of hired workers of an SHG

In case of SHGs, if any member (including office bearers) performs the activities of the SHG by drawing remuneration, they will be treated as hired workers. Members of SHG who attend meetings regularly or participate in the activities of the SHG including decision making process without taking any remuneration will not be treated as a worker for the purpose of this survey. Instead they will be considered as 'active members of SHG'.

**1.4.22 Investment Club:** Investment clubs are a group of people who pool their money to make investments. Usually, investment clubs are organized as partnerships members usually meet on periodic basis and study different investments, to make investment decisions as a group. The decisions on buying and selling (investment) are made through voting process. Club meetings may be educational and each member may actively participate in investment decisions. The income and losses of the club are passed through to its partners and are reported on their individual tax returns.

1.4.23 Brief descriptions of different types of service sector enterprises under the coverage of the survey are given below. NIC – 2008 book may be consulted for detailed list of all activities.

NIC-2008		coverage of survey
code	activity	
37	SEWERAGE	The operation and maintenance of sewer systems; Collecting and transporting of human or industrial waste water or rain water by means of sewerage networks, collectors, tanks and other means of transport (sewage vehicles etc.); Treatment of waste water or sewer by means of physical, chemical or biological processes
38	WASTE COLLECTION, TREATMENT AND DISPOSAL ACTIVITIES; MATERIALS RECOVERY	Collection of non-hazardous waste; Collection of hazardous waste; Treatment and disposal of non-hazardous waste; Treatment and disposal of hazardous waste; Materials recovery
39	REMEDIATION ACTIVITIES AND OTHER WASTE MANAGEMENT SERVICES	Remediation activities and other waste management services. This includes cleanup of contaminated buildings and sites, soil, surface or ground water and other specialized pollution-control activities.
492	OTHER LAND TRANSPORT (excluding Urban or suburban tramways [49212] and Urban or suburban underground or elevated railways [49213])	Urban or suburban passenger land transport ; Long-distance bus services; Charters, excursions and other occasional coach services; Rental of private cars with driver; Taxi operation; Operation of school buses and buses for transport of employees; Passenger transport by man- or animal-drawn vehicles; Motorised road freight transport; Non-motorised road freight transport.
50	WATER TRANSPORT	Sea and coastal ferry service; Sea and coastal water cruise, water taxis and other sight-seeing boats; Sea and coastal long distance water transport; Sea and coastal freight water transport; River ferry service; River cruise, water taxi, boat services; Long distance river water transport; transport of freight via rivers, canals, lakes and other inland waterways, including inside harbours and ports.
52	WAREHOUSING AND SUPPORT ACTIVITIES FOR TRANSPORTATION	Warehousing and storage. Includes cold storage, storage and warehousing of general merchandise, furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones; Service activities incidental to land transportation; Service activities incidental to water transportation; Cargo handling incidental to land transport; Cargo handling incidental to water transport; Activities of travel agents; Activities of shipping cargo agents; Activities of movers and packers; Weighing

NIC-2008		coverage of survey
code	activity	
		of goods.
53	POSTAL AND COURIER ACTIVITIES	All enterprises providing postal services, <i>not owned by government, Public Sector Undertakings and local bodies</i> will be covered.  This will include courier services.
55	ACCOMMODATION	Hotels and Motels, inns, resorts providing short term lodging facilities; includes accommodation in house boats; Provision of short term lodging facilities to members of a particular organization such as company guest houses & similar establishments; Provision of accommodation in campgrounds, trailer parks, recreational camps and fishing and hunting camps for short stay visitors, provision of space and facilities for recreational vehicles, accommodation provided by mountain shelters; Accommodation provided by student residences, school dormitories; Worker hostels and boarding houses.  Dharamshala type lodging places, private guest/rest houses, tourist lodges etc. which provide short-stay accommodation are to be covered under hotels <i>provided they are run by private individuals/organizations.</i>  <i>However similar facilities if provided by Govt./PSU/Local body/Statutory bodies (e.g. ISI, IIT, Universities etc.) are excluded from the purview of the coverage of this survey.</i>  <b>[A hotel is an enterprise that provides lodging services with or without arrangements for meals, other prepared food and refreshments.]</b>
56	FOOD AND BEVERAGE SERVICE ACTIVITIES	Restaurants; Bars with or without restaurants; Cafeterias, fast-food restaurants and other food preparation in market stalls; Ice cream mobile vendors, mobile food carts; Restaurant and bar activities connected to transportation, when carried out by separate units; Event catering; Activities of food service contractors (e.g. for transportation companies); Operation of canteens or (e.g. for factories, offices, hospitals or schools) on a concession basis ( <i>but departmental canteens run by government will be excluded</i> ); Tea/coffee shops; Fruit juice bars; Mobile beverage vendors  <b>[A restaurant generally provides eating and drinking services where prepared meals, food and refreshments and other snacks are sold for immediate consumption without any provision for lodging.]</b>

NIC-2008		coverage of survey
code	activity	
58	PUBLISHING ACTIVITIES	Publishing of books, brochures, leaflets and similar publications, including publishing encyclopedias (including on CD-ROM); Publishing of atlases, maps and charts; Publishing of audio books; Publishing of directories and mailing lists; Publishing of newspapers, journals and periodicals; On-line publishing of statistics and other information; Publishing of operating systems and system software; Publishing of computer games for all platforms
59	MOTION PICTURE, VIDEO AND TELEVISION PROGRAMME PRODUCTION, SOUND RECORDING AND MUSIC PUBLISHING ACTIVITIES	Production of motion picture, Video production, Production of television programmes or television commercials; Post production activities of motion picture, Post production activities of television programmes or television commercials; Post production activities of video production; Distribution of Motion picture, video tapes, CDs, DVDs and Distribution of television programme; Motion picture or video tape projection in cinemas, in the open air or in other projection facilities; Activities of cine-clubs; Activities of sound recording in studio or elsewhere; Activities of music publishing.
60	PROGRAMMING AND BROADCASTING ACTIVITIES	Radio broadcasting; Television programming and broadcasting activities. The broadcasting can be performed using different technologies, over-the-air, via satellite, via a cable network or via internet;
61	TELECOMMUNICATIONS	Activities of basic telecom services: telephone, telex and telegraph (includes the activities of STD/ISD booths); Maintenance of telecom network; Activities of the cable operators; Activities of providing internet access by the operator of the wired infrastructure; Activities of internet access by the operator of the wireless infrastructure; Activities of maintaining and operating paging, cellur and other tetecommunication networks; Activities of other wireless telecommunications activities; Activity of internet access by the operator of the satellite infrastructure; Other satellite telecommunications activities; Specialized telecommunications applications, such as satellite tracking, communications telemetry, and radar station operations, operation of satellite terminal station, internet access over networks such as dial-up internet access etc.
62	COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES	Writing, modifying, testing of computer program to meet the needs of a particular client; Web-page designing; Providing software support and maintenance to the clients; Installation of computer system, and train and support the users of the system and providing hardware support including planning and designing of computer systems that integrate computer hardware, software and communication technologies; Software installation; Computer

NIC-2008		coverage of survey
code	activity	
		disaster recovery.
63	INFORMATION SERVICE ACTIVITIES	Data processing activities including report writing; Web hosting activities; Providing general time-share mainframe facilities to clients; Providing data entry services; Operation of web sites that use a search engine to generate and maintain extensive databases of internet addresses and content in an easily searchable format; Operation of other websites that act as portals to the internet, such as media sites providing periodically updated content; News agency activities; Telephone based information services; Activities of cyber café.
643	TRUSTS, FUNDS AND OTHER FINANCIAL VEHICLES	This class includes legal entities organized to pool securities or other financial assets, without managing, on behalf of shareholders or beneficiaries. The portfolios are customized to achieve specific investment characteristics such as diversification, risk, rate of return, and price volatility. These entities earn interest, dividends, and other property income, but have little or no employment and no revenue from the sale of services.  <b>Self Help Groups essentially engaged in financial intermediation will be given a special code 64309.</b>
649	OTHER FINANCIAL SERVICE ACTIVITIES EXCEPT INSURANCE AND PENSION FUNDING ACTIVITIES	Financial leasing; Financial service activities primarily concerned with making loans by institutions not involved in monetary intermediation (such as venture capital companies, industrial banks, investment clubs), where the granting of credit can take a variety of forms, such as loans, mortgages, credit cards etc.; other financial service activities primarily concerned with distributing funds other than by making loans; Activities of hire - purchase financing, housing finance companies, commercial loan companies, other credit activities including pawn shops.  <b>A money lender whether registered under Money Lender's Act or not will be under coverage. Activity of private money lenders has been given a special code 64929.</b>
661	ACTIVITIES AUXILIARY TO FINANCIAL SERVICE ACTIVITIES, EXCEPT INSURANCE AND PENSION FUNDING (excluding Administration of financial markets	This includes the operation and supervision of financial markets other than by public authorities, such as commodity contracts exchanges, futures commodity contracts exchanges, securities exchanges, stock exchanges, stock or commodity options exchanges; dealing in financial markets on behalf of others (e.g. stock broking) and related activities, securities brokerage, commodity contracts brokerage, foreign exchange services, etc.; activities of investment advisors, mortgage advisors and brokers, financial transaction

NIC-2008		coverage of survey
code	activity	
	[6611] )	processing and settlement activities, trustee, fiduciary and custody services on a fee or contract basis.
6621	RISK AND DAMAGE EVALUATION	Activities auxiliary to insurance and pension funding; This includes the provision of administration services of insurance, such as assessing and settling insurance claims;
663	FUND MANAGEMENT ACTIVITIES	This includes management of mutual funds, management of pension funds, management of other investment funds.
68	REAL ESTATE ACTIVITIES (Excluding operating of self-owned residential buildings)	Real estate activities with own or leased property and Real estate activities on a fee or contract basis. This class includes buying, selling, operating of self-owned or leased real estate (excluding operation of self-owned residential buildings) , providing of homes and furnished or unfurnished flats or apartments for more permanent use, typically on a monthly or annual basis, development of building projects for own operation, i.e. for renting of space in these buildings, subdividing real estate into lots, without land improvement, operation of residential mobile home sites; the provision of real estate activities on a fee or contract basis including real estate related services such as, activities of real estate agents and brokers, intermediation in buying, selling and renting of real estate on a fee or contract basis, management of real estate on a fee or contract basis, appraisal services for real estate, real estate escrow agents.
69	LEGAL AND ACCOUNTING ACTIVITIES	Legal activities; Accounting, bookkeeping and auditing activities; Tax consultancy.
70	MANAGEMENT CONSULTANCY ACTIVITIES	Activities of head offices; management consultancy activities
71	ARCHITECTURE AND ENGINEERING ACTIVITIES: TECHNICAL TESTING AND ANALYSIS	Architectural and engineering activities and related technical consultancy, technical testing and analysis. This class includes architectural consulting activities, machinery, industrial process control and industrial plant design, engineering design and consulting activities for, geophysical, geologic and seismic surveying, geodetic surveying activities; performance of physical, chemical and other analytical testing of all types of materials and products, certification of products, including consumer goods, motor vehicles, aircraft, pressurized containers, nuclear plants etc. periodic road-safety testing

NIC-2008		coverage of survey
code	activity	
		of motor vehicles, testing with use of models or mock-ups (e.g. of aircraft, ships, dams etc.), operation of police laboratories.
72	SCIENTIFIC RESEARCH AND DEVELOPMENT	Research and experimental development on natural sciences, engineering, social sciences and humanities.
73	ADVERTISING AND MARKET RESEARCH	Advertising, market research and public opinion polling. This class includes the provision of a full range of advertising services (i.e. through in-house capabilities or subcontracting), including advice, creative services, production of advertising material, media planning, and buying; investigation into market potential, acceptance and familiarity of products and buying habits of consumers for the purpose of sales promotion and development of new products, including statistical analyses of the results, investigation into collective opinions of the public about political, economic and social issues and statistical analysis thereof.
74	OTHER PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	Fashion design related to textiles, wearing apparel, shoes, jewelry, furniture and other fashion goods as well as other personal or household goods; activities of interior decorators; services of graphic designers; photographic activities (commercial and consumer photograph production; photographic film processing; activities of photojournalists; microfilming of documents); business brokerage activities; patent brokerage activities; weather forecasting activities; security consulting, etc.
75	VETERINARY ACTIVITIES	These activities include the provision of animal health care and control activities for farm animals or pet animals. These activities are carried out by qualified veterinarians in veterinary hospitals. It also includes animal ambulance activities.
771	RENTING AND LEASING OF MOTOR VEHICLES	Renting and operational leasing of passenger cars (without drivers), trucks, utility trailers and recreational vehicles.
772	RENTING AND LEASING OF PERSONAL AND HOUSEHOLD GOODS	Renting and leasing of recreational and sports goods; Renting of video tapes and disks; Renting of tent, furniture, pottery and glass, kitchen and tableware, utensils, household electrical and electronic equipments etc.; Renting of books, journals and magazines; Renting of jewellery, musical instruments, scenery and costumes; Renting of textiles, wearing apparel, footwear, sleeping bag, rucksack, household goods;
773	RENTING AND LEASING OF OTHER	Renting and leasing of other machinery, equipment and tangible goods n.e.c.

NIC-2008		coverage of survey
code	activity	
	MACHINERY, EQUIPMENT AND TANGIBLE GOODS N.E.C.	
78	EMPLOYMENT ACTIVITIES	Activities of employment placement agencies; Temporary employment agency activities; Human resources provision and management of human resources functions;
79	TRAVEL AGENCY, TOUR OPERATOR AND OTHER RESERVATION SERVICE ACTIVITIES	Travel agency activities; Tour operator activities; activities of tourist guides; activities of marketing and promoting of services for visitors by providing information and assistance to organizations to locate accommodation, convention centers and entertainment venues and other travel-related reservation services (including for transportation, hotels, restaurants, car rentals, entertainment and sport).
80	SECURITY AND INVESTIGATION ACTIVITIES	Private security activities; Security systems service activities; Investigation activities
81	SERVICES TO BUILDINGS AND LANDSCAPE ACTIVITIES	Combined facilities support activities (this class includes the units that typically provide a combination of services, such as general interior cleaning, maintenance, trash disposal, laundry and related services. They provide operating staff to carry out these support activities); General cleaning of buildings; Cleaning of trains buses, planes etc.; Cleaning of industrial machinery; Other building and industrial cleaning activities; Landscape care and maintenance service activities.
82	OFFICE ADMINISTRATIVE, OFFICE SUPPORT AND OTHER BUSINESS SUPPORT ACTIVITIES	Combined office administrative service activities (this class includes the provision of a combination of day to day office administrative services, such as reception, financial planning, billing and record keeping, personnel and mail services etc. for others on a contract or fee basis); Photocopying, duplicating and blueprinting services; Document preparation, typing, word processing and desktop publishing services; Other specialised office support services activities; Activities of call centres; Organization of conventions and trade shows ; Activities of collection agencies and credit bureaus; Packaging activities, etc.
85	EDUCATION	Pre-Primary education, Primary education; General secondary education (includes Senior/Higher secondary education); Technical and vocational secondary education; Higher education; Sports and recreation education; Cultural education; Academic tutoring services; Professional examination review courses; Flying school; Professional



NIC-2008		coverage of survey
code	activity	
		<p>and non-professional motor driving school; Educational support services.</p> <p><b>All Govt. or Govt. aided educational institutions will be outside the survey coverage. Educational institutions where salaries of the teachers/ staffs are funded fully by the Government will be considered as Govt. aided educational institution.</b></p> <p>All private educational institutions will be covered whether or not recognised. This will include management training institutes, computer training centres, nursing schools, schools of music, drama, dance, fine arts, modelling, fashion designing, yoga and physical education and general coaching centres (e.g. for various competitive examinations) etc. are to be covered. This will also include adult education centres.</p>
86	HUMAN HEALTH ACTIVITIES	<p>Hospital activities; Medical and dental practice activities; Activities of Ayurveda, Unani, homeopath practitioners; Activities of nurses, masseurs, physiotherapists or other para-medical practitioners; Activities of independent diagnostic/pathological laboratories; Activities of independent blood banks; independent ambulance Activities.</p> <p><b>All enterprises engaged in health and medical services <i>other than those owned by government, public sector undertakings, local bodies</i> will be covered, irrespective of the system of medicine.</b></p> <p>All private dispensaries, clinics and consultation chambers run by doctors will be covered. An employed doctor and para-medical person doing private practice will be covered and his/her private practice alone will be considered as an enterprise.</p>
87	RESIDENTIAL CARE ACTIVITIES	<p>Nursing care facilities (homes for the elderly with nursing care, convalescent homes, rest homes with nursing care); Residential care activities for mental retardation, mental health and substance abuse; Residential care activities for the elderly and disabled; Activities provided on a round-the-clock basis directed to provide social assistance to children and special categories of persons with some limits on ability for self-care, but where medical treatment or education are not important elements such as orphanages, children's boarding homes and hostels, temporary homeless shelters, institutions that take care of unmarried mothers and their children.</p>
88	SOCIAL WORK ACTIVITIES	<p>Social work activities without accommodation for the elderly and disabled; Social counseling, welfare, refugee, referral and similar</p>

NIC-2008		coverage of survey
code	activity	
	WITHOUT ACCOMMODATION	services which are delivered to individuals and families in their homes or elsewhere and carried out by government offices or by private organizations, disaster relief organizations and national or local self-help organizations and by specialists providing counseling services such as child day-care activities, community and neighbourhood activities, charitable activities like fund-raising or other supporting activities aimed at social work.
90	CREATIVE, ARTS AND ENTERTAINMENT ACTIVITIES	Dramatic arts, music and other arts activities. This class includes Stage production and related activities; Operation of concert and theatre halls and other arts facilities; Activities of sculptors, painters, cartoonists, engravers, etchers etc.; Activities of individual writers for all subjects including fictional writing, technical writing etc.; Activities of independent journalists; Activities of restoring of works of art such as paintings etc.
91	LIBRARIES, ARCHIVES, MUSEUMS AND OTHER CULTURAL ACTIVITIES	Library and archives activities; Museums activities and operation of historical sites and buildings; Botanical and zoological gardens and nature reserves activities.
92	GAMBLING AND BETTING ACTIVITIES	Wholesale and retail sale of lottery tickets; Other gambling and betting activities.  However, there may be certain gambling/ betting activities that are illegal and clandestine in nature. These activities are out of coverage for the present survey.
93	SPORTS ACTIVITIES AND AMUSEMENT AND RECREATION ACTIVITIES	Operation of sports facilities; Activities of sports clubs; Other sports activities; Activities of amusement parks and theme parks.
941	ACTIVITIES OF BUSINESS, EMPLOYERS AND PROFESSIONAL MEMBERSHIP ORGANIZATIONS	Activities of chambers of commerce, guilds and similar organizations, federations of such organizations ; activities of associations of writers, painters, lawyers, doctors, journalists and other similar organizations.
949	ACTIVITIES OF OTHER MEMBERSHIP ORGANIZATIONS	Activities of other membership organizations, such as religious organizations, will be covered only if it relates to activities other than organizational activities. Thus, activities of religious organizations providing services directly to worshippers in churches, mosques, temples, synagogues or other places, activities of organizations

NIC-2008		coverage of survey
code	activity	
		<p>furnishing monastery and convent services, religious retreat activities will be excluded.</p> <p>Activities of political organizations will not be covered.</p> <p>Activities of rotary clubs, student associations, war veterans' associations, book clubs, philatelic clubs, associations of minority groups, and the activities of other similar associations/organizations will be included.</p>
95	REPAIR OF COMPUTERS AND PERSONAL AND HOUSEHOLD GOODS	<p>Repair and maintenance of computer and peripheral equipment; Repair and maintenance of automated terminals like automatic teller machines, point-of-sale (POS) terminals, not mechanically operated; Repair and maintenance of communication equipment like cordless telephones, cellular phones, fax machines, commercial TV and video cameras etc. Repair and maintenance of consumer electronics; Repair and servicing of household appliances ( refrigerators, stoves, washing machines, clothes dryers, room air conditioners, etc. ); Repair and servicing of home and garden equipment such lawn mowers, edgers, trimmers etc.; Repair of footwear and leather goods; Repair of furniture and home furnishings; Repair of bicycles; Repair and alteration of clothing; Repair and alteration of jewelry; Repair of watches, clocks and their parts; Repair of musical instruments; Repair of other personal and household goods.</p>
96	OTHER PERSONAL SERVICE ACTIVITIES	<p>Washing and (dry-) cleaning of textile and fur products; Hairdressing and other beauty treatment; Funeral and related activities; Social activities such as escort services, marriage bureaus; Pet care services such as boarding, grooming and training pets etc.; Shoe shiners, porters, valet car parkers etc.; Coin-operated personal service machines such as phone booths, weighing machines, blood pressure checking machines etc.; Activities of sauna and steam baths, massage salons etc.; Astrological and spiritualists' activities; <i>Activities of aaya, dhai, governess, baby sitter etc. (however, those employed in private households are classified under NIC 97 and are excluded from coverage)</i>; General household maintenance activities like grooming of the floor, dusting, cleaning of utensils etc.</p>

**Table 1: allocation of sample FSUs for NSS 73<sup>rd</sup> round**

State/UT	number of sample FSUs	
	central sample	state sample
	total	total
(1)	(2)	(3)
ANDHRA PRADESH	672	1344
ARUNACHAL PRADESH	192	192
ASSAM	516	516
BIHAR	780	780
CHHATTISGARH	384	768
GOA	48	48
GUJARAT	672	1008
HARYANA	492	492
HIMACHAL PRADESH	264	264
JAMMU & KASHMIR	400	400
JHARKHAND	416	416
KARNATAKA	672	672
KERALA	612	612
MADHYA PRADESH	1080	1080
MAHARASHTRA	1160	1544
MANIPUR	172	344
MEGHALAYA	140	140
MIZORAM	140	140
NAGALAND	164	268
ODISHA	596	596
PUNJAB	460	460
RAJASTHAN	704	704
SIKKIM	64	64
TAMIL NADU	1100	1100
TELANGANA	500	1000
TRIPURA	200	200
UTTAR PRADESH	1676	1676
UTTARAKHAND	284	284
WEST BENGAL	1164	1164
A & N ISLANDS	56	0
CHANDIGARH	44	0
D & N HAVELI	24	0
DAMAN & DIU	16	16
DELHI	420	420
LAKSHADWEEP	12	0
PUDUCHERRY	52	52
<b>ALL- INDIA</b>	<b>16348</b>	<b>18764</b>

*Note: Minor changes in allocations may be necessary at the time of actual sample selection work*