

# 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 seventieth round from 1<sup>st</sup> January 2013. The survey will continue up to 31<sup>st</sup> December 2013.

1.0.2 **Subject Coverage:** The 70<sup>th</sup> round (January 2013 - December 2013) of NSS is earmarked for surveys on land and livestock holdings, debt and investment and situation assessment survey of agricultural households. The last survey on these subjects was conducted in 59<sup>th</sup> round of NSS (January 2003 - December 2003).

### 1.1 Objective of the Survey

1.1.1 **Survey on land and livestock holdings (rural only) (Schedule 18.1):** The NSS 70<sup>th</sup> round survey on land and livestock holdings (LHS) will be conducted in rural areas of the country. The main objective of the survey on Land and Livestock Holdings (LHS) is to generate basic quantitative information on the agrarian structure of the country, which is relevant to land policy. The quantitative information to be collected in the land and livestock holdings survey can be categorised into the three broad aspects of land ownership holdings, operational holdings and ownership of livestock. The survey on Land and Livestock Holding has been designed to collect information on (i) particulars of land (owned, leased-out, leased-in and otherwise possessed) of the household, (ii) location of land, (iii) area, (iv) duration of possession, (v) number of lessor/lessee households, (vi) terms of lease, (vii) land use during July 2012 to December 2012/January 2013 to June 2013/whole agricultural year (July 2012 to June 2013), (viii) whether irrigated, (ix) sources of irrigation, etc. Information on number of livestock, poultry, duckery, etc., owned by the household as on the date of survey will also be collected. Besides collection of information on land and livestock, information will be collected on some household characteristics such as (i) household classification, (ii) social group, (iii) religion, (iv) whether the household operated any land on Jhum cultivation during last 365 days, etc. Some information on demographic particulars from each of the household members will also be collected such as (i) sex, (ii) age, (iii) general education level, (iv) whether associated with the household operational holding, etc.

Using the information collected in this survey, different indicators of ownership holding, operational holding, pattern in land use, detailed types of crop production/animal farming activities of the households, seasonal variation in household operational holding, ownership of livestock, poultry, duckery, etc., can be generated for the rural areas of the country.

These statistical indicators are required for planning, policy formulation and decision making at various levels within the government and outside. The results of the survey will be of use to the Department of Agriculture & Cooperation, Department of Animal Husbandry, Dairying & Fisheries, National Accounts Division, etc. These will also be used by various users, researchers and policy makers.

**1.1.2 Survey on debt and investment survey (Schedule 18.2):** The objectives of the debt and investment survey remain the same as those of the earlier surveys, namely, to obtain quantitative information on the stock of assets, incidence of indebtedness, capital formation and other indicators of rural/urban economy which will be of value in developing the credit structure in particular, and also for obtaining other allied information required in the field of planning and development. Further, since the survey will be of the kind of a repeat survey of that of the NSS 59th round, it is considered necessary to plan the survey in such a way as to ensure, as far as practicable, comparability with the estimates of the various characteristics generated from the earlier rounds.

**1.1.3 Survey on situation assessment survey of agricultural households (rural only) (Schedule 33):** In order to have a comprehensive picture of the farming community and to analyze the impact of the transformation induced by public policy, investments and technological change on the farmers' access to resources and income as well as well-being of the farmer households it was decided to collect information on Indian farmers through "Situation Assessment Survey" (SAS). The areas of interest for conducting SAS would include economic well-being of farmer households as measured by consumer expenditure, income and productive assets, and indebtedness; their farming practices and preferences, resource availability, and their awareness of technological developments and access to modern technology in the field of agriculture. In this survey, detailed information would be collected on receipts and expenses of households' farm and non-farm businesses, to arrive at their income from these sources. Income from other sources would also be ascertained, and so would be the consumption expenditure of the households.

## 1.2 Outline of Survey Programme

**1.2.1 Geographical coverage:** The survey will cover the whole of the Indian Union.

**1.2.2 Period of survey and work programme:** The period of survey will be of one year duration starting on 1<sup>st</sup> January 2013 and ending on 31<sup>st</sup> December 2013.

**1.2.2.1 Visits 1 & 2:** Each sample FSU will be visited twice during this round. Since the workload of the first visit (i.e. visit 1) will be more, the first visit will continue till the end of July 2013. Thus, period of the first visit will be January – July 2013 and that of the second visit (i.e. visit 2) will be August – December 2013.

The listing schedules (sch 0.0) will be canvassed only in the first visit. Schedules 18.1, 18.2 and 33 will be canvassed in independent sets of sample households. Each sample household will be visited twice. Visit 1 and visit 2 schedules will be canvassed in the same set of sample households during first and second visit respectively. Contents of the schedules for the two visits are not same since the information relate to two different seasons. Visit number is printed in the respective schedules.

**1.2.2.2 Sub-rounds:** The survey period of the round will be divided into two sub-rounds. Sub-round one will consist of the first half of the survey period of each visit i.e. 1<sup>st</sup> Jan -15<sup>th</sup> April 2013 for visit 1 and 1<sup>st</sup> August – 15<sup>th</sup> October 2013 for visit 2 while sub-round two will consist of the remaining period of the respective visits. Thus, each sub-round will be of three and a half months for visit 1 and two and a half months for visit 2.

In each of these two sub-rounds equal number of sample villages/ blocks (FSUs) 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 and rural areas of Arunachal Pradesh and Nagaland.*

The villages/blocks visited in the first sub-round of first visit will be revisited during the first sub-round of the second visit. Similarly, villages/blocks of sub-round 2 of visit 1 will be revisited in sub-round 2 of visit 2.

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

- Schedule 0.0 : list of households
- Schedule 18.1 : land and livestock holdings (rural only)
- Schedule 18.2 : debt and investment
- Schedule 33 : situation assessment survey of agricultural households (rural only)

**1.2.4 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.

Nagaland (U)	: triple
Andhra Pradesh, J & K , Manipur , Delhi	: double
Maharashtra (U)	: one and half
Remaining States/ UTs	: equal

### 1.3 Contents of Volume I

1.3.1 The present volume contains five 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 detail the sample design and the procedure of selection of households adopted for this round. Instructions for filling in Schedule 0.0, Schedule 18.1, Schedule 18.2 and Schedule 33 are given in Chapters two to five respectively.

1.3.2 Along with the instructions, a list of Frequently Asked Questions (FAQ) is also appended with each of the chapters Two to four.

### 1.4 Sample Design

**1.4.1 Outline of sample design:** A stratified multi-stage design has been adopted for the 70<sup>th</sup> round survey. The first stage units (FSU) will be the census villages (Panchayat wards in

case of Kerala) in the rural sector and Urban Frame Survey (UFS) blocks in the urban sector. The ultimate stage units (USU) will be households in both the sectors. In case of large FSUs, one intermediate stage of sampling will be the selection of two hamlet-groups (hgs)/ sub-blocks (sbs) from each rural/ urban FSU.

**1.4.2 Sampling Frame for First Stage Units:** *For the rural sector*, the list of 2001 census villages updated by excluding the villages urbanised and including the towns de-urbanised after 2001 census (henceforth the term 'village' would mean Panchayat wards for Kerala) will constitute the sampling frame. *For the urban sector*, the latest updated list of UFS blocks (2007-12) will be considered as the sampling frame.

**1.4.3 Stratification:** Stratum may be formed at district level. 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 10 lakhs or more as per population census 2011 in a district, each of them will form a separate basic stratum and the remaining urban areas of the district will be considered as another basic stratum.

In case of rural sectors of Nagaland and Andaman & Nicobar Islands, one separate special stratum will be formed within the State/UT consisting of all the interior and inaccessible villages.

#### 1.4.4 Sub-stratification:

**1.4.4.1 Rural sector:** Different sub-stratifications are proposed for 'hilly' States and other States. Ten (10) States will be considered as hilly States. They are: Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim, Meghalaya, Tripura, Mizoram, Manipur, Nagaland and Arunachal Pradesh

(a) sub-stratification for hilly States: If 'r' be the sample size allocated for a rural stratum, the number of sub-strata formed will be 'r/2'. The villages within a district as per frame will be first arranged in ascending order of population. Then sub-strata 1 to 'r/2' 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 population.

(b) sub-stratification for other States (non-hilly States): The villages within a district as per frame will be first arranged in ascending order of *proportion of irrigated area in the cultivated area of the village*. Then sub-strata 1 to 'r/2' 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 *cultivated area*. The information on irrigated area and cultivated area will be obtained from the village directory of census 2001.

**1.4.4.2 Urban sector:** There will be no sub-stratification for the strata of million plus cities. For other strata, each district may be divided into 2 sub-strata as follows:

- sub-stratum 1: all towns of the district with population less than 50000 as per census 2011
- sub-stratum 2: remaining non-million plus towns of the district

**1.4.5 Total sample size (FSUs):** About 8000 FSUs will be surveyed for the central sample at all-India level. State wise allocation of sample FSUs is given in Table-1, page A-26.

**1.4.6 Allocation of total sample to States and UTs:** The total number of sample FSUs will be allocated to the States and UTs in proportion to population as per census 2011 subject to a minimum sample allocation to each State/ UT. While doing so, the resource availability in terms of number of field investigators as well as the comparability with previous round of survey on the same subjects will be kept in view.

**1.4.7 Allocation of State/ UT level sample to rural and urban sectors:** State/ UT level sample size will be allocated between two sectors in proportion to population as per *census 2011* with double weightage to urban sector subject to the restriction that urban sample size for bigger states like Maharashtra, Tamil Nadu etc. should not exceed the rural sample size. A minimum of 16 FSUs (minimum 8 each for rural and urban sector separately) will be allocated to each state/ UT.

**1.4.8 Allocation to strata:** Within each sector of a State/ UT, the respective sample size will be allocated to the different strata in proportion to the population as per census 2011. Stratum level allocation will be adjusted to multiples of 2 with a minimum sample size of 2.

For special strata in the rural areas of Nagaland and A & N Islands, 4 FSUs will be allocated to each.

#### **1.4.9 Allocation to sub-strata:**

**1.4.9.1 Rural:** Allocation will be 2 for each sub-stratum in rural.

**1.4.9.2 Urban:** Stratum allocations will be distributed among the two sub-strata in proportion to the number of FSUs in the sub-strata. Minimum allocation for each sub-stratum will be 2.

#### **1.4.10 Selection of FSUs:**

For the rural sector, from each sub-stratum, required number of sample villages will be selected by Simple Random Sampling Without Replacement (SRSWOR).

For the urban sector, UFS 2007-12 phase will be used for all towns and cities and from each stratum/sub-stratum FSUs will be selected by using Simple Random Sampling Without Replacement (SRSWOR).

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

#### **1.4.11 Selection of hamlet-groups/ sub-blocks - important steps**

**1.4.11.1 Proper identification of the FSU boundaries:** The first task of the field investigators is to ascertain the exact boundaries of the sample FSU as per its identification particulars given in the sample list. For urban samples, the boundaries of each FSU may be

identified by referring to the map corresponding to the frame code specified in the sample list.

**1.4.11.2 Criterion for hamlet-group/ sub-block formation:** After identification of the boundaries of the FSU, it is to be determined whether listing will be done in the whole sample FSU or not. In case the approximate present population of the selected FSU is found to be 1200 or more, it will be divided into a suitable number (say, D) of 'hamlet-groups' in the rural sector and 'sub-blocks' in the urban sector by more or less equalising the population as stated below.

approximate present population of the sample FSU	no. of hg's/sb's to be formed
less than 1200 (no hamlet-groups/sub-blocks)	1
1200 to 1799	3
1800 to 2399	4
2400 to 2999	5
3000 to 3599	6
.....and so on	.

For rural areas of Himachal Pradesh, Sikkim, Uttarakhand (except four districts Dehradun, Nainital, Hardwar and Udham Singh Nagar), Poonch, Rajouri, Udhampur, Reasi, Doda, Kistwar, Ramgarh, Leh (Ladakh), Kargil districts of Jammu and Kashmir and Idukki district of Kerala, the number of hamlet-groups will be formed as follows:

approximate present population of the sample village	no. of hg's to be formed
less than 600 (no hamlet-groups)	1
600 to 899	3
900 to 1199	4
1200 to 1499	5
1500 to 1799	6
.....and so on	.

**1.4.11.3 Formation and selection of hamlet-groups/ sub-blocks:** In case hamlet-groups/ sub-blocks are to be formed in the sample FSU, the same should be done by more or less equalizing population. Note that while doing so, it is to be ensured that the hamlet-groups/ sub-blocks formed are clearly identifiable in terms of physical landmarks.

Two hamlet-groups (hg)/ sub-blocks (sb) will be selected from a large FSU wherever hamlet-groups/ sub-blocks have been formed in the following manner – one hg/ sb with maximum percentage share of population will always be selected and termed as hg/ sb 1; one more hg/ sb will be selected from the remaining hg's/ sb's by simple random sampling (SRS) and termed as hg/ sb 2. Listing and selection of the households will be done independently in the two selected hamlet-groups/ sub-blocks. The FSUs without hg/ sb formation will be treated as sample hg/ sb number 1. It is to be noted that if more than one hg/ sb have same maximum percentage share of population, the one among them which is listed first in block 4.2 of schedule 0.0 will be treated as hg/ sb 1.

**1.5 Listing of households:** Having determined the hamlet-groups/ sub-blocks, i.e. area(s) to be considered for listing, the next step is to list all the households (including those found to

be temporarily locked after ascertaining the temporariness of locking of households through local enquiry). The hamlet-group/ sub-block with sample hg/ sb number 1 will be considered for listing first, to be followed by the listing of households within the sample hg/sb number 2.

## 1.6 Formation of second stage strata and allocation of households

### 1.6.1 Schedule 18.1: Land & Livestock Holdings Survey (LHS) (rural only):

Four SSS may be formed for schedule 18.1 based on four land possessed code. SSS number will be same as the land possessed code.

Each household will be given a land possessed code according to the following criteria:

land possessed code	criterion: area of the land possessed by the household as on the date of survey
1	less than 0.005 hectare
2	equal to or more than 0.005 hectare but less than 1.000 hectare
3	equal to or more than 1.000 hectare but less than 2.000 hectares
4	equal to or more than 2.000 hectares

### 1.6.2 Schedule 33: Situation Assessment Survey of Agricultural Households (SAS) (rural only):

Only 'agricultural households' will be considered for this schedule. For definition of agricultural household, please refer to para 1.7.39 of this chapter. The agricultural household will be divided into four SSS based on land possessed code similar to LHS second stage strata.

### 1.6.3 Schedule 18.2: Debt and Investment Survey (AIDIS):

Three SSS will be formed both in rural and urban sector: (i) households indebted either to institutional agencies only or to both institutional and non-institutional agencies, (ii) households indebted to non-institutional agencies only and (iii) households without any indebtedness.

**1.6.3.3 Allocation and selection of sample households:** The total number of households to be surveyed in an FSU is given below for each schedule type:

Two households will be selected from each SSS for schedule 18.1 and 33. In case of hamlet group formation, one household will be selected from each hg × SSS for schedule 18.1 and 33. For schedule 18.2, the number of sample households will be 6, 4 and 4 from SSS 1, 2 and 3 respectively. In case of hamlet group/sub-block formation, the number of sample households will be 3, 2 and 2 from each (hg/sb) × SSS for schedule 18.2. The number of SSS, allocations and sampling scheme by schedule type are illustrated in the following table.

schedule type	number of SSS	number of sample households to be surveyed		
		rural	urban	sampling scheme within each SSS
18.1	4	8 (2 households from each SSS)	----	SRSWOR
18.2	3	14 (SSS1 = 6, SSS2 = 4, SSS3 = 4)	14 (SSS1 = 6, SSS2 = 4, SSS3 = 4)	
33	4	8 (2 households from each SSS)	----	

1.6.3.3.1 The above table provides the plan of allocation of the sample household in the respective SSS. However, there can be situations in the selected FSUs both in rural and urban sectors where adequate number of households is not available for required allocation. In such situation, the selection of household for the SSS is compensated from the other SSS. This is done by adopting specified procedure. To meet the shortfall of households in one SSS, compensation can be made from other SSSs. The details of the compensation rules are given in the Chapter two dealing with Listing Schedule 0.0.

1.6.3.3.2 **Selection of households:** From each SSS the sample households for each of the schedules will be selected by SRSWOR. If a household is selected for more than one schedule, only one schedule will be canvassed in that household in the priority order of Schedule 18.1, Schedule 33 and Schedule 18.2 and in that case the household will be replaced for the other schedule. If a household is selected for Schedule 18.1 it will not be selected for Schedule 33 or Schedule 18.2. Similarly, if a household is not selected for Schedule 18.1 but selected for Schedule 33 it will not be selected for Schedule 18.2.

## 1.7 Concepts and Definitions:

1.7.0 Important concepts and definitions used in different schedules of this survey are explained below.

1.7.1 **Population coverage:** The following rules regarding the population to be covered are to be remembered in listing of households and persons:

1. Under-trial prisoners in jails and indoor patients of hospitals, nursing homes etc., are to be excluded, but residential staff therein will be listed 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 counted there. Convicted prisoners undergoing sentence will be outside the coverage of the survey.



2. Floating population, i.e., persons without any normal residence will not be listed. But households residing in open space, roadside shelter, under a bridge, etc., more or less regularly in the same place, will be listed.
3. Foreign nationals will not be listed, nor their domestic servants, if by definition the latter belong to the foreign national's household. If, however, a foreign national becomes an Indian citizen for all practical purposes, he or she will be covered.
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. However, persons staying in old age homes, students staying in *ashrams*/hostels and the residential staff (other than monks/ nuns) of these ashrams may be listed. For orphanages, although orphans are not to be listed, the persons looking after them and staying there may be considered for listing.

1.7.2 **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.

1.7.3 **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 listed as a single member household if the hostel is listed.

1.7.4 **Household size:** The number of members of a household is its size.

1.7.5 **Household type:** The household type, based on the means of livelihood of a household, is decided on the basis of the sources of the household's income during the 365 days preceding the date of survey. For this purpose, only the household's income (net income and not gross income) from economic activities is to be considered; but the incomes of servants and paying guests are not to be taken into account.

In **rural** areas, a household will belong to any one of the following six household types:

- self-employed in agriculture
- self-employed in non-agriculture
- regular wage/salary earning
- casual labour in agriculture
- casual labour in non-agriculture
- others

For **urban** areas, the household types are:

- self-employed
- regular wage/salary earning
- casual labour
- others

1.7.6 **Economic activity:** The entire spectrum of human activity falls into two categories: economic activity and non-economic activity. Any activity that results in production of goods and services that adds value to national product is considered as an economic activity. The economic activities have two parts - market activities and non-market activities. Market activities are those that involve remuneration to those who perform it, i.e., activity performed for pay or profit. Such activities include production of all goods and services for market including those of government services, etc. Non-market activities are those involving the production of primary commodities for own consumption and own account production of fixed assets.

1.7.6.1 The full spectrum of economic activities as defined in the UN System of National Accounts is not covered in the definition adopted for surveys of NSSO. Production of any good for own consumption is considered as economic activity by UN System of National Accounts but production of only primary goods for own consumption is considered as economic activity by NSSO. While the former includes activities like own account processing of primary products among other things, in the NSS surveys, processing of primary products for own consumption is not considered as economic activity. However, it may be noted that 'production of agricultural goods for own consumption' covering all

activities up to and including stages of threshing and storing of produce for own consumption, comes under the coverage of the economic activities of NSSO.

1.7.6.2 The term 'economic activity' in the current round of survey of NSSO will include:

(i) all the market activities described above, i.e., the activities performed for pay or profit which result in production of goods and services for exchange,

(ii) of the non-market activities,

(a) all the activities relating to the primary sector (i.e., **industry Divisions 01 to 09 of NIC-2008**) which result in production (including free collection of uncultivated crops, forestry, firewood, hunting, fishing, mining, quarrying, etc.) of primary goods, including threshing and storing of grains for own consumption.

and

(b) the activities relating to the own-account production of fixed assets. Own account production of fixed assets include construction of own houses, roads, wells, etc., and of machinery, tools, etc., for household enterprise and also construction of any private or community facilities free of charge. A person may be engaged in own account construction in the capacity of either a labourer or a supervisor.

1.7.6.3 Determination of economic activities described above will be done irrespective of the situation whether such activity is carried out illegally in the form of smuggling or not. However, by convention, as in earlier rounds, the activities like prostitution, begging, etc., which may result in earnings, will not be considered as economic activities in this round also.

1.7.7 **Activity status:** It is the activity situation relating to participation in economic or non-economic activities in which a person is found engaged during a reference period. According to this, a person will be found in one or a combination of the following three statuses during a reference period:

(i) Working or being engaged in economic activity (work),

(ii) Being not engaged in economic activity (work) and either making tangible efforts to seek 'work' or being available for 'work' if the 'work' is available and

(iii) Being not engaged in any economic activity (work) and also not available for 'work'.

Activity statuses, as mentioned in (i) & (ii) above, are associated with 'being in labour force' and the last with 'not being in the labour force'. Within the labour force, activity status (i) above is associated with 'employment' and that of (ii) above with 'unemployment'.

1.7.8 **Workers (or employed):** Persons who, during the reference period, are engaged in any economic activity or who, despite their attachment to economic activity, have temporarily abstained from work for reasons of illness, injury or other physical disability, bad weather, festivals, social or religious functions or other contingencies constitute workers. Unpaid helpers who assist in the operation of an economic activity in the household farm or non-farm activities are also considered as workers. All the workers are assigned one of the

detailed activity statuses under the broad activity category 'working or being engaged in economic activity'.

1.7.9 It may be noted that workers have been further categorized as *self-employed*, *regular wage/ salaried employee* and *casual wage labourer*. These categories are defined in the following paragraphs.

1.7.10 **Self-employed:** Persons who operate their own farm or non-farm enterprises or are engaged independently in a profession or trade on own-account or with one or a few partners are deemed to be self-employed in household enterprises. The essential feature of the self-employed is that they have *autonomy* (i.e., how, where and when to produce) and *economic independence* (i.e., market, scale of operation and money) for carrying out their operation. The remuneration of the self-employed consists of a non-separable combination of two parts: a reward for their labour and profit of their enterprise. The combined remuneration is given by the revenue from sale of output produced by self-employed persons *minus* the cost of purchased inputs in production.

The self-employed persons may again be categorised into the following three groups:

- (i) **own-account workers:** They are the self-employed who operate their enterprises on their own account or with one or a few partners and who during the reference period by and large, run their enterprise without hiring any labour. They may, however, have unpaid helpers to assist them in the activity of the enterprise.
- (ii) **employers:** The self-employed persons who work on their own account or with one or a few partners and by and large run their enterprise by hiring labour are the employers, and
- (iii) **helpers in household enterprise:** The helpers are a category of self-employed persons mostly family members who keep themselves engaged in their household enterprises, working full or part time and do not receive any regular salary or wages in return for the work performed. They do not run the household enterprise on their own but assist the related person living in the same household in running the household enterprise.

1.7.11 There is a category of workers who work at a place of their choice which is outside the establishment that employs them or buys their product. Different expressions like 'home workers', 'home based workers' and 'out workers' are generally used synonymously for such workers. For the purpose of this survey, all such workers will be categorised as 'self-employed'. The 'home workers' have *some degree of autonomy* and *economic independence* in carrying out the work, and their work is not directly supervised, as is the case for the *employees*. Like the other self-employed, these workers have to meet certain costs, like actual or imputed rent on the buildings in which they work, costs incurred for heating, lighting and power, storage or transportation, etc., thereby indicating that they have some tangible or intangible means of production. It may be noted that *employees* are not required to provide such inputs for production.

1.7.12 It may further be elaborated that the 'putting out' system prevalent in the production process in which a part of production which is 'put out' is performed in different household

enterprises (and not at the employer's establishment). For example, *bidi* rollers obtaining orders from a *bidi* manufacturer will be considered as home workers irrespective of whether or not they were supplied raw material (leaves, *masala*, etc.), equipment (scissors) and other means of production. The fee or remuneration they receive consists of two parts - the share of their labour and profit of the enterprise. In some cases, the payment may be based on piece rate. Similarly, a woman engaged in tailoring or embroidery work on order from a wholesaler, or making *pappad* at home on order from some particular unit/ contractor/ trader will be treated as 'home worker'. On the other hand, if she does the work in the employers' premises, she will be treated as an *employee*. Again, if she is not undertaking these activities on orders from outside, but markets the products by herself/ other household members for profit, she will be considered as an own account worker, if of course, she does not employ any hired help more or less on a regular basis.

**1.7.13 Regular wage/ salaried employee:** Persons working in other's farm or non-farm enterprises (both household and non-household) and getting in return salary or wages on a regular basis (and not on the basis of daily or periodic renewal of work contract) are the regular wage/ salaried employees. *This category not only includes persons getting time wage but also persons receiving piece wage or salary and paid apprentices, both full time and part-time.*

**1.7.14 Casual wage labour:** A person casually engaged in other's farm or non-farm enterprises (both household and non-household) and getting in return wage according to the terms of the daily or periodic work contract is a casual wage labour.

**1.7.15 Pension:** These are, generally, post-retirement benefits that an employee receives from employers. Besides, pension may be earned as social security measures, such as old age pension scheme, etc., or through pension income through investment in pension schemes.

**1.7.16 Remittance:** These are the transfers, in either cash or kind, to the households generally by former household members. However, remittances received from persons other than former household members and institutions will also be included. If such transfers are in the form of loans, these will not be considered. The valuation of the remittances received in kind will be done by considering the market value of the kind received by the household. If the cash remittances are in any foreign currency, exchange value of the cash remittances in Indian Rupee may be arrived at to determine the amount of remittances.

**1.7.17 Different approaches for determining activity status:** The persons surveyed are to be classified into various activity categories on the basis of activities pursued by them during certain specified reference periods. There are three reference periods for this survey viz. (i) one year, (ii) one week and (iii) each day of the reference week. Based on these three periods, three different measures of activity status are arrived at. These are termed respectively as usual status, current weekly status and current daily status. The activity status determined on the basis of the reference period of 1 year is known as the usual activity status of a person, that determined on the basis of a reference period of 1 week is known as the current weekly status (CWS) of the person and the activity status determined on the basis of each day of the reference week is known as the current daily status (CDS) of the person.

Identification of each individual into a unique situation poses a problem when more than one of three types of broad activity status viz. 'employed', 'unemployed' and 'not in labour force' is concurrently obtained for a person. In such an eventuality, unique identification under any one of the three broad activity statuses is done by adopting either the major time criterion or priority criterion. The former is used for classification of persons under 'usual activity status' and, the latter, for classification of persons under 'current activity status'. If, by adopting one of these two criteria, a person categorised as engaged in economic activity is found to be pursuing more than one economic activity during the reference period, the appropriate detailed activity status category will relate to the activity in which relatively more time has been spent. Similar approach is adopted for non-economic activities also.

**1.7.18 Usual activity status:** The usual activity status relates to the activity status of a person during the reference period of 365 days preceding the date of survey. The activity status on which a person spent relatively long time (major time criterion) during the 365 days preceding the date of survey is considered the *usual principal activity status* of the person. To decide the usual principal activity of a person, he/ she is first categorised as belonging to the labour force or not, during the reference period **on the basis of major time criterion**. Persons, thus adjudged as not belonging to the labour force are assigned the broad activity status 'neither working nor available for work'. For the persons belonging to the labour force, the broad activity status of either 'working' or 'not working but seeking and/ or available for work' is then ascertained again on the basis of the relatively long time spent in the labour force during the 365 days preceding the date of survey. Within the broad activity status so determined, the detailed activity status category of a person pursuing more than one such activity will be determined again on the basis of the 'relatively long time spent' criterion.

**1.7.19 Subsidiary economic activity status:** A person whose principal usual status is determined on the basis of the major time criterion may have pursued some economic activity **for 30 days or more** during the reference period of 365 days preceding the date of survey. The status in which such economic activity is pursued during the reference period of 365 days preceding the date of survey is the subsidiary economic activity status of the person. In case of multiple subsidiary economic activities, the major activity and status based on the 'relatively long time spent' criterion will be considered. It may be noted that engagement in work in subsidiary capacity may arise out of the two following situations:

i) a person may be engaged for a relatively long period during the 365 days in an economic (a non-economic activity) and for a relatively small period, which is not less than 30 days, in another economic activity (any economic activity).

(ii) a person may be pursuing an economic activity (non-economic activity) almost throughout the year in the principal status and also simultaneously pursuing another economic activity (any economic activity) for relatively small period in a subsidiary capacity. In such cases, since both the activities are being pursued throughout the year and the duration of both the activities is more than 30 days, the activity which is being pursued for a relatively small period will be considered as his/ her subsidiary activity.

**1.7.20 Manual work:** A job essentially involving physical labour is considered as manual work. However, jobs essentially involving physical labour but also requiring a certain level of general, professional, scientific or technical education are not to be termed as 'manual work'. On the other hand, jobs not involving much of physical labour and at the same time not requiring much educational (general, scientific, technical or otherwise) background are to be treated as 'manual work'. Thus, engineers, doctors, dentists, midwives, etc., are not considered manual workers even though their jobs involve some amount of physical labour. But peons, chowkidars, watchman, etc. are considered manual workers even though their work might not involve much physical labour. A few examples of manual workers are cooks, waiters, building caretakers, sweepers, cleaners and related workers, launderers, dry cleaners and pressers, hair dressers, barbers, beauticians, watchmen, gate keepers, agricultural labourers, plantation labourers and related workers.

**1.7.21 Rural Labour:** Manual labour working in agricultural and/ or non-agricultural occupations *in return for wages* paid either in cash or in kind (excluding exchange labour) and *living in rural areas*, will be taken as rural labour.

**1.7.22 Agricultural labour:** A person will be considered to be engaged as agricultural labour, if he/ she follows one or more of the following agricultural occupations in the capacity of a wage paid manual labour, whether paid in cash or kind or both:

- (i) farming
- (ii) dairy farming
- (iii) production of any horticultural commodity
- (iv) raising of livestock, bees or poultry
- (v) any practice performed on a farm as incidental to or in conjunction with farm operations (including forestry and timbering) and the preparation for market and delivery to storage or to market or to carriage for transportation to market of farm produce. Further, 'carriage for transportation' refers **only to the first stage of the transport** from farm to the first place of disposal.

**1.7.23 Wage/salaried employment:** Wage and salaried employment will refer to the employment of the household members in agricultural enterprises or in non-agricultural enterprises in return for salary or wages. Such employment may be in the capacity of casual labour or regular wage/salaried worker.

**1.7.24 Permanent attached farm workers:** A person who is employed by the management of an operational holding is considered to be a permanent attached farm worker of the operational holding for an agricultural season if (i) the person is employed more or less continuously during the season in the holding and (ii) the employment is under some sort of a contract that is binding on the person to serve the holding during the period of various agricultural operations (from preparation of soil to storing of grains) in respect of the crops of the seasons. A permanent attached farm worker need not mean that the same person will be working continuously; it will only refer to a position, i.e., if one person is terminated and another person is appointed in his/her place, it will be counted as 1 and not 2.

**1.7.25 House site (Homestead land):** (i) Homestead of a household is defined as the dwelling house of the household together with the courtyard, compound, garden, out-house,

place of worship, family graveyard, guest house, shop, workshop and offices for running household enterprises, tanks, wells, latrines, drains and boundary walls *annexed* to the dwelling house. All land coming under homestead is defined as house site (homestead land).

(ii) House site may constitute only a part of a plot. Sometimes, gardens, orchards or plantations, though adjacent to the homestead and lying within the boundary walls, may be located on a clearly distinct piece of land. In such cases, land under garden, orchard or plantation will not be considered as house site.

**1.7.26 Plot:** A plot is a distinct patch of land demarcated generally by a strip of raised land, commonly known as 'ails' or 'bunds'.

**1.7.27 Ownership of land:** (i) A plot of land is considered to be owned by the household if permanent heritable possession, with or without the right to transfer the title, is vested in a member or members of the household. Land held in owner-like possession under long term lease or assignment is also considered as land owned. Thus, in determining the ownership of a plot of land two basic concepts are involved, namely,

(a) Land owned by the household, i.e., land on which the household has the right of permanent heritable possession with or without the right to transfer the title, e.g., Pattadars, Bhumidars, Jenmos, Bhumiswamis, Rayat Sithibans, etc. A plot of land may be leased out to others by the owner without losing the right of permanent heritable possession.

(b) Land held under special conditions such that the holder does not possess the title of ownership but the right for long term possession of the land (for example, land possessed under perpetual lease, hereditary tenure and long term lease for 30 years or more) will be considered as being held under owner like possession. In the States where land reform legislations have provided for full proprietorship to erstwhile tenants, they are to be considered as having owner like possession, even if they have not paid the full compensation.

(ii) Sometimes a plot may be possessed by a tribal in accordance with traditional tribal rights from local chieftains or village/district council. Again, a plot may be occupied by a tenant for which the right of ownership vests in the community. In both the cases, the tribal or other individual (tenant) will be taken as owner, for in all such cases, the holder has the owner like possession of land in question.

**1.7.28 Land possessed:** Land possessed is given by land owned (including land under 'owner like possession') + land leased in - land leased out + land held by the household but neither owned nor leased in (e.g., encroached land).

**1.7.29 Land irrigated:** Land irrigated is defined as the *net irrigated area*. Land irrigated may be from the land 'owned', 'land leased in' or from 'land otherwise possessed (neither owned nor leased in)'.

**1.7.30 Lease of land:** (i) Land given to others on rent or free by owner of the land without surrendering the right of permanent heritable title is defined as land leased-out. It is defined



as land leased-in if it is taken by a household on rent or free without any right of permanent or heritable possession. The lease contract may be written or oral.

(ii) Sometimes orchards and plantations are given to others for harvesting the produce for which the owner receives a payment in cash or kind. Such transactions will not be treated as 'lease' for the purpose of the survey.

**1.7.31 Otherwise possessed land:** This is understood to mean all public/institutional land possessed by the household without title of ownership or occupancy right. The possession is without the consent of the owner. Private land (i.e. land owned by the household sector) possessed by the household without title of ownership and occupancy right will *not* be included in this category. All private land encroached upon by the household will be treated as leased-in land.

**1.7.32 Agricultural production:** Agricultural production will include:

- a) Growing of field crops (including fodder crops), fruits, grapes, nuts, seeds, seedlings in the nurseries, bulbs, vegetables and flowers both in open and under glass, production of fodder crops etc.
- b) Production of plantation crops like tea, coffee, cocoa, rubber etc.
- c) Forest production in parcels of land which form part of enumeration holding and
- d) Production of livestock and livestock products, poultry and poultry products, fish, honey, rabbits, furbearing animals and silk-worm cocoons. However, rearing pet animals will not be considered as agricultural production.

**1.7.33 Jhum land and jhum cultivation:** The preparation of jhum land is done by cutting and clearing of forest areas and burning of the dried biomass by setting fire. The jhum land is used for growing crops of agricultural importance such as upland rice, vegetables or fruits. After a few cycles, the land loses fertility and a new area is chosen. Jhum cultivation is mostly prevalent in the North-Eastern States of India like Arunachal Pradesh, Meghalaya, Mizoram and Nagaland. Besides, in tribal belt of Odisha, Chhattisgarh and Jharkhand jhum cultivation is practised.

**1.7.34 Cultivation:** All activities relating to production of crops and related ancillary activities are considered as cultivation. Growing of trees, plants or crops as plantation or orchards (such as rubber, cashew, coconut, pepper, coffee, tea etc.) are not considered as cultivation activities for the purpose of this survey. In general, the activities covered under NIC-2008 classes 0111, 0112, 0113, 0114, 0116, 0119 and among class 0128 sub classes 01281, 01282, etc., are to be considered as cultivation.

**1.7.35 Livestock:** Livestock are those animals which are used for food, fibre, labour, etc. Animals kept as pets, snakes, reptiles, frogs, fishes are excluded from the coverage of livestock.

**1.7.36 Household Operational Holding:** Within a household, different household members may possess different plots but the household operates the plots as a single unit. For the purpose of the survey on LHS in NSS 70<sup>th</sup> round, information will be collected for household operational holding considering all the land operated by all the household

members together. Within a household, multiple operational holdings will not be distinguished and this will be considered as one operating unit. The following points may be noted for determination of household operational holding:

(i) Household operational holding constitutes of all land that is used wholly or partly for agricultural production and is operated (directed/managed) by one household member alone or with assistance of others, without regard to title, size or location. The land may be operated by members belonging to a single household or by members belonging to more than one household operating jointly. However, holdings operated as cooperative farms will not be considered as operational holding in this survey. The holding may consist of one or more parcels of land, provided that they are located within the country.

(ii) When a household is found to grow vegetables in kitchen garden only, or flowers in the courtyard, it will be considered to possess an operational holding. Likewise, a household engaged exclusively in livestock keeping or poultry raising or pisciculture will be considered to operate a holding, even if no crop production is undertaken by it during the reference period. But in all cases an operational holding will relate to some amount of land possessed by the household.

(iii) It is important to note that the inclusion of the term 'wholly or partly' in the definition of household operational holding implies that once a household is identified to operate some land, all the plots possessed by the household during the major part of the reference period will be taken into account, irrespective of whether all the plots included in the holding are put to agricultural production or not. Thus, if a household carries out any agricultural production during the reference period, plots possessed by the household during the major part of the reference period and put to uses other than agricultural production, such as house-sites, paths, buildings, etc., will also be included in the operated area of the household operational holding.

(iv) Only when a household does not undertake any agricultural production on any part of the land possessed by it during the reference period, it will not be considered to have any operational holding.

**1.7.37 Individual and joint operational holding:** If the household operational holding is managed by one or more members of a single household it will be taken as individual holding. It will be treated as a joint operational holding only when it is managed by members of more than one household.

**1.7.38 Parcels:** A parcel of a household operational holding is a piece of land surrounded entirely by land not forming part of the household operational holding. It may consist of more than one plot.

**1.7.39 Agricultural household:** An agricultural household is defined as a household having some production from agriculture activities (refer to para 1.7.32 for details of agricultural production) and having at least one member self employed in agriculture during last 365 days. In contrast to the definition of farmer used in 59th Round, the necessary condition of 'land possession' has been dispensed with in this round.

1.7.39.1 It is important to note that households with only agricultural labourers, households receiving income entirely from coastal fishing, will not be considered as agricultural households. Also, activities of rural artisans and agricultural services, activities of free collection/gathering will not be treated as self employment activities in agricultural production for identification of agricultural household.

1.7.39.2 Further, to eliminate households pursuing agricultural activities of insignificant nature, households with at least one member self-employed in agriculture either in the principal status or in subsidiary status and having total value of agricultural produce more than or equal to `3000/- during the last 365 days will only be considered for being covered as 'agricultural households'.

1.7.40 **Forest:** This includes all area actually under forest on land classified under any legal enactment or administered as forest, whether state-owned or private. If any portion of such land is not actually wooded but put to raising of field crops, it will be treated under net sown area and not under forest. All area under social and farm forestry will be included in this class.

1.7.41 **Orchards:** A piece of land put to production of horticulture crops, viz., fruits, nuts, dates, grapes, etc. (other than those treated as plantation crops), is regarded as an orchard, if it has at least 0.10 hectare in size or is having at least 12 trees planted on it. It may be noted that in the case of such fruit trees where distance between the trees is quite large, say more than six metres as in the case of mangoes, the orchard will be defined according to the minimum number of 12 trees planted in it, while, in cases, where the distance is less than six metres as in the case of bananas, papayas, grapevines etc., the orchard will be defined on the basis of the minimum area of  $1/10^{\text{th}}$  of an hectare.

1.7.42 **Plantations:** Area devoted to production of plantation crops, viz., tea, coffee, cashew nut, areca nut, oil palm, clove and nutmeg, will be treated as area under plantation. The size restriction given for orchards will also be applicable for plantations for the purpose of the survey.

1.7.43 **Area under seasonal crop:** All the land under net sown area not coming under orchards or plantations will be taken as area under seasonal crops.

1.7.44 **Area under non-agricultural uses:** This includes all land put to uses for other than agricultural uses.

1.7.45 **Area under other non-agricultural uses** All land put to other non-agricultural uses, viz., buildings, roads, railways, paths etc. are classified under land put to other non-agricultural uses.

1.7.46 **Water bodies:** All lands which are perennially under water are defined as water bodies, provided that no crop is raised on them.

- If the water body is used for fishing & aquaculture during the last 365 days then it will be categorised as **water body for fishing & aquaculture**, otherwise it will be treated for **non-agricultural** use.
- "**Aquaculture**" (or aqua farming) is the culturing or farming (including harvesting) of aquatic organisms (fish, molluscs, crustaceans, plants, crocodiles, alligators and amphibians) using techniques designed to increase the production of the organisms in question beyond the natural capacity of the environment (for example regular stocking, feeding and protection from predators).

1.7.47 **Irrigation:** Irrigation will be considered as a device of purposively providing land with water, other than rain water, by artificial means for crop production.

1.7.48 **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.

1.7.49 **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*.

1.7.50 **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 governments, government undertakings, etc.), corporate sector, co-operative societies, other types of societies, institutions, associations, trusts, etc.

1.7.51 **Non-agricultural enterprises:** All the enterprises covered under NIC-2008, 2-digit codes 05 to 99 are considered non-agricultural enterprises.

1.7.52 **Assets:** Assets represent all the things owned by the household which have money value, e.g. land, buildings, livestock, agricultural machinery and implements, non-farm business equipments, all transport equipments, durable household goods, dues receivable on loans advanced in cash and in kind, shares in companies, cooperative societies, banks etc., national plan saving certificates and the like, deposits in companies, banks, post offices and with individuals. However, crops standing in the fields and stock of commodities held by the household will not be considered as assets for the purpose of the survey.

1.7.53 **Capital expenditure:** Fixed capital formation takes place by way of new purchase, construction for own use and improvement of physical assets which help in further production. Thus, expenditure on land development work, on fixed assets used in farm and non-farm business and on residential buildings will be considered as capital expenditure. Besides these items of expenditure, expenditure incurred by the household for purchase of land, land rights and livestock have also to be taken into account.

1.7.54 **Farm business:** Farm business comprises household economic activities like cultivation, including cultivation of plantation and orchard crops, and processing of produce on the farm, e.g. paddy hulling and gur making. Although gur making is a manufacturing

activity, this will be covered under farm business for the purpose of this survey only when such activity is carried out in the farm by indigenous method. Such activities when they are carried out in non-household enterprises are to be excluded from the purview of the farm business. Farm business will also include activities ancillary to agriculture, like livestock raising, poultry, fishing, dairy farm activities, bee keeping and other allied activities coming under Section A (Division 01 to Division 03) of the National Industrial Classification 2008.

**1.7.55 Non-farm business:** Non-farm business is defined as all household economic activities other than those covered in the farm business. This will cover manufacturing, mining & quarrying, trade, hotel & restaurant, transport, construction, repairing and other services. For the purpose of this survey, non-farm business shall exclude such activities when they are carried out in non-household enterprises. It may be noted that all non-farm business enterprises, which are registered under section 2m(i) or 2m(ii) and section 85 of the Factories Act, 1948 will be excluded from the scope of this survey. Further, Bidi and cigar manufacturing establishments registered under the Bidi and Cigar Workers (condition of employment) Act, 1966 will also be kept outside the coverage of this survey.

It may be noted that the ultimate sampling unit in this survey is the household. Information is collected on various characteristics of members of the household, of which some are related to their ownership, expenditure, receipts, sales etc. on items related to farm business or non-farm business in such enterprises.

**1.7.56 Addition / major repairs & alterations / improvement:** These include outlays on major alterations in machinery, equipment, structure, or other fixed assets which significantly extend their expected lifetime of use, productivity or the character or the volume of the service they render. Replacements of parts or attachments which have an expected lifetime of use of more than a year and involve substantial outlays is to be covered under 'major repairs etc.'. The repairs which are not expected to be completed within a short span of time and involve substantial outlays are to be classified as major repairs.

Example : Works like re-plastering of the walls or roof of a room, conversion of 'katcha' floor into a 'pucca' floor, replacement of a 'mud' wall by a 'stone' wall, replacement of a 'katcha' roof by 'tiles' which are of a durable nature and which increase the life of the assets are to be classified as major repairs etc. Replacements of parts of machinery, transport equipments etc. or renovation of plants and machinery, buildings etc. which are of durable nature and involve substantial outlays are to be included in major repairs etc. Bunding of land, normal annual replanting in case of orchard & plantation, deepening of wells, widening of field distribution network etc. are the examples of improvement.

**Note:** In case of building and other constructions, whether in use for residential purpose or for farm business or for non-farm business, addition and major repairs & alterations also indicates improvement. Therefore, to avoid confusion, the column for expenditure in 'improvement' has been shaded for these items in schedule 18.2.

**1.7.57 Normal repairs and maintenance:** These include outlays of recurring nature on fixed assets necessary to keep them in good working order. Replacement of parts and attachments of fixed assets which are short lived (having an expected lifetime use of up to one year) and / or relatively of small value are included here.

Examples: Outlays on white washing and minor annual repairs undertaken to keep the buildings in good working conditions are included in normal repairs and maintenance. The expenditure on removal of dirt, silt and other materials from the well etc. is covered under normal repairs. Similarly, servicing of machinery and transport equipments and replacements of parts which are short lived and/or are of small value is to be treated as normal repairs.

**1.7.58 Liability:** All claims against the household held by others will be considered as the liabilities of the household. Thus, all loans payable by the household to others, irrespective of whether they are cash loans or kind loans will be deemed as the liability of the household. Unpaid bills of grocers, doctors, lawyers etc. will also constitute the liability of the household. Different kinds of liabilities are defined below:

**(i) Cash loan:** All loans taken in cash will be considered as cash loans payable, irrespective of whether those loans are repaid or proposed to be repaid in cash or in kind. Cash loans, generally, cover borrowings at specific rate of interest for a specific period of time. However, if a loan is taken even at 'nil' rate of interest from relatives and friends, it will be considered as cash loan. The loans may be taken against a security or without any security. Dues payable by the household owing to the purchase of goods under hire-purchase scheme will be treated as cash loans.

**(ii) Kind loan:** All loans taken in kind (except the case of hire-purchase) irrespective of whether those are already repaid or yet to be repaid in cash or in kind will be considered as kind loans payable.

**1.7.59 Kisan Credit Card:** Kisan Credit Cards are issued by the Banks to farmers on the basis of their land holdings so that the farmers may use them to readily purchase agricultural inputs such as seeds, fertilisers, pesticides, etc. and draw cash for their production needs. Kisan Credit Card (KCC) Scheme aims at adequate and timely support from the banking system to the farmers for their cultivation needs including purchase of inputs in a flexible and cost effective manner. The Model scheme, prepared by NABARD, is being implemented by commercial banks, RRBs and cooperative banks. The scheme provides broad guidelines to the banks for operationalising the KCC scheme, implementing banks have the discretion to adopt the same to suit location specific requirements. The scheme primarily caters to the short term credit requirements of the farmers. Under the scheme, banks provide the Kisan Credit Cards to farmers who are eligible for sanction of production credit of Rs.5000/- and above. A credit card and a passbook or a credit card-cum-passbook incorporating the name, address, particulars of land holding, borrowing limit, validity period, etc. are issued to the beneficiaries under the scheme. This serves both as an identity card as well as facilitates recording of the transactions on an ongoing basis. The card, among others, provides for a passport size photograph of the holder. The borrower is required to produce the card cum pass book whenever he operates the account.

**1.7.60 Financial Company:** A financial company is an institution which has to be (i) a company under companies act; (ii) engaged in financial activity; and (iii) principal business should not be agricultural, industrial or trading activity or real estate business.

**Types of financial companies:**

Financial companies are classified into the following categories based on their principal business.

- (i) Equipment Leasing Company (ELC)
- (ii) Hire Purchase Financing Company (HPFC)
- (iii) Loan Company (LC)
- (iv) Investment Company (IC)
- (v) Mutual Benefit Fund Company (Nidhi)
- (vi) Miscellaneous Non-Banking Company (Chit Fund Company)
- (vii) Residuary Non-Banking Company (RNBC)
- (viii) Housing Finance Company (HFC)
- (ix) Commercial Banks

Equipment Leasing Companies and Hire Purchase Financing Companies are those whose principal business is leasing or hire purchase finance. Loan Companies are those which are primarily engaged in lending by way of loans and advances. Investment companies are those whose principal business is acquisition of shares/ securities. Mutual Benefit Fund Companies (Nidhis) are companies which are notified under Section 620A of the companies Act, 1956. Since Nidhi companies are required to confine their business to their own members, these companies are exempted from several core provisions of RBI directions. Miscellaneous Non-Banking Companies are principally engaged in the Chit Fund business. RBI controls only the deposit acceptance of the Chit Fund Companies. Residuary Non-Banking Companies operate various saving schemes which are akin to recurring deposit schemes operated by commercial banks. The deposit acceptance activities of Housing Finance Companies are being regulated by National Housing Bank (NHB) since 1989.

**1.7.61 Financial Institution:** Financial Institution (FI's) play an important role in the financial system of the economy. They cater to the needs of medium and long-term financing as well as requirement of working capital by different sectors of the economy. FI's are broadly categorised into *All-India Financial Institutions (AIFI)*, *State level institutions* and *Other institutions*.

*All-India Financial Institutions:* These include Industrial Development Bank of India (IDBI), IFCI Ltd., ICICI Ltd., Industrial Investment Bank of India Ltd. (IIBI), Small Industries Development Bank of India (SIDBI), National Housing Bank (NHB), National Bank of Agriculture and Rural Development (NABARD), Export Import Bank of India (EXIM), Tourism Finance Corporation of India Ltd., (TFCI) and Infrastructure Development Finance Company Ltd. (IDFC), Unit Trust of India (UTI), Life Insurance Corporation of India (LIC) and General Insurance Corporation of India (GIC) and its erstwhile four subsidiaries, etc.

*State level institutions:* These include State Financial Corporations (SFCs), State Industrial Development Corporations (SIDCs), etc.

*Other institutions:* These include agencies like Export Credit Guarantee Corporation of India (ECGC), Deposit Insurance and Credit Guarantee Corporation (DICGC), etc.

**1.7.62 Non-financial Company:** It is an industrial concern as defined in Industrial Development Bank of India Act or a company whose principal activity is agricultural operations or trading in goods and services or real estate and which is not classified as financial or miscellaneous or residuary non-banking company.

**1.7.63 Microfinance:** Over the years, 'microfinance' has emerged as one of the important sources of institutional credit to the poor households and microenterprises. Microfinance and microcredit are often used interchangeably. Microfinance is made available through two types of institutions. One is the credit provided through self-help groups (SHGs) promoted by Government, banks or 'not-for-profit' NGOS. These SHGs are generally known as bank-linked (SHG-BL). SHG-bank linkage programme was initially promoted by the NABARD. SHG-BL, besides promoting thrift and lending to the poor, is also used for providing subsidised credit to the poor households under programmes like Swarnajayanti Gramin Swarojgar Yojana (SGSY).

The other type of microfinance institution is the private for profit non-banking financial company (NBFC). NBFCs also lend to the poor households through SHGs which are specifically organised as joint liability groups (JLGs) for lending and recovering loans on behalf of the NBFCs. NBFC microfinance does not carry any subsidy on interest rates. In contrast, the interest rates charged by NBFCs are often very high.

The basic difference between microfinance through SHGs under bank linkage and through SHGs under NBFC is not for profit in the former and for profit in the latter. Often there is confusion between the two types of SHGs. Therefore, it is necessary to clearly differentiate between these two on the basis of the purpose and motive of their functioning.

#### 1.7.64 'AYUSH Unit':

AYUSH Unit will mean any Health Care Center/ unit providing treatment facility for any discipline under AYUSH (Ayurveda, Yoga, Naturopathy, Unani, Siddha, Homoeopathy), such as:

- (1) '**Hospital**' Medical institutions having provision of admission of sick persons as in-door patients (in-patients) for treatment are called hospitals. Hospital run by the central/ state government or local bodies like municipalities are considered Government Hospital. It is pertinent to mention here that any allopathic Hospital having treatment facility for any discipline under AYUSH (for examples if an allopathic Hospital has a wing of Ayurveda/ Unani/ Siddha/ Homoeopathy/Yoga/Naturopathy) will be covered under this item.
- (2) '**Dispensary**' is the consulting place/ chamber, which does not generally have facilities for treatment of in-patients. A dispensary is a public institution that dispenses medicine or medical aids or an office in a hospital, school or other institution from which medical supplies, preparations, and treatments are dispensed. Hospitals without bed may be treated as Dispensaries. Dispensary having treatment facility for any discipline under AYUSH (for examples if an allopathic Hospital/ Dispensary has out-patient facility for Ayurveda/ Unani/ Siddha/ Homoeopathy/Yoga/Naturopathy) will be covered under this item.



- (3) **‘Primary health centre (PHC)’** is the first contact point between a village community and the medical officer. It has a medical officer and other paramedical staff. It is run by the Government and usually has in-patient and out-patient facilities. A PHC has jurisdiction over 6 sub-centres and serves about 30,000 populations in plain area and 20,000 populations in hilly/ tribal area. PHC having treatment facility for any discipline under AYUSH (for examples if any PHC has treatment facility for Ayurveda/ Unani/ Siddha/ Homoeopathy/Yoga/Naturopathy) will be covered under this item.
- (4) **‘Community health centre’ (CHC)** serves about 1.2 lakh populations in plain area and 80,000 in the hilly/ tribal area. The CHC functions as referral centre for the PHC. It is manned by medical specialists and paramedical staff and has in-patient and out-patient facilities. CHC having treatment facility for any discipline under AYUSH ( for examples if an CHC has treatment facility of Ayurveda/ Unani/ Siddha/ Homoeopathy/Yoga/Naturopathy) will be covered under this item.
- (5) **AYUSH Health Center (AHC):** In some of the State Govt. Institutions, Ayurveda, Unani, Siddha dispensaries are also called as AYUSH Health Centers. Generally these centers are managed by one doctor, one pharmacist and one other staff and provide only out-door patient care.
- (6) **Panchkarma Centers / Kendra:** These are small hospitals where Panchkarma Procedures / Ayurveda massage etc. is carried out. Panchkarma Center provides the facilities for ladies and gents both types of patients.
- (7) **Ayurveda / Panchkarma Hospitals:** There are many hospitals providing indoor patient care through Panchkarma / Massage therapy. Kerala State is well known to have Panchkarma Hospitals of very high quality. Various procedures of massage, fomentation, putting oil on forehead (called as Shirodhara) and applying medicated oils all over the body.

*Note: In case, if an AYUSH doctor visits an allopathic health care centre (Hospital/Dispensaries/PHCs/CHCs) once or twice in a week or so (but not on all working days) such Allopathic centre may not be treated as ‘AYUSH Unit’ for this survey purpose.*

**1.7.65 Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA):** The Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA) is an important step towards the realization of the right to work and to enhance the livelihood security of the households in the rural areas of the country. According to this Act, Rural Employment Guarantee Schemes (REGS) are formed by the State Governments. The Scheme provides at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. Adult means a person who has completed his/ her eighteen years of age. Unskilled manual work means any physical work which any adult person is capable of doing without any special skill/ training. The implementing agency of the scheme may be any Department of the Central Government or a State Government, a Zila Parishad, Panchayat/ Gram Panchayat or any local authority or Government undertaking or non-governmental organization authorized by the Central Government or the State Government.

**Table 1: allocation of sample villages and blocks for NSS 70<sup>th</sup> round**

State/UT	number of sample villages/blocks					
	central sample			state sample		
	total	rural	urban	total	rural	urban
(1)	(2)	(3)	(4)	(5)	(6)	(7)
ANDHRA PRADESH	488	244	244	976	488	488
ARUNACHAL PRADESH	80	48	32	80	48	32
ASSAM	280	212	68	280	212	68
BIHAR	352	264	88	352	264	88
CHHATTISGARH	136	84	52	136	84	52
GOA	24	12	12	24	12	12
GUJARAT	328	164	164	328	164	164
HARYANA	152	76	76	152	76	76
HIMACHAL PRADESH	112	88	24	112	88	24
JAMMU & KASHMIR	160	92	68	320	184	136
JHARKHAND	168	104	64	168	104	64
KARNATAKA	336	168	168	336	168	168
KERALA	320	160	160	320	160	160
MADHYA PRADESH	440	248	192	440	248	192
MAHARASHTRA	656	328	328	820	328	492
MANIPUR	176	96	80	352	192	160
MEGHALAYA	104	68	36	104	68	36
MIZORAM	96	48	48	96	48	48
NAGALAND	72	44	28	128	44	84
ODISHA	296	212	84	296	212	84
PUNJAB	184	92	92	184	92	92
RAJASTHAN	352	212	140	352	212	140
SIKKIM	64	40	24	64	40	24
TAMIL NADU	488	244	244	488	244	244
TRIPURA	176	104	72	176	104	72
UTTAR PRADESH	972	616	356	972	616	356
UTTARAKHAND	72	40	32	72	40	32
WEST BENGAL	624	324	300	624	324	300
A & N ISLANDS	32	20	12	0	0	0
CHANDIGARH	24	8	16	0	0	0
D & N HAVELI	16	8	8	0	0	0
DAMAN & DIU	16	8	8	16	8	8
DELHI	156	8	148	312	16	296
LAKSHADWEEP	16	8	8	0	0	0
PUDUCHERRY	32	8	24	32	8	24
<b>ALL- INDIA</b>	<b>8000</b>	<b>4500</b>	<b>3500</b>	<b>9112</b>	<b>4896</b>	<b>4216</b>

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