

PRESS NOTE

Operational Characteristics of Unorganised Manufacturing Enterprises

"Operational Characteristics of Unorganised Manufacturing Enterprises in India"- Report No.524 based on the data of the survey of unorganised manufacturing enterprises carried out by the National Sample Survey Organisation (NSSO) in the Ministry of Statistics and Programme Implementation, Government of India, as part of the 62nd round of the NSS, has been released. The fieldwork of the survey was carried out during July 2005-June 2006. This report, first in the series of three reports based on the data on unorganised manufacturing enterprises, provides information on estimated number of enterprises and number of workers, the operational characteristics of the enterprises like location of enterprise, maintenance of accounts, number of working hours, nature of operation, status of registration etc. at all India level for different industry groups and at the States / UT level for all the industry groups taken together. The term 'unorganised manufacturing enterprises' referred to all manufacturing enterprises, which were not covered by Annual Survey of Industries (ASI). All government and public sector undertakings were outside the coverage.

All States/Union Territories were covered by the survey except some interior areas of Nagaland, Andaman & Nicobar Islands, and Leh and Kargil districts of Jammu & Kashmir. A dual frame approach was followed in the survey with a view to improving the reliability of the overall estimates by separating out apparently large units into one frame (list frame) and covering the remaining units within the coverage through the area frame. A sample of 82897 enterprises were actually surveyed out of which 2,260 enterprises belonged to the list frame and the remaining were spread over 9,923 sample villages/urban blocks in the area frame.

Some of the important findings of this survey are given below:

- During 2005-06, the number of unorganised manufacturing enterprises was estimated as 17.07 million in India. It is seen that during 2005-06, West Bengal had the highest share (16%) of unorganised manufacturing enterprises. The two states, West Bengal and Uttar Pradesh together had 30 percent share of all unorganised manufacturing enterprises in the country.
- Of the total estimated enterprises, 71% were in rural India and 29% in urban India.
- Own Account Manufacturing Enterprises (OAME) constituted 86% of all enterprises and the remaining 14% were establishments. (The respective share of NDMEs and DMEs were 10% and 4% of total enterprises)
- About 36.44 million persons were estimated to be working in unorganised manufacturing enterprises during 2005-06. West Bengal had the highest share (15%) of workers in unorganised manufacturing enterprises of the country closely followed by Uttar Pradesh (14%). About 55% of all workers were concentrated in five states viz. West Bengal, Uttar Pradesh, Tamil Nadu, Andhra Pradesh, and Maharashtra.
- The estimated number of workers per enterprise was about 2.13.
- Nearly 94% of all enterprises were perennial enterprises.
- About 98% of all enterprises were proprietary enterprises.
- About 3% of all enterprises had no fixed location of operation.
- About 90% of all enterprises were not registered with any agency.
- About 92% of all enterprises did not receive any assistance from any government or non-government agency.
- About 32% of all enterprises had undertaken at least some work on contract basis and also 28% of all enterprises had undertaken other economic activity.
- Majority (77%) of enterprises having other economic activities as the major source of income derived income from agriculture, hunting, forestry, mining, quarrying etc.

The estimated number of unorganised manufacturing enterprises for each State/UT and all-India with rural and urban break-up during 2005-06 is given as Annex-I. The estimated number of workers in descending order in States / UTs is given as Annex-II.

This Report is also available on the web site (www.mospi.gov.in) of the Ministry of Statistics and Programme Implementation.

Annex-I

Estimated number of unorganised manufacturing enterprises during 2005-06			
State/UT	Estimated number of enterprises		
	rural	urban	all
Andhra Pradesh	1085242	447997	1533239
Arunachal Pradesh	541	318	859
Assam	333006	37774	370781
Bihar	663379	109018	772397
Chhatisgarh	172610	34871	207481
Delhi	3639	93997	97636
Goa	4546	5762	10308
Gujarat	300753	353605	654358
Haryana	119687	110423	230110
Himachal Pradesh	100437	7005	107442
Jammu & Kashmir	140468	32944	173412
Jharkhand	540250	45698	585948
Karnataka	663211	298549	961761
Kerala	492777	165914	658692
Madhya Pradesh	564463	290097	854559
Maharashtra	556168	570294	1126462
Manipur	35797	16721	52518
Meghalaya	34513	2474	36987
Mizoram	3291	1810	5101
Nagaland	7167	2739	9906
Orissa	870877	86352	957229
Punjab	150208	143029	293237
Rajasthan	400875	235595	636470
Sikkim	3684	420	4103
Tamilnadu	850353	631580	1481933
Tripura	38900	6470	45370
Uttaranchal	53940	15146	69087
Uttar Pradesh	1704516	654859	2359375
West Bengal	2223768	529025	2752793
A & N Islands	1872	444	2316
Chandigarh	753	621	1373
D & N Haveli	797	172	969
Daman & Diu	1464	1175	2639
Lakshadweep	255	142	397
Pondicherry	4058	9513	13572
all-India	12128266	4942554	17070820

Annex-II

Estimated number of workers in descending order in different States/UT				
State / UT	estimated number of workers			% share
	OAME*	Establishment\$	All (in descending order)	
West Bengal	3980082	1513751	5493833	15.08
Uttar Pradesh	3744877	1543024	5287901	14.51
Tamil Nadu	1760313	1609206	3369519	9.25
Andhra Pradesh	2003229	935716	2938945	8.06
Maharashtra	1235091	1666326	2901417	7.96
Orissa	1836331	187210	2023541	5.55
Karnataka	1107479	866890	1974369	5.42
Gujarat	845248	1006884	1852132	5.08
Madhya Pradesh	1437477	303169	1740646	4.78
Bihar	1311718	141355	1453073	3.99
Kerala	673565	717441	1391006	3.82
Rajasthan	797748	497587	1295335	3.55
Jharkhand	840208	109137	949345	2.61
Assam	472123	160358	632481	1.74
Punjab	313818	286992	600810	1.65
Haryana	234038	309986	544024	1.49
Chhattisgarh	376669	81697	458366	1.26
Delhi	26478	430730	457208	1.25
Jammu & Kashmir	260614	58255	318869	0.87
Himachal Pradesh	125522	39911	165433	0.45
Uttaranchal	80353	67485	147838	0.41
Tripura	55272	89588	144860	0.40
Meghalaya	49894	40543	90437	0.25
Manipur	67836	13534	81370	0.22
Pondicherry	10009	34700	44709	0.12
Goa	8903	19584	28487	0.08
Nagaland	12925	3382	16307	0.04
Mizoram	6037	3410	9447	0.03
Daman & Diu	2239	6311	8550	0.02
Sikkim	5218	2408	7626	0.02
A & N Islands	2466	3571	6037	0.02
Arunachal Pradesh	1081	2220	3301	0.01
Chandigarh	1217	1382	2599	0.01
D & N Haveli	724	1540	2264	0.01
Lakshadweep	491	221	712	0.00
all-India	23687294	12755505	36442799	100.00

* = A manufacturing enterprise, which is run without any hired worker employed on a fairly regular basis, is termed as own account manufacturing enterprise (OAME).
\$ = A manufacturing enterprise, which is employing at least one hired worker on a fairly regular basis, is termed as establishment.