

## Chapter One

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### Introduction: Concepts, Definitions and Procedures

#### 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 sixty-first round from 1<sup>st</sup> July 2004. The survey will continue up to 30<sup>th</sup> June 2005.

#### 1.1 Outline of Survey Programme

1.1.1 **Subject Coverage:** The 61<sup>st</sup> round (July 2004-June 2005) of NSS is earmarked for survey on 'Household Consumer Expenditure' and 'Employment and Unemployment'. The survey on 'household consumer expenditure' and 'employment and unemployment' is going to be the seventh quinquennial survey in the series, the last one being conducted in the 55<sup>th</sup> round (1999-2000) of NSS.

1.1.2 **Geographical coverage:** The survey will cover the whole of the Indian Union *except* (i) Leh (Ladakh) and Kargil districts of Jammu & Kashmir, (ii) interior villages of Nagaland situated beyond five kilometres of the bus route and (iii) villages in Andaman and Nicobar Islands which remain inaccessible throughout the year.

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 2004 and ending on 30<sup>th</sup> June 2005. 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 2004
sub-round 2 :	October - December 2004
sub-round 3 :	January - March 2005
sub-round 4 :	April - June 2005

In each of these four 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 has been allotted. *Because of the arduous field conditions, this restriction need not be strictly enforced in Andaman and Nicobar Islands, Lakshadweep, 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
Schedule 1.0	: consumer expenditure
Schedule 10	: employment and unemployment

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

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

## 1.2 Contents of Volume I

1.2.0 The present volume contains four 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 sampling design and the procedure of selection of households adopted for this round. Instructions for filling in Schedule 0.0, Schedule 1.0 and Schedule 10 are given in Chapters Two to Four respectively.

## 1.3 Sample Design

**1.3.1 Outline of sample design:** A stratified multi-stage design has been adopted for the 61<sup>st</sup> round survey. The first stage units (FSU) will be the 2001 census villages 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 villages/blocks requiring hamlet-group (hg)/sub-block (sb) formation, one intermediate stage will be the selection of two hgs/sbs from each FSU.

**1.3.2 Sampling Frame for First Stage Units:** *For the rural sector*, the list of 2001 census villages (panchayat wards for Kerala) will constitute the sampling frame. *For the urban sector*, the list of latest available Urban Frame Survey (UFS) blocks will be considered as the sampling frame.

**1.3.3 Stratification:** Within each district of a State/UT, 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, if there are one or more towns with population 10 lakhs or more as per population census 2001 in a district, each of them will also form a separate basic stratum and the remaining urban areas of the district will be considered as another basic stratum. There are 27 towns with population 10 lakhs or more at all-India level as per census 2001.

### 1.3.4 Sub-stratification:

**1.3.4.1 Rural sector:** 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.

**1.3.4.2 Urban sector:** If 'u' be the sample size for a urban stratum, 'u/2' number of sub-strata will be formed. The towns within a district, except those with population 10 lakhs or more, will be first arranged in ascending order of population. Next, UFS blocks of each town will be arranged by IV unit no. × block no. in ascending order. From this arranged frame of UFS blocks of all the towns, 'u/2' number of sub-strata will be formed in such a way that each sub-stratum will have more or less equal number of UFS blocks.

For towns with population 10 lakhs or more, the urban blocks will be first arranged by IV unit no. × block no. in ascending order. Then 'u/2' number of sub-strata will be formed in such a way that each sub-stratum will have more or less equal number of blocks.

**1.3.5 Total sample size (FSUs):** 12984 FSUs have been allocated at all-India level on the basis of investigator strength in different States/UTs for central sample and 14104 for state sample.

**1.3.6 Allocation of total sample to States and UTs:** The total number of sample FSUs is allocated to the States and UTs in proportion to population as per census 2001 subject to the availability of investigators ensuring more or less uniform work-load.

**1.3.7 Allocation of State/UT level sample to rural and urban sectors:** State/UT level sample is allocated between two sectors in proportion to population as per *census 2001* with 1.5 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 8 FSUs will be allocated to each state/UT separately for rural and urban areas.

The sample sizes by sector for each State/UT are given in Table 1 at the end of this Chapter.

**1.3.8 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 stratum population as per census 2001. Allocations at stratum level will be adjusted to a multiple of 4 with a minimum sample size of 4.

**1.3.9 Selection of FSUs:** Two FSUs will be selected with Probability Proportional to Size With Replacement (PPSWR), size being the population as per Population Census 2001 from each sub-stratum of a district of rural sector. For urban sector, from each sub-stratum two FSUs will be selected by using Simple Random Sampling Without Replacement (SRSWOR). Within each sub-stratum, samples will be drawn in the form of two independent sub-samples in both the rural and urban sectors.

### 1.3.10 Selection of hamlet-groups/sub-blocks/households - important steps

**1.3.10.1 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 Urban Frame Survey (UFS) block may be identified by referring to the map corresponding to the frame code specified in the sample list (even though map of the block for a latter period of the UFS might be available).

**1.3.10.2 Criterion for hamlet-group/sub-block formation:** After identification of the FSU, it is to be determined whether listing will be done in the whole sample FSU or not. In case the population of the selected village or block 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 as stated below.

approximate present population of the sample village/block	no. of hgs/sbs 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 and Poonch, Rajouri, Udhampur, Doda 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 hgs to be formed
less than 600 (no hamlet-groups)	1
600 to 899	3
900 to 1199	4
1200 to 1499	5
.....and so on	

Two hamlet-groups/sub-blocks will be selected from a large village/UFS block wherever hamlet-groups/sub-blocks have been formed, by SRSWOR. Listing and selection of the households will be done independently in the two selected hamlet-groups/sub-blocks.

**1.3.10.3 Formation 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 (details are in Chapter Two). 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.

**1.3.10.4 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 listed first and that with sample hg/sb number 2 will be listed next.

#### 1.4 Formation of Second Stage Strata and allocation of households

For both Schedule 1.0 and Schedule 10, households listed in the selected village/block/hamlet-groups/sub-blocks will be stratified into three second stage strata (SSS) as given below.

1.4.1 **Rural:** The three second-stage-strata (SSS) in the rural sector will be formed in the following order:

- SSS 1: relatively affluent households
- SSS 2: from the remaining households, households having principal earning from non- agricultural activity
- SSS 3: other households

1.4.2 **Urban:** In the urban sector, the three second-stage strata (SSS) will be formed as under:

Two cut-off points, say 'A' and 'B', based on MPCE of NSS 55<sup>th</sup> round, will be determined at **NSS Region level** in such a way that top 10% of households have MPCE more than 'A' and bottom 30% have MPCE less than 'B'. Then three second-stage-strata (SSS) will be formed in the urban sector in the following order:

- SSS 1: households with MPCE more than A (i.e.  $MPCE > A$ )
- SSS 2: households with MPCE equal to or less than A but equal to or more than B (i.e.  $B \leq MPCE \leq A$ )
- SSS 3: households with MPCE less than B (i.e.  $MPCE < B$ )

The values of A and B for each NSS Region are given in Table 2 of Chapter two.

The number of households to be surveyed in each FSU is 10 for each of the schedules 1.0 and 10. Composition of SSS with number of households to be surveyed for both schedule 1.0 and schedule 10 will be as follows:

SSS	composition of SSS	no. of hhs to be surveyed	
		without hg/sb formation	with hg/sb formation (for each hg/sb)
<b>rural</b>			
SSS 1:	relatively affluent households	2	1
SSS 2:	of the rest, households having principal earning from non- agricultural activity	4	2
SSS 3:	other households	4	2

**urban**

SSS 1: households with MPCE > A	2	1
SSS 2: other households with MPCE equal to or less than A but equal to or more than B ( i.e. $B \leq MPCE \leq A$ )	4	2
SSS 3: households with MPCE less than B	4	2

**1.5 Selection of households for Schedules 1.0 and 10:** From each SSS the sample households for both the schedules will be selected by SRSWOR. If a household is selected both for schedule 1.0 and schedule 10 only schedule 1.0 will be canvassed in that household and the household will be replaced by next household in the frame for schedule 10.

**1.6 Shortfall of households to be compensated:** Both for schedule 1.0 and 10, shortfall of households in the frame of any particular SSS will be compensated from the same SSS of the other hg/sb or from the other SSS of the same or other hg/sb where additional household(s) are available. The procedure is as follows:

Step 1: Allocate the required number of households to each SSS wherever possible and identify the SSS having shortfall.

Step 2: In case of hg/sb formation, compensate from the same SSS of the other hg/sb if available. Otherwise, go to Step 3.

Step 3: Find the SSS where additional households are available following the priority order of SSS 1, SSS 2, & SSS 3 and compensate.

The table given below will be useful for deciding the SSS from which the compensation is to be made.

SSS having shortfall	priority order of SSS for compensation
1	2, 3
2	1, 3
3	1, 2

If there is hg/sb formation, for each SSS as per priority order, compensation may be made from the hg/sb where shortfall occurs, failing which from other hg/sb and so on.

For example, if shortfall is in SSS 3 of hg/sb 1, first try to compensate from SSS3 of hg/sb 2, failing which try from SSS 1 of hg/sb 1, failing which try from SSS 1 of hg/sb 2. If the shortfall still remains then try from SSS 2 of hg/sb 1, failing which try from SSS 2 of hg/sb 2.

Similarly, if shortfall is in SSS 2 of hg/sb 2, first try to compensate from SSS 2 of hg/sb 1, failing which try from SSS 1 of hg/sb 2. If the shortfall still remains then try from SSS 1 of hg/sb 1 and so on.

The resulting number of households (h) for each SSS will be entered at the top of relevant column(s) of block 5 and also in col.(6) against the relevant SSS × (hg/sb) of block 6.

Some illustrations on compensation of shortfall are given below:

(a) FSU without hg/sb formation

**Example 1**

SSS	H	Step 1	Step 3	h
1	2	2		2
2	15	4	1	5
3	3	3*		3
total	20	9	1	10
shortfall	–	1	0	×

(b) FSU with hg/sb formation

**Example 2**

hg/sb	SSS	H	Step 1	Step 2	Step 3	h
1	1	0	0*			0
	2	2	2			2
	3	126	2			2
	total	128	4			4
2	1	5	1	1	1	3
	2	1	1*			1
	3	130	2			2
	total	136	4	1	1	6
total		264	8	1	1	10
shortfall		–	2	1	0	-

\* indicates the SSS having shortfall

## 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 **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.

1.7.2 **Household:** A group of persons normally living together and taking food from a common kitchen will constitute a household. The members of a household may or may not be related by blood or marriage to one another. The following cases are to be noted while determining the group of persons to be considered as households for the current survey:

(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 together will be treated as forming

a single household. For example, a family living in a hotel will be treated as a separate single household by itself.

(ii) 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.

(iii) 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.

(iv) 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/she will be covered.

(v) Persons residing in barracks of military and paramilitary forces (like police, BSF etc.) will be kept outside the survey coverage for difficulty in conduct of survey therein. However, civilian population residing in their neighbourhood, including the family quarters of service personnel are to be covered, for which, of course, permission may have to be obtained from appropriate authorities.

(vi) Orphanages, rescue homes, ashrams and vagrant houses are outside the survey coverage. However, the persons staying in old age homes, the students staying in ashram/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.

**1.7.3 Household size:** The number of normally resident members of a household is its size. 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) 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.

(ii) 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.

(iii) 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.

(iv) If a member of a household (say, a son or a daughter of the head of the household) 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 Pucca structure:** A pucca structure is one whose walls and roofs are made of pucca materials such as cement, concrete, oven burnt bricks, hollow cement / ash bricks, stone, stone blocks, jack boards (cement plastered reeds), iron, zinc or other metal sheets, timber, tiles, slate, corrugated iron, asbestos cement sheet, veneer, plywood, artificial wood of synthetic material and poly vinyl chloride (PVC) material.

**1.7.5 Katcha structure:** A structure which has walls and roof made of non-pucca materials is regarded as a katcha structure. Non-pucca materials include unburnt bricks, bamboo, mud, grass, leaves, reeds, thatch, etc. Katcha structures can be of the following two types:

(a) **Unserviceable katcha structure** includes all structures with thatch walls and thatch roof i.e. walls made of grass, leaves, reeds, etc. and roof of a similar material and

(b) **Serviceable katcha structure** includes all katcha structures other than unserviceable katcha structures.

**1.7.6 Semi-pucca structure:** A structure which cannot be classified as a pucca or a katcha structure as per definition is a semi-pucca structure. Such a structure will have either the walls or the roof but not both, made of pucca materials.

**1.7.7 Dwelling unit:** It is the accommodation availed of by a household for its residential purpose. It may be an entire structure or a part thereof or consisting of more than one structure. There may be cases of more than one household occupying a single structure such as those living in independent flats or sharing a single housing unit, in which case, there will be as many dwelling units as the number of households sharing the structure. There may also be cases of one household occupying more than one structure (i.e. detached structures for sitting, sleeping, cooking, bathing etc) for its housing accommodation. In this case, all the structures together constitute a single dwelling unit. In general, a dwelling unit consists of living room, kitchen, store, bath, latrine, garage, open and closed veranda etc. A structure or a portion thereof used exclusively for non-residential purposes or let out to other households does not form part of the dwelling unit of the household under consideration. However, a portion of a structure used for both residential and non-residential purposes is treated as part of the dwelling unit except when the use of such portion for residential purpose is very nominal. The dwelling unit covers all pucca, semi-pucca and katcha structures used by a household. Households living more or less regularly under bridges, in pipes, under staircase, in purely temporary flimsy improvisations built by the road side (which are liable to be removed at any moment) etc., are considered to have no dwelling.

**1.7.8 Independent house:** An independent house is one which has a separate structure and entrance with self-contained arrangements. In other words, if the dwelling unit and the entire

structure of the house are physically the same, it should be considered as an independent house. In some parts, particularly in rural areas, two or more structures together may constitute a single housing unit. While the main residence may be in one of the structures, the other structures may be used for sleeping, sitting and for store, bath etc. In all such cases, all the structures together will form a single housing unit and will be treated as an independent house.

**1.7.9 Flat:** A flat, generally, is a part of the building and has one or more rooms with self-contained arrangements and normal housing facilities like water supply, latrine, toilet, etc., which are used exclusively by the household residing therein or jointly with other households. It also includes detached room or rooms with or without other housing facilities.

**1.7.10 Land possessed:** The area of land possessed will include land 'owned', 'leased in' and 'land neither owned nor leased in' (i.e. encroached) by the household but exclude land 'leased out'. The total land area possessed by the household as on the date of survey is taken into account. A piece of land is considered to be owned by the household if permanent heritable possession with or without the right to transfer the title vests in a member or members of the household. Land held in owner-like possession say, under perpetual lease, hereditary tenure, long-term lease for 30 years or more, etc., will also be considered as land owned. For a piece of land under the possession of the household, if the household lacks title of ownership and also does not have lease agreement for the use of land transacted, either verbally or in writing, such land will be considered as 'neither owned nor leased in'. In collecting information regarding land possessed, the actual position as obtained on the date of survey will be considered. It may be noted that the 'area of land possessed' to be recorded should not include the area of land owned, leased-in, etc. by the servants/paying guests who are considered as normal members of the household.

**1.7.11 Household monthly per capita expenditure:** Household consumer expenditure is measured as the expenditure incurred by a household on domestic account during a specified period, called reference period. It also includes the imputed values of goods and services, which are not purchased but procured otherwise for consumption. In other words, it is the sum total of monetary values of all the items (i.e. goods and services) consumed by the household on domestic account during the reference period. The imputed rent of owner-occupied houses is excluded from consumption expenditure. Any expenditure incurred towards the productive enterprises of the households is also excluded from the household consumer expenditure. Monthly per capita expenditure (MPCE) is the household consumer expenditure over a period of 30 days divided by household size. A person's MPCE is understood as that of the household to which he/she belongs.

**1.7.12 Meal:** A 'meal' is composed of one or more readily eatable (generally cooked) items of food, the usually major constituent of which is cereals. The meals consumed by a person twice or thrice a day provide him/her the required energy (calorie) and other nutrients for living and for pursuing his/her normal avocations. A 'meal', as opposed to 'snacks', 'nashta' or 'high tea', contains larger quantum and variety of food. In rare cases, a full meal may contain larger quantity of non-cereal food. Even then, if the quantum of food in a plate is heavy as a meal, the contents of the food plate will also be considered as a 'meal'. Sometimes the contents of a 'nashta' may not be very different from the contents of a 'meal'.

The difference in quantity will therefore be the guiding factor for deciding whether the plate is to be labelled as a 'meal' or a 'nashta'.

A person rendering domestic service (like cleaning utensils, dusting and cleaning of rooms, washing linen, carrying water from outside, etc.) to a number of households during the daytime gets some food from each of the households he/she serves. Although the quantum of food received from a single household may, by quantity, be far less than a full meal, the total quantity of food received from all the households taken together would often, if not more, be at least equivalent to a full meal. In this particular situation, the person will be considered to be consuming one meal every day under 'meal taken away from home'.

Subject to the guidelines given in the two preceding paragraphs, for the purpose of data collection on 'number of meals consumed' one has to depend on the judgement of the informant because, the informant would reckon the number on the basis of his/her own understanding of the concept of a meal/khana.

**1.7.13 P.D.S.:** This stands for Public Distribution System, which means the distribution of some essential commodities by the government at subsidised rates through ration shops, fair price shops and control shops. These shops may be owned by the government, local government, a government undertaking, the proprietor of a firm, co-operatives or private persons (individually or jointly) or other bodies like club, trust, etc. The following points may be noted while classifying a *purchase* as "PDS" or otherwise.

- "Super Bazaars" and co-operative stores will not generally be included under public distribution system. However, when these also sell rationed commodities at controlled prices against ration cards, they will be taken as ration shops for particular commodities.
- For kerosene, "PDS" will also include kerosene depots selling kerosene at controlled prices.
- Distribution of some controlled price commodities such as kerosene may in some areas be made without a system of presentation of ration card. Except in such situations, a purchase which is not made against a ration card will not qualify as a PDS purchase.
- A purchase will be considered as "PDS" irrespective of whether the household uses its own ration card or that of some other household.
- Purchase from PDS shops at prices higher than the PDS prices will also be considered as purchase from PDS as long as the price paid is perceptibly lower than the market price. (This is a departure from the practice followed in earlier rounds.)

**1.7.14 Antodaya:** Under this scheme, the 1 crore poorest families among the BPL families covered under the Targeted Public Distribution System are identified and 25 kg of foodgrain are made available to each eligible family at a highly subsidized rate of Rs. 2 per kg for wheat and Rs. 3 per kg for rice.

**1.7.15 Food for Work:** The Food for Work Programme was started in January 2000-01 as part of the Employment Assurance Scheme (EAS) in eight drought-affected States, viz., Chattisgarh, Gujarat, Himachal Pradesh, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, and Uttaranchal. The Food for Work Programme (FWP) was later expanded to form a part of any wage employment scheme of the Central or State Governments being implemented in the

notified districts during periods of natural calamities, such as drought, flood, cyclone or earthquake. The Government of India makes available an appropriate quantity of foodgrains to each of the affected States. Foodgrains are supplied to the States as an additional aid free of cost. The cost is borne by the Government of India with a view to enabling the State Governments to provide adequate wage employment opportunities to the needy rural poor. The eligibility criteria for employment are relaxed so as to include both BPL and APL (Above Poverty Line) families. The States may make payment of wages partly in kind (up to 5 kg of foodgrains per man-day) and partly in cash. The State Governments are free to calculate the cost of foodgrains paid in wages, at either BPL rates, or APL rates, or any rate between these two rates. The workers are paid the balance wages in cash, so that they are assured of the notified minimum wages. Supply of foodgrains is made to the workmen preferably at the worksite. It is stipulated that the payment of wages, cash as well as foodgrains, must be made weekly. Since the Food for Work Programme is meant for providing wage employment in the natural-calamity-affected States, preference is given to labour-intensive works, particularly those which would help in drought-proofing such as moisture conservation works, watershed development works, water harvesting, digging up and de-silting of village ponds/tanks and water courses, construction of rural link roads (*katcha* roads), etc. As far as possible, the works to be taken up are intended to result in durable assets.

**1.7.16 Annapoorna:** The Annapoorna Scheme was launched with effect from 1st April 2000. It aims at providing food security to meet the requirement of those senior citizens who, though eligible, have remained uncovered under the National Old Age Pension Scheme (NOAPS). The scheme is targeted to cover 20% (13.762 lakh) of persons eligible to receive pension under NOAPS. The Central assistance under the Annapoorna Scheme is, thus, provided to the beneficiaries on fulfilling the following criteria:

- The age of the applicant (male or female) should be 65 years or above.
- The applicant must be a destitute in the sense of having little or no regular means of subsistence from his/her own sources of income or through financial support from family members or other sources. In order to determine destitution, the criteria, if any, in force in the States/UTs are to be followed.
- The applicant should not be in receipt of pension under the NOAPS or State Pension Scheme.

The beneficiaries are given 10 kg of foodgrains per month free of cost.

**1.7.17 Integrated Child Development Services (ICDS) Scheme:** The Integrated Child Development Services (ICDS) Scheme, launched in 1975, is a nationwide programme for the overall development of children below 6 years and of the expectant and nursing mothers. Thus, the scheme aims at improving the nutritional and health status of vulnerable groups including pre-school children, pregnant women and nursing mothers through providing a package of services including supplementary nutrition, pre-school education, immunization, health check-up, referral services and nutrition and health education. In addition, the Scheme envisages effective convergence of inter-sectoral services in the *anganwadi* centres. The Scheme targets the most vulnerable groups of population including children up to 6 years of age, pregnant women and nursing mothers belonging to the poorest of the poor families and living in disadvantaged areas, including backward rural areas, tribal areas and urban slums. The identification of beneficiaries is done through surveying the community and identifying the families living below the poverty line.

The objectives of the scheme are:-

- to improve the nutritional and health status of pre-school children in the age-group of 0-6 years;
- to lay the foundation of proper psychological development of the child;
- to reduce the incidence of mortality, morbidity, malnutrition and school drop-outs;
- to achieve effective coordination of policy and implementation amongst the various departments to promote child development; and
- to enhance the capability of the mother to look after the normal health and nutritional needs of the child through proper nutrition and health education.

**1.7.18 Midday Meal:** A large number children between the ages of 5 and 14 are victims of malnutrition, associated with food shortages, population expansion, lack of suitable food substitutes, poverty, ignorance, traditional beliefs and customs. The midday meal scheme was launched to lower the widespread incidence of malnutrition, primarily among children of poor families, and to increase their access to education. The scheme was aimed at boosting primary school attendance, by allowing children of parents living below subsistence levels to attain basic literacy levels instead of being pushed into the workforce at an early age.

**1.7.19 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.

The full spectrum of economic activities as defined in the UN System of National Accounts is not covered in the definition adopted for the Employment and Unemployment 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.

The term 'economic activity' in the Employment and Unemployment survey of NSSO in the 61<sup>st</sup> round 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 14 of NIC-98**) which result in production (including free collection of uncultivated crops, forestry, firewood, hunting, fishing, mining, quarrying, etc.) of primary goods 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 labour or a supervisor.

It is to be noted that as in earlier rounds, the activities like prostitution, begging, etc., which may result in earnings, by convention, will not be considered as economic activities. In earlier rounds, activities under 'smuggling' were kept outside the economic activity. In assigning the activity status of an individual in the field, probing is perhaps not extended to ascertain whether the production of goods and services is carried out in the form of smuggling. Thus in practice, production of goods and services in the form of smuggling have actually been considered as economic activity in NSS surveys. In view of this, activity status of a person may be judged irrespective of the situation whether such activity is carried out illegally in the form of smuggling or not.

**1.7.20 Activity status:** It is the activity situation in which a person is found during a reference period, which concerns with the person's participation in economic and non-economic activities. According to this, a person will be in one or a combination of the following three status 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) is associated with 'employment' and that of (ii) with 'unemployment'. The three broad activity statuses have been further sub-divided into several detailed activity categories. These are stated below:

*(i) working or being engaged in economic activity (employed):*

- (a) worked in household enterprise (self-employed) as an own-account worker
- (b) worked in household enterprise (self-employed) as an employer
- (c) worked in household enterprise (self-employed) as 'helper'
- (d) worked as regular salaried/wage employee
- (e) worked as casual wage labour in public works
- (f) worked as casual wage labour in other types of works
- (g) did not work due to sickness though there was work in household enterprise

- (h) did not work due to other reasons though there was work in household enterprise
- (i) did not work due to sickness but had regular salaried/ wage employment
- (j) did not work due to other reasons but had regular salaried/wage employment

(ii) *not working but seeking or available for work (unemployed) :*

- (a) sought work
- (b) did not seek but was available for work

(iii) *not working and also not available for work (not in labour force) :*

- (a) attended educational institution
- (b) attended domestic duties only
- (c) attended domestic duties and was also engaged in free collection of goods, tailoring, weaving, etc. for household use
- (d) recipients of rent, pension, remittance, etc.
- (e) not able to work due to disability
- (f) prostitutes
- (g) others
- (h) did not work due to sickness (for casual workers only).

1.7.21 The various constituents of 'workers', 'unemployed', 'labour force', 'out of labour force' are as explained below:

(a) **Workers (or employed):** Persons who are engaged in any economic activity or who, despite their attachment to economic activity, have abstained from work for reasons of illness, injury or other physical disability, bad weather, festivals, social or religious functions or other contingencies necessitating temporary absence from work 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 status under the broad activity category 'working or being engaged in economic activity'.

(b) **Seeking or available for work (or unemployed):** Persons, who owing to lack of work, had not worked but either sought work through employment exchanges, intermediaries, friends or relatives or by making applications to prospective employers or expressed their willingness or availability for work *under the prevailing condition of work and remuneration* are considered as those who are 'seeking or available for work' (or unemployed).

(c) **Labour force:** Persons who are either 'working' (or employed) or 'seeking or available for work' (or unemployed) during the reference period together constitute the labour force.

(d) **Out of labour force:** Persons who are neither 'working' and at the same time nor 'seeking or available for work' for various reasons during the reference period are considered to be 'out of labour force'. The persons under this category are students, those engaged in domestic duties, rentiers, pensioners, recipients of remittances, those living on alms, infirm or disabled persons, too young or too old persons, prostitutes, etc. and casual labourers not working due to sickness.

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

1.7.23 **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 self-employed in household enterprises. The essential feature of the self-employed is that they have *autonomy* (i.e., regarding how, where and when to produce) and *economic independence* (i.e., regarding market, scale of operation and money) for carrying out operation. The fee or remuneration received by them consists of two parts - the share of their labour and profit of the enterprise. In other words, their remuneration is determined wholly or mainly by sales or profits of the goods or services which are produced.

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.

1.7.24 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 synonymously used for such workers. For the purpose of this survey, all such workers will be commonly termed as 'home workers' and 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.

1.7.25 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 employers 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 received 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* on order from some particular unit/contractor/trader at her home will be treated as 'home worker'. On the other hand, if she does the work in the employers premises, she will be treated as *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.

**1.7.26 Regular salaried/wage employee:** Persons working in others 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 salaried/wage employees. *The 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.*

**1.7.27 Casual wage labour:** A person casually engaged in others 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. Usually, in the rural areas, a type of casual labourers can be seen who normally engage themselves in 'public works' activities. '*Public works*' are those activities which are sponsored by Government or local bodies for construction of roads, bunds, digging of ponds, etc. as 'test relief' measures (like flood relief, drought relief, famine relief, etc.) and also employment generation scheme under poverty alleviation programmes (NREP, RLEGP, etc.).

**1.7.28 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 a reference period of 1 day is known as the *current daily status (cws)* of the person.

1.7.29 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 status 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 the two criteria mentioned above, 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.

**1.7.30 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 longer 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 longer 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 longer time spent.

**1.7.31 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 longer 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 in a relatively longer period during the 365 days in economic (non-economic activity) and for a relatively minor 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 shorter time in a subsidiary capacity. In such cases, since both the activities are being pursued throughout the year and hence the duration of both the activities are more than 30 days, the activity which is being pursued for a relatively shorter time will be considered as his/her subsidiary activity.

**1.7.32 Current weekly activity status:** The current weekly activity status of a person is the activity status obtaining for a person during a reference period of 7 days preceding the date of survey. It is decided **on the basis of a certain priority cum major time criterion**. According to the priority criterion, the status of 'working' gets priority over the status of 'not working but seeking or available for work', which in turn gets priority over the status of 'neither working nor available for work'. *A person is considered working (or employed) if he/she, while pursuing any economic activity, had worked for at least one hour on at least one day during the 7 days preceding the date of survey.* A person is considered 'seeking or available for work (or unemployed)' if during the reference week no economic activity was pursued by the person but he/she made efforts to get work or had been available for work any time during the reference week though not actively seeking work in the belief that no work was available. A person who had neither worked nor was available for work any time during

the reference week, is considered to be engaged in non-economic activities (or not in labour force). Having decided the broad current weekly activity status of a person on the basis of 'priority' criterion, the detailed current weekly activity status is again decided **on the basis of 'major time' criterion if a person is pursuing multiple economic activities.**

**1.7.33 Current daily activity status:** The activity pattern of the population, particularly in the unorganised sector, is such that during a week, and sometimes, even during a day, a person can pursue more than one activity. Moreover, many people can even undertake both economic and non-economic activities on the same day of a reference week. The current daily activity status for a person is determined on the basis of his/her activity status on each day of the reference week **using a priority-cum-major time criterion** (day to day labour time disposition). The following points may be noted for determining the current daily status of a person:

- i) Each day of the reference week is looked upon as comprising of either two 'half days' or a 'full day' for assigning the activity status.
- ii) A person is considered 'working' (employed) for the entire day if he/she had worked for 4 hours or more during the day.
- iii) If a person was engaged in more than one of the economic activities for *4 hours or more* on a day, he/she would be assigned two economic activities out of the different economic activities on which he/she devoted relatively longer time on the reference day. In such cases, one 'half day' work will be considered for each of those two economic activities (i.e. 0.5 intensity will be given for each of these two economic activities).
- iv) If the person had worked for *1 hour or more but less than 4 hours*, he/she is considered 'working' (employed) for half-day and 'seeking or available for work' (unemployed) or 'neither seeking nor available for work' (not in labour force) for the other half of the day depending on whether he was seeking/available for work or not.
- v) If a person was not engaged in 'work' even for 1 hour on a day but was seeking/available for work even for 4 hours or more, he/she is considered 'unemployed' for the entire day. But if he/she was 'seeking/available for work' for more than 1 hour and less than 4 hours only, he/she is considered 'unemployed' for half day and 'not in labour force' for the other half of the day.
- vi) A person who neither had any 'work' to do nor was available for 'work' even for half a day was considered 'not in labour force' for the entire day and is assigned one or two of the detailed non-economic activity status depending upon the activities pursued by him/her during the reference day.

It may be noted that while assigning intensity in Block 5.3, an intensity of 1.0 will be given against an activity which is done for 'full day' and 0.5, if it is done for 'half day'.

1.7.34 There are certain terms used in connection with collection of items of information relating to current activity status of persons. These are explained in the following paragraphs.

1.7.35 **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. Manual work has been defined as work pursued in one or more of the following occupational groups of the National Classification of Occupations (NCO-68):

Division 5: Service workers:

- Group 52: cooks, waiters, bartenders and related workers (domestic and institutional)
- Group 53: maid and other housekeeping service workers (not elsewhere classified)
- Group 54: building caretakers, sweepers, cleaners and related workers
- Group 55: launderers, dry cleaners and pressers
- Group 56: hair dressers, barbers, beauticians and related worker
- Family 570: fire fighters
- Family 574: watchmen, gate keepers
- Family 579: protective service workers not elsewhere classified

Division 6: Farmers, Fishermen, Hunters, Loggers and related workers:

- Group 63: agricultural labourers
- Group 64: plantation labourers and related workers
- Group 65: other farm workers
- Group 66: forestry workers
- Group 67: hunters and related workers
- Group 68: fishermen and related workers

Division 7-8-9: Production and related workers, transport equipment operators and labourers:

All groups excluding Group 85 (electrical fitters and related workers) and Group 86 (broadcasting station and sound equipment operators and cinema projectionists).

1.7.36 **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.

1.7.37 **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.

**Working in fisheries is excluded** from agricultural labour. Further, 'carriage for transportation' refers **only to the first stage of the transport** from farm to the first place of disposal.

**1.7.38 Wage paid-manual labour:** A person who does manual work in return for wages in cash or kind or partly in cash and partly in kind (excluding exchange labour) is a wage paid manual labour. Salaries are also to be counted as wages. A person who is self-employed in manual work is **not treated** as a wage paid manual labour.

**1.7.39 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-98 sub-classes 01111, 01112, 01113, 01115, 01119, 01121, 01122 and 01135 (excepting plantation of pepper and cardamom) are to be considered as cultivation.

**1.7.40 Operation:** It is the type of work performed by a person during a reference period such as manual, non-manual, agricultural, non-agricultural, etc. Operation has been combined with activity status and industry corresponding to the work performed. Information regarding the type of operation is collected **only for rural areas and relating to current status only**. The different types of operations are - ploughing, sowing, transporting, weeding, harvesting, others (manual) and others (non-manual). In the last two cases, the sector in which the work is performed is indicated by the industry. It may be noted, that for 'regular salaried/wage employees' on leave or on holiday, the 'operation' relates to their respective function in the work or job from which he/she is temporarily off. Similarly, for persons categorised as 'self-employed' but not working on a particular day inspite of having work on that day, the operation will relate to the work that he/she would have done if he/she had not enjoyed leisure on that day.

**1.7.41 Nominal work:** Work done by a person **for 1 - 2 hours in a day** during the reference week is said to be a day with nominal work for the person. In the day-to-day labour time disposition of the reference week, such a day's work is considered to be 'half-days' work (and it gets half intensity while accounting).

**1.7.42 Earnings:** Earnings refer to the wage/salary income (and not total earnings) receivable for the wage/salaried work done during the reference week by the wage/salaried employees and casual labourers. The wage/salary already received or receivable may be in cash or kind or partly in cash and partly in kind. For recording the wages and salaries:

- i) The kind wages are evaluated at the current retail price.
- ii) Bonus (expected or paid) and perquisites evaluated at retail prices and duly apportioned for the reference week are also included in earnings.
- iii) For any economic activity, amount received or receivable as 'over-time' for the additional work done beyond normal working time is excluded.

**1.7.43 Household principal industry and occupation:** To determine the household principal industry and occupation, the general procedure to be followed is to list all the occupations pertaining to economic activities pursued by the members of the household excluding those employed by the household and paying guests (who in view of their staying and taking food in the household are considered as its normal members) during the one year period preceding the date of survey, no matter whether such occupations are pursued by the members in their principal or subsidiary (on the basis of earnings) capacity. Out of the occupations listed that one which fetched the maximum earnings to the household during the last 365 days preceding the date of survey would be considered as the principal household occupation. It is quite possible that one or more members of the household may pursue the household occupation in different industries. In such cases, the particular industry out of all the different industries corresponding to the principal occupation, which fetched the maximum earnings, should be considered as the principal industry of the household. In extreme cases, the earnings may be equal in two different occupations or industry-occupation combinations. By convention, in such cases, priority will be given to the occupation or industry-occupation combination of the senior-most member.

**1.7.44 Education Guarantee Scheme (EGS) and Alternative & Innovative Education (AIE):** EGS & AIE support the following three broad kinds of strategies:

- (a) Setting up schools in the school-less habitations.
- (b) Intervention of mainstreaming of 'out of school' children, viz., bridge courses, back to school camps, etc.
- (c) Strategies for very specific, difficult groups of children who cannot be mainstreamed.

Strategy under (a) above refers to as the EGS component of EGS & AIE scheme and strategies under (b) and (c) above together refer to as AIE component of the EGS & AIE scheme.

EGS aims at setting up schools in the school-less habitations where no school exists within a radius of 1 k.m and at least 15 children in the age group 6-14 years who are not going to schools, are available. In exceptional cases, e.g., for remote habitations in hilly areas for Jammu and Kashmir and part of North-Eastern region, EGS schools could be supported even for 10 children. It may be noted that EGS & AIE is applicable throughout the country and not limited to the educationally backward states covered under the scheme of Non-formal Education (NFE). Such schools are in operation under various names in different states, as for example, 'Sishu Siksha Karmasuchi' in West Bengal, 'Bastishala' in Maharashtra, 'Rajiv Gandhi Swaran Jayanti Pathshala' in Rajasthan., 'Maabadi' in Andhra Pradesh. For the purpose of our survey, an individual who is attending or has become literate through schools under EGS & AIE scheme will be considered under the coverage of EGS.

**1.7.45 Vocational Training:** A vocational training may broadly be defined as a training, which prepares an individual for a specific vocation or occupation. The main objective of vocational education and training is to prepare persons, especially the youth, for the world of work and make them employable for a broad range of occupations in various industries and other economic sectors. It aims at imparting training to persons in very **specific fields** through providing significant **‘hands on’** experience in acquiring necessary skill, which will make them employable or create for them opportunities of self-employment. Thus, the essential feature of the vocational training is that it lays more emphasis on development of skill in a specific vocation or trade rather than building knowledge.

**1.7.46 Formal Vocational Training:** The vocational training that takes place in education and training institutions which follow a structured training programme and lead to recognised certificates, diplomas or degrees, will be treated as formal one. But when the vocational training neither follows a structured programme nor the training lead to recognised certificates, diplomas or degrees, those training programmes will be treated as non-formal vocational training. For the purpose of survey, formal vocational training will have the following characteristics:

- i) structured training programme towards a particular skill,
- ii) certificate/diploma/degree received should have a recognition by State/Central Government, Public Sector and other reputed concerns,

By structured training programme, it is meant that:

- (a) the training programme should have a definite title with prescribed syllabus and curriculum and a specified duration of the training, and
- (b) the training should have some entry level eligibility in terms of education and age.

**1.7.47 Non-formal Vocational Training:** The expertise in a vocation or trade is sometimes acquired by the succeeding generations from the other members of the households, generally the ancestors, through gradual exposures to such works as are involved in carrying out the profession by their ancestors. The expertise gained through significant ‘hands-on’ experience enables the individual to take up activities in self-employment capacity or makes him employable. Acquiring such marketable expertise by one, which enables him/her to carry out the trade or occupation of their ancestors over generations, may also be considered, for the purpose of survey, to have received ‘non-formal’ vocational training and that through ‘hereditary’ sources. Any other ‘non-formal’ vocational training received through some sources other than the household members to pursue a vocation that may either be hereditary or other profession, may be considered to have received the training through ‘other’ sources. The ‘other’ sources may also include the cases where the expertise for a vocation or trade has been developed even from the household members or ancestors, provided the said vocation or trade is different from the one relating to their ancestors. Thus a person may learn tailoring work from a master tailor or a person may learn book-binding work from a printing press. All such expertise will be considered to have received non-formal vocational training through ‘other’ sources. Mere possession of a skill, which neither creates opportunities for self-employment nor makes a person employable, will not be considered as having vocational training.

**1.7.48 Non-Profit Institutions (NPI):** NPIs 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 any surpluses they happen to make cannot be appropriated by other institutional units. 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 they receive.

**1.7.49 Philanthropic Institution:** These are the non-profit institutions consisting of charities, relief or aid agencies that are created for philanthropic purposes and not to serve the interests of the members of the association controlling them. Such institutions generally provide goods or services to households/institutions in need, including households affected by natural disasters or war. The resources of such institutions are provided mainly by donations in cash or in kind from the general public, corporations or governments. They may also be provided by transfers from non-residents, including similar kinds of institutions resident in other countries.

**1.7.50 Definitions of various types of enterprises:**

(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.

(iii) **Government/public sector enterprise:** An enterprise, which is wholly owned/run/managed by Central or State governments, quasi-government, institutions, local bodies like universities, education boards, municipalities, etc. 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 one or more shares in a company jointly, 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 member's contributions/investments and the profits generated out of the society's activities are shared by the members. The government itself in a government agency 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, these must be administered in the interests of the beneficiaries, and not for the profit of the trustees.

(viii) **Employer Households (i.e. private households employing maid servant, watchman, cook etc.):** The households which are employing maid servant watchmen, cook, private tutor, etc. will be considered notionally as enterprise for the purpose of this survey and will be classified as 'Employer households'.

**Table 1: (Revised) Allocation of sample villages and blocks for NSS 61<sup>st</sup> round**

state/u.t.	number of FSUs	
	central sample	state sample

	total	rural	urban	total	rural	urban
(1)	(2)	(3)	(4)	(5)	(6)	(7)
ANDHRA PRADESH	864	556	308	864	556	308
ARUNACHAL PRADESH	216	156	60	216	156	60
ASSAM	432	340	92	432	340	92
BIHAR	576	436	140	576	436	140
CHHATTISGARH	280	200	80	280	200	80
GOA	40	16	24	60	24	36
GUJARAT	432	232	200	432	232	200
HARYANA	272	168	104	272	168	104
HIMACHAL PRADESH	256	216	40	256	216	40
JAMMU & KASHMIR	432	288	144	864	576	288
JHARKHAND	344	240	104	344	240	104
KARNATAKA	512	288	224	512	288	224
KERALA	560	364	196	560	364	196
MADHYA PRADESH	592	384	208	592	384	208
MAHARASHTRA	1008	504	504	1260	504	756
MANIPUR	320	220	100	640	440	200
MEGHALAYA	160	116	44	160	116	44
MIZORAM	192	80	112	192	80	112
NAGALAND	128	96	32	192	96	96
ORISSA	504	384	120	504	384	120
PUNJAB	432	244	188	432	244	188
RAJASTHAN	520	356	164	520	356	164
SIKKIM	112	92	20	112	92	20
TAMIL NADU	832	416	416	832	416	416
TRIPURA	232	176	56	232	176	56
UTTAR PRADESH	1128	792	336	2256	1584	672
UTTARANCHAL	224	148	76	224	148	76
WEST BENGAL	792	500	292	792	500	292
A & N ISLANDS	88	52	36	-	-	-
CHANDIGARH	40	8	32	40	8	32
D & N HAVELI	24	16	8	-	-	-
DAMAN & DIU	16	8	8	16	8	8
DELHI	128	8	120	256	16	240
LAKSHADWEEP	24	8	16	-	-	-
PONDICHERRY	72	16	56	72	16	56
ALL- INDIA	12784	8124	4660	14992	9364	5628