

# **Survey of Small Manufacturing Establishments**

## **2008-2009**

### **Nepal**

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**Director**

**Establishment Census and Survey Section**

**Central Bureau of Statistics**

**Nepal**

# Definition, Scope and Coverage

- All Small Manufacturing Establishments defined in NSIC 2000 in division “D”
- Small Establishments are such Establishments which are
  - Registered and
  - Having less than 10 persons engaged

# Geographical Coverage of the Survey

- Nepal
- Urban/Rural
- 5 Development Region

# Reference Period of the Survey

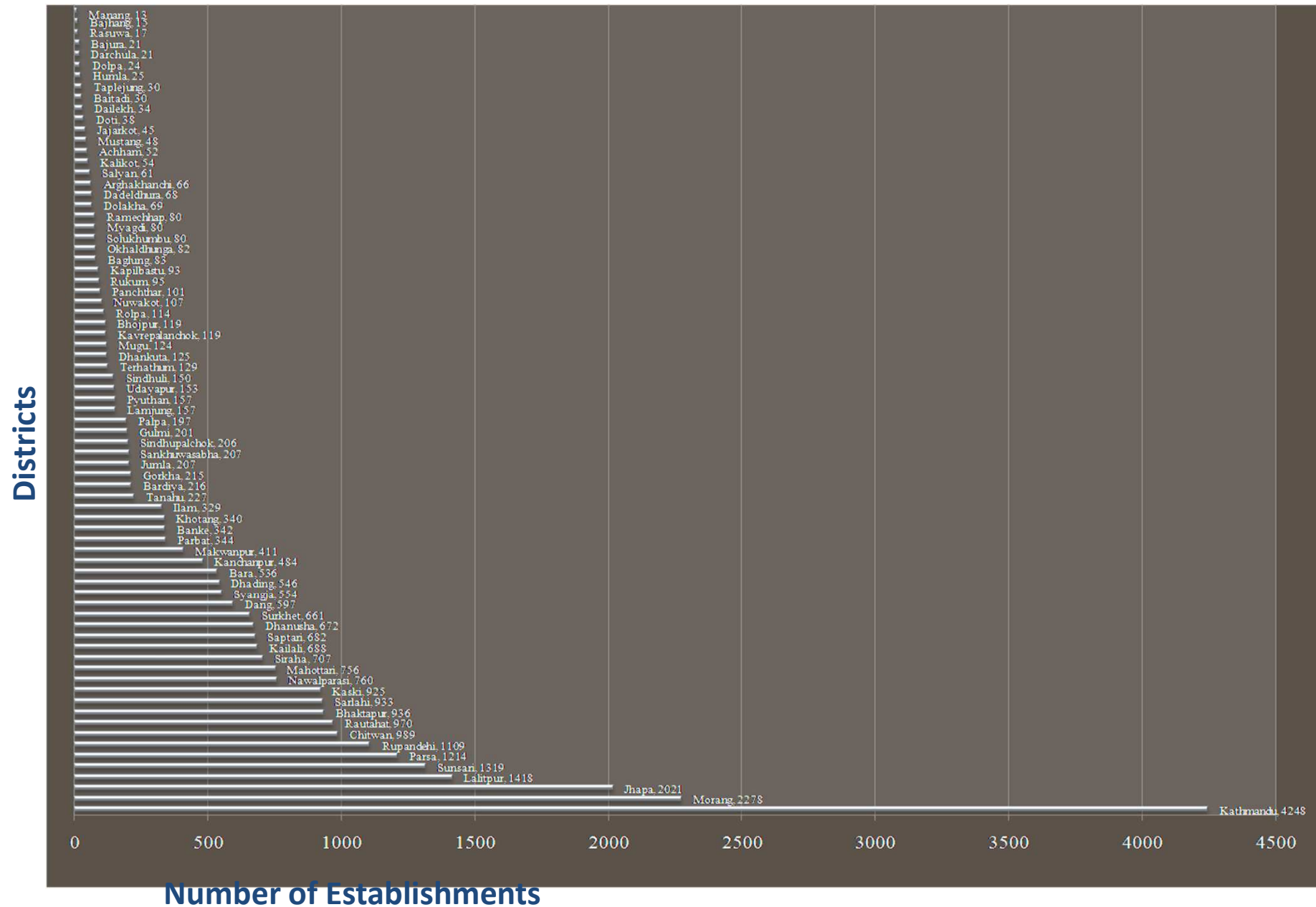
- Nepali Fiscal Year 2065/66  
(From 1<sup>st</sup> Shrawan 2065 to last day of Ashadh 2066)
- For Employees number only : 1st Magh 2065

**This kind of first survey was conducted in 2029/30 B.S.  
and previous survey was done in 2057 B.S.**

# Listing Operation

- Listing of Small Manufacturing Establishments was conducted throughout the country in the fiscal year 2065/66
- Altogether 32326 small establishments were found under operation during that period

# Number of Establishments by Districts in listing



# Sample Design

- Design Comprises both complete enumeration and sampling.
- 152 establishments of which frequency under any NSIC at 4 digit level being less than 3 in an ecological development region were selected for complete enumeration
- 3585 stratified samples were selected randomly from remaining 32174 establishments

# Allocation of sample

## Rural/Urban

Rural - 2257

Urban – 1480

## 3 Ecological Belts

Mountain	-	157
Hill	-	1597
Terai	-	1983

## 5 Development Regions

Eastern	-	992
Central	-	1643
Western	-	594
Mid-Western	-	325
Far-Western	-	183

Total Number of sample = 3737



# Introduction of Questionnaire

- 15 Sections

1. Employment
2. Purchase of Fuels
3. Purchase of Raw Materials
4. Production and Sale
5. Service Industries Only
6. Cost of and Receipt from Industrial and Other Services
7. Stocks
8. Indirect Tax and Fees
9. Loan Transaction
10. Cost of Non-Industrial Services
11. Receipts from Non-Industrial Services
12. Utilization of Production Capacity
13. Fixed Assets
14. Environment
15. Major Problems

**The Survey was conducted in Establishment Approach. Income and Expenditure of a Establishment was recorded in Sales-Purchase Approach.**

# Major Findings

❖ Estimated no. of establishments- **32326**

❖ rural 62% and urban 38%

❖ Estimated no. of Persons Engaged-**122200**

❖ Rural 57% and urban 43%

❖ Paid 55%, Unpaid 45%

❖ Working Proprietors 29 %; Family Members 16%;  
Paid workers 55%

❖ Share of females in total workers- **18%**

❖ (Working Proprietors 4%, Family Members 7%, Paid Workers 7%)

❖ Estimated no. of Paid Employees – **67376**

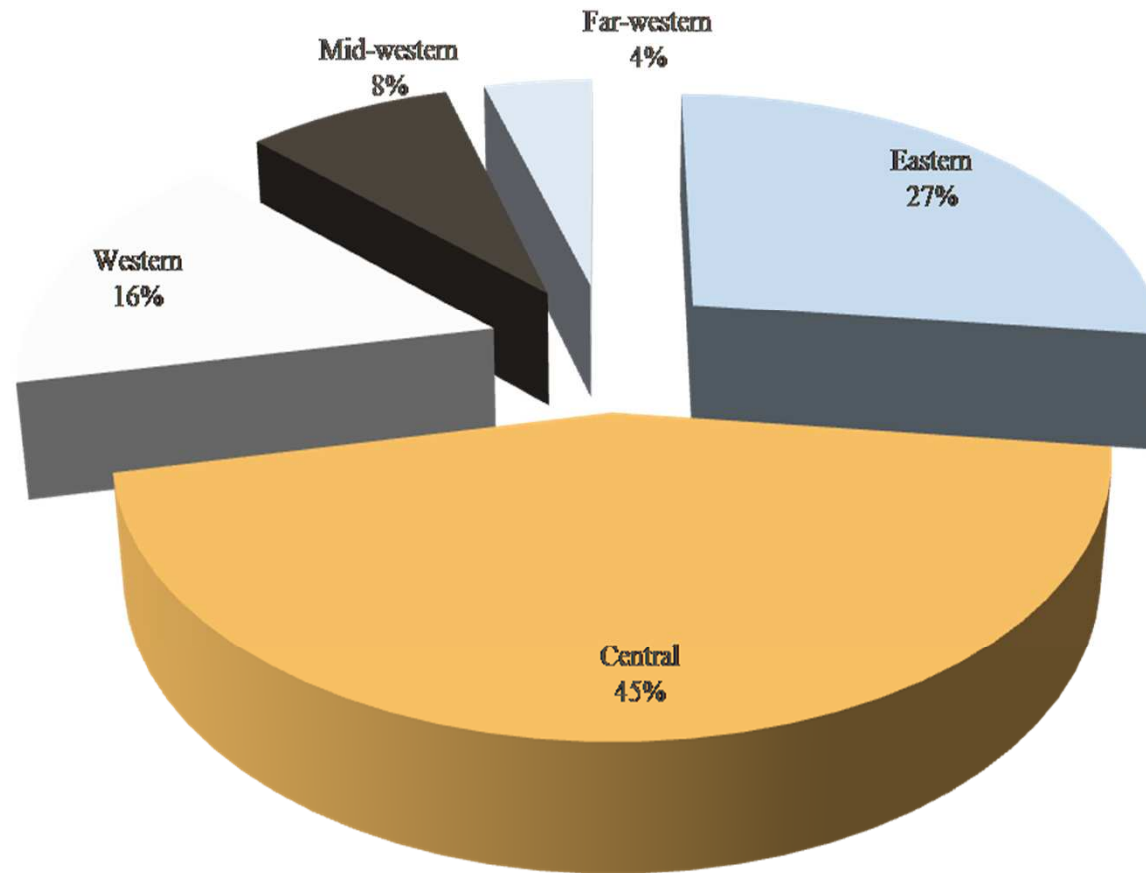
❑ Value of Output (in Rs Crore) – **4149**

❑ Value of Input (in Rs Crore) – **3003**

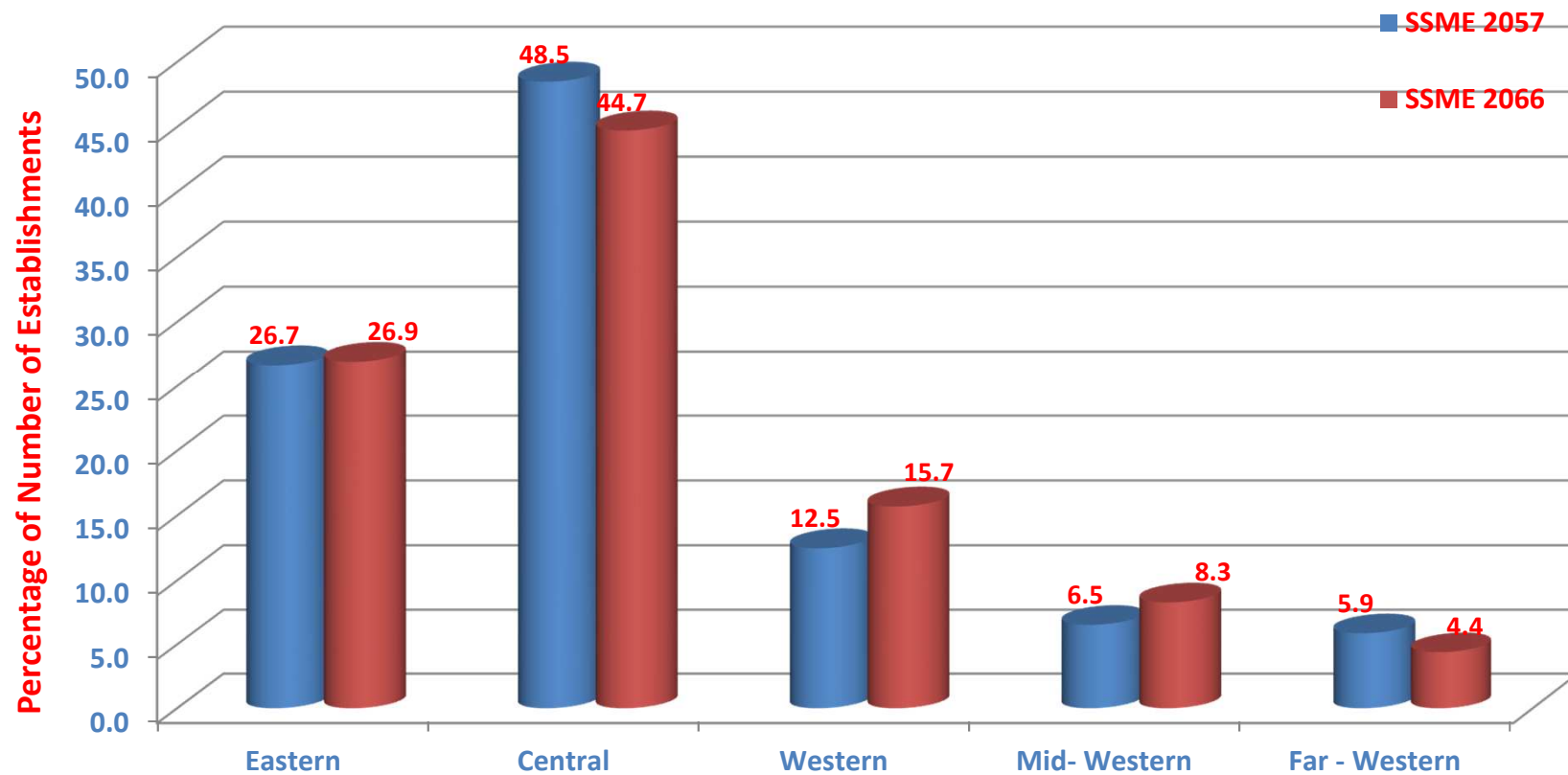
❑ Value Added (in Rs Crore) - **1146**

- At National level, Value Added per establishment = Rs. 354 thousand
- At National level, Value Added per paid worker = Rs. 170 thousand
- At National Level, Per Industry value of fixed assets = Rs. 707 thousand

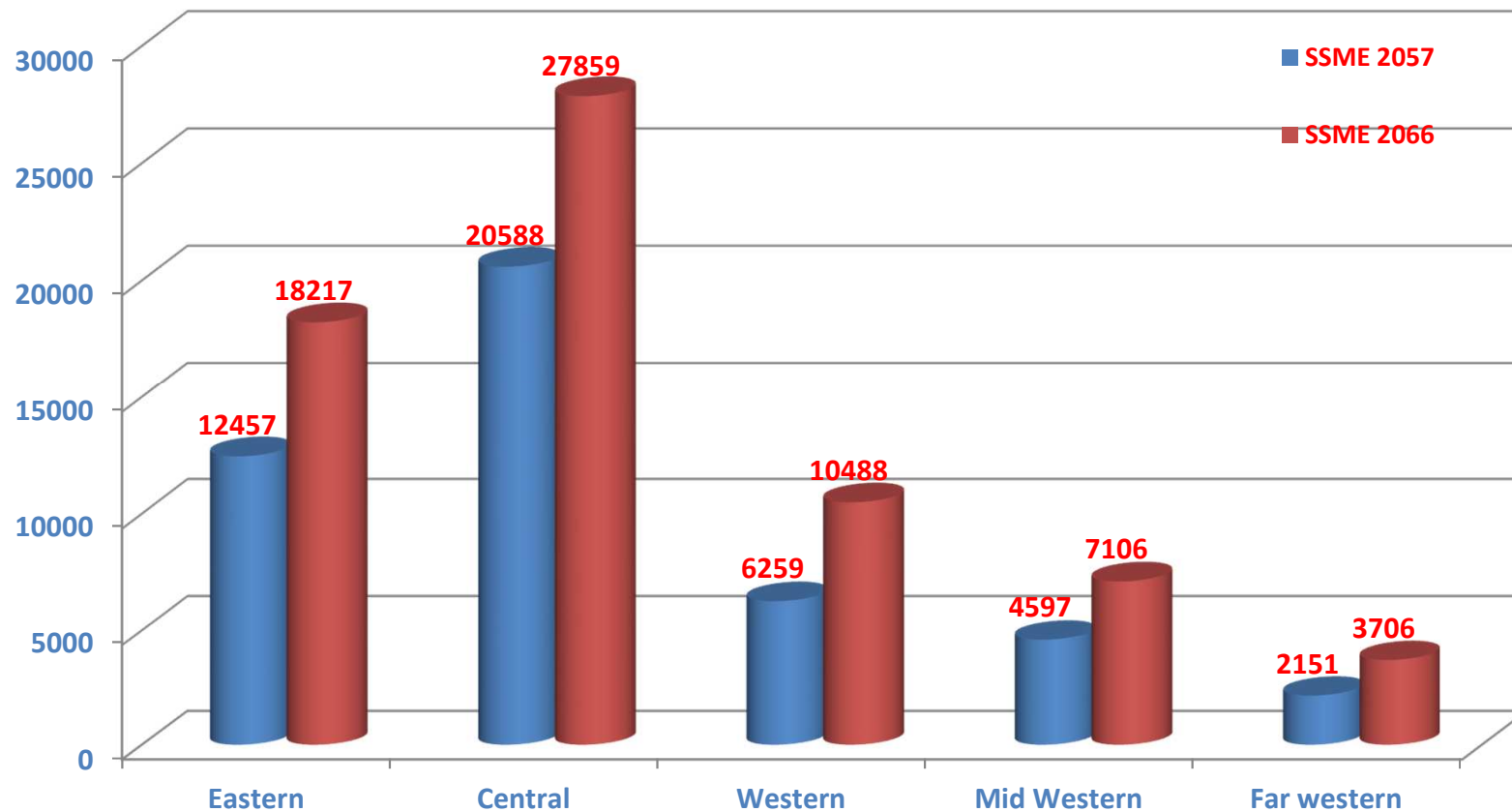
## Percentage Distribution of Number of Establishments by Development Region



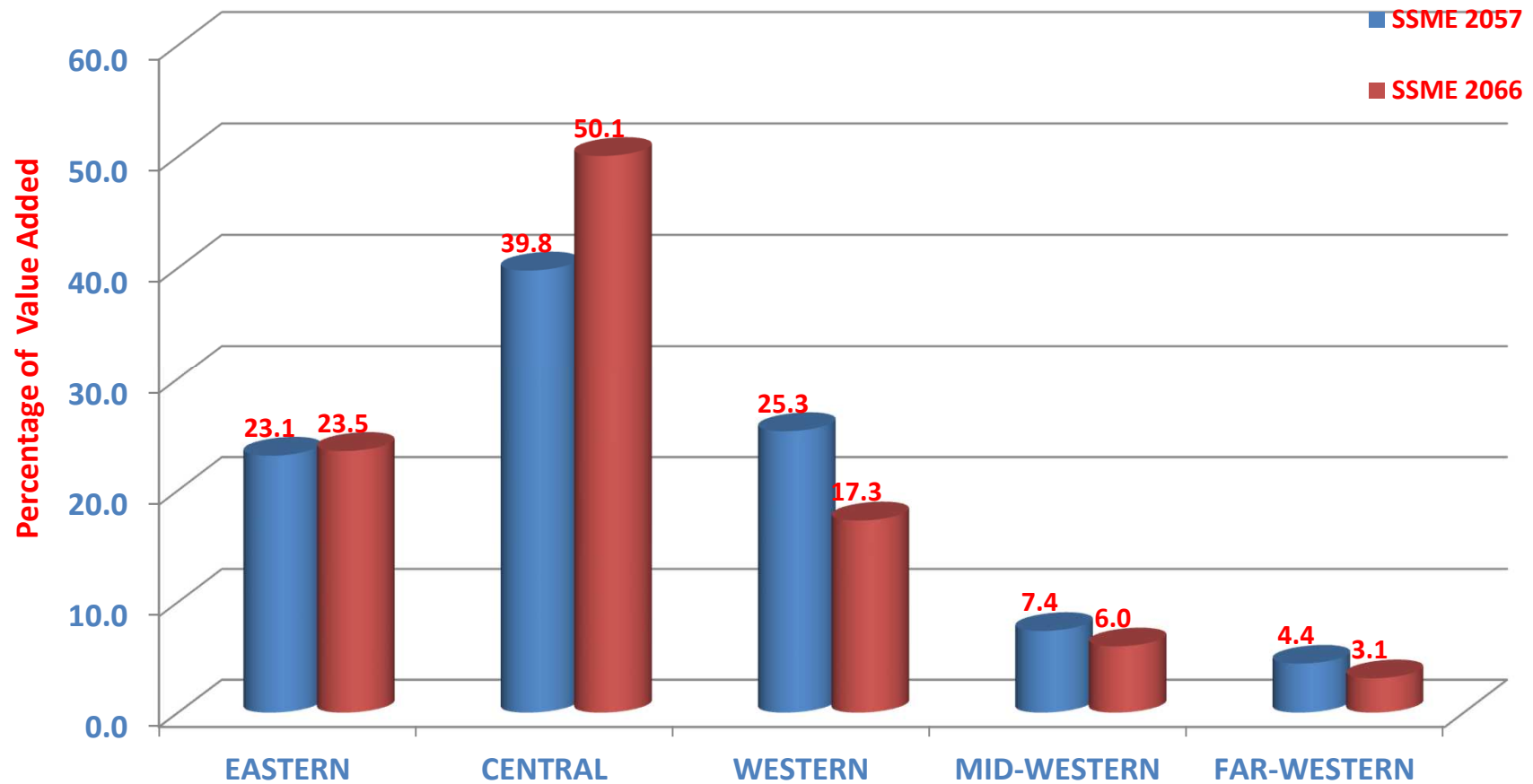
# Percentage Distribution of Number of Establishments by Development Region in SSME 2057 and SSME 2066



# Number of Paid Employees by Development Regions



# Percentage Distribution of Value Added by Development Region in SSME 2057 and SSME 2066



# Percentage Share of Some Indicators by Development Regions

Development Region	Number of Estbs	Number of Persons Engaged	Number of Employees	Gross Addition of Fixed Assets During the Reference Period	Gross Fixed Assets at the End of the Reference Period	Value of Output	Value of Input	Total Value Added
Eastern	27	28	27	12	21	22	21	24
Central	45	41	41	31	46	48	47	50
Western	16	16	16	36	20	19	20	17
Mid-Western	8	10	11	14	8	8	9	6
Far-Western	4	5	6	7	5	3	3	3
Nepal (%)	100	100	100	100	100	100	100	100
Nepal ( In No/ '000 Rs.)	32326	122200	67376	685500	22860913	41489517	30031039	11458478

# Percentage Share of Some Indicators by Ecological Belts

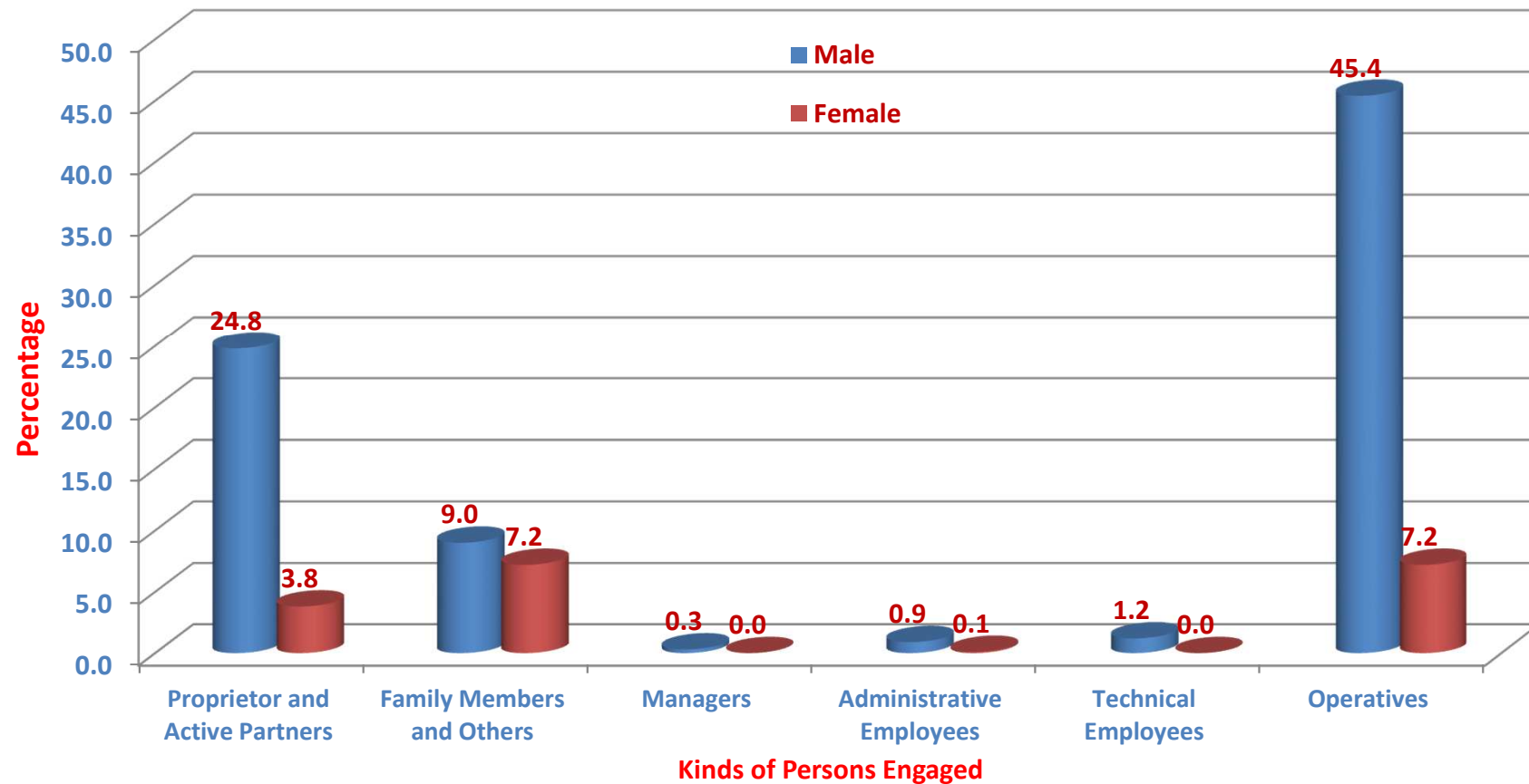
Ecological Belts	Number of Estbs	Number of Persons Engaged	Number of Employees	Gross Addition of Fixed Assets During the Reference Period	Gross Fixed Assets at the End of the Reference Period	Value of Output	Value of Input	Total Value Added
Mountain	4	3	3	1	3	1	1	2
Hill	43	43	41	58	45	44	42	48
Terai	54	54	57	40	52	55	56	50
Nepal (%)	100	100	100	100	100	100	100	100
Nepal ( In No/ '000 Rs.)	32326	122200	67376	685500	22860913	41489517	30031039	11458478



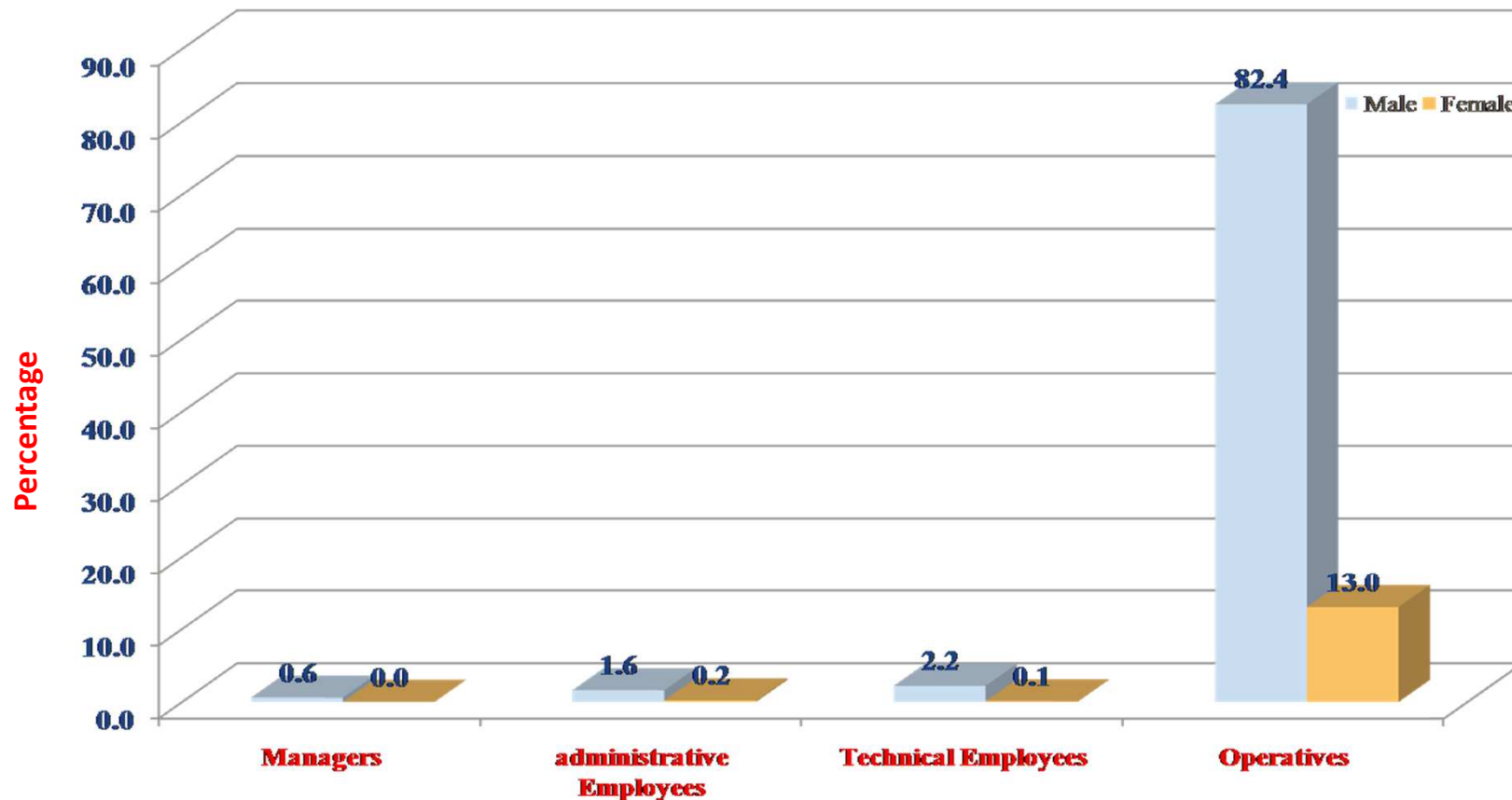
# Share of Kathmandu Valley on

- No. of Establishments = 20%
- No of Persons Engaged = 21%
- No. of Paid Employees = 22%
- Investment on Fixed Assets = 24%
- Value of Output = 25%
- Value Added of Small Manufacturing Sector = 29%

# Percentage of Number of Persons Engaged in Small manufacturing Sector in 2066

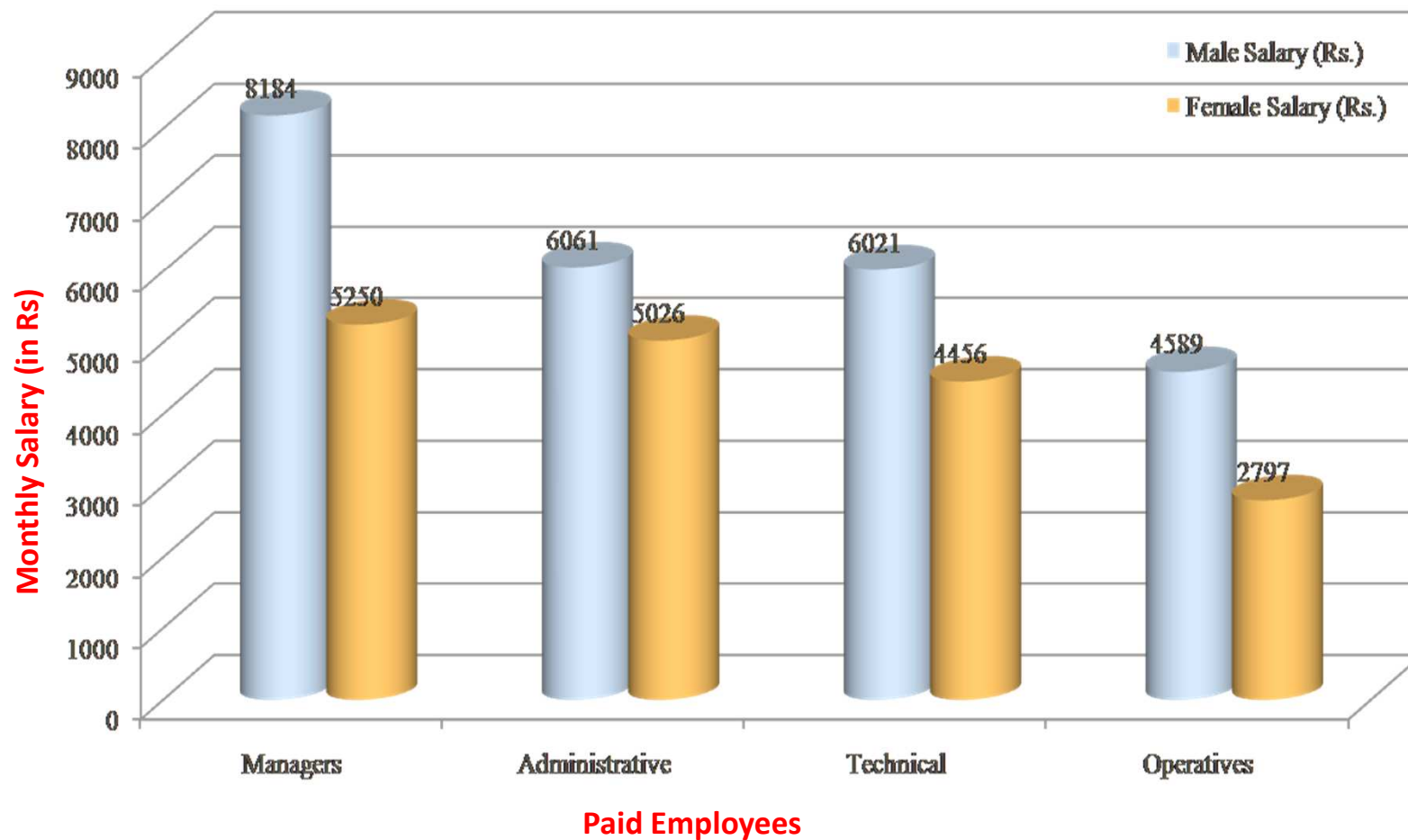


# Percentage Distribution of Paid Employees

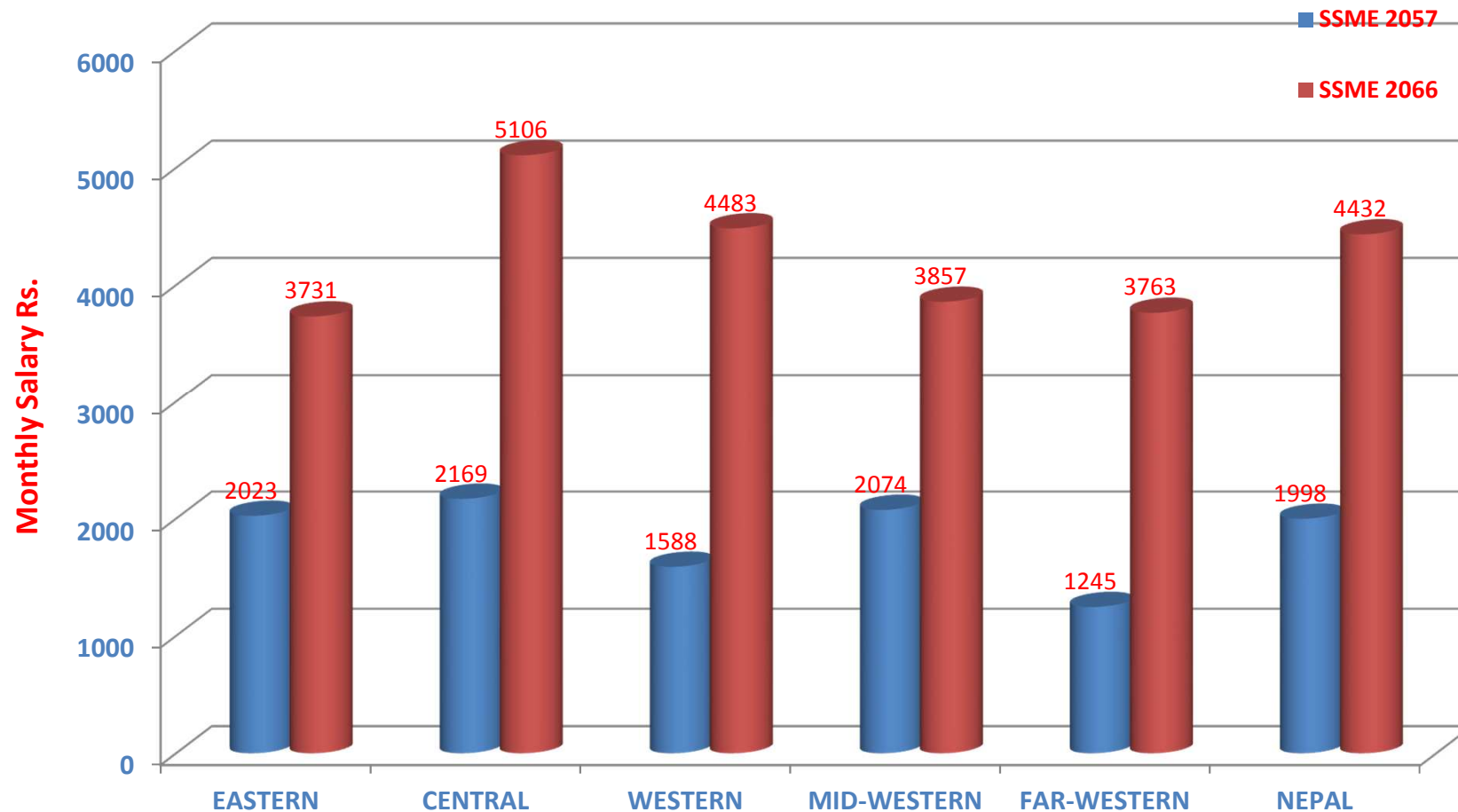


**Total Number of Paid Employees = 67376**

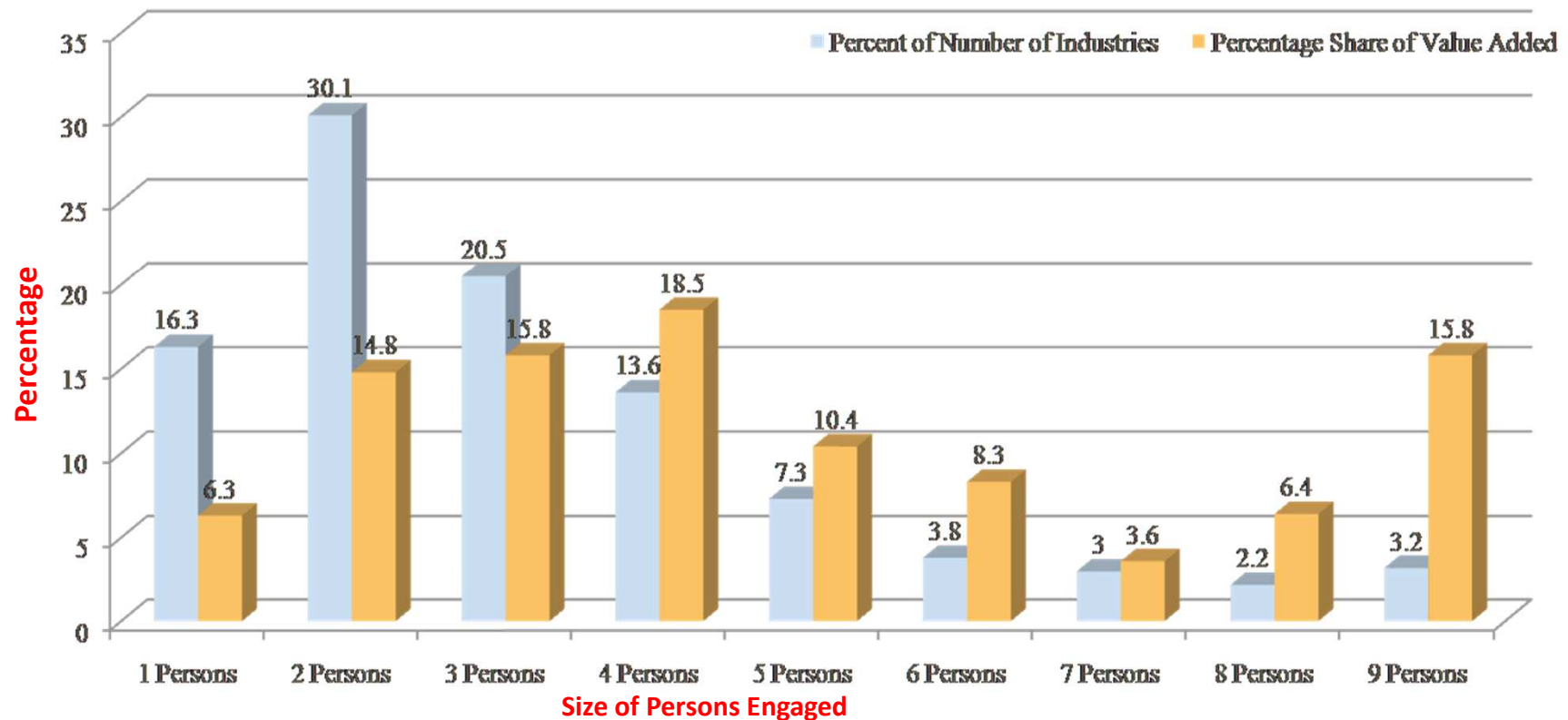
# Monthly Salary of Paid Employees



# Monthly Salary of Paid Employees by Development Regions



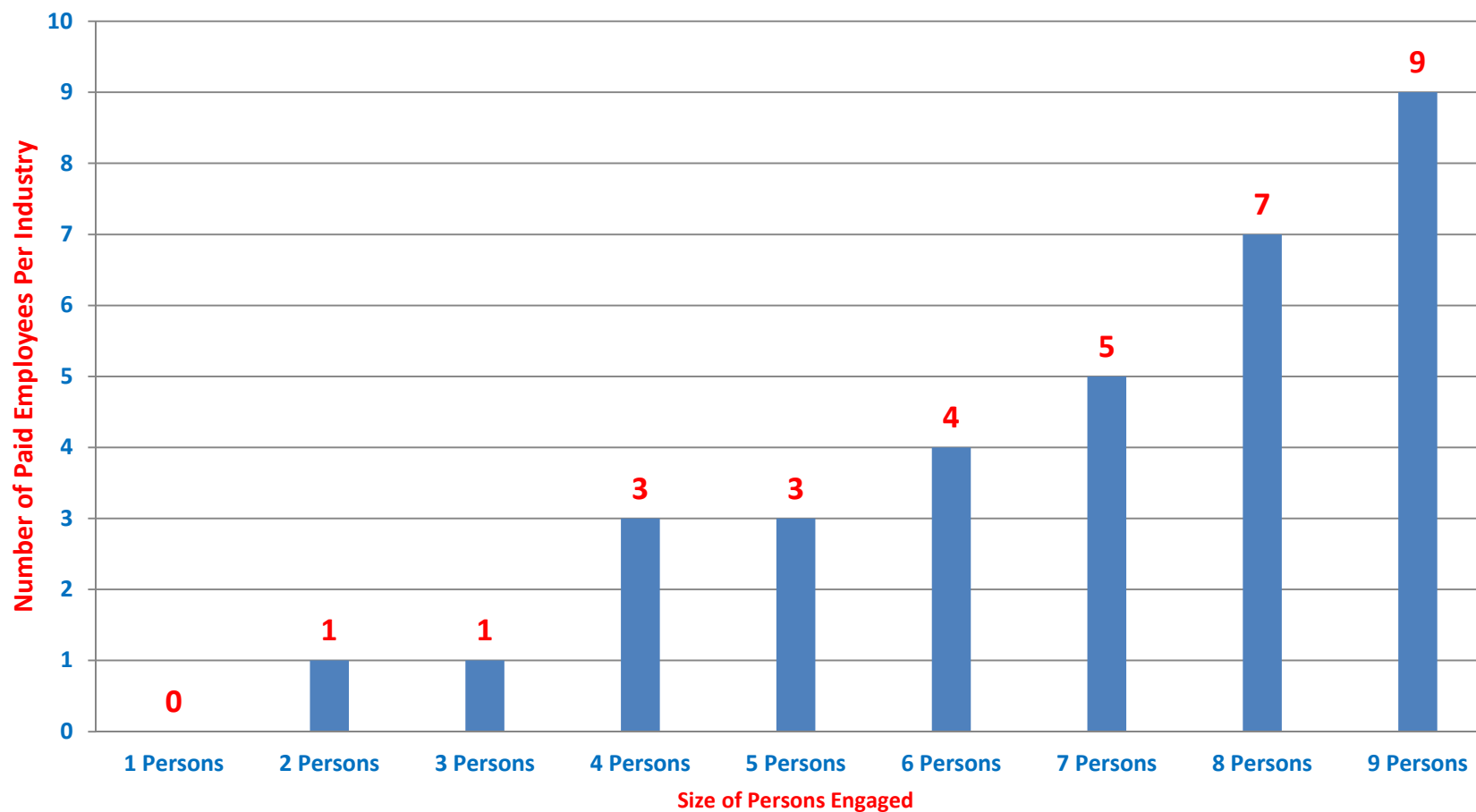
## Percentage Share of Number of Industries and Value Added by Size of Persons Engaged



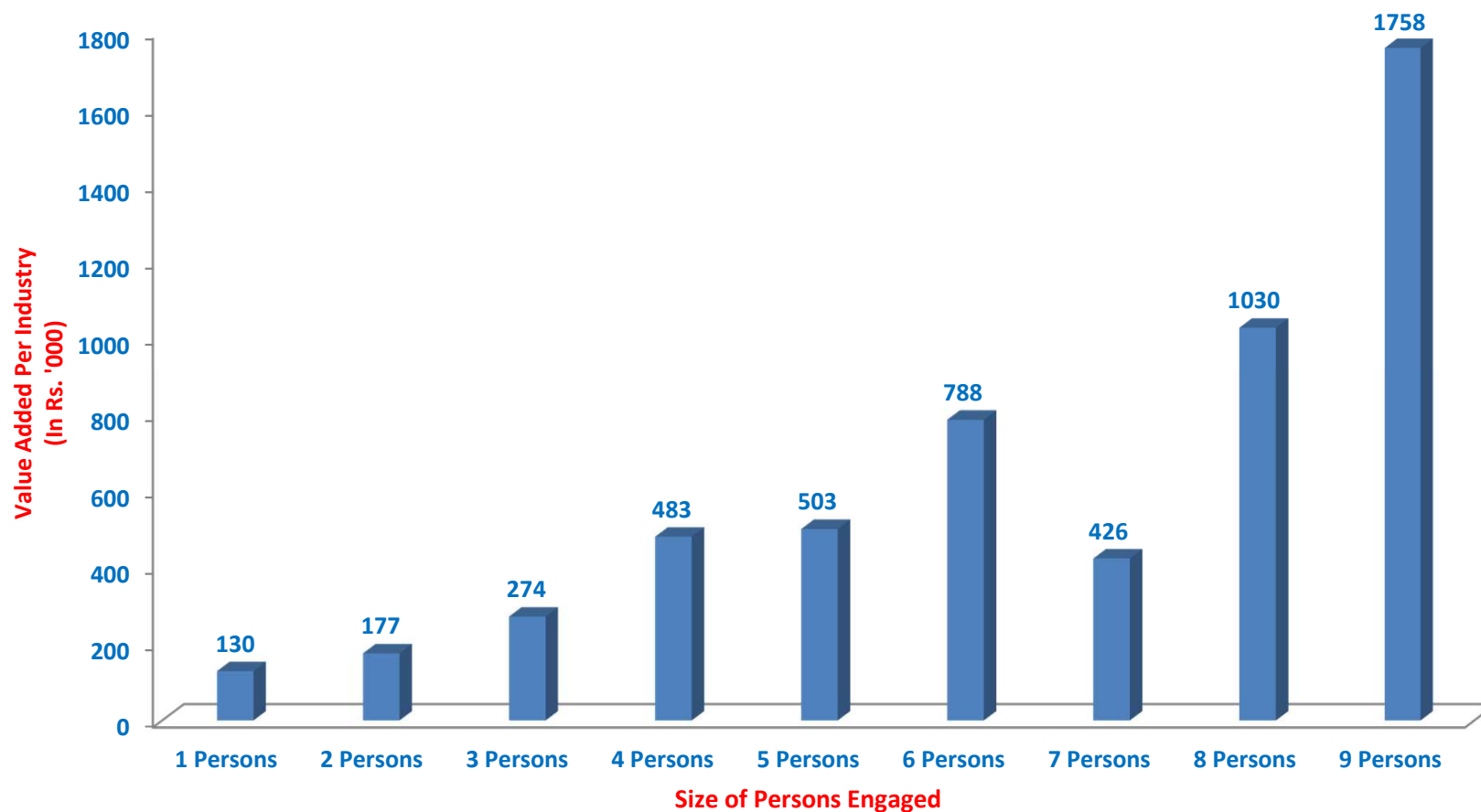
**Total Number of Establishments (Industries) = 32326**

**Total Value Added (In Rs '000) = 11458478**

# Number of Paid Employees per Establishment by size of Persons Engaged

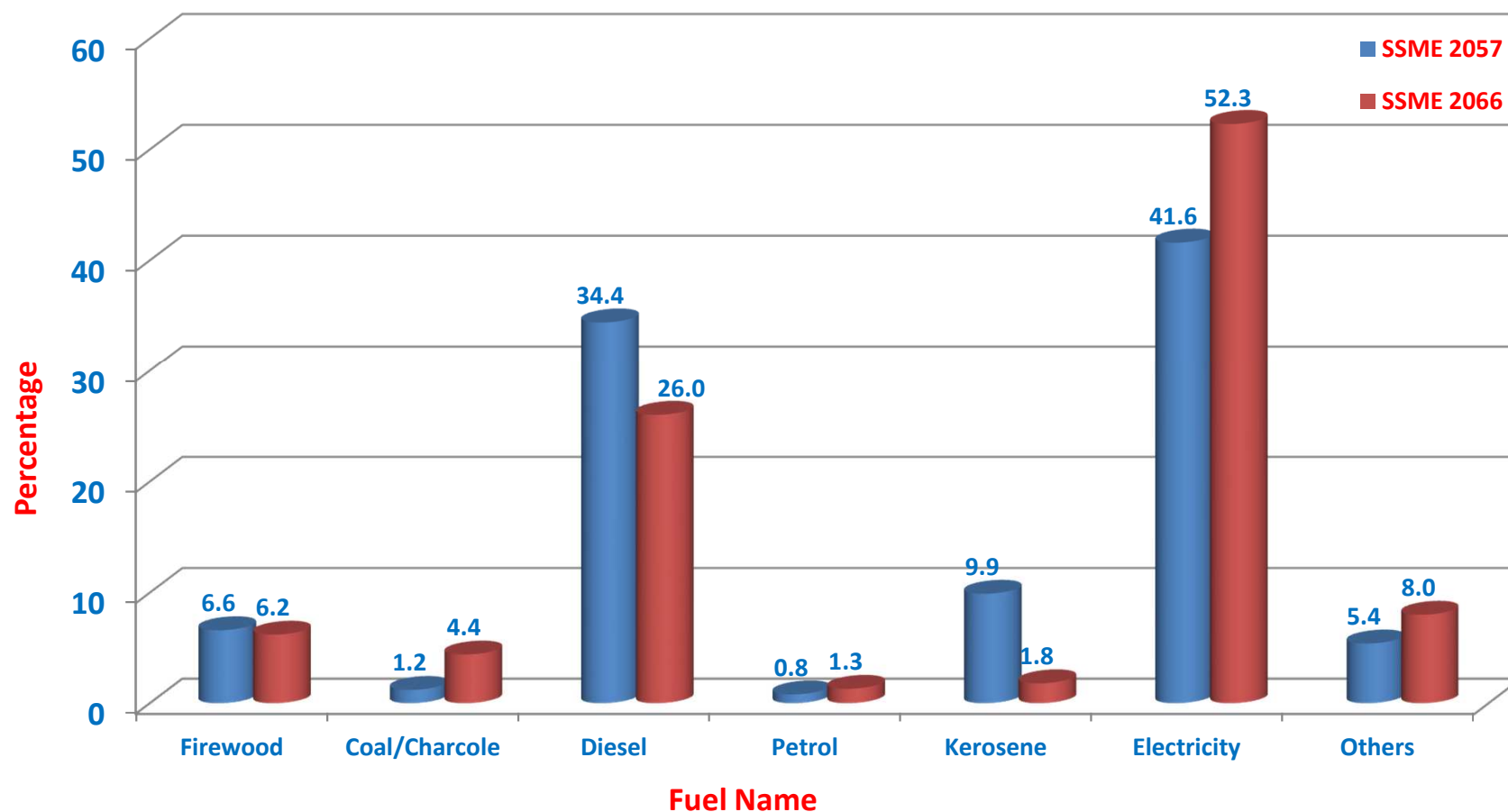


# Value Added per Establishment by size of Persons Engaged



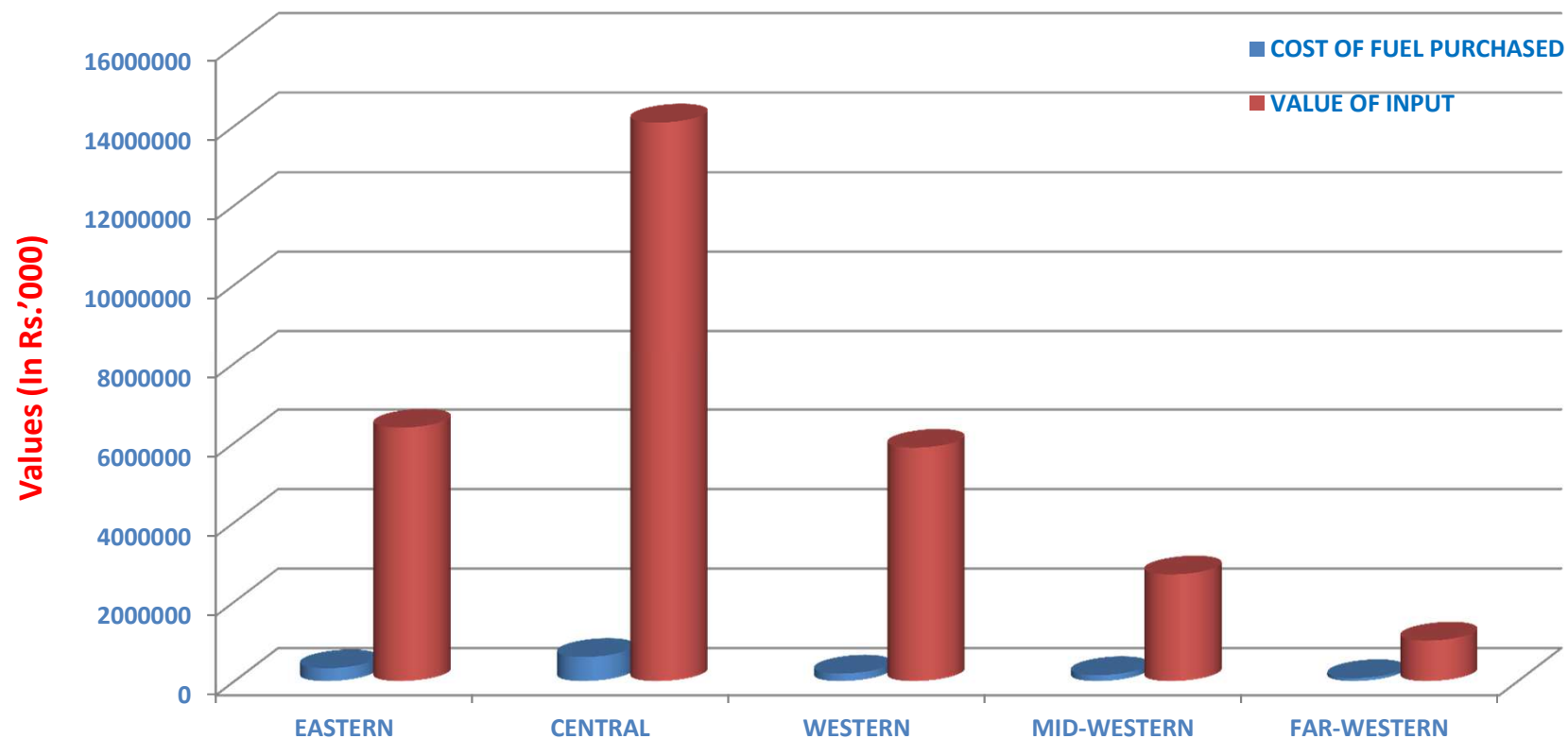


# Composition of Fuel by Fuel Types in SSME 2057 and SSME 2066



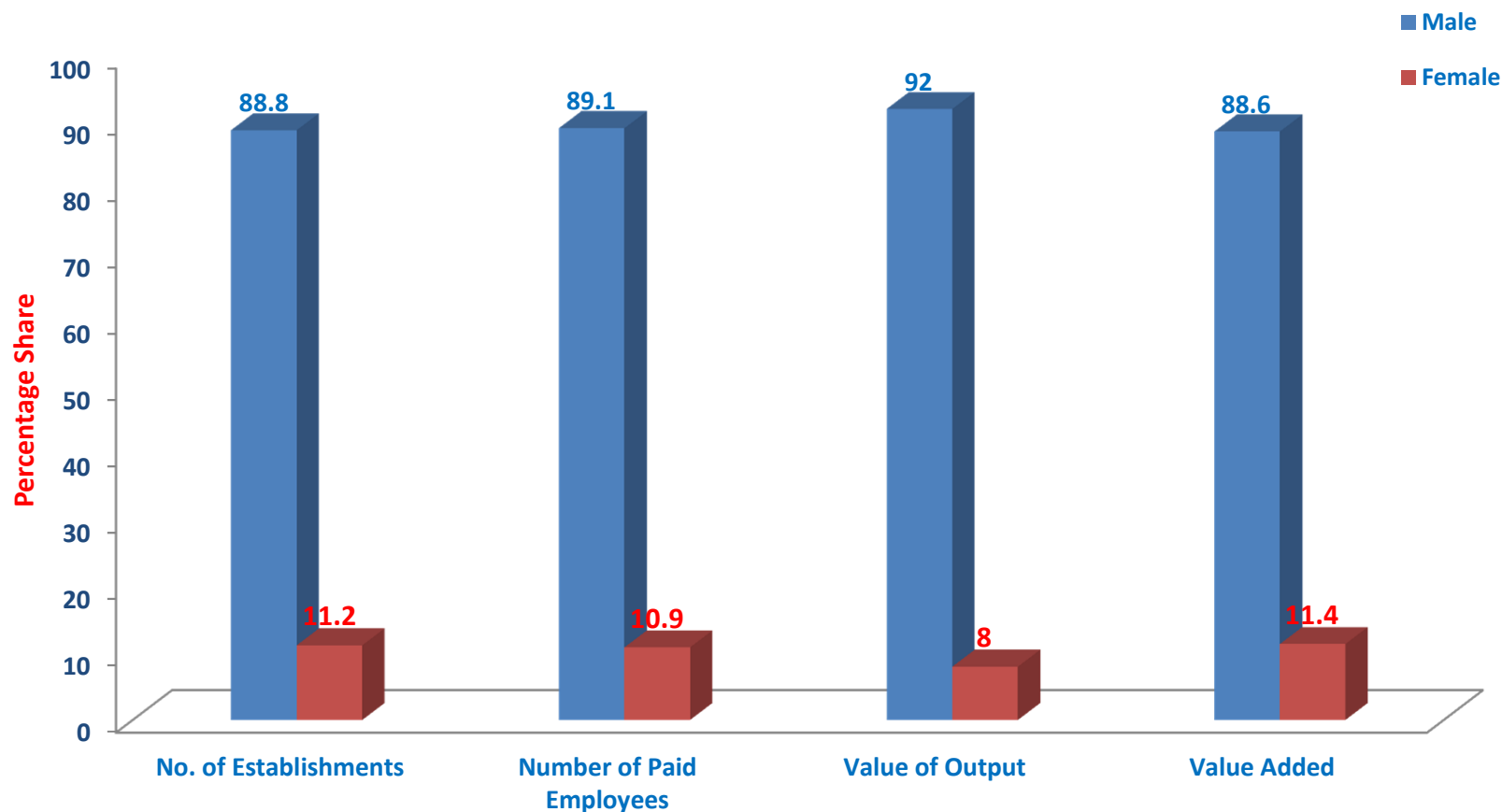
Total Cost of Fuel Purchased a) in SSME 2057 = Rs 779101 thousand and  
b) in SSME 2066 = Rs 1344585 thousand in current prices.

# Share of Cost of Fuel Purchased in Value of Input by Development Region

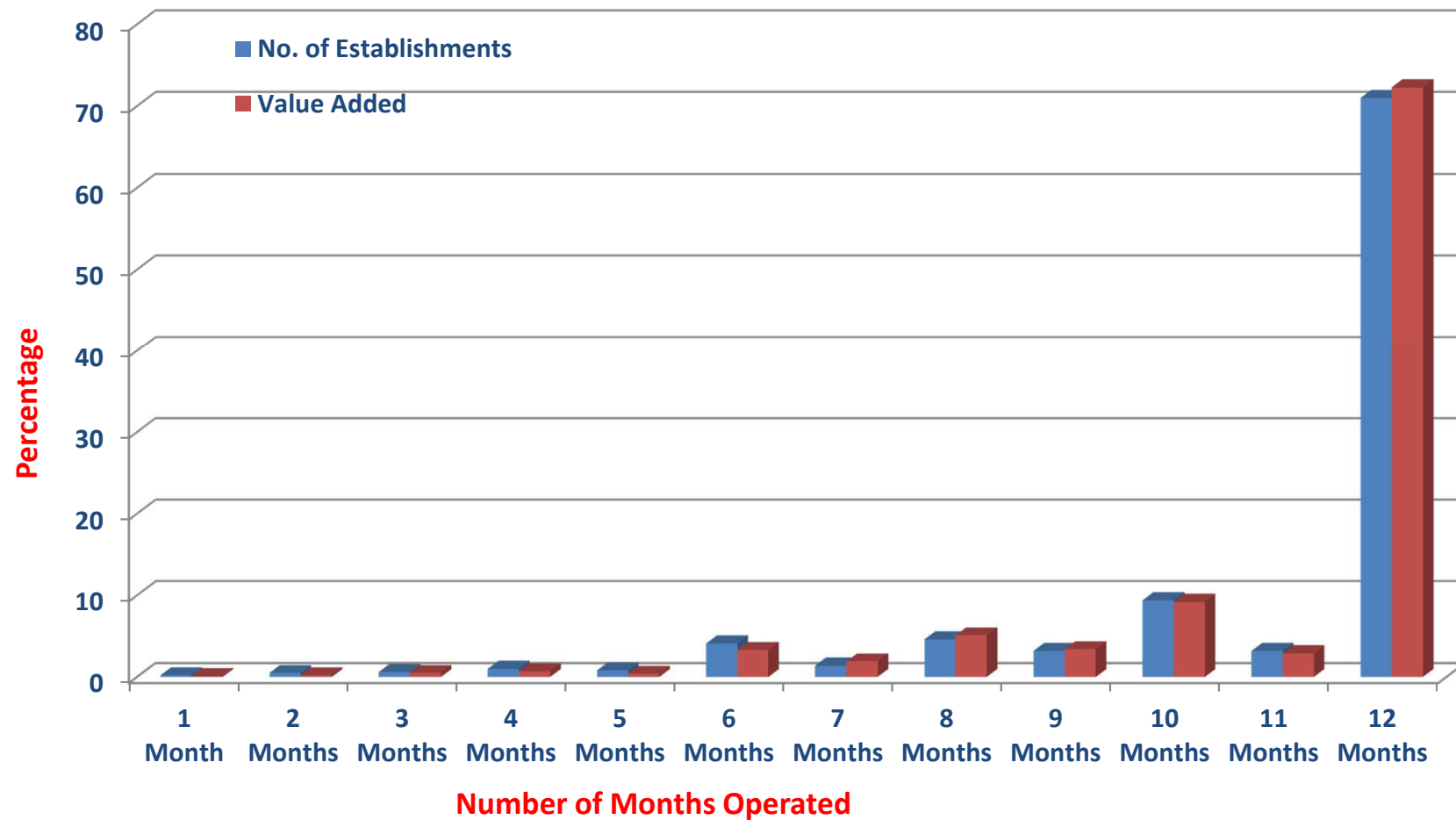


COST OF FUEL PURCHASED (IN RS. '000)	EASTERN	CENTRAL	WESTERN	MID-WESTERN	FAR-WESTERN
VALUE OF INPUT (IN RS. '000)	6374900	14082660	5871657	2682862	1018960
PERCENT OF FUEL	5.1	4.3	3.2	5.6	7.3

# Percentage Share of Some Indicators by Sex of Entrepreneur



# Percentage of Number of Establishments and Their Value Added by Number of Months Operated



# Cost of Raw Material Purchased of Top 15 NSIC in SSME 2057 and SSME 2066

In SSME2057			In SSME2066		
NSIC	Cost of Raw Materials Purchased (in Rs Crore)	Percent	NSIC	Cost of Raw Materials Purchased (in Rs Crore)	Percent
1531	1247	67.9	1531	634	24.8
3691	104	5.7	3691	605	23.6
3610	104	5.7	3610	266	10.4
1533	43	2.4	2811	178	7.0
1514	41	2.2	2010	123	4.8
2022	34	1.9	1520	81	3.2
1549	27	1.5	2696	68	2.7
1541	26	1.4	1810	59	2.3
2811	22	1.2	2022	45	1.8
1920	15	0.8	2695	42	1.7
2520	12	0.7	1514	42	1.6
2010	12	0.7	1541	42	1.6
1542	12	0.7	2520	36	1.4
2029	11	0.6	1533	35	1.4
1520	11	0.6	2221	34	1.3
Others	114	6.2	Others	269	10.5
Total Purchase	1835	100.0	Total Purchase	2559	100.0

# Value of Shipments in SSME 2057 and SSME 2066

- **In SSME 2057**

- Total Receipt from Sale of Product = Rs. **2475 Crore**
- Total Number of Products Produced = **38 major products**

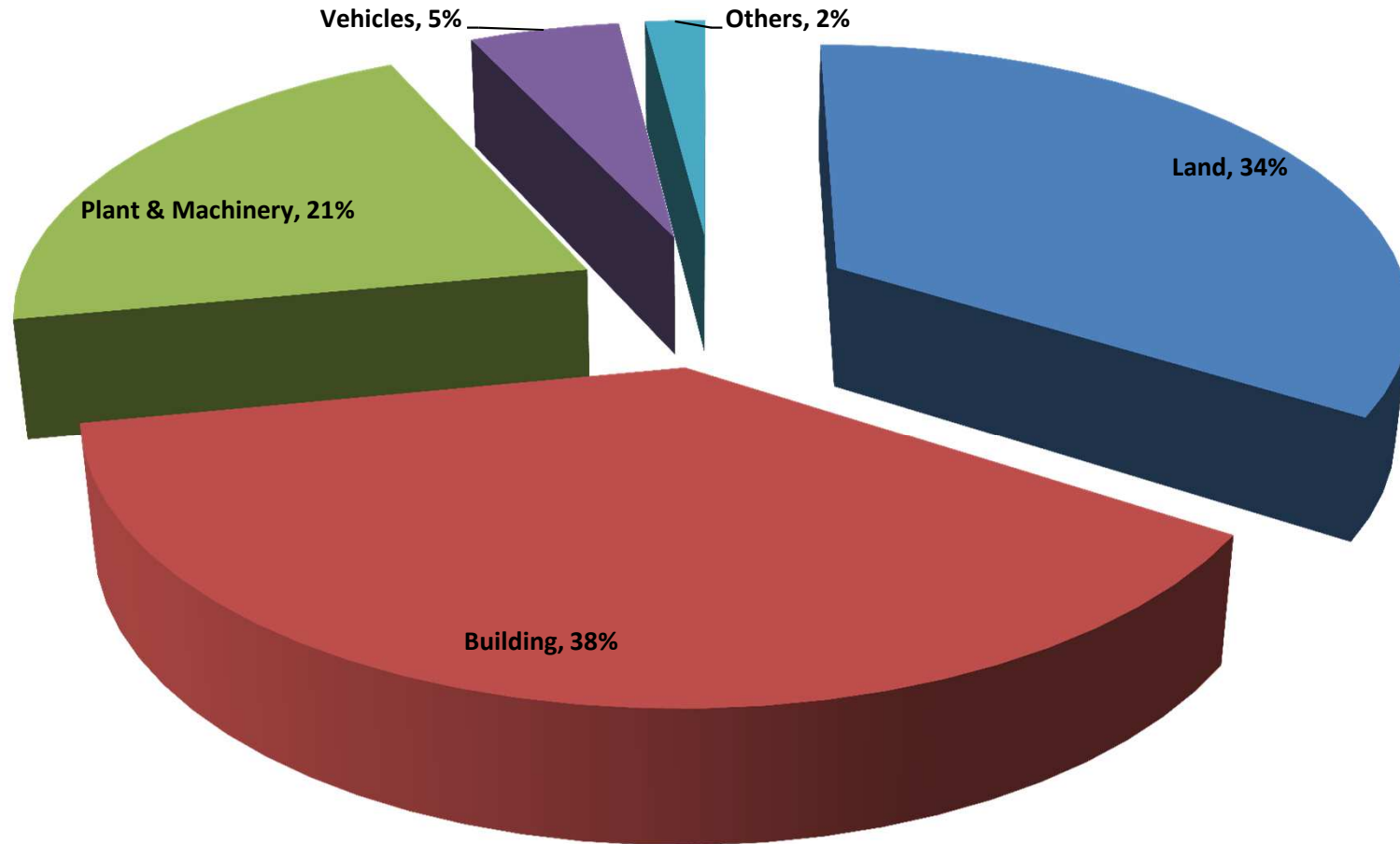
- **In SSME 2066**

- Total Receipt from Sale of Product = Rs. **3506 Crore**
- Total Number of Products Produced = **153 major products**

# VALUE OF SHIPMENTS OF TOP 15 NSIC IN SSME 2057 AND SSME 2066

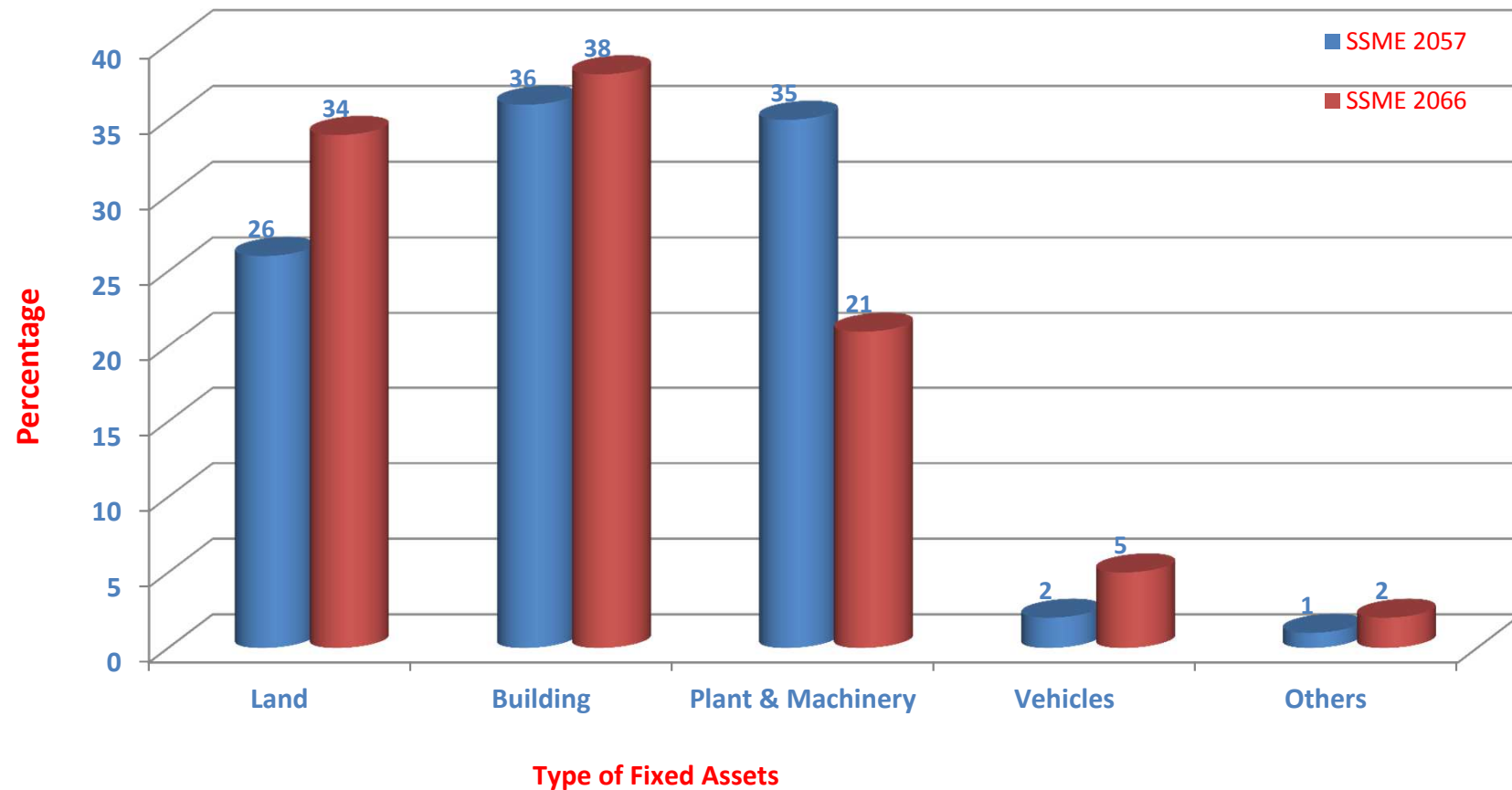
SSME 2057			SSME 2066		
NSIC	Value of Sale (In Rs. Crore)	Percent	NSIC	Value of Sale (In Rs. Crore)	Percent
1531	1597	64.6	1531	771	22
3610	146	5.9	3691	691	19.7
3691	138	5.6	3610	434	12.4
1533	56	2.3	2811	238	6.8
1514	54	2.2	2010	169	4.8
1541	50	2.0	2696	111	3.2
2811	39	1.6	1520	109	3.1
2022	38	1.5	1810	96	2.7
1549	34	1.4	1541	76	2.2
1920	29	1.2	1711	76	2.2
2221	20	0.8	2695	76	2.2
2010	19	0.8	2022	61	1.7
2029	18	0.7	1514	57	1.6
2891	17	0.7	2221	57	1.6
1520	16	0.6	2520	49	1.4
Others	204	8.2	Others	435	12.4
Total Sale	2475	100.0	Total Sale	3506	100.0

# Distribution of Fixed Assets at National Level





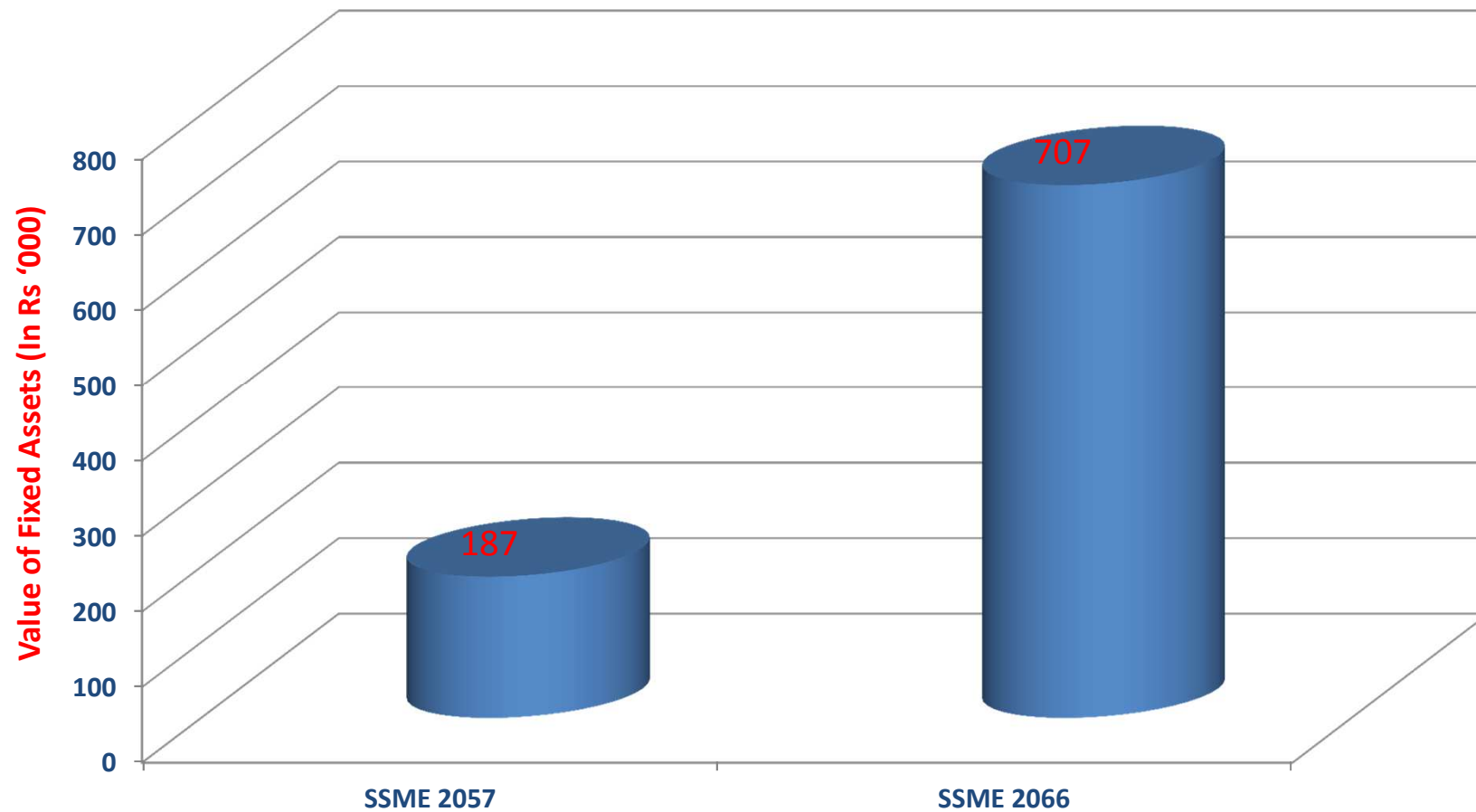
# Percentage of Total Value of Fixed Assets at the End of The Reference Period



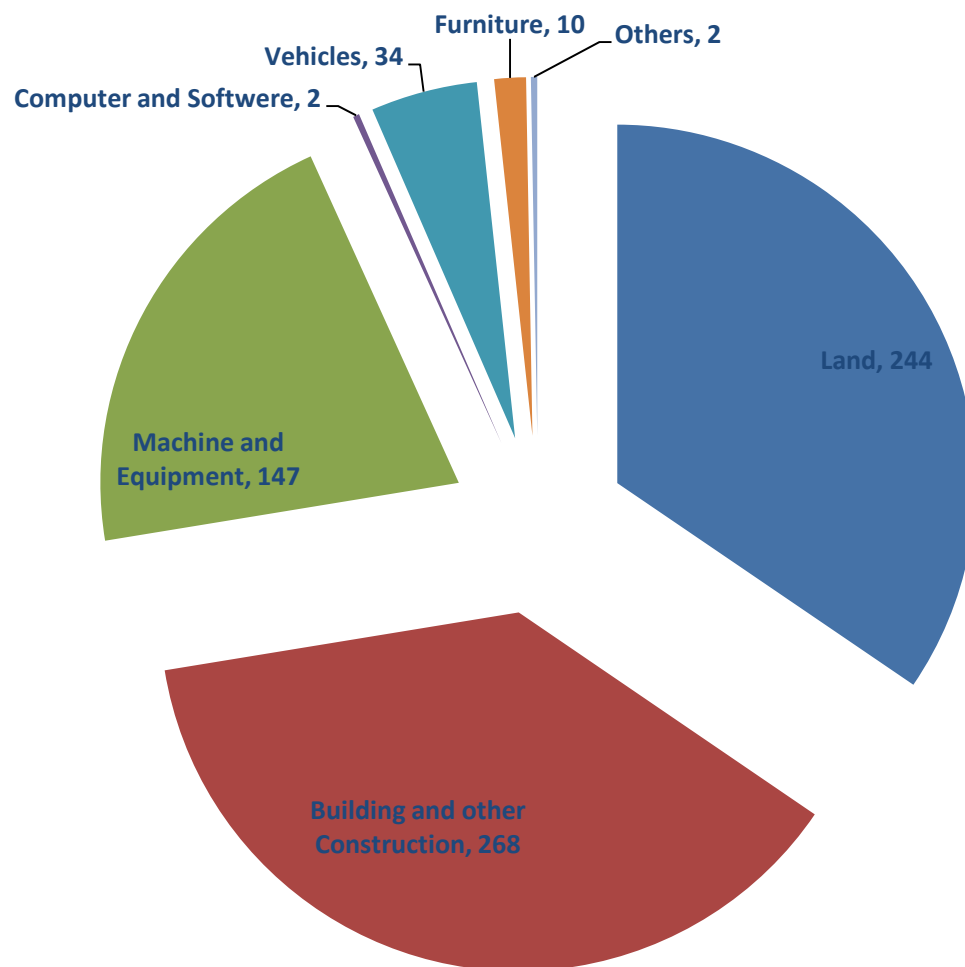
# Percentage Distribution of Fixed Assets

TYPE OF FIXED ASSETS	VALUE OF FIXED ASSETS AT THE BEGINNING OF THE YEAR	GROSS ADDITION OF FIXED ASSETS DURING THE YEAR	SALE OF FIXED ASSETS DURING THE YEAR	LOSS OF FIXED ASSETS DUE TO CATASTROPHE	GROSS FIXED ASSETS AT THE END OF THE YEAR
LAND	35.5	2.0	27.3	5.6	34.5
BUILDING AND OTHER CONSTRUCTION	38.4	17.5	16.5	16.9	37.9
MACHINERY AND EQUIPMENT	19.9	52.5	27.2	53.1	20.8
COMPUTER AND SOFTWARE	0.2	0.5	0.0	0.0	0.2
VEHICLES	4.3	26.2	28.6	2.3	4.9
FURNITURE	1.4	0.9	0.3	0.2	1.4
OTHERS	0.3	0.4	0.0	21.9	0.2
TOTAL (IN PERCENT)	100.0	100.0	100.0	100.0	100.0
TOTAL (IN '000 RUPEES)	22258898	685501	61811	21673	22860915

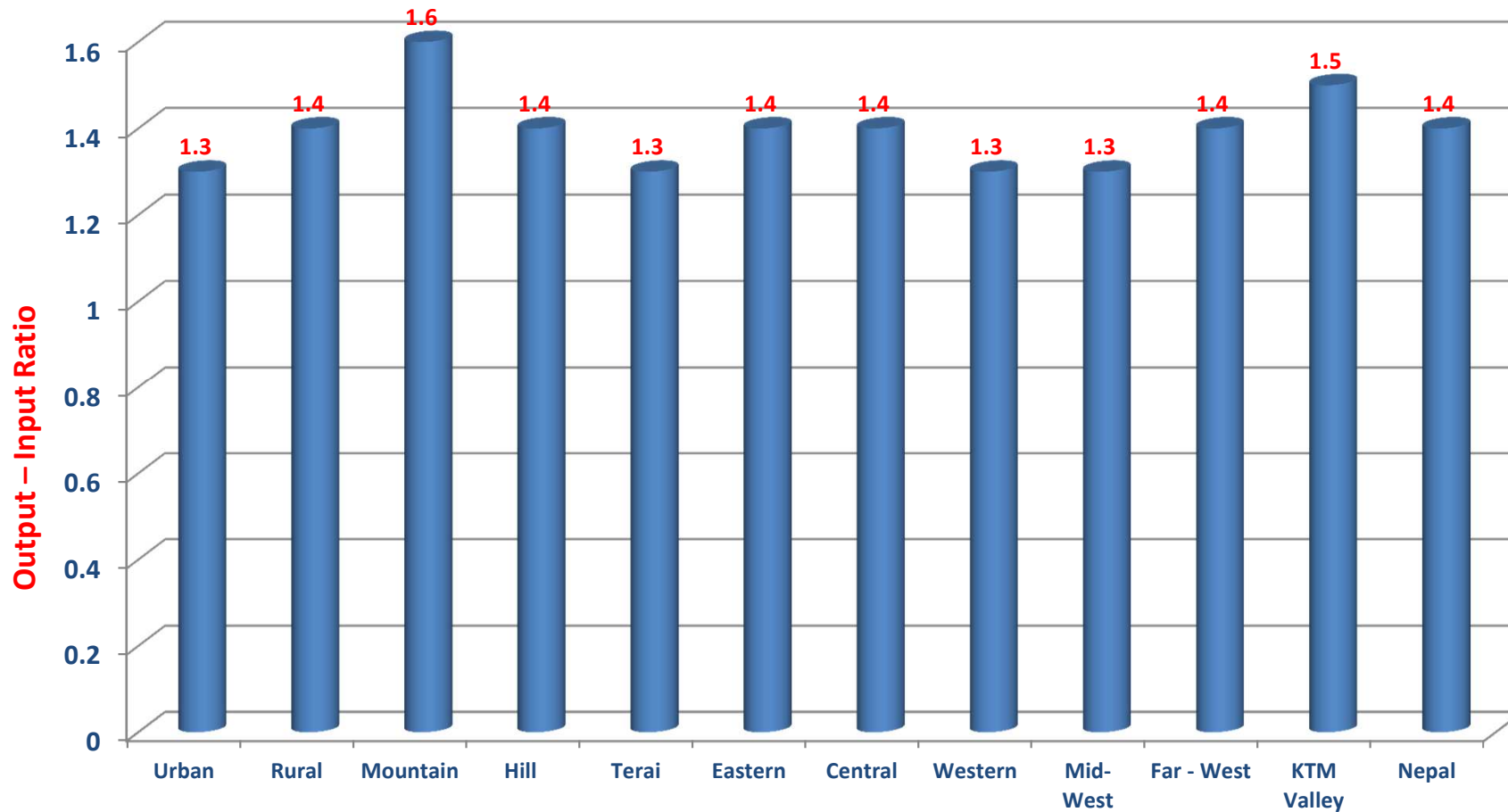
# Per Establishment value of fixed assets owned by Small Establishments



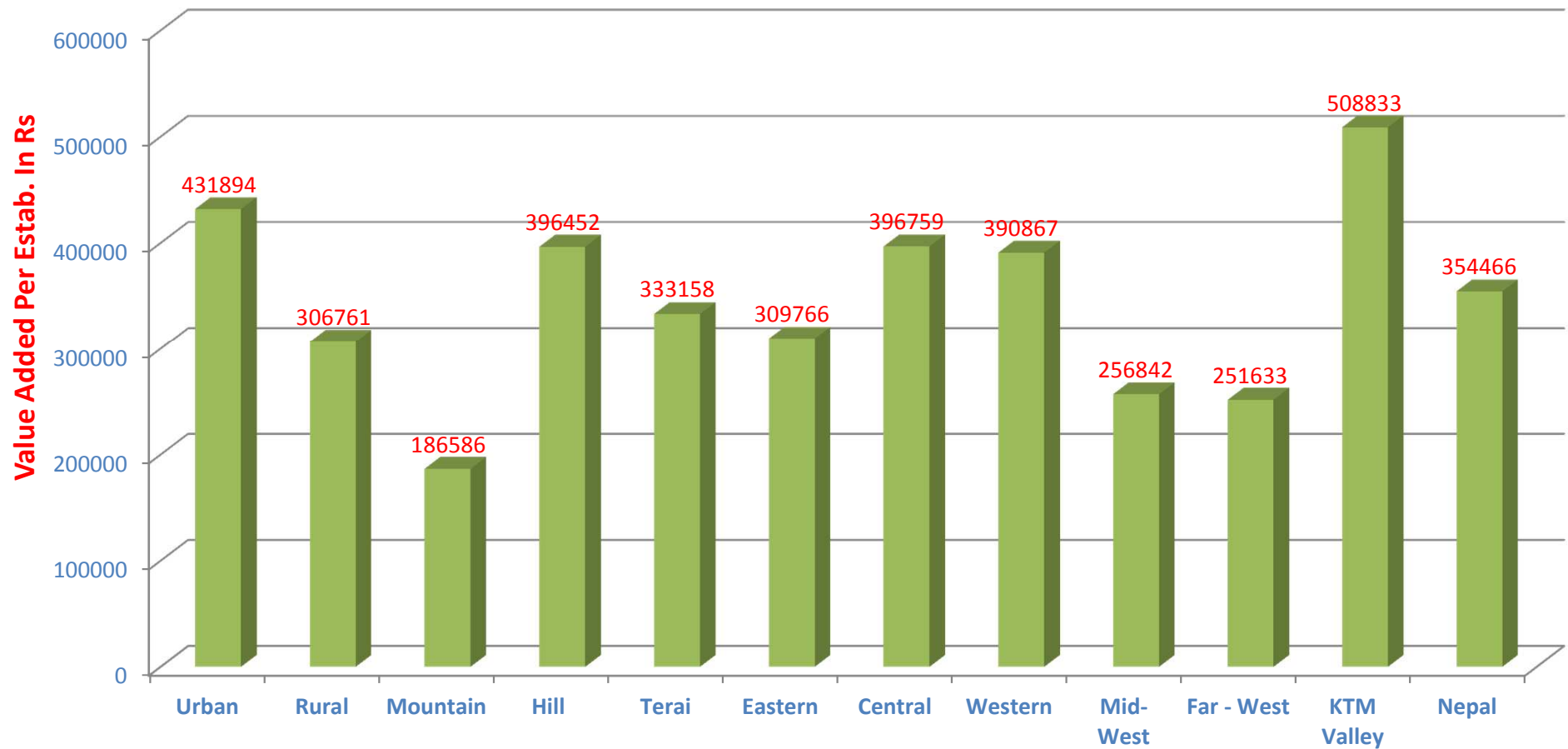
# Distribution of Per Establishment Fixed Assets (Rs. 707 thousand)



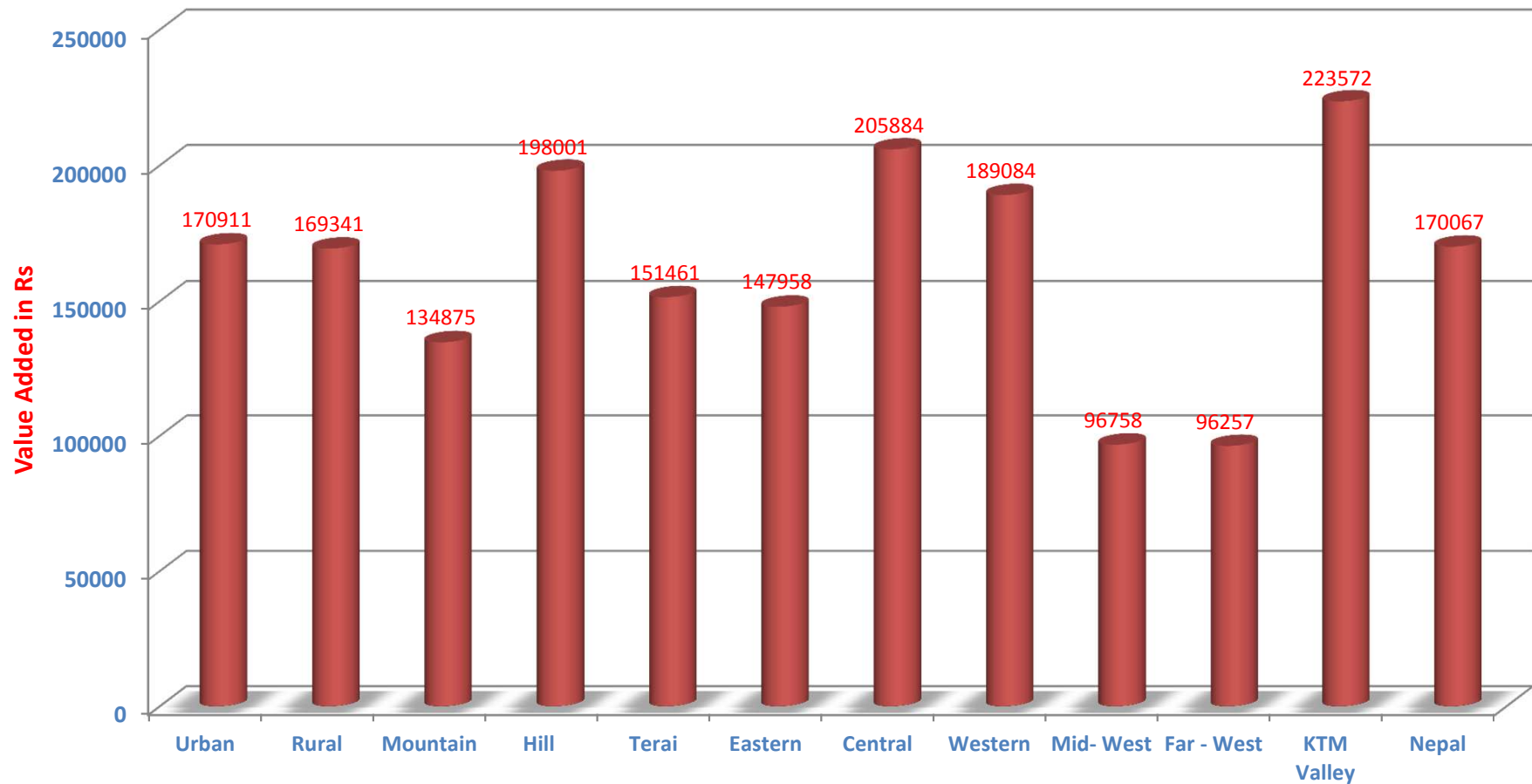
# Output-Input Ratios by Geographical Areas in SSME 2066



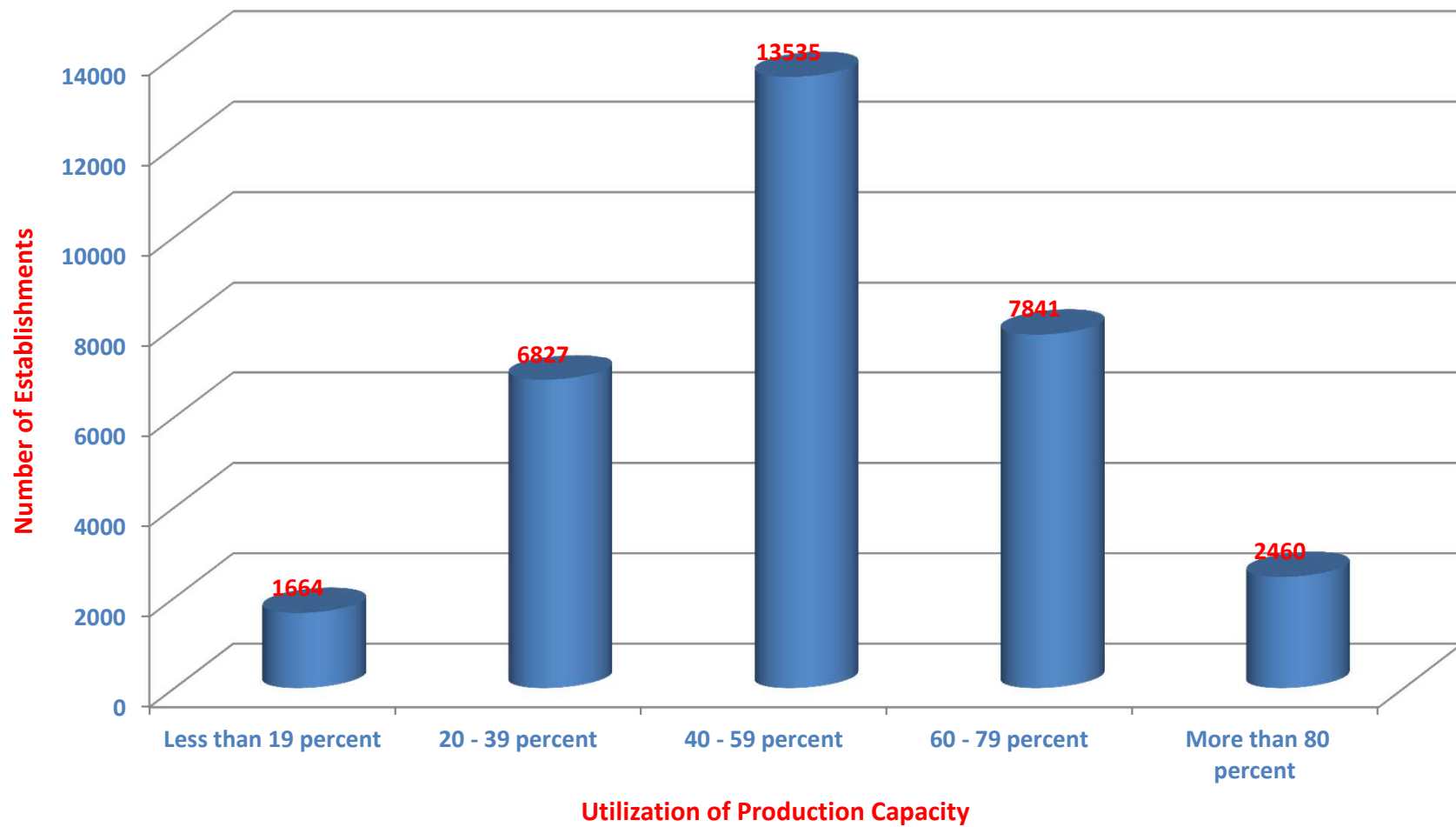
# Value Added Per Establishment by Geographical Areas in SSME 2066



# Value Added Per Employees by Geographical Areas in SSME 2066

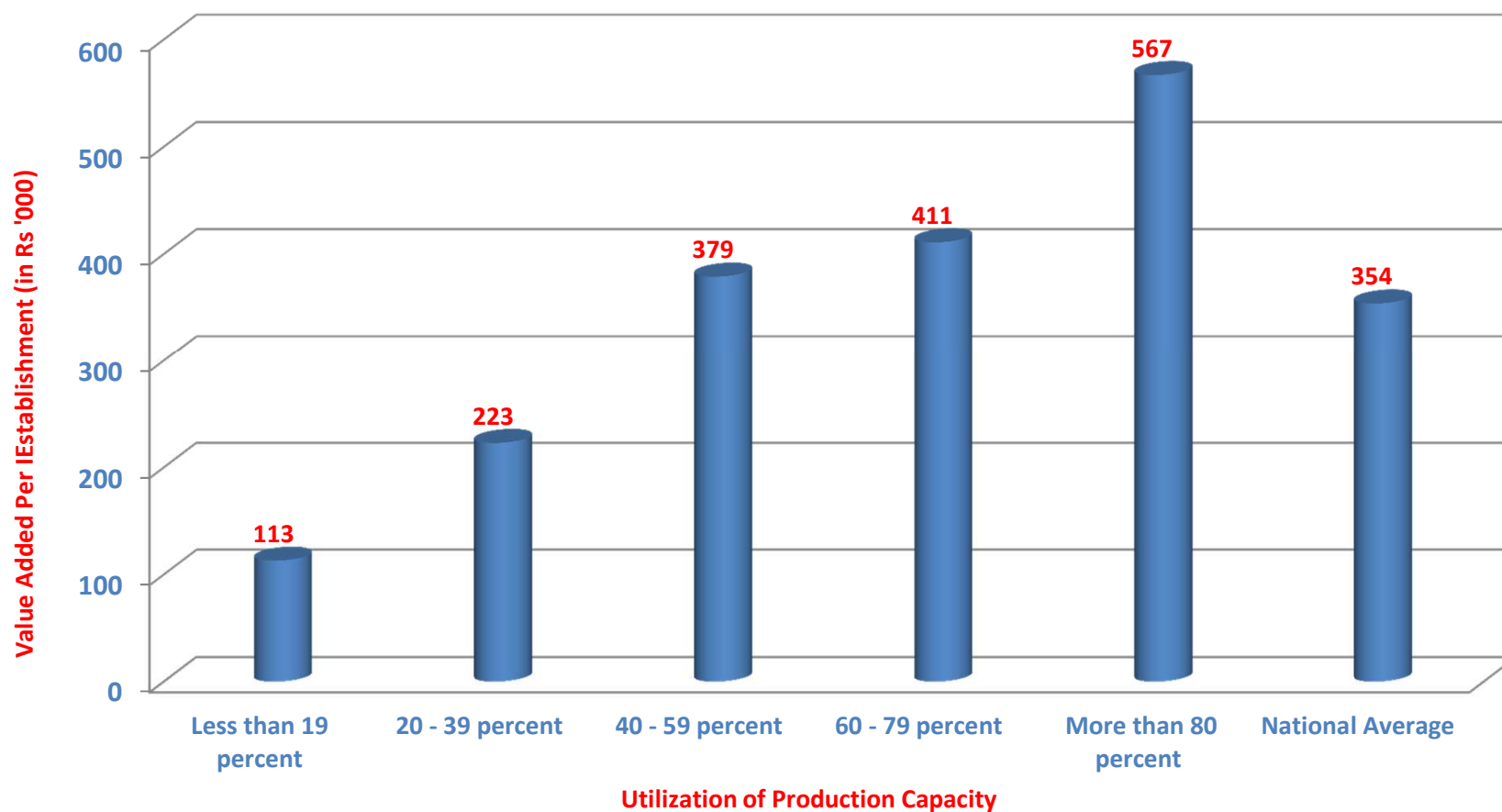


# Number of Establishments by Utilization of Production Capacity

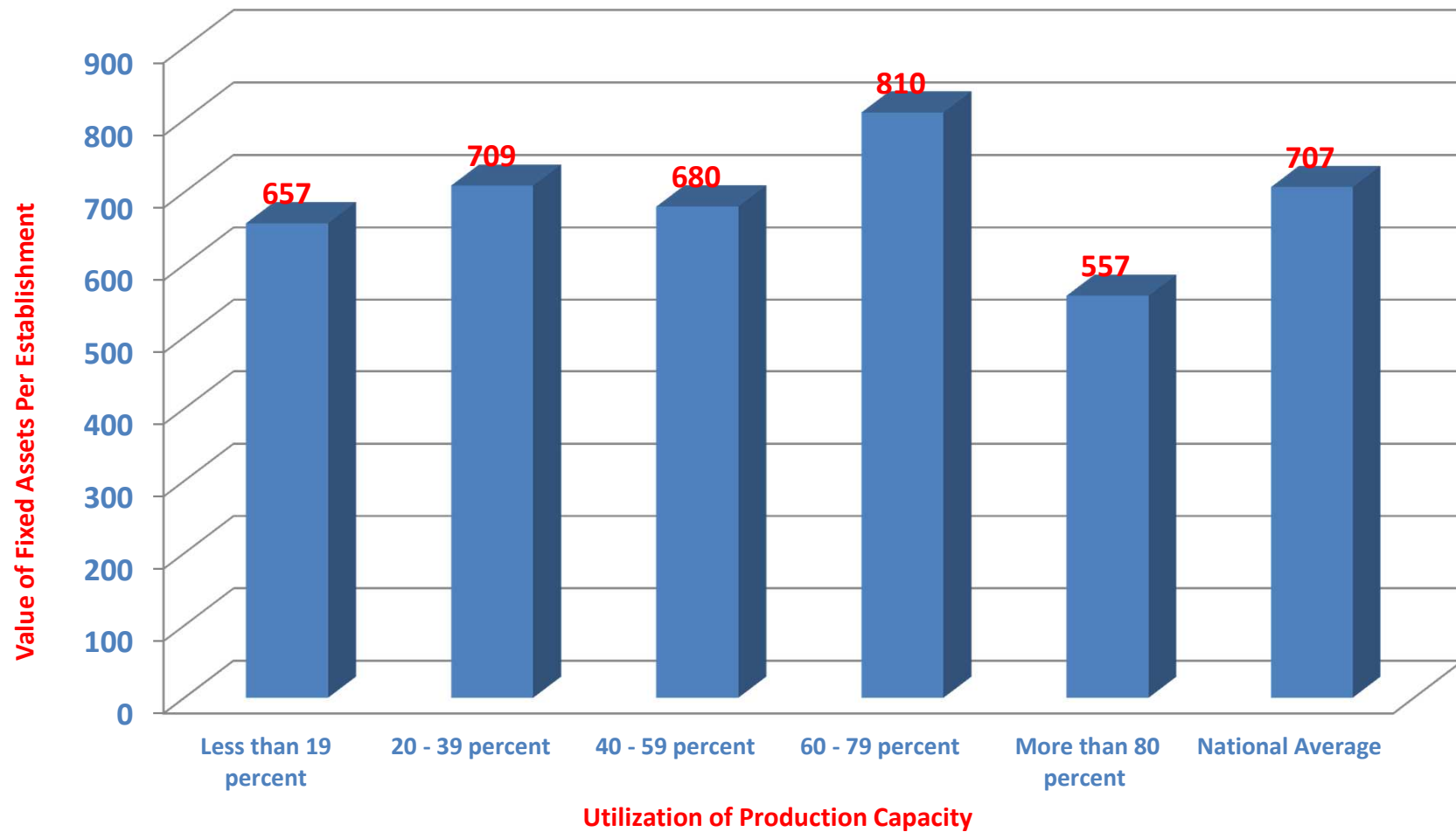




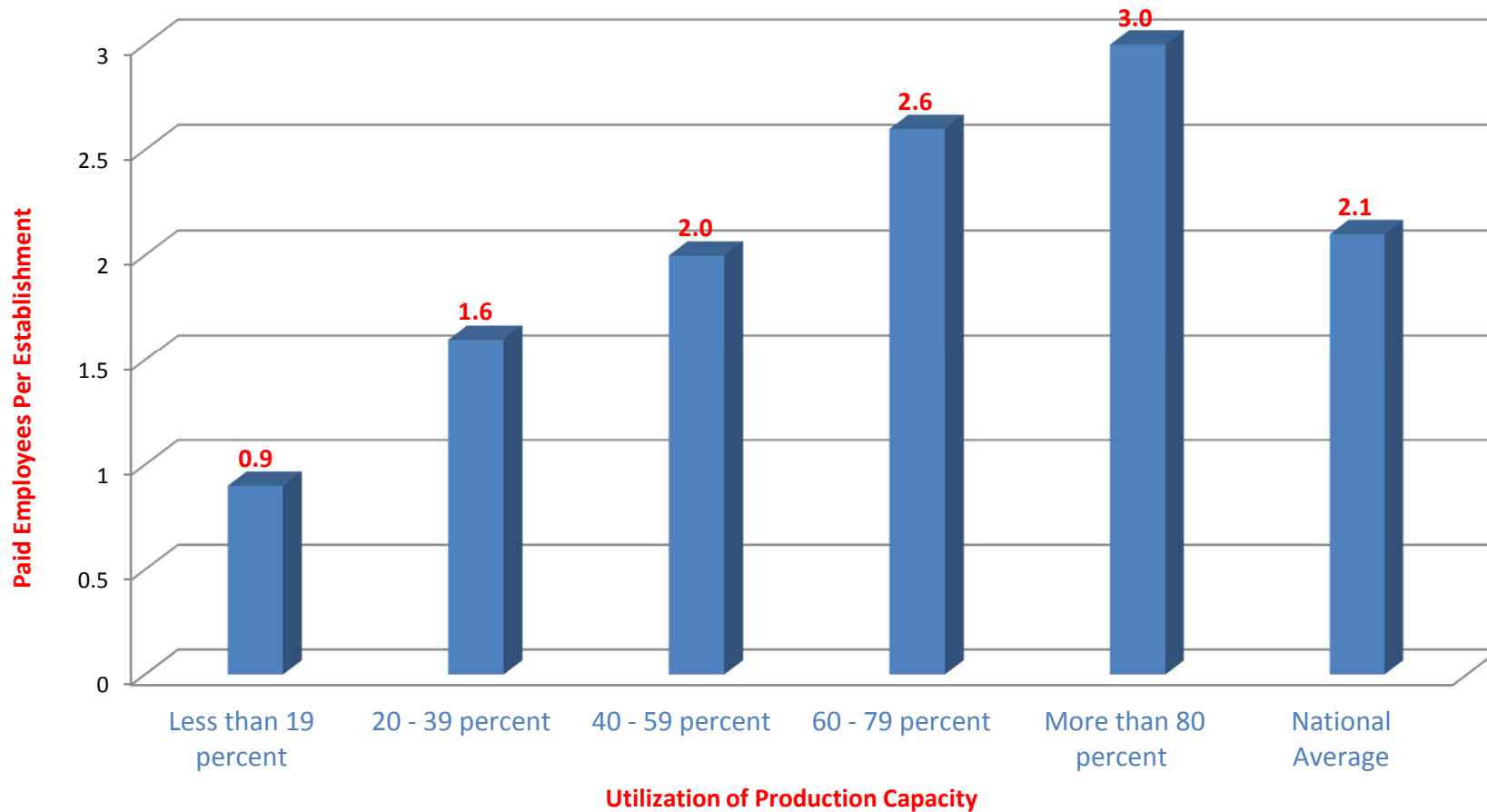
# Value Added Per Establishment by Utilization of Production Capacity



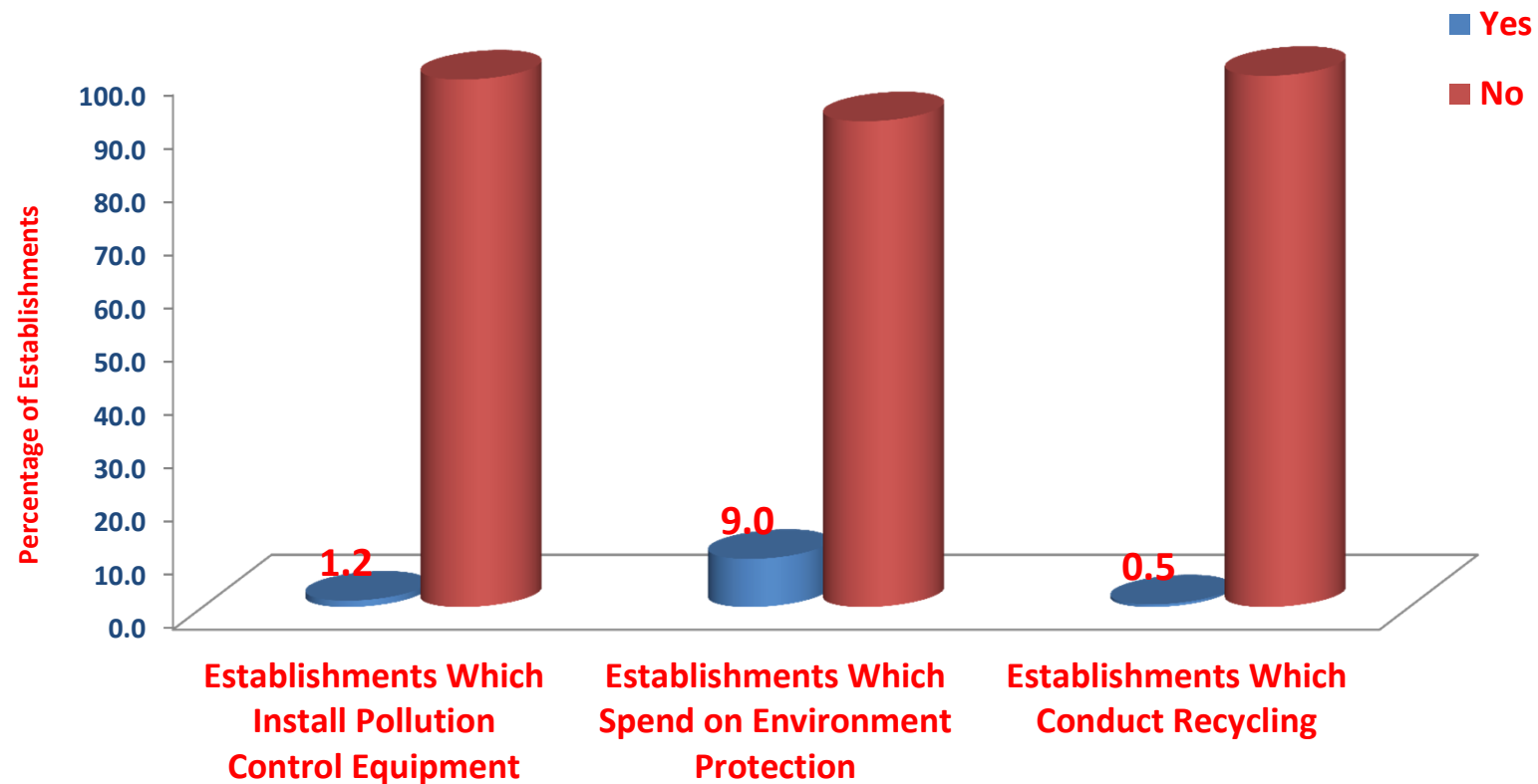
# Value of Fixed Assets Per Establishment by Utilization of Production Capacity



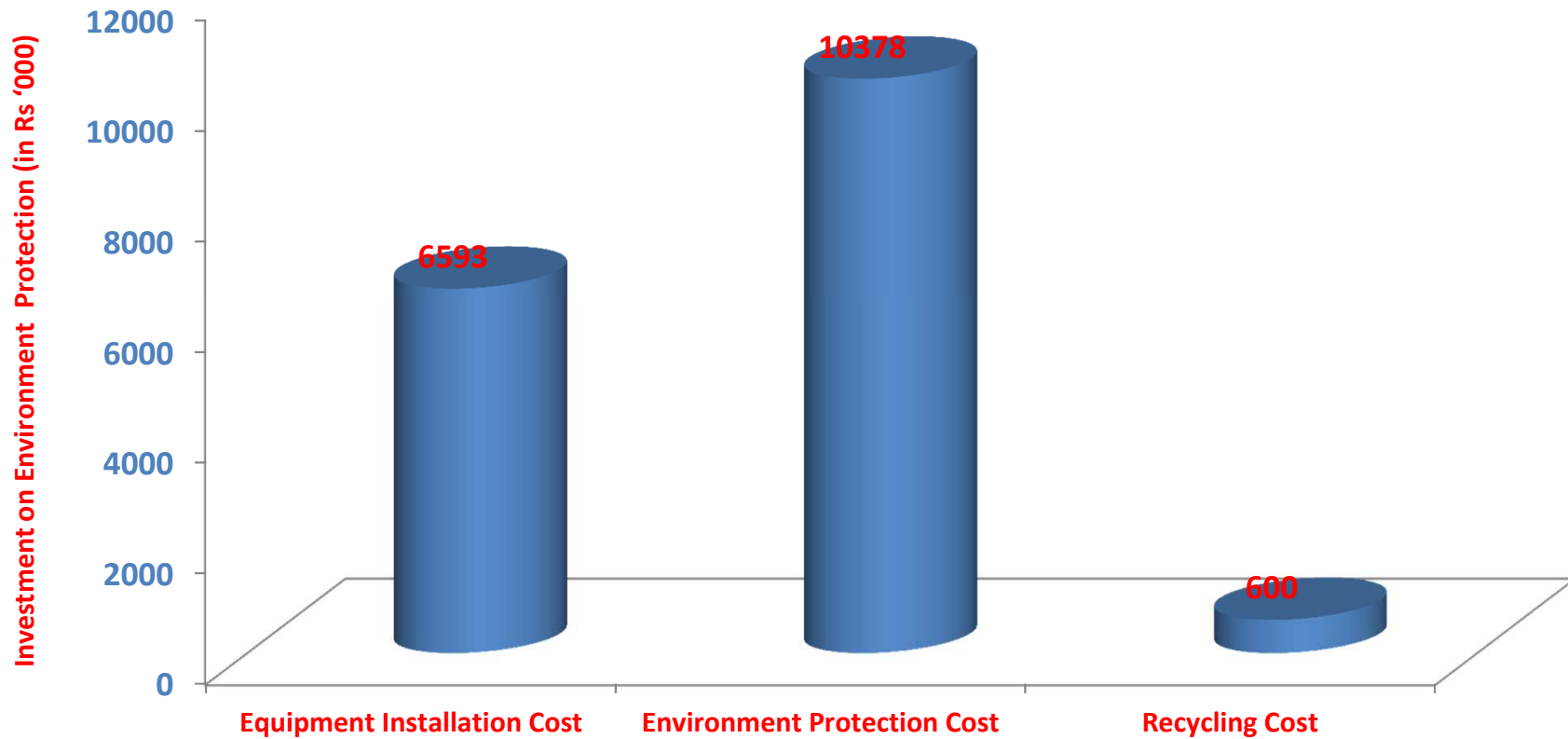
# Paid Employees Per Establishment by Utilization of Production Capacity



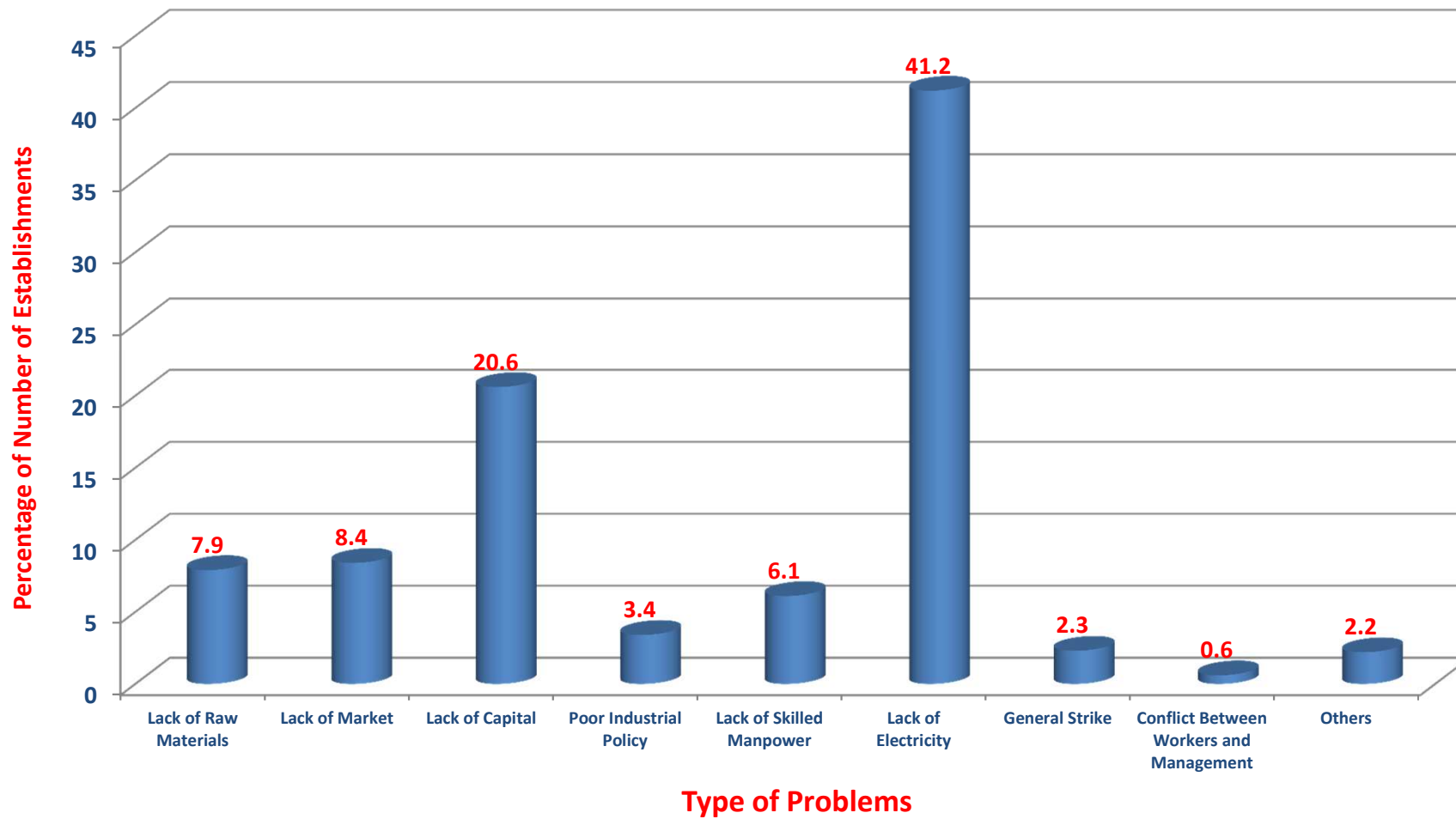
# Percentage of Small Manufacturing Establishments Which have Invested on Environment Protection



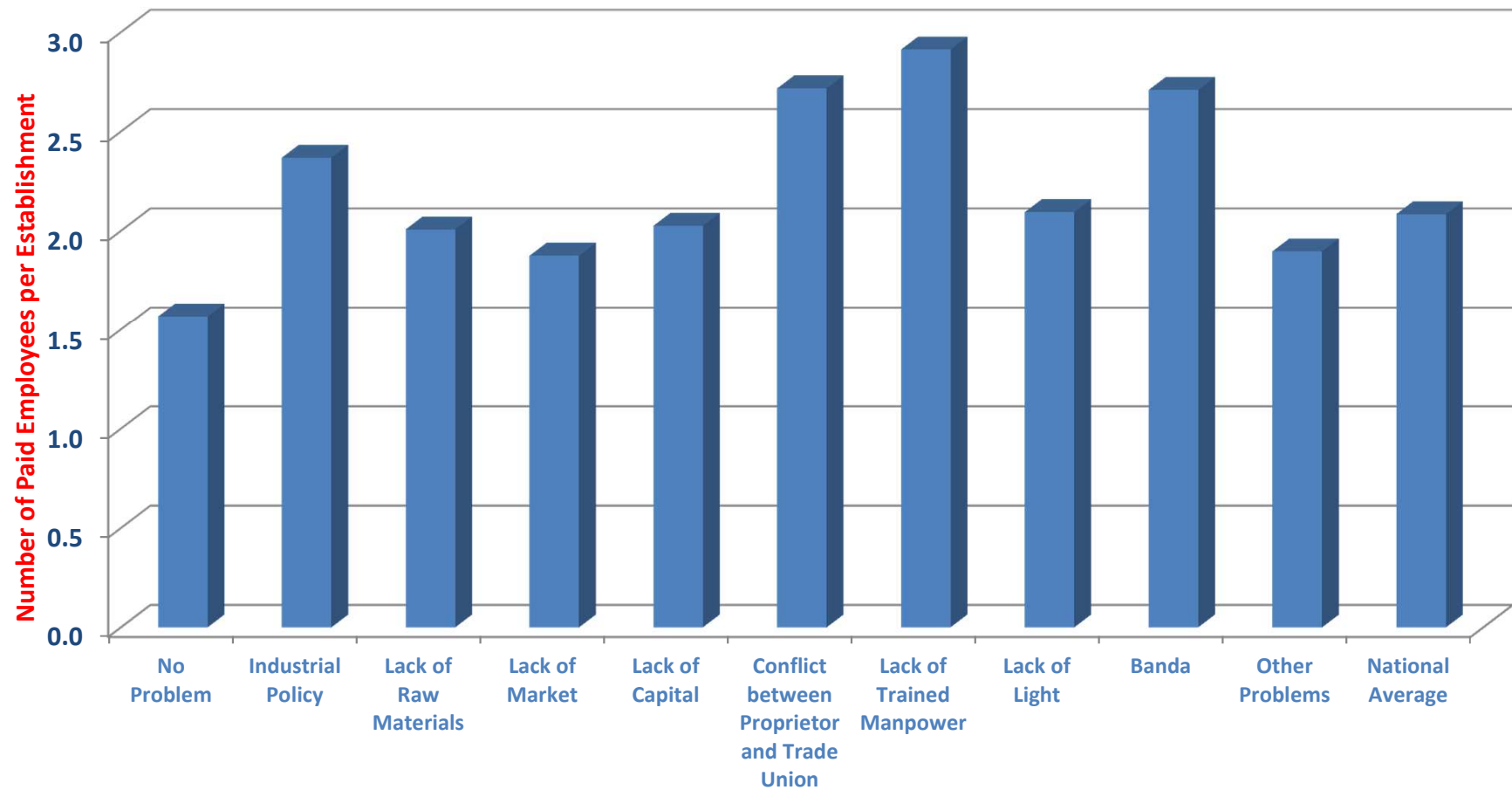
# Expenditure of Small Manufacturing Sector on Environment Protection



# Problems Faced by Small Manufacturing Sector (Problems of First Priority)

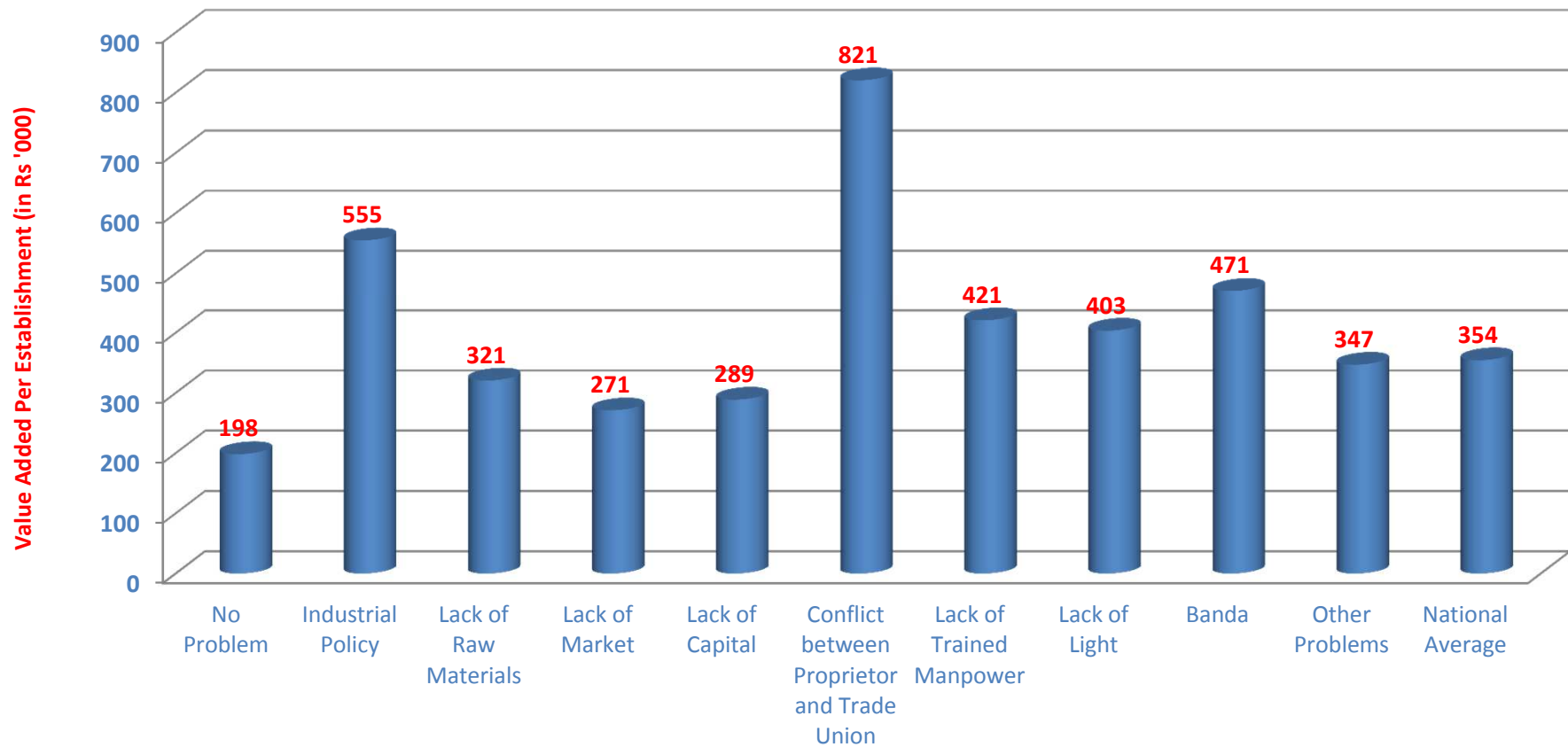


# Paid Employees Per Establishment by Problems Faced



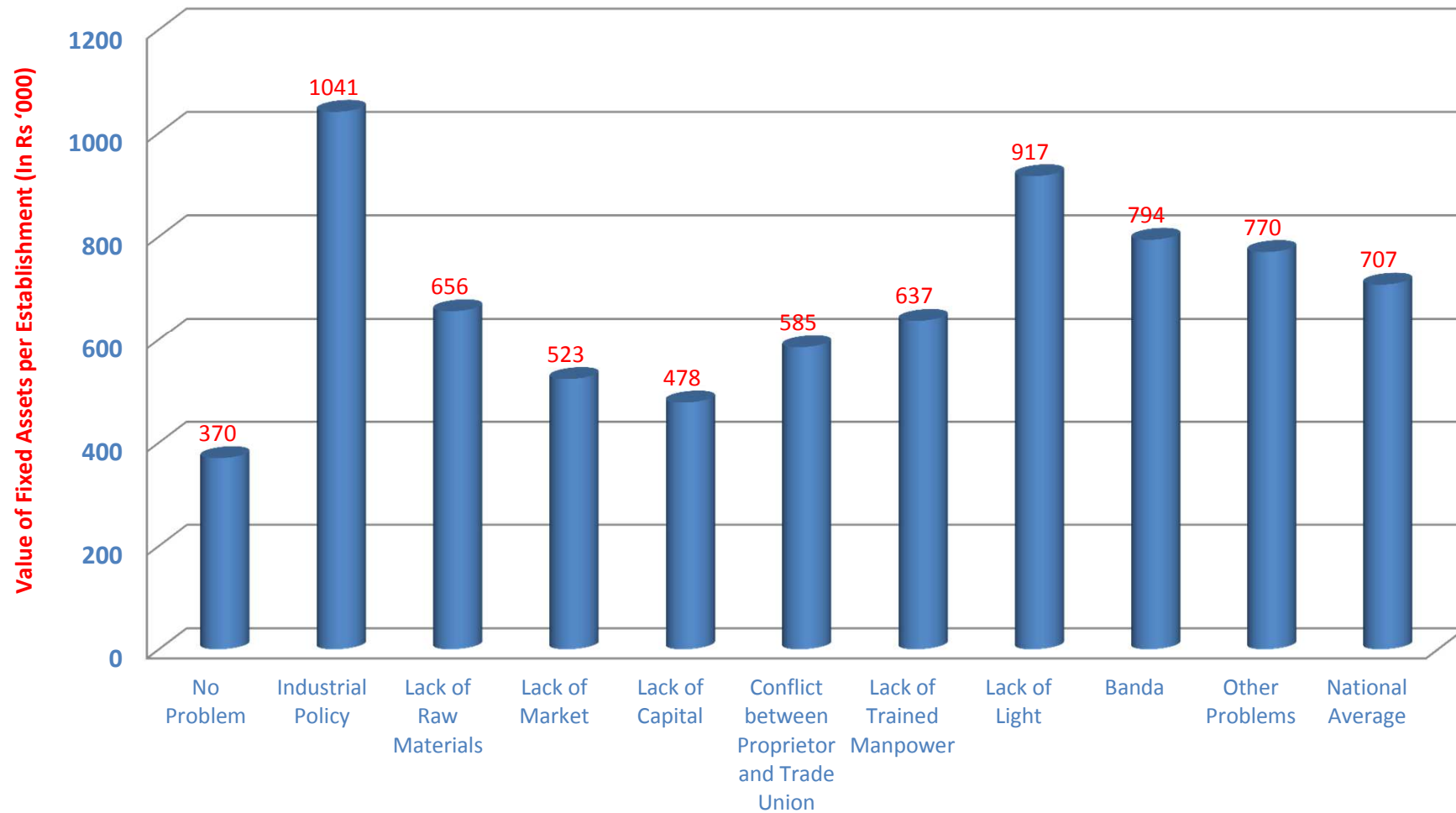
Problems Faced By Small Manufacturing Establishments

# Value Added Per Establishment by Problems Faced

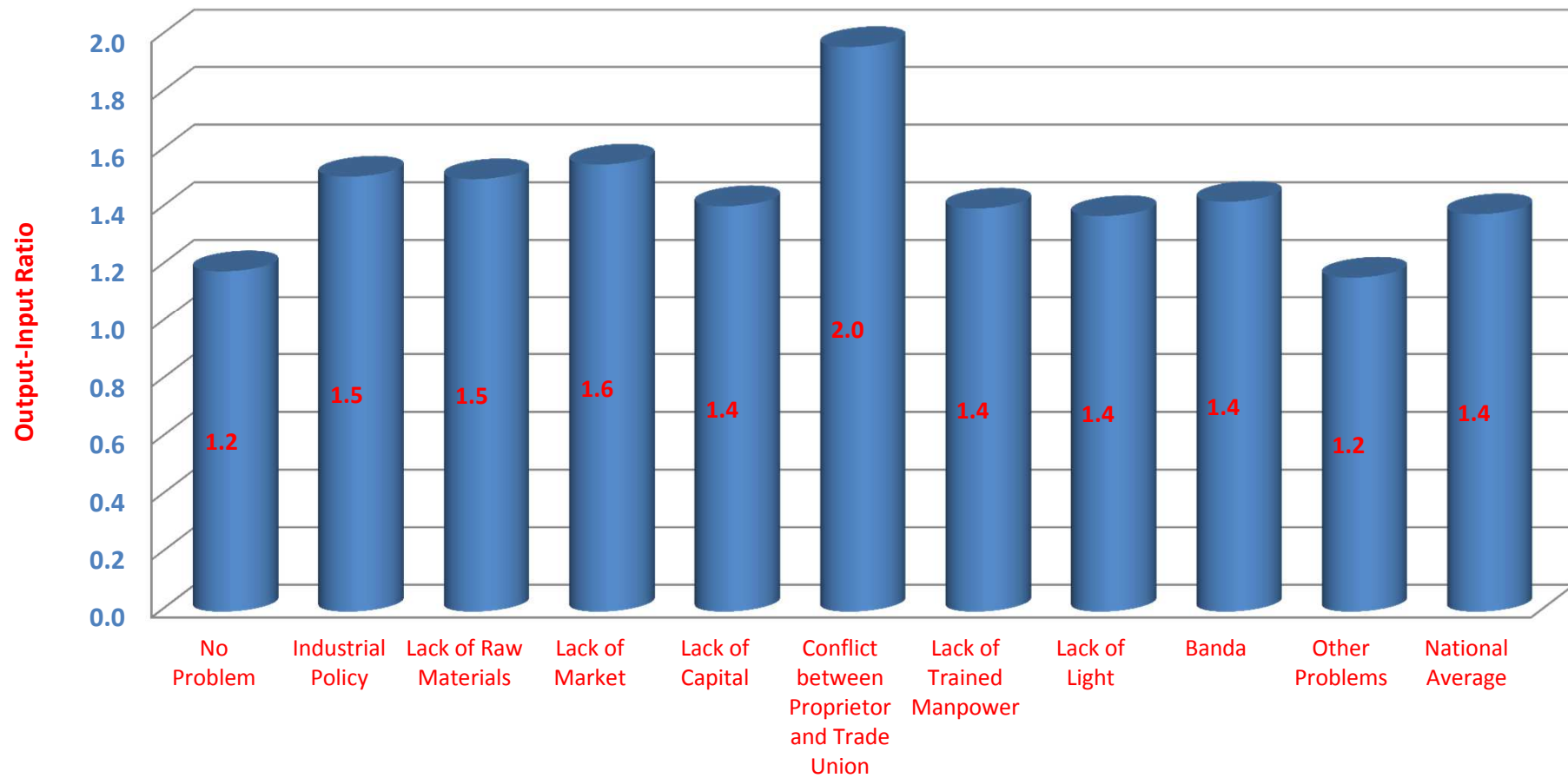




# Value of Fixed Asset Per Establishment by Problems Faced



# Output-Input Ratio by Problems Faced



## Percentage Distribution of Number of Establishments and Contribution to GVA by Development Region

Development Region	Number of Industries (In Percent)		Contribution to GVE (In Percent)	
	SSME 2056	SSME 2066	SSME 2056	SSME 2066
Eastern	26.7	26.9	23.0	23.5
Central	48.5	44.7	39.1	50.1
Western	12.5	15.7	26.0	17.3
Mid Western	6.5	8.3	7.4	6.0
Far western	5.9	4.4	4.5	3.1
National	100.0	100.0	100.0	100.0
National Total	43671	32326	6482554	11458478

## Percentage Distribution of Number of Persons Engaged, Number of Employees and Gross Fixed Assets by Development Region

Development Region	Number of Persons Engaged (In Percent)		Number of Employees (In Percent)		Gross Fixed Assets (In Percent)	
	SSME 2056	SSME 2066	SSME 2056	SSME 2066	SSME 2056	SSME 2066
Eastern	25.8	27.7	27.1	27.0	23.4	20.8
Central	50.3	41.3	44.7	41.3	45.1	46.4
Western	12.0	15.8	13.6	15.6	13.9	20.3
Mid Western	7.7	10.1	10.0	10.5	13.7	7.9
Far western	4.2	5.2	4.7	5.5	4.0	4.6
National (Percent)	100.0	100.0	100.0	100.0	100.0	100.0
National Total	121270	122200	46051	67376	8165338	22860914

# Some Indicators by Industry, by Persons Engaged and by Paid Employees

Description	SSME 2056	SSME 2066
GVA of SME (In Rs Crore)	648	1146
Total Output of SME (In Rs Crore)	2597	4149
Output/Input	1.3	1.4
Per Industry Persons Engaged	3	4
Per Industry Paid Employees	1	2
Per Paid Employees Monthly Salary (In Rs Thousand)	1.99	4.43
Per Industry Total Output (In Rs Thousand)	595	1283
Per Paid Employees Total Output (In Rs Thousand)	564	616
Per Industry GVA (In Rs Thousand)	148	354
Per Employees GVA (In Rs Thousand)	141	170
Per Industry Fixed Asset (In Rs Thousand)	187	707
Per Paid Employees Fixed Asset (In Rs Thousand)	177	339