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DATA FOR DEVELOPMENT

PRESS NOTE

ON

Quarterly Bulletin of Unincorporated Sector Enterprises (QBUSE)

(Survey period: July 2026 to September 2026)

Quarterly Bulletin: QBUSE Jul-Sep 2026

November, 2026

NATIONAL STATISTICS OFFICE

MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

GOVERNMENT OF INDIA

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23rd November, 2026

PRESS NOTE

Unincorporated Sector posts robust Y-o-Y growth
Number of establishments grew by 19% and employment by 17%
Service Sector continues to be the key driver of growth

Snapshot:

- **Establishments and employment registered significant year-on-year growth during July–September 2026, recording the highest-ever quarterly growth in the sector**.
- **The estimated number of establishments stood at 9.47 crore, registering a Year-on-Year growth of 18.81%**.
- **Employment in the unincorporated non-agricultural sector reached 15.03 crore, with the Other Services sector emerging as a key driver, recording employment growth of more than 33%**.
- **Number of hired workers increased by about 5% over same quarter last year.**
- **Enterprise Registration rises to 43.28% in July–September 2026, up over 6 percentage points from July–September 2025**.
- **Cashless transactions continued to enjoy widespread acceptance, with about 8 in 10 establishments (80%) adopting cashless modes of transaction.**

NSO Releases Quarterly Estimates of the Unincorporated Non-Agricultural Sector for the quarter July to September 2026

In line with its commitment to strengthening the availability of high-frequency indicators, the National Statistics Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), has been publishing quarterly bulletins on key findings from the unincorporated non-agricultural sector since 2025. The present release, the *Quarterly Bulletin on Unincorporated Sector Enterprises (QBUSE)* for July–September 2026, represents the quarterly edition of the *Annual Survey of Unincorporated Sector Enterprises (ASUSE)* and provides key quarterly estimates of the sector. QBUSE underscores NSO's continued commitment to providing timely, reliable and actionable data on one of the most dynamic segments of the Indian economy, supporting informed policymaking, research and evidence-based decision-making.

While ASUSE will continue to publish detailed annual estimates on a wider set of financial and non-financial indicators, QBUSE delivers periodic quarterly estimates on the scale, composition, and employment profile of unincorporated non-agricultural enterprises using the same framework. The quarterly data aims to capture short-term movements in the sector.

The unincorporated non-agricultural sector plays a vital role in the Indian economy being a major contributor to GDP, a significant source of employment, and a crucial driver of local entrepreneurship and supply chains. Recognizing its importance, the NSO launched the ASUSE in 2021–22. This was followed by three successive annual rounds, providing comprehensive and consistent insights into the structure, operations and economic performance of the sector. This press note is for the quarterly bulletin for the quarter July - September, 2026. It is available on the website of the Ministry (https://mospi.gov.in).

A brief overview of the coverage, sampling methodology, and data collection mechanism of ASUSE 2026 are provided in the Endnote.

Key highlights of the results for the quarter July - September, 2026:

Unincorporated Sector Records Strong Year-on-Year Growth

The unincorporated non-agricultural sector registered robust year-on-year growth of 18.81% in the number of establishments, reaching an estimated 9.47 crore during July–September 2026, compared to 7.97 crore in the corresponding quarter of the previous year. Urban areas recorded an impressive growth of 22.05%, emerging as the key driver of this expansion, while rural areas also witnessed a strong increase of 16.05%.

Similar annual estimates from the latest ASUSE (Jan 25- Dec 25)

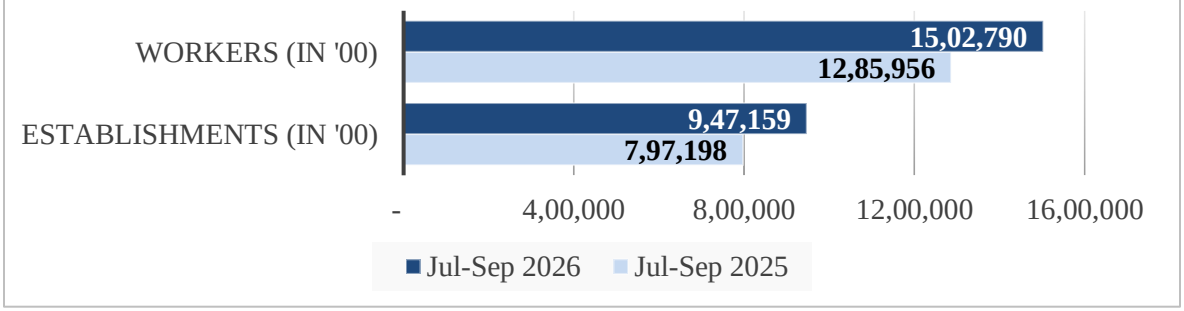
- *Estimated number of establishments **7.92 crores***
- *Estimated number of workers **12.81 crores***

The top five industrial sectors registering highest y-o-y growth have been retail trade, repair and maintenance services, land transport activities, personal service activities and manufacturing of wearing apparel.

Workforce Trends: Employment in the unincorporated non-agricultural sector reached an estimated 15.03 crore during July–September 2026, registering a strong year-on-year growth of 16.86% over the corresponding quarter of the previous year. The services sector emerged as a major driver of this expansion, recording a remarkable increase of over 33% in its estimated workforce.

The estimated number of establishments and workers from quarterly data are given in Figure 1:

Figure 1: Quarterly indicators from ASUSE (in '00)



Changing Workforce Composition:

Working owners continued to account for the largest share of the workforce in the unincorporated sector for the July–September 2026 quarter, constituting 61.99% of total workers, compared to 59.98% in the corresponding quarter of the previous year. Though the share of hired workers in total employment declined, total number of hired workers increased by about 5% during the same period.

Rural employment growth marginally outpaced urban growth during July–September 2026, registering a year-on-year increase of 17.52% against 16.30% in the urban sector.

The percentage share of establishments and workers among Broad Activity Categories (Manufacturing, Trade and Other Services) is given in Figure 2 and Figure 3 respectively.

Fig 2: Percentage Share of Establishments among Broad Activity Categories (Jul- Sep '26)

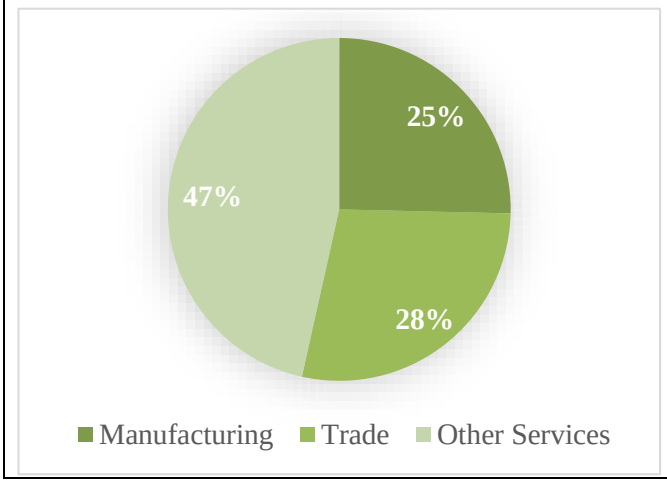
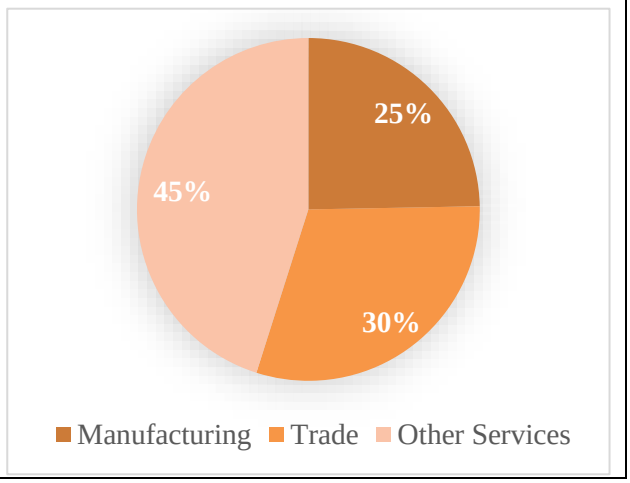


Fig 3: Percentage Share of Workers among Broad Activity Categories (Jul- Sep '26)



Services Sector Continues as Key Driver of Growth:

While the expansion remained broad-based, the Other Services sector recorded the highest year-on-year growth among all sectors, with the estimated number of establishments increasing by 29% and

employment by 33%. The Trading sector followed, registering growth of 11.70% in establishments and 8.36% in employment. The Manufacturing sector also recorded robust growth, with establishments increasing by 10.55% and employment by 3.52% year-on-year.

Women's Participation:

The women workforce remained impressive and increasing, constituting more than 31% of total employment in the sector. This is slightly higher than the same observed during July-September 2025 (28.70%). The rising participation of women underscores the sector's important role in expanding employment opportunities for women and fostering inclusive economic growth.

Digital Adoption and Advancing Formalisation:

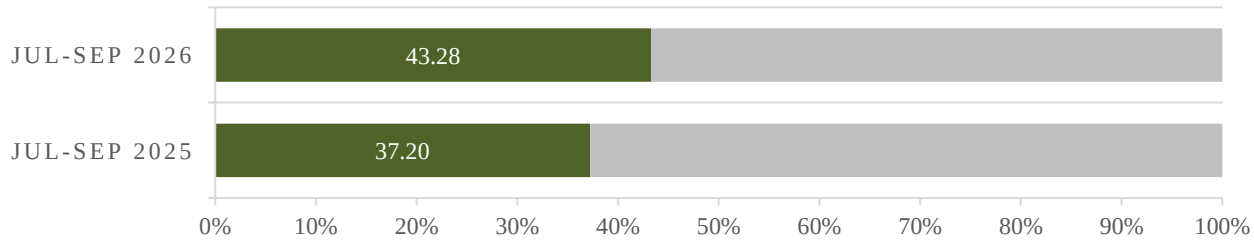
Internet usage among enterprises in the unincorporated non-agricultural sector reflects an encouraging trend of digital adoption across establishments in the economy. Data on ICT usage indicates that nearly 84% of establishments in the unincorporated sector have used internet for entrepreneurial purposes. Further, nearly 80% of establishments have adopted cashless modes of transaction, including online banking, UPI, POS devices, and other digital payment mechanisms.

Use of Cashless mode of Transaction:

ICT module of ASUSE has been significantly revamped from 2026 to capture more policy relevant information for the unincorporated sector. A newly added question in the schedule was about usage of online banking and/or online payment gateway by the establishment.

The percentage of firms reporting some form of registration was estimated to be 43.28%, more than 6 percentage points higher than that observed during same quarter last year, indicating an increasing trend in integration of enterprises with regulatory mechanisms.

FIG 4: PERCENATAGE OF ESTABLISHMENTS REGISTERED WITH ACT/AUTHORITY



Key indicators of QBUSE for the quarter July-September 2026:

Indicator	**July-September 2026**
Number of Establishments (in ′00)	9,47,159
Percentage of proprietary and partnership establishments	98.80
Percentage of hired worker establishments	12.16
Number of Workers (in ′00)	15,02,790
Number of Hired Workers (in ’00)	3,48,940
Percentage share of working owners	61.99
Percentage share of hired workers	23.22
Percentage share of other workers (including unpaid family workers)	14.79

Endnote: A brief about the coverage, sampling scheme, and data collection mechanism in the Annual Survey of Unincorporated Sector Enterprises (ASUSE):

A. Coverage:

A.1. Geographically, the survey covers the rural and urban areas of whole of India (except some of the villages in Andaman and Nicobar Islands, which are difficult to access).

A.2. Sector-wise, this survey captures unincorporated non-agricultural establishments belonging to three sectors viz., Manufacturing, Trade and Other Services.

A.3. Ownership-wise, unincorporated non-agricultural establishments pertaining to proprietorship, partnership (excluding Limited Liability Partnerships), co-operatives, societies/trusts etc. have been covered in this survey.

B. Sampling Scheme:

The survey has been conducted following a multi-stage stratified sampling scheme, where first stage units (FSUs) are census villages in rural area (except for rural Keralam, where Panchayat wards have been taken as FSUs) and UFS (Urban Frame Survey) blocks in urban areas which are updated periodically. The ultimate stage units (USUs) are establishments for both the sectors. In the case of large FSUs, one intermediate stage of sampling has been done in the form of hamlet groups in rural and sub-blocks in urban.

C. **Sample Size**:

At all-India level, 6,002 First Stage Units (2,411 villages in rural sector and 3,591 UFS blocks in urban sector) have been surveyed during the quarter July, 2026 – September, 2026. This excludes FSUs of Andaman & Nicobar Islands, Lakshadweep, Ladakh and rural areas of Arunachal Pradesh and Nagaland which are not considered for this quarterly bulletin, as sub-round restrictions were not imposed in these areas while conducting field-work, due to arduous field conditions. Accordingly, the number of establishments surveyed (excluding these states/UTs/areas) and considered for this bulletin are 1,80,025 (77,038 in rural and 1,02,987 in urban).

D. **Data Collection Mechanism**:

The survey has been conducted based on area frame and establishments have been listed in the selected FSUs of both rural and urban sector and from the listed establishments in the FSUs, requisite number of establishments were surveyed as per the sampling design. Mostly, data were collected from the selected establishments through oral enquiry pertaining to the 'monthly' reference period. The data for the survey were collected in Tablet using Computer Assisted Personal Interviewing (CAPI).

E. Comparability of quarterly results with previously released estimates of ASUSE and caveats:

The estimates presented in this quarterly bulletin pertain specifically to the unincorporated non-agricultural sector for the reference quarter under consideration. The comparison presented in this

bulletin is between the quarter under consideration in the current year and the corresponding quarter of the previous year. Such year-on-year comparison accounts for inherent seasonal variations, if any, and facilitates a more meaningful assessment of annual growth trends since the comparison is made between the same periods of two years.

Although sampling design of ASUSE has provision for generation of quarterly estimates using an area frame, the quarterly sample size is significantly less than the annual sample size. Also, the area frame used for rural sector is based on Census 2011. This bulletin has been prepared with due consideration to sample adequacy and reliability of the estimates.

As part of the continuous effort to keep the survey relevant and responsive to stakeholder requirements, a few changes have been introduced in ASUSE 2026. The ICT block of the ASUSE questionnaire has been comprehensively redesigned with more policy-oriented questions to better capture the extent and nature of ICT usage in the sector. Further, ASUSE 2026 has adopted NIC 2025 in place of NIC 2008, which was used in the earlier rounds of ASUSE. Due to this, some activities like maintenance and repair of motor vehicles and maintenance and repair of motor cycles, mopeds, scooters and three wheelers that were considered under trade in NIC 2008 are now being considered under service sector (NIC 2025) and accordingly, all such establishments engaged in these activities are now counted in "other services" in ASUSE 2026.

Accordingly, users may interpret quarterly movements with caution, considering potential sampling variability, and short-term fluctuations in activity levels and changes in classification and questionnaire. It is important to note that ASUSE covers only a part of the non-agricultural economy, namely, the unincorporated segment of the establishments in manufacturing, trade and services (excluding construction). Hence, the trends observed in the quarterly results of the unincorporated sector as presented in QBUSE, may not directly align with the corresponding quarterly GDP estimates which covers the entire economy. Where relevant, the estimates presented in the Quarterly Bulletin are accompanied by confidence intervals to enable informed interpretation of the estimates.

The Quarterly Bulletin for the quarter July– September, 2026 is available on the website of the ministry (https://www.mospi.gov.in).Scan the below QR code to access the Publications/Reports