

Major Highlights of National Report No. 2-3 of the Final Results

The National Economic Census 2018 (the NEC2018) was conducted with the reference date set on 14 April 2018. The NEC2018 covered all of fixed and movable establishments in the whole territory of Nepal. With regard to National Reports of the NEC2018, No. 1-1 on establishments and persons engaged by industry was released on 1 July 2019; No. 1-2 by size of persons engaged was released on 1 September 2019; and No. 1-3 by province and district was released on 2 January 2020. In addition, No.2-1 on sales, expenses, and profit and loss by industry was released on 5 May 2020; and No. 2-2 by size of persons engaged was released on 18 May 2020. Subsequently, No. 2-3 by province and district of the sixth release is outlined as follows:

1. Total number of entities¹ is 900,924 in Nepal.

There were 900,924 entities in Nepal as of 14 April 2018 as the final results of the NEC2018. The number of persons engaged² in entities was 3,115,112. (Refer to Table 1-2 and 1-3.)

With regard to the definition of terms and the coverage of NEC2018, refer to “Outline, Concepts and Definitions of NEC2018” in this report.

2. Kathmandu was the largest district in annual sales³ in 2017/18⁴.

Annual sales were 2,916 billion rupees in Nepal in 2017/18. Looking at the annual sales by district, Kathmandu was the largest with Rs. 832 billions accounting for 28.5%. Subsequently, Lalitpur where is adjacent to Kathmandu was 288 billions (9.9%); Morang where the fourth largest city of Biratnagar is located was 155 billions (5.3%); Rupandehi where Buddha was born was 132 billions (4.5%); Kaski where the second largest city of Pokhara is located was 117 billions (4.0%); and so on. There are big differences between three districts in Kathmandu Valley and other districts. This is because many head offices are

¹ *An entity manages its accounting record which includes an account book, an income statement, etc. An entity consists of a single-unit establishment or a head office only. It means branches are excluded.*

² *In case of head office, only regular employed are taken.*

³ *The concept of the annual sales is close to that of Gross Output in national accounts.*

⁴ *Herein, the year 2017/18 in the western calendar means the year 2074 in Nepal calendar.*

located in Kathmandu Valley. All financial statements are managed by head office. For example, even if big factories are being operated in Chitawan, if their head offices are located in Kathmandu, their financial data are counted in Kathmandu. Therefore, three districts in Kathmandu Valley, namely, the sum of Kathmandu, Lalitpur, and Bhaktapur accounted for 41.6%, that is, more than 40% of the whole Nepal; and three districts in south-east industrial area, namely, the sum of Jhapa, Morang, and Sunsari accounted for 12.1%.

Meanwhile, Manang where is located in the middle of the Annapurna Circuit trekking route was the smallest with Rs. 536 millions accounting for 0.018%. Subsequently, Rukum East where Dhorpatan Hunting Reserve is located was 670 millions (0.023%); Dolpa where Shey Phoksumdo National Park is located was 1,363 millions (0.05%); and so on. (Refer to Table 1-1.)

Looking at the annual sales per entity by district, Lalitpur where many large-scale entities are located was the largest with Rs. 11.0 millions. Subsequently, Mustang was 7.4 millions, but this is probably due to the small number of entities: 726 only; Kathmandu was 6.8 millions; Bhaktapur where is adjacent to Kathmandu was 4.9 millions; Bara, one of the main industrial districts was 4.7 millions; Morang, one of the main industrial districts was 4.5 millions; and so on.

Meanwhile, Jajarkot was the smallest with Rs. 553 thousands. Subsequently, Bajura was 576 thousands; Rukum East was 689 thousands; Baitadi was 700 thousands; and so on. These four districts are basically agricultural and rural area. (Refer to Table 1-2.)

Looking at the annual sales per persons engaged by district, Lalitpur was the largest with Rs. 2,178 thousands. Subsequently, Mustang was 1,823 thousands, but this is probably due to the small number of persons engaged: 2,935 only; Bara was 1,356 thousands; Morang was 1,343 thousands; Kathmandu was 1,275 thousands; Sankhuwasabha where is famous for producing wine was 1,220; and so on.

Meanwhile, Jajarkot was the smallest with Rs. 219 thousands. Subsequently, Bajura was 243 thousands; Baitadi was 262 thousands; Rukum East was 278 thousands; Jumla where is growing red rice, pome fruits, and stone fruits was 285 thousands; Bhojpur where is famous for its metalwork, particularly khukuri knives was 286 thousands; and so on. These six districts are basically agricultural and rural area. (Refer to Table 1-3.)

3. Kathmandu was the largest district in annual profit and loss⁵ as well.

Annual profit and loss were 853 billion rupees in Nepal in 2017/18. Looking at the annual profit and loss by district, Kathmandu was the largest with Rs. 222 billions accounting for 26.0%. Subsequently, Lalitpur was 71 billions (8.3%); Rupandehi was 39 billions (4.5%); Morang was 32.6 billions (3.83%); Jhapa is famous for tea production was 32.5 billions (3.81%); Kaski was 30.8 billions (3.61%); and so on.

Three districts in Kathmandu Valley, namely, the sum of Kathmandu, Lalitpur, and Bhaktapur accounted for 37.4%; and three districts in south-east industrial area, namely, the sum of Jhapa, Morang, and Sunsari accounted for 10.8%.

Meanwhile, Manang was the smallest with Rs. 122 millions accounting for 0.01%. Subsequently, Rukum East was 245 millions (0.03%); Rasuwa where Langtang National Park is located was 317 millions (0.04%); and so on. (Refer to Table 1-1.)

Looking at the annual profit and loss per entity by district, Lalitpur was the largest with Rs. 2.7 millions. Subsequently, Mustang was 2.0 millions, but this is probably due to the small number of entities; Kathmandu was 1.8 millions; Bhaktapur was 1.4 millions; Banke was 1.1 millions; and so on.

Meanwhile, Bhojpur was the smallest with Rs. 182 thousands. Subsequently, Terhathum where the Rhododendron conservation area is located was 203 thousands; Jajarkot was 233 thousands; Dhankuta was 243 thousands; Rasuwa was 244 thousands; and so on. These five districts are basically agricultural and rural area. (Refer to Table 1-2.)

Looking at the annual profit and loss per persons engaged by district, Lalitpur was the largest with Rs. 533 thousands. Subsequently, Mustang was 506 thousands, but this is probably due to the small number of persons engaged; Kathmandu was Rs. 341 thousands; Nawalparasi East where a famous beverage factory is located was 339 thousands; Banke was 336 thousands; Bhaktapur was 332 thousands; and so on.

⁵ *The concept of the annual profit and loss is close to that of Operating Surplus/Mixed Income in Gross Domestic Products (GDP).*

Meanwhile, Bhojpur was the smallest with Rs. 74 thousands. Subsequently, Manang was 79 thousands; Terhathum was 80 thousands; Rasuwa was 89 thousands; and so on. These four districts are basically agricultural and rural area. (Refer to Table 1-3.)

4. For annual profit ratio to sales⁶, Lamjung was largest with nearly 50%.

Looking at the annual profit ratio to sales by district, Lamjung whose capital city of Besisahar is the starting point of the Annapurna Circuit trekking route and a hub of hydroelectric project was the highest with 48.74%. Subsequently, Pyuthan where the Jhimruk hydroelectric plant is located was 48.67%; Darchula was 47.6%; Saptari was 46.4%; and so on. These four districts are relatively rural area, and their profits are relatively lower except Saptari.

Meanwhile, Sankhuwasabha was the lowest with 18.1%. Subsequently, Bara 18.9%; Rasuwa 19.6%; Morang 21.1%; Manang 22.7%; and so on. (Refer to Table 1-1.)

5. Mugu was the largest district in female manager's annual sales per entity.

Looking at female manager's annual sales per entity by district, Mugu where the biggest lake in Nepal, that is, Rara Lake is located was the largest with Rs. 2.8 millions, but this is probably due to the small number of entities: 740 only. Subsequently, Kathmandu was 2.4 millions; Dolpa was 1.9 millions, but this is probably due to the small number of entities: 145 only; Solukhumbu where Mt. Everest is located and is a familiar name in mountain tourism was 1.6 millions; Parsa whose capital city of Birganj is the largest land port in Nepal was 1.5 millions; and so on.

Meanwhile, Bajura was the smallest with Rs. 244 thousands. Subsequently, Jajarkot was 323 thousands; Bhojpur was 358 thousands; Taplejung where is on the eastern edge of Nepal and is home of Mt. Kangchenjunga (the third highest mountain in the world) was 361 thousands; and so on. (Refer to Table 5-2.)

Note: In Major Highlights, some proportions are calculated from respective reference table.

⁶ *Annual profit ratio to sales = annual profit and loss / annual sales * 100*