

Factory floor added 1.4 million jobs in FY25: NSO data

Registered manufacturing employment crossed 20 million for the first time, up 30.5% in 5 years, according to the latest Annual Survey of Industries

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Employment generation in India’s registered manufacturing sector picked up in 2024-25 (FY25), with the number of persons engaged rising 7.2 per cent, or by 1.41 million, to cross the 20 million mark for the first time, according to the latest Annual Survey of Industries (ASI) released by the National Statistics Office (NSO) on Wednesday.

Over five years, factory employment has grown by about 4.9 million, or 30.5 per cent, from 16.09 million in the pandemic-hit 2020-21.

Workers — defined by the NSO as those engaged, directly or through an agency, in the manufacturing process or in work connected with it — accounted for about 80 per cent of the 1.41 million



increase in total persons engaged, with the remaining increase coming from other categories of employees and persons engaged, including supervisory and managerial staff.

The hiring came alongside faster production. Factory output grew 7.8 per cent to ₹165.24 trillion,

up from 5.8 per cent growth a year earlier. Gross value added (GVA) rose 9.6 per cent to ₹26.94 trillion, though this was slower than the 11.9 per cent recorded in 2023-24 (FY24).

“The registered manufacturing sector recorded broad-based growth during FY25, with most of the major economic indicators —

such as invested capital, input, output, GVA, employment, and wages — witnessing an increase over the previous year,” the Ministry of Statistics and Programme Implementation said in a statement.

The total wage bill grew faster than the workforce. Total emoluments — the sum of wages and sal-

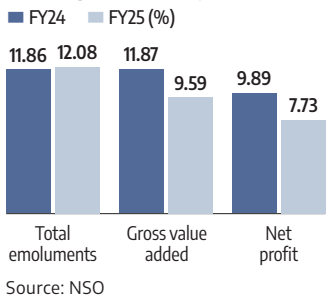
aries, including bonus — rose 12.1 per cent in FY25, slightly more than the 11.9 per cent growth in FY24.

Individual pay, however, rose more slowly. The average wage per worker went up 5.3 per cent to about ₹2.28 lakh a year, a little below the 5.5 per cent increase in FY24. Emoluments per person

Growing footprint

Year	Persons engaged (mn)	Net addition (mn)	Growth (%)
FY20	16.62	0.34	2.1
FY21	16.09	-0.53	-3.2
FY22	17.22	1.13	7
FY23	18.49	1.28	7.4
FY24	19.59	1.09	5.9
FY25	21	1.41	7.2

Annual growth of major metrics



engaged rose 4.6 per cent to ₹3.82 lakh.

The survey also showed where the jobs went. Tamil Nadu remained the largest factory employer, but its share of national employment slipped to 14.99 per cent from 15.24 per cent in FY24. Together with Maharashtra, Gujarat, Uttar Pradesh, and Haryana, the top five states accounted for about 56 per cent of manufacturing employment.

By industry, food product remained the biggest employer, with 2.36 million people, or 11.2 per cent of the total. Textile came next with 1.76 million, followed by basic metal (1.58 million), motor vehicle (1.48 million), and wearing apparel (1.46 million).

Basic metal, food product, coke and refined petroleum product, motor vehicle, and chemical re-

mained the five largest industries by output in FY25, unchanged from a year earlier. Together, they accounted for 54.2 per cent of total manufacturing output, down from 56.5 per cent in FY24.

The ASI covers factories registered under the Factories Act, 1948, along with *bidi* and cigar units, some electricity undertakings, and larger establishments listed in state business registers. It does not capture the large unorganised manufacturing segment.

It provides crucial insights into the changing dynamics of India’s manufacturing industries in terms of output, employment, and capital formation, feeding into national and state-level accounts. The FY25 results are based on a survey of 86,547 units, with fieldwork carried out between October 2025 and June this year.