



## EMERGING TRENDS OF URBANIZATION IN INDIA

### ABSTRACT

Urbanization is an index of transformation from traditional rural economies to modern industrial one. It is a long term process. This paper focuses on the understanding of the magnitude, growth and inter-state variation in the levels, tempo and degree of urbanization in the country using Indian census data during 1901-2011. Today world urban population is 54 per cent (2014) where as in India it is 31.1 per cent (2011). India is contributing 10.6 per cent of world total urban population next to china (19.54%) in 2014. Today, 37.7 crore people (31.16%) out of India's 121 crore population are urban dwellers. At the moment, India is among the countries of low level of urbanization. India's number of urban agglomeration town has grown from 1827 in 1901 to 7935 in 2011. According to the 2011 census, the absolute increase in the urban population was higher than that of the rural population. Current census has reversed the declining trend in the growth rate of the urban population that we have observed during the 1980s, 1990s and 2001 Census. This transition is considered as one of the major challenge, requiring a massive expansion in infrastructure and services in urban areas.



**Dr. M S Deshmukh<sup>1</sup>**

<sup>1</sup>Associate Professor,  
Department of Economics,  
Shivaji University,  
Kolhapur,  
Maharashtra,  
India

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### INTRODUCTION

Urbanization accompanies economic development. As countries move from being primarily agrarian economies to industrial and service sectors, they also urbanize. This is because urban areas provide the agglomerations that the industrial and service sectors need. India as a developing country is urbanizing at a rapid pace. Though, the current level of urbanization in our country is low compared to the other developing countries. The absolute size of urban population is enormous. This trend of urbanization continues to take place as seen in the table-1. According to the 2011 Census, the urban population grew to 377 million showing a growth rate of 2.76 per cent per annum during 2001-2011. The level of urbanization in the country as a whole increased from 10.8 per cent in 1901 to 31.1 per cent in 2011. It may be noted that the Indian economy has grown from about 6% per annum during the 1990s to about 8% during the first decade of the 2000s (Ahluwalia 2011).

Globally, more people live in urban areas than in rural areas. In 2007, for the first time in history, the global urban population exceeded the global rural population, and the world population has remained predominantly urban thereafter. Table-1 states that in 2014, 54 per cent of the world's population is urban. Just a few countries are home to half of the world's urban population. China has the largest urban population (758 million), followed by India (410 million). These two countries account for 30 per cent of the world's urban population and, with another five countries, the United States of America (263 million), Brazil (173 million), Indonesia (134 million), Japan (118 million) and the Russian Federation (105 million), account for more than half of the world's urban population. Future increases in the world's urban population are also expected to be highly concentrated in just a few countries.



**Table-1: India Position in Urban Population in the World v/s Common Wealth Countries  
2014**

India's position in the World				India's position in common wealth countries			
Rank	Top 10 Countries	Urban Population (000)	Urban Population in per cent	Rank	Top 10 Countries	Urban Population (000)	Urban Population in per cent
1	China*	758360	19.54	1	India	410204	10.57
2	India	410204	10.57	2	Nigeria	83799	2.16
3	USA	262734	6.77	3	Pakistan	70912	1.83
4	Brazil	172604	4.45	4	Bangladesh	53127	1.37
5	Indonesia	133999	3.45	5	U.K	52280	1.35
6	Japan	118136	3.04	6	South Africa	34168	0.88
7	Russia	105318	2.71	7	Canada	29006	0.75
8	Mexico	97766	2.52	8	Malaysia**	22342	0.58
9	Nigeria	83799	2.16	9	Australia***	21099	0.54
10	Pakistan	70912	1.83	10	Tanzania\$	15685	0.40
11	Other Countries	1666296	42.94	11	Other Commonwealth Countries	85174	2.20
12	World	3880128 (54%)	100	12	All Commonwealth Countries	877796	22.62

Note\*: Data for China do not include Hong Kong and Macao, Special Administrative Regions (SAR) of China. \*\*: Including Sabah and Sarawak, \*\*\* : Including Christmas Island, Cocos (Keeling) Islands, and Norfolk Island., \$ : Including Zanzibar. Source : United Nation Department of Social and Economic Affairs. (ON713)

The world experience is that a country's urbanization till 30 per cent level is relatively slow but the pace of urbanization speeds up thereafter, till it reaches about 60-65 per cent. Now India is at a point of transition where the pace of urbanization will speed up faster. It's for this reason; we need to plan our urban areas well and cannot wait any longer to do so. India's relatively low base of urbanization allows us to plan its urbanization strategy

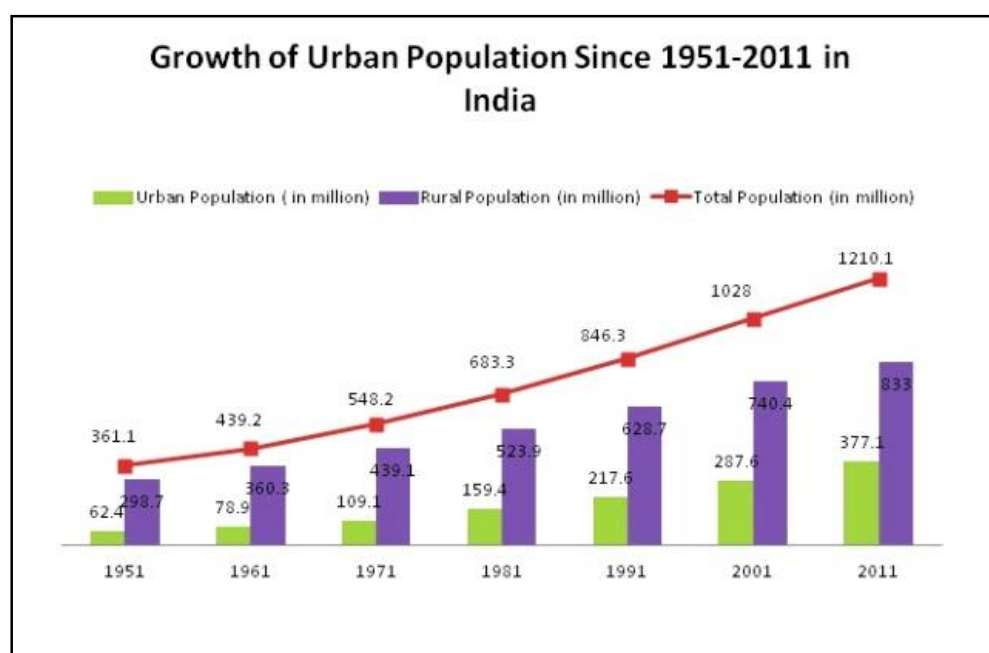
in the right direction by taking benefit of the latest and improved technology. Therefore the India's present trend obviously reflects the power of economic growth in bringing about faster urbanization during 2001-2011. Table- 2 shows that India had an urban population of about 25.85 million in 1901 which has grown to 377.1 million in 2011. More over the number of urban agglomeration town has increased from 1827 in 1901 to 7935 in 2011 (almost more than four times).

**Table 2: Trends in Urbanization in India (1901-2011)**

Year	Number of Urban Agglomeration town	Total Population (in Million)	Urban Population (in Million)	Rural Population (in Million)
1901	1827	238.39	25.85	212.54
1911	1825	252.09	25.94	226.15
1921	1949	251.32	28.08	223.23
1931	2072	278.97	33.45	245.52
1941	2250	318.66	44.15	274.50
1951	2843	361.08	62.44	298.64
1961	2363	439.23	78.93	360.29
1971	2590	598.15	109.11	489.04
1981	3378	683.32	159.46	523.86
1991	3768	844.32	217.17	627.14
2001	5161	1027.02	285.35	741.66
2011	7935	1210.57	377.10	833.46

Source: Census of India, various years.

Chart-1



### DEGREE / INDEX OF URBANIZATION

The degree or the level of urbanization refers to relative number of people who live in urban areas. The terms such as percent urban, percent rural and urban-rural ratio are used to measure the degree of urbanization. The ratio of urban population to total population has lower limit 0 and upper limit 1 ( $0 < U/P < 1$ ). When whole population is rural, this index is 0 whereas when whole population is urban, this index is one. When 50 percent of the population is rural, it indicates that there is one urbanite for each rural person. The urban-rural ratio has a lower limit of zero and upper limit  $\infty$  ( $0 < U/R < \infty$ ). Theoretically upper limit will be infinite when there is no

rural population ( $R=0$ ) but this is impossible. Table-3 states that the urban population has increased from 10.8 percent in 1901 to 31.2 percent in 2011, whereas rural population has shown gradual decrease from 89.2 percent to 68.8 percent in 2011. Urban-rural ratio is a simple index to measure number of urbanites for each rural person in an area. We experience an increasing trend during eleven decades in the process of urbanization in India. The urban-rural ratio for India as per 2011 census turns out to be around 45, meaning that against every 100 ruralites there are 45 urbanites in India in 2011. Therefore these indices pin point that India is in the process of urbanization (Sovani, 1966) and it is at the acceleration stage of urbanization.

**Table-3 Degree / Index of Urbanization in India**

Year	Urban Population (%) [(U/P)*100]	Rural Population (%) [(R/P)*100]	Rural- Urban Ratio (%) [(U/R)*100]
1901	10.8	89.2	12.11
1911	10.3	89.7	11.48
1921	11.2	88.8	12.61
1931	12	88	13.64
1941	13.9	86.1	16.14
1951	17.3	82.7	20.92
1961	17.97	82.03	21.91
1971	19.91	80.09	24.86
1981	23.34	76.66	30.45
1991	25.72	74.28	34.63
2001	27.86	72.14	38.62
2011	31.16	68.84	45.26

Source: Authors calculation, Note: Percent urban [(U/P)\*100] and percent rural [(R/P)\*100 and urban-rural ratio [(U/R)\*100]

**PACE OF URBANIZATION:**

In the post Independence period, very first decade witnessed substantial growth probably owing to influx of refugees and migrants but in the subsequent decade it slowed down to 3.09 per cent. That might have been due to standardization of development of urban settlement. In general, while the urban population grew at higher rates to reach the highest during 1971-81 decade. But 2011 census has reversed the declining trend in the growth rate of the urban population that we observed during the 1980 to 2001 census. Also, for the first time since independence, the absolute increase in the urban population of India was higher than that in the rural population. Urban experts also believed that India's urbanization would slow down because of its exclusionary nature and its inability to spur rural-to-urban migration (Kundu 2007, 2011). However, the 2011 Census showed some unexpected results.

The percentage of annual exponential growth rate of urban population of India is shown in Table-4. It is clear that the urban population has grown at faster pace from 1921-31 to 1941-51. Thereafter it registered a sharp drop during the decade 1951-61. The decades 1961-71 and 1971-81 showed a significant improvement in the growth of urban population and thereafter steadily dropped to 2.77 till 1991-2001 and presently it has slightly improved to 2.83. Moreover urban population has grown at an exponential rate ranging from 0.03 per cent during 1901-11 to 3.79 per cent during 1971-81. The decline in rural population growth was within small range during 1981-91, 1991-2001 and 2001-2011. The annual exponential growth rate of urban population during 2001-11 works out to be 2.83 per cent, which is about the same as 2.77 per cent recorded in the preceding decade.

**Table-4 Annual Exponential Growth Rate of Population**

Year	Annual growth Rate of Urban Agglomeration town (%)	Annual growth Rate of total population (%)	Annual growth Rate of urban population (%)	Annual growth Rate of Rural population (%)
1901-1911	-0.01	0.56	0.03	0.62
1911-1921	0.66	-0.03	0.8	-0.13
1921-1931	0.61	1.05	1.76	0.96
1931-1941	0.83	1.34	2.81	1.12
1941-1951	2.37	1.26	3.53	0.85
1951-1961	-1.83	1.98	2.37	1.89
1961-1971	0.92	3.14	3.29	3.1
1971-1981	2.69	1.34	3.87	0.69
1981-1991	1.10	2.14	3.14	1.82
1991-2001	3.20	1.98	2.77	1.69
2001-2011	4.40	1.66	2.83	1.17

Source: Authors calculation from various census reports.

During the process of urbanization it is natural that rate of growth of urban population is greater than rate of growth of total population than growth of rate of rural population. This fact is supported in case of Indian urbanization also since 1911. After 1991 onwards there is a significant improvement in the growth of urban agglomeration towns in India. The percentage of annual exponential growth rate of urban agglomeration town has shown an improvement from 1.1 per cent during 1981-91 to 4.4 per cent in 2001-2011 in India. Hence it is for this reason that cities are referred to as the 'engines of economic growth' and ensure that they function as efficient engines is critical to our economic development.

The total number of urban agglomerations and other cities and towns in India has increased sluggishly, at a rate much slower than the urban population. The number had gone up by only 3334 in all the 10 decades of the last century (1901-2001). However, now, it has gone up

by 2774 in just one decade (2001-2011). The phenomenal jump in the number of "census towns" from 1362 to 3894 is unprecedented in the history of the Indian census. The new towns accounted for 5 per cent to 7 per cent of the urban population in the four previous census counts. If we assume that there has been no change in the definitional parameters of urban centres and the employment structure has evolved smoothly, one can assume that the average size of these towns would remain about the same. The fact that the increase in the number of towns in 2011 is six times that of the previous censuses would then imply a six fold increase in the contribution of these towns to the urban population. By deducting the population of new towns from the urban population in both 2001 and 2011, the growth rate of the resulting urban population in 2001-11 would be significantly less than in the previous decade (Kundu-2011). Now the real question is whether the sectoral diversification in rural area has already taken place so much so that there is a massive

crop of new towns in 2011. Therefore to meet the dream of a distributed model the central and state governments must recognize their urban status and design a scheme similar to the Jawaharlal Nehru Urban Renewal Mission to strengthen their infrastructure base and promote them as centres of inclusive growth.

### URBANIZATION AND THE STATES

Population residing in urban areas in *India*, according to 2001 census, was 27.86 per cent that has

increased to 31.2 per cent in 2011. Maharashtra was the most urbanized state in India, followed by UP and Tamil Nadu that has contributed around one-third of total urban population of India in 2011 (refer table-5). However, Maharashtra's urban population of 50.8 million, far exceeds that of Uttar Pradesh 44.5 million and Tamil Nadu which is at 34.9 million, as per the 2011 census.

**Table 5: State wise urban population in India 2001 & 2011 (%)**

States	Per cent of total urban population of India		Ranking as a percent of total urban population of India	
	2001	2011	2001	2011
Maharashtra	14.4	13.5	1	1
Uttar Pradesh	12.1	11.8	2	2
Tamil Nadu	9.61	9.26	3	3
West Bengal	7.84	7.71	4	4
Andhra Pradesh	7.27	7.48	5	5
Gujarat	6.62	6.83	6	6
Karnataka	6.28	6.27	7	7
Madhya Pradesh	5.58	5.32	8	8
Rajasthan	4.62	4.52	9	9
Delhi	4.51	4.34	10	10
<b>Kerala</b>	<b>2.89</b>	<b>4.23</b>	<b>12</b>	<b>11</b>
<b>Bihar</b>	<b>3.03</b>	<b>3.12</b>	<b>11</b>	<b>12</b>
Punjab	2.89	2.76	13	13
Haryana	2.14	2.34	14	14
Jharkhand	2.09	2.1	15	15
Odisha	1.93	1.86	16	16
Chhattisgarh	1.46	1.57	17	17
Assam	1.2	1.17	18	18
Jammu & Kashmir	0.88	0.91	19	19
Uttarakhand	0.76	0.81	20	20
<b>Tripura</b>	<b>0.19</b>	<b>0.25</b>	<b>24</b>	<b>21</b>
<b>Goa</b>	<b>0.23</b>	<b>0.24</b>	<b>21</b>	<b>22</b>
Manipur	0.2	0.22	23	23
<b>Himachal Pradesh</b>	<b>0.21</b>	<b>0.18</b>	<b>22</b>	<b>24</b>
Meghalaya	0.16	0.16	25	25
Mizoram	0.15	0.15	26	26
Nagaland	0.12	0.15	27	27
Arunachal Pradesh	0.08	0.08	28	28
Sikkim	0.02	0.04	29	29
India	100	100	-	-

Sources: Author's calculation from, *Census of India, 2001; 2011.*

The process of urbanization depends on different social, economic, historical and political factors in different regions. There has been considerable variation across states in rates of urbanization during 2001-2011. It has been already noted that India displays one of the lowest urbanization rates compared to other countries. But, however there are certain regions like Delhi, Goa and Mizoram that record significant levels of urbanization, and

overall their level of urbanization has been higher over the last two decades. In Maharashtra, Gujarat, Punjab and Haryana, the ranking of urbanization has declined slightly over the past two decades. At the state level, the pattern of urbanization is extremely diverse, but economically advanced states more or less show higher levels of urbanization. It is observed from Table-6 & 7 that all the southern states, along with Punjab, Haryana, Gujarat,

Maharashtra and West Bengal, have greater urbanization level than the average of India, but among small states Goa continue to top the list (62.2% urban), followed by Mizoram (52.1%). Among the major states, like Tamil Nadu continues to be ahead of the others, with levels of urbanization at 48.4 per cent in 2011. States which lag behind are Himachal Pradesh at the bottom with a 10% level of urbanization, followed by Bihar (11.3%), Assam (14%) and Orissa (16.6%). Other states like Uttar Pradesh, Rajasthan, Madhya Pradesh, Chhattisgarh and Jharkhand also continue to have lower levels of urbanization than the national average. Although the reversal in the declining trend in urban population growth rate at the national level is a major feature revealed by the 2011 Census, there are only 15 states and union territories which show an increased urban population growth rate during 2001-2011 compared to 1991-2001. Among them, Kerala, Andhra Pradesh, Karnataka, Gujarat, West Bengal, Bihar, Jharkhand, Chhattisgarh and Uttarakhand are the major states. Kerala and Andhra Pradesh are currently urbanizing faster and ranked to be the fastest urbanizing states from 2001 to 2011. Its urban population growth rate has increased to 6.5 per cent per annum in Kerala and 3 per cent per annum in Andhra Pradesh during 2001-11.

**Table 6: Urbanization across States of India, 2011**

Level of Urbanization	States
50 % and above (3)	Delhi, Goa, Mizoram
40 % to 50% (4)	Tamil Nadu, Kerala, Maharashtra, Gujarat
30% to 40% (7)	Karnataka, Punjab, Haryana, Andhra Pradesh, Manipur, West Bengal, Uttarakhand
20% to 30% (11)	Nagaland, Madhya Pradesh, Jammu & Kashmir, Tripura, Sikkim, Rajasthan, Jharkhand, Chhattisgarh, Arunachal Pradesh, Uttar Pradesh, Meghalaya
Below 20% (4)	Odisha, Assam, Bihar, Himachal Pradesh
31.2%	All-India

Source: Author's calculation

The smaller states and union territories record significant urbanization levels with Delhi topping the list, 97.5 per cent of the Delhi population is urban. Goa and Mizoram also have more than 50 per cent of their

population in urban areas. On the contrary, Himachal Pradesh reports 10 per cent of its population in urban areas while states like Odisha, Assam, Bihar have 10 per cent to 20 per cent of urban population.

**Table 7: Urbanization Ratios of Major States of India, 2001 and 2011 (%)**

States	2001	2011	Ranking 2001	Ranking 2011
Andhra Pradesh	27.3	33.4	11	11
Arunachal Pradesh	20.8	22.9	19	23
Assam	12.9	14.1	26	27
Bihar	10.5	11.3	28	28
Chhattisgarh	20.1	23.2	21	22
Delhi	93.2	97.5	1	1
Goa	49.8	62.2	2	2
Gujarat	37.4	42.6	6	7
Haryana	28.9	34.9	9	10
Himachal Pradesh	9.8	10.0	29	29
Jammu & Kashmir	24.8	27.4	16	17
Jharkhand	22.2	24.0	18	21
Karnataka	34.0	38.7	7	8
Kerala	26.0	47.7	14	5
Madhya Pradesh	26.5	27.6	13	16
Maharashtra	42.4	45.2	5	6
Manipur	26.6	32.5	12	12
Meghalaya	19.6	20.1	22	25

Mizoram	49.6	52.1	3	3
Nagaland	17.2	28.9	23	15
Odisha	15.0	16.7	25	26
Punjab	33.9	37.5	8	9
Rajasthan	23.4	24.9	17	20
Sikkim	11.1	25.2	27	19
Tamil Nadu	44.0	48.4	4	4
Tripura	17.1	26.2	24	18
Uttar Pradesh	20.8	22.3	20	24
Uttarakhand	25.7	30.2	15	14
West Bengal	28.0	31.9	10	13
<b>All-India</b>	<b>27.8</b>	<b>31.2</b>	<b>-</b>	<b>-</b>

Sources: Census of India, 2001; 2011.

However the states like Nagaland, Madhya Pradesh, Jammu and Kashmir, Tripura, Sikkim, Rajasthan, Jharkhand, Chhattisgarh, Arunachal Pradesh, Uttar Pradesh and Meghalaya have 20 per cent to 30 per cent of urban population. Moreover 13 states have higher than all India urbanization ratios of 31.2 per cent and the remaining 16 states report less than it. As noticed earlier urbanization pattern broadly follows the economic growth of the states and is influenced by the presence of one or more fast growing cities. Further, they have also grown as cities leading to higher urbanization ratio. Since, Delhi is an extreme case of urbanization (97.5 per cent) it is not included in the further discussion. Hence, the remaining 12 regions analyzed here are Maharashtra, Uttar Pradesh, Tamil Nadu, West Bengal, Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Rajasthan, Delhi, Kerala and Bihar. These states collectively share 81 per cent of India's urban population.

## CONCLUSIONS

Urban areas are emerging as economic growth drivers for most of the countries and hence India too is witnessing a sharp rise in urbanization. At the moment, India is among the countries of low level of urbanization even less than the average world urbanization. More over India ranks second in the world next to china about the proportion of urban population with respect to world urban population, both India & China accounts for 30 per cent of the world's urban population in 2014. India's number of urban agglomeration towns has grown from 1827 in 1901 to 7935 in 2011. According to the 2011 census, the absolute increase in the urban population of India was higher than that in the rural population. Present census has reversed the declining trend in the growth rate of the urban population that we have observed during the 1980s and 1990s was reversed at the national level, and the pace of urbanization increased faster during 2001-

2011. The urban population growth of 91 million between 2001 and 2011 is for the first time higher than the absolute rural growth. A substantial increase in the urban population is due to rural-urban classification and rural-to-urban migration. A huge number of new towns emerged during the last decade, contributing significantly to the speeding up of urbanization. The new towns account for almost 30 per cent of the urban growth in last decade the unexpected increase in the number of census towns in the last census has thrust them into the spotlight. They are responsible for almost the entire growth in urbanization in Kerala and almost none in Chhattisgarh. At the state level, the pattern of urbanization is very diverse, but economically advanced states more or less show higher levels of urbanization. A growing share of urban population in towns may affect their future growth. However, unmanaged urbanization may become detrimental and can result in several socio-economic and environmental challenges. Moreover excessive population in urban areas will lead to limited living spaces and real estate, shortage of other resources such as power and water, traffic congestion, pollution as well as ineffective distribution of public services. Therefore to meet these challenges the central and state governments must recognize their urban status and design a scheme similar to the Jawaharlal Nehru Urban Renewal Mission to strengthen their infrastructure base and promote them as centers of inclusive growth.

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