



INDIA'S URBAN DEMOGRAPHIC TRANSITION

THE 2011 CENSUS RESULTS (PROVISIONAL)

National Institute of Urban Affairs

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Comparing Indices of Urbanization: 2001 and 2011

1. Commonly-used indices for assessing urbanization

- Pace of urbanization, annual growth rate of urban population
- Pattern of urbanization
 - (a) Size-class distribution of urban population
 - (b) Inter-regional (inter-state) distribution of urban population



- Composition of urban population growth

- (a) National increase

- (b) Rural-urban migration

- (c) Reclassification of rural settlements into urban


- (d) Changes in boundaries of existing urban settlements

Table 1: Comparing Indices of Urbanization: 2001 and 2011

Indices	2011	2001
Urban population (million)	377.2	286.1
Number of cities and towns	7935	5161
(a) Statutory towns	4041	3799
(b) Census towns	3894	1362
(c) Metropolitan cities (+1 million)	53	35
Annual exponential growth rate (census decade) %	2.76	2.74
% of urban to total population	31.16	27.81
(a) % of population in cities with > 100,000 population	70.24	68.62
(b) % of population in towns with (<100,000 population)	29.76	31.38
(c) % of population in metropolitan cities (+1 million)	42.62	37.82
Urban population increase attributed to		
(a) National increase	44.0*	59.24
(b) Rural-urban migration	56.0* }	21.12
(c) Reclassification of rural settlements into urban		9.73
(d) Boundary changes		9.71
<i>Note: * Estimated</i>		
<i>Inter-state variation (link file)</i>		

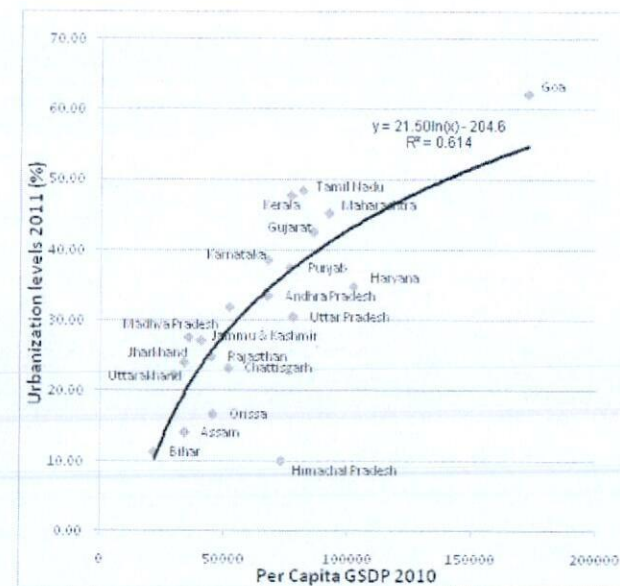
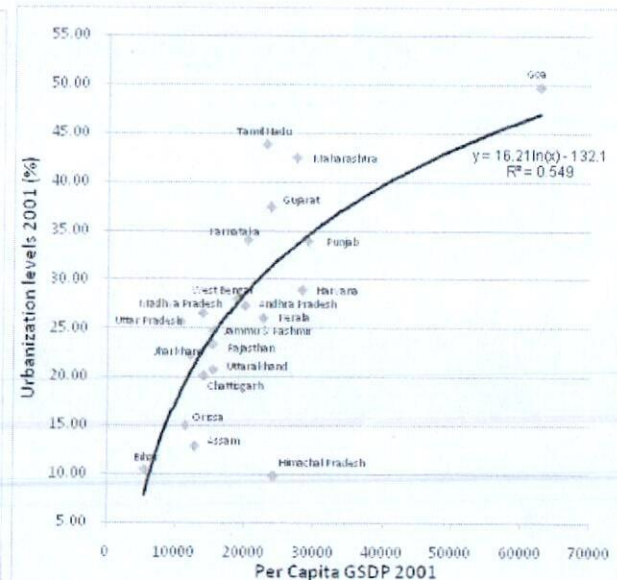
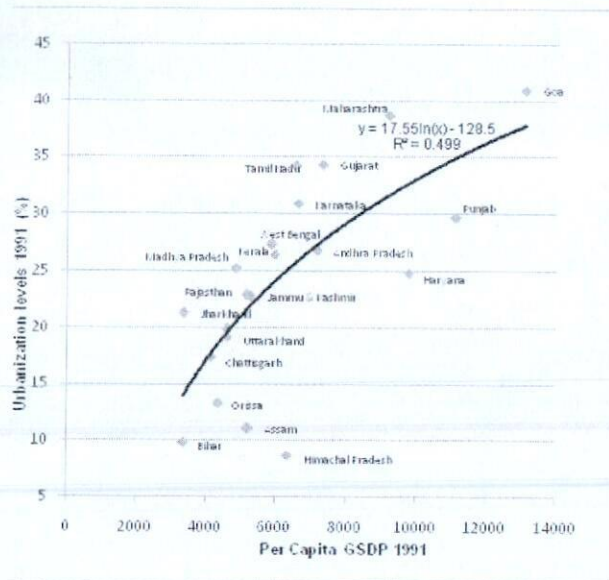
Key Features of India's Urbanization Process

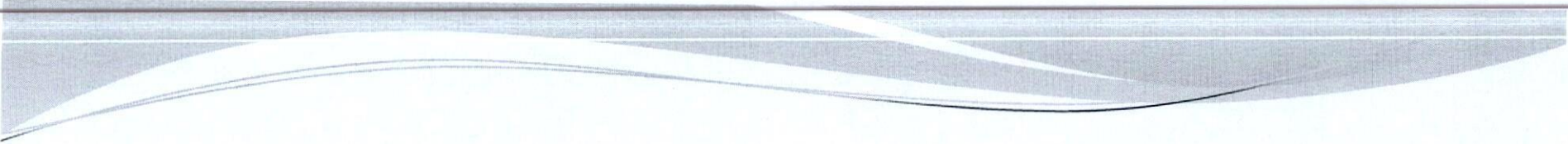
- Increase of 91.1 million persons to urban population during 2001-2011 is not only the highest registered thus far, it is also higher than the increase of 90 million persons to rural population.
- The annual exponential growth rate of 2.76% registered during 2001-2011 has reversed the declining trend observed during 1981-91 and 1991-2001.
- That this rise in urban population growth rate has come during an era of sharp decline in the natural growth rate shows that the push to urban population has come in from other sources, i.e., rural to urban conversion and rural-urban migration

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- The number of metropolitan cities (+1 million) has risen sharply, from 35 to 53 during 2001-2011. They now account for 42.6 percent of the total urban population. Likewise, class 1 cities (+100,000) now account for 70.2 percent of the country's urban population. In 2001, this percentage was 68 percent.
 - Urbanization varies across states – interstate variations in the level of urbanization are large but have NOT risen ([linked file](#)). Some kind of convergence has occurred.
 - The gap between urban and municipal has grown sharply, with important implications – discussed later.

The classical issue:

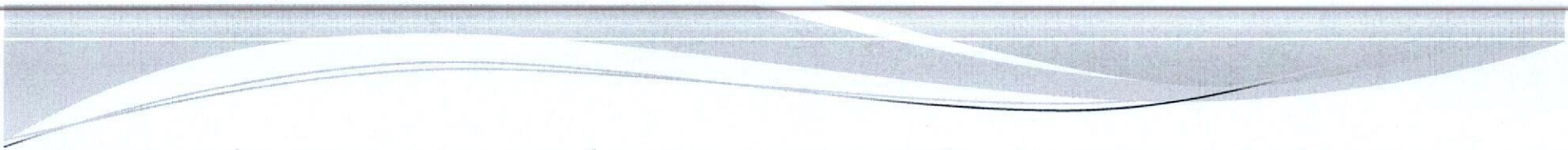
- Is urban population growth (2001-2011) growth-led (pull) or poverty-induced (push)?
- R_2 shows that while GDP growth and urbanization are closely linked, and that there are clear signals of these links having become stronger, growth has not trickled down fast enough to cities. Its impact on cities is not strong enough.




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- Whether urbanization of the 2001-2011 is poverty-induced, can not be ascertained in the absence of 2009-2010 poverty data (awaited). Any assumption with respect to the effect of urban population growth on urban poverty is, therefore speculative.

Implications for Policy including the JNNURM


- Increase of 91 million persons or an annual urban population growth rate of 2.76% is far in excess of all projections made so far. Also, it is higher compared to what the HPEC had projected for estimating the investment requirements for urban infrastructure.
- Using the 2001-2011 decade urban population growth rate and the expenditure norms established by the HPEC, the 12th Plan investment requirements will be of the order of Rs. 2.21 lakh crore on 8 services at 2009/10 prices (only for the fresh urban population growth during the 12th Plan, not for the backlog).

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- The pattern of 2001-2011 decade urbanization shows two features that have important implications -
 - (i) Emergence of new Census towns numbering 2532 –
 - a) Have no urban statutory status, governed by State Panchayat Acts
 - b) Not governed by any form of building byelaws and have potential for unplanned and slum-type growth
 - c) No services with which towns and cities are commonly associated (tap water, sewerage system, public transport etc.)



(c) Outside of the tax net as applicable to municipalities

(d) Depending on subsidies available to rural settlements (subsidies distorting the pattern of urban population growth with impact on productivity levels)

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- Dominance of 18 new metropolitan cities. Of these 16 will need to set up Metropolitan Planning Committees (MPCs). The remaining two do not have a metropolitan character as laid down in the Constitution.
 - 18 new metropolitan cities candidates for JNNURM, if the existing criterion is applied.

- Two metropolitan cities (both in the state of Kerala) revolve around a cluster of medium-sized towns with populations ranging between 20,000 and 85,000 – not even a city. Will they qualify for JNNURM funding on the ground that they have +1 million population?
- Peripheries of a number of metropolitan cities are expanding at rates that are significantly higher than the core cities –
 - a) Growth of peripheries impacts on the requirements of infrastructure
 - b) It is just sprawl and suggests failure of the existing FAR policy and urban renewal policy
 - c) Negates the principle of compact cities, and
 - d) Raises the cost of urbanization
- Kerala impact on 2011 urbanization



Areas of Concern

- Growing hiatus between urban and municipal
- Definitions causing confusion – Kerala being one prime example.



Thank you