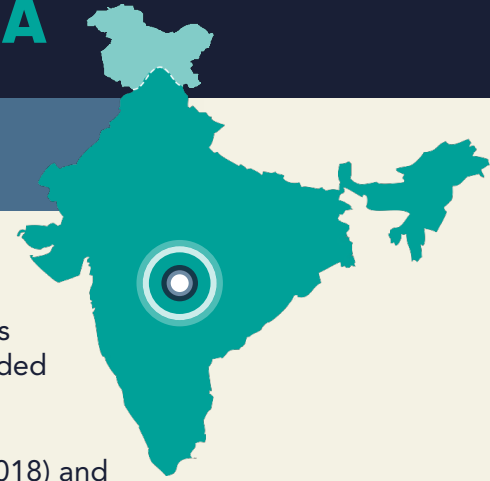


UNDERSTANDING THE URBAN BOTTOM 40: INDIA



DEMONSTRATING THE LIVING CONDITIONS OF HOUSEHOLDS AT THE BOTTOM OF THE URBAN INCOME PYRAMID.

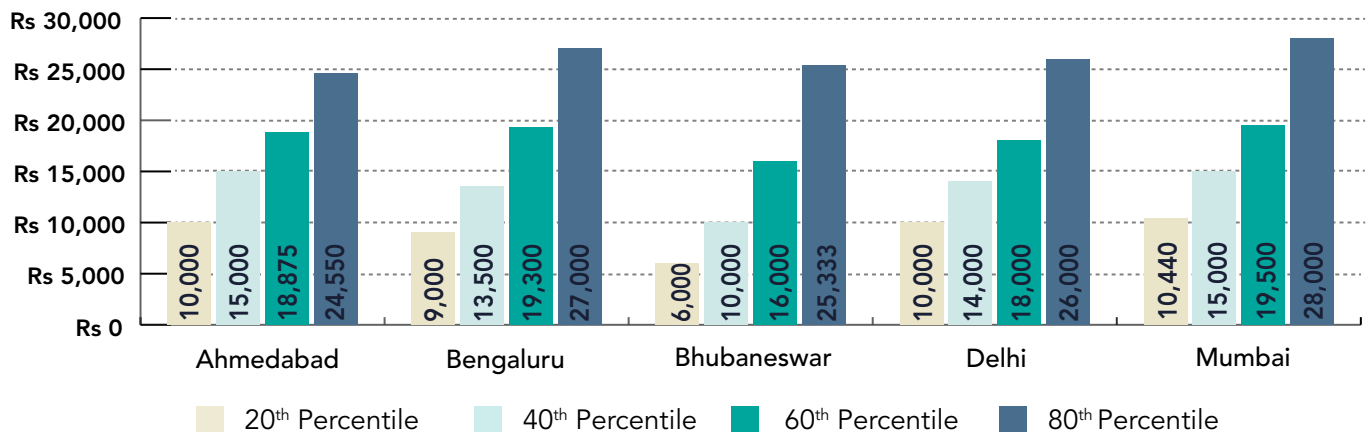
Reall is an innovator and investor in affordable housing in Africa and Asia. Specifically targeting the **urban bottom 40% of the income pyramid (UB40)**, we develop, refine and share innovative housing models that unlock the political will, capital investment and end-user finance needed to create conditions for households on low incomes to secure homes.

Using public sector data from the National Sample Survey 76th Round (2018) and the National Family Health Survey 2019-2020 (part of the Demographic and Health Survey programme), this sheet provides evidence to understand the living conditions of the UB40, and how they compare to the rest of the population.

Homes, employment and education

Effectively measuring household incomes is notoriously challenging, and the accuracy of data from the National Sample Survey is not confirmed, but acts as a useful guide. At national level, data suggests UB40 households in India earn a maximum of Rs. 10,078 (~US\$135). However, this masks considerable variation across cities. Of the five cities highlighted below, Bhubaneswar most closely resembles this national urban average, with other cities significantly exceeding these figures. In Mumbai and Ahmedabad, the maximum monthly wage earned by UB40 households reaches Rs. 15,000 (~US\$200), with Delhi and Bengaluru slightly below.

Selected city-level household monthly income by quintile

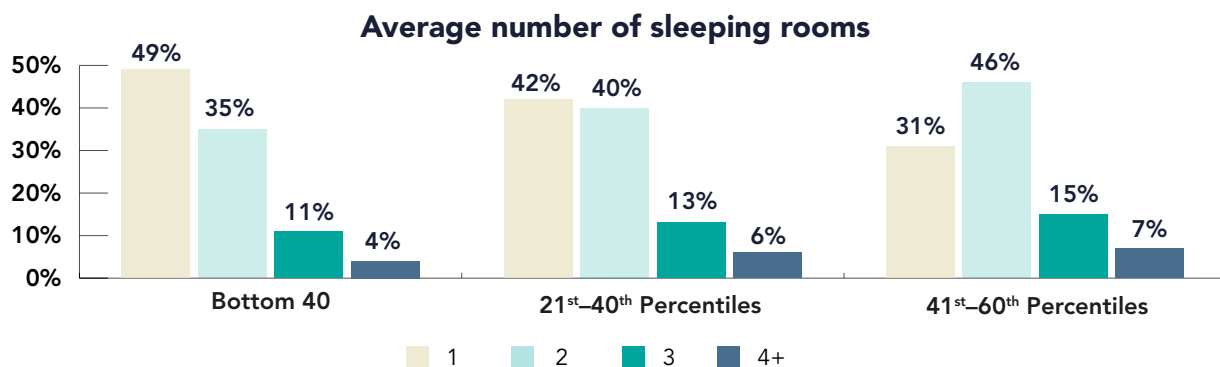
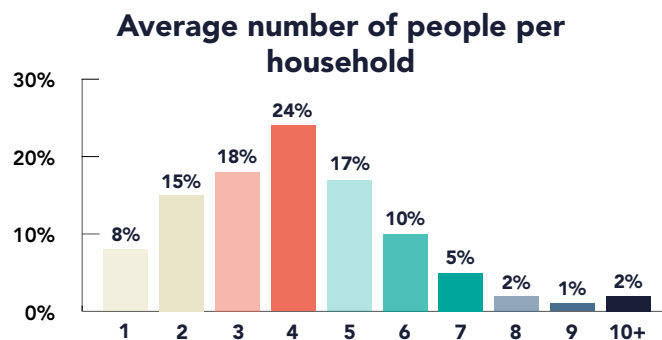


Compared to other countries, the proportion of men aged 15–54 currently working is relatively few, with around three-quarters across all wealth quintiles. Similarly, women are relatively unlikely to be working, with around one quarter currently working. India is relatively well educated, and even in the UB40 74% of men and 67% of women have at least a secondary education. 21% of UB40 households are female-headed, dropping to 17% of all urban households.

Women/men currently working		Women/men with at least secondary education		Female-headed Households	
Bottom 40	21 st –40 th percentiles	Bottom 40	21 st –40 th percentiles	Bottom 40	21 st –40 th percentiles
26% / 77%	24% / 76%	67% / 74%	75% / 82%	21%	19%
	41 st –60 th percentiles		41 st –60 th percentiles		41 st –60 th percentiles
	21% / 75%		82% / 88%		17%

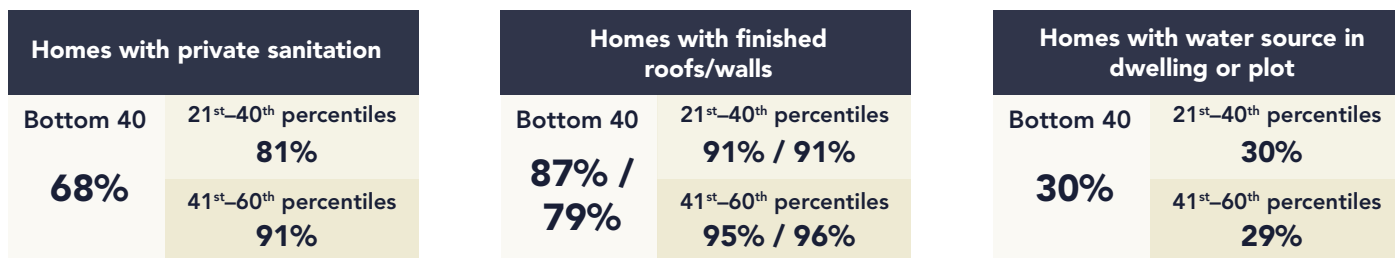
Household size and space

The median household size across all wealth quintiles is four, and just 10% of UB40 households consist of more than six people. Less than a quarter of households consist of two persons or less. These figures are relatively consistent across all wealth quintiles. Homes are also small, with almost half of all UB40 households consisting of just one sleeping room,¹ and few households having more than 2 sleeping rooms, even in wealthier quintiles. As a result, 43% of UB40 households are overcrowded,² along with 33% of all urban households.



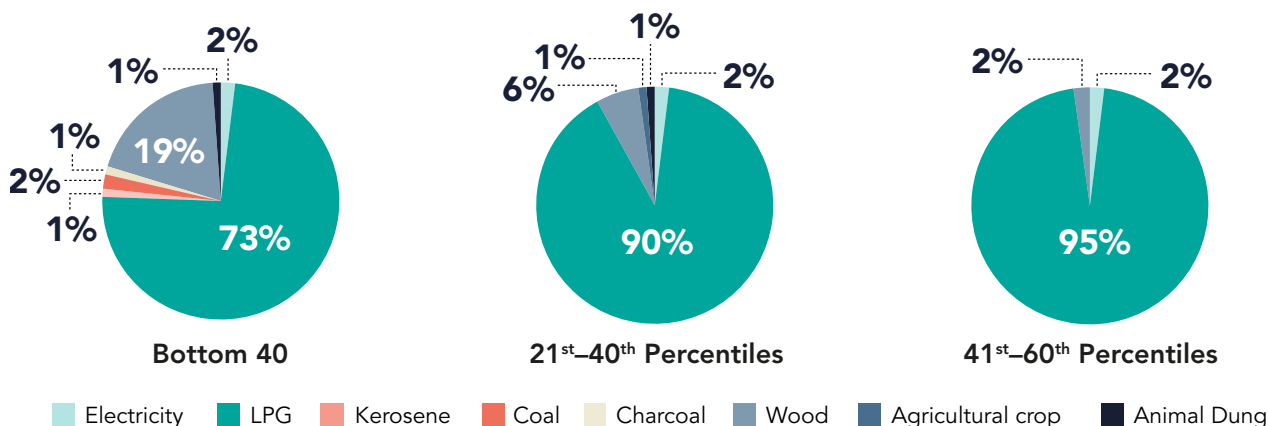
Housing conditions

Homes in India are generally constructed from durable materials,³ even within the UB40. Access to private sanitation is relatively good, with 68% of UB40 households and 83% of all urban households having access.⁴ However, easy access to general water⁵ continues to lag behind other indicators, with 17% of the UB40 accessing on their plot, and 17% within their home. This figure is consistent across wealth groups and the wider urban population.



Liquefied petroleum gas (LPG) is the main fuel used for all groups, though 19% of the UB40 continue to use wood. There are no other significant fuel sources.

Fuel used for cooking

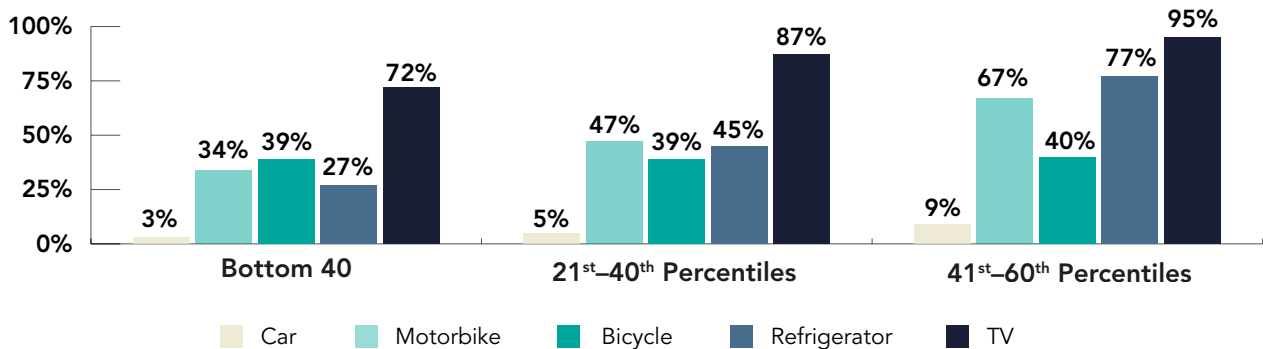


1 Sleeping rooms are defined as rooms excluding kitchens, bathrooms and garages.
 2 Defined as three or more people per sleeping room.
 3 Finished roofs are those made of metal/zinc, cement or tiles. Finished walls are those made of cement/concrete, wood planks or bricks.
 4 Defined as having a toilet facility that is not shared with other households.
 5 Water used for cooking and cleaning.

Assets and inclusion

Ownership of a car is almost entirely limited to wealthier households; 16% of the total urban population own a car, but only 3% of the UB40. Motorbikes are the most common form of private transport across all wealth groups. Quarter of UB40 households own a refrigerator, though this rises to 45% of the 21st-40th percentiles. However, ownership of televisions is common across all groups.

Proportion of households with common assets



The proportion of men and women reporting to own their home is comparatively high;⁶ across all wealth groups approximately 60% of men and 40% of women state that they own a home either alone or jointly. Access to a bank account is almost universal, but use of mobile money remains limited for both women and men.

Women/men who own their home (alone or jointly)		Households with a bank account		Women/men that use a mobile phone for financial transactions	
Bottom 40	21 st -40 th percentiles	Bottom 40	21 st -40 th percentiles	Bottom 40	21 st -40 th percentiles
42% / 60%	41% / 60%	93%	95%	20% / 24%	23% / 30%
	41 st -60 th percentiles		41 st -60 th percentiles		41 st -60 th percentiles
	39% / 59%		96%		28% / 41%

6 In many cases, these homes are likely to be in an ancestral village and lived in either by other family members or sitting empty.

METHODOLOGY

This study utilises data from two key sources: the National Sample Survey 76th Round (2019) from the Ministry of Statistics and Programme Implementation for income data, and the National Family Health Survey (NFHS-5) (2019/20), part of the Demographic and Health Survey programme, for all remaining data.

Demographic and Health Surveys (DHS) are standardised and nationally representative household surveys that provide data for a wide range of monitoring and impact evaluation indicators in the areas of population, health, and nutrition. Anonymised raw data is freely available for download and analysis, and using the DHS Wealth Index, users can isolate urban households by wealth quintile, providing rich data on the Bottom 40% of the income pyramid. In India, samples of 636,669 households, 724,115 females (aged 15-49) and 101,839 males (aged 15-54) were used.

This data builds on the **Market Shaping Indicators** programme, collating housing market data for individual countries and making it available to all. This data can be further explored at www.reall.net/msi.

Bottom 40 data can be further explored for Africa using a Dashboard created by the Centre for Affordable Housing Finance in Africa (CAHF), available at <https://housingfinanceafrica.org/documents/b40-dashboard/>.