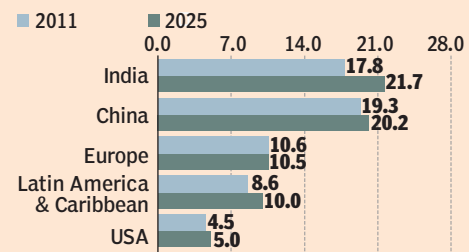


Demographic mathematics

1. Contribution to world population

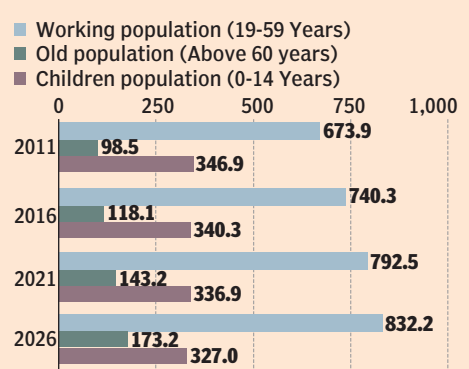
India will become the most populous country in the world, surpassing China by 2025 (%)



Data Source: UN Projections

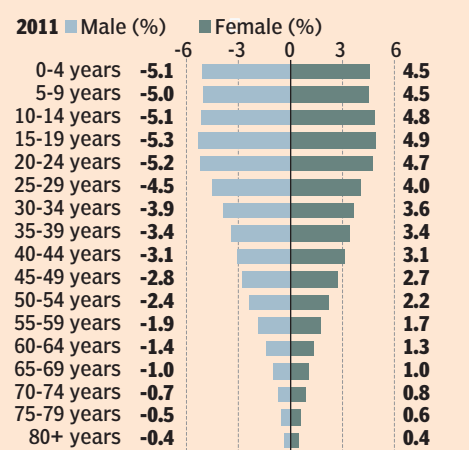
2. Population group-wise projection

The demographic profile raises serious concerns of an ageing population and declining sex ratio (mn)



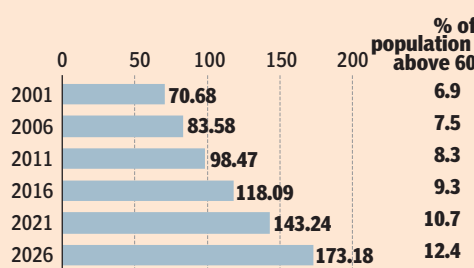
3. Male-female ratio across ages

The male-female ratio gets less skewed towards males in the higher age groups



4. Ageing population of India

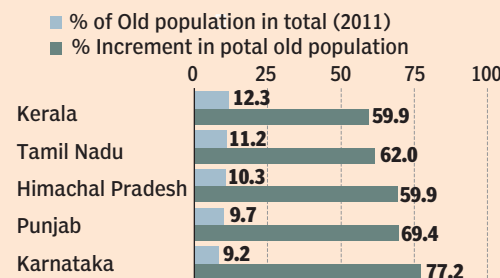
The proportion of the population above 60 years of age is increasing



Source: Census Projections

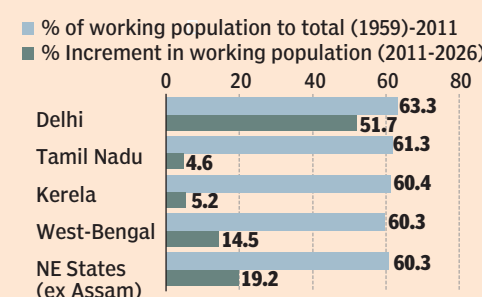
5. Increment in total old population

The top 5 states where the old age population has increased the most



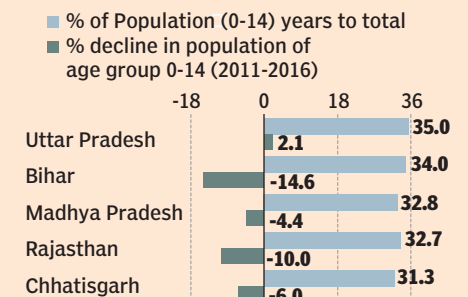
6. Increment in working population

Most states will see an increase in their already considerable working populations, especially Delhi



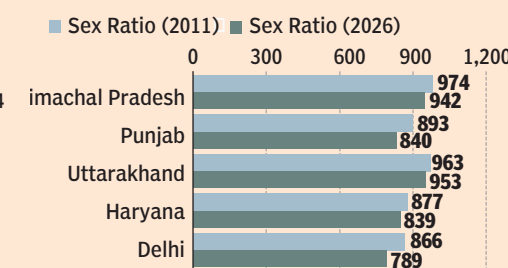
7. Decline in children population

The number of children will decline in most states, although at differing rates



8. Sex ratio needs to be addressed

The sex ratio in almost all the states will become worse by 2026



Source: Census Projections

Amit Kapoor

India will become the most populous country in the world surpassing China by 2025, contributing 21.7% to total world population. The contribution of Europe to the global population will decrease slightly to 10.5% by 2025.

The huge population of Indian states gives them a big demographic advantage due to a larger workforce and consumer base, which are vital for their growth. But their demographic profile also raises serious concerns of an ageing population and declining sex ratio, which is affecting the demographic dividend. The old age population is expected to grow highest, by

3.83% annually, while the working population will increase by 1.42% and children population will decrease by 0.33% annually till 2026.

The old population (>60 years) of India had seen a continuous upward trend since 2001. It is expected that the percentage of old people in the total population will be 12.4%, at an estimated 173.1 million, in 2026. India needs to invest in providing adequate healthcare facilities for increasing ageing population which will boost the growth of insurance sector in the country.

Apart from that, India has a big demographic advantage, as nearly all the states had a working population (between 19-59

years) of 50% in 2011. Delhi, Rajasthan, Uttar Pradesh and Bihar will see the maximum increment, of more than 30%, in their working population by 2016. Kerala and Tamil Nadu will experience a decline in the share of the workforce in the total population in the coming 15 years. India needs to focus on improving the quality of higher education and invest in developing vocational training centres to supply a skilled workforce to the industry to maximise the advantage of upcoming opportunities.

All the states, except Delhi and Uttar Pradesh, are expected to see a reduction in their population of children in the coming 15 years. This implies that

more people are moving towards not having children in the early years of their marriage.

As far as the sex ratio goes, Tamil Nadu & Karnataka will have more women in the region by 2026, which should balance the declining sex ratio in the northern states. The states of Punjab, Haryana and Gujarat are expected to suffer from gender imbalances due to a decreasing sex ratio.

The author is professor of Strategy and Industrial Economics at Management Development Institute and honorary chairman at the Institute for Competitiveness