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# Chandigarh tops India in household spending, richest after Bengaluru: Report

*Mumbai, Delhi, Bengaluru, Chennai, Hyderabad, and Kolkata are not among the top five cities in household spending, as per a report released by PRICE and Tata Sons.*

**By Hina Rohtaki**

***Households in Amritsar, Ahmedabad, and Jabalpur too spend more than those in Mumbai.***

Chandigarh has emerged as the country's highest-spending city on a per-household basis while also ranking among India's richest cities in household income, according to a report released by Mumbai-based People's Research on India's Consumer Economy (PRICE) and Tata Sons.

The study, titled The Many Urban Indias, estimates that an average household in Chandigarh spends nearly Rs 19 lakh annually, the highest among the country's top 100 cities, while the city's average household income stands at Rs 26 lakh, second only to Bengaluru's.

The findings underline Chandigarh's unique economic profile. Despite its relatively small population, the city combines the country's highest household spending with one of the highest household incomes, highlighting its strong purchasing power and affluent consumer base.

Based on PRICE's nationally representative ICE 360° Household Surveys and official datasets, including the National Accounts Statistics, NSO Consumption Expenditure Surveys, Census and UN population projections, the report analyses how households in India's top 100 cities earn, spend, save, borrow, and build wealth. It presents estimates for 2025-26 and projections up to 2030-31.

The report ranks Chandigarh ahead of Thiruvananthapuram, Vadodara, Tiruppur, and Surat in average annual household consumption expenditure. It notes that the top five cities by household spending are not among India's six largest metropolitan cities.

On the income front, Chandigarh ranks behind Bengaluru, which has the highest estimated average household income, Rs 28 lakh a year. The report identifies Chandigarh as a "frontier city" but says it has the highest average household income among all frontier cities and urban India, significantly above the median for the top

Interestingly, the report says households in Amritsar, Ahmedabad, and Jabalpur too spend more on average than those in Mumbai, reflecting the growing purchasing power of smaller cities.

However, the report distinguishes between average household spending and overall consumption. While Chandigarh tops the country in spending per household, the six largest metropolitan cities—Mumbai, Delhi, Bengaluru, Chennai, Hyderabad and Kolkata—continue to account for the largest share of India's consumer demand because of their population size. Together, they contribute 46 per cent of the consumption across the country's top 100 cities.

Overall, the report estimates that the top 100 Indian cities together generate $844 billion in annual consumption. If treated as a separate country, these cities would form the world's 14th-largest consumer market, behind South Korea and Turkey but ahead of Indonesia.

**Chandigarh a 'frontier city'**

Chandigarh has been identified as a frontier city in the report.

Frontier cities, it is said, are emerging as an important growth segment in India's urban economy, with several showing income profiles comparable to the country's largest metros.

According to the report, cities such as Salem, Bhiwandi, and Jalandhar too have a household income distribution similar to the "Big Six" cities, with around 62 per cent of households falling in the middle-income category and more than 14 per cent in the high-income bracket.

The report says food continues to account for the largest share of household spending at nearly 34 per cent, while spending on apparel, footwear, and accessories, at 7.2 per cent, is the highest among all city categories.

Despite rising incomes, frontier cities still have significant scope for greater ownership of consumer durables.

The report highlights a cautious financial approach among residents of frontier cities. Only 16 per cent of households invest in long-term instruments such as fixed deposits and PPFs, while as many as 93 per cent prefer keeping their savings in banks and post offices, reflecting a preference for liquidity.

Surinder Bahga, a former nominated councillor, told The Indian Express, "Chandigarh households are among the highest spenders in India because of many reasons. Urban population is 97 per cent. Rural population is negligible. Most family members are working and earning. Families are small with one or two children. Housing and services are costly here. The city has more cars than people. Chandigarh people are fond of eating out and travelling and believe in leading a good lifestyle."


**Hina Rohtaki**

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