On the basis of the evolution of towns in different periods they can be classified as Ancient, Medieval and Modern towns. The ancient towns developed as religious and cultural centres and it was only during the Mughal period that a centralized political setup came in India and trading as an activity started.

Mughal Era witnessed a continuous movement of people, money and resources, which paved the way for a strong interaction between different provinces of that time. The aspiration to govern a strong political empire by the Mughals gave birth to a series of urban centres in diverse parts of the empire for efficient control. Towns performed different types of functions by becoming either administrative or commercial or religious centres.

Different types of commodities prevailed in these towns and were traded. The "Great Mughal's" wealth and grandeur was proverbial, and nearly all observers were impressed by the opulence and sophistication of the Mughal Empire.

For nearly one hundred and seventy years (1556-1719) the Mughal Empire remained a dynamic, centralized, and complex organization. The main trade route acted as blood vessel which ran through whole of the Mughal Empire and strengthened the interaction between various trading centres.

Trade was a major economic activity of that time and the subcontinent's productivity ensured that it enjoyed a continuing favourable balance of trade,' Not only there was inland trade but also international trade since during the seventeenth century, craft industries originated and so on There were different types of markets existing, for keeping different kinds of goods for ex the Nakhas was a daily market place where cotton and slaves were sold, both wholesale and retail. Gunges were usually the grain markets, Mandavis were markets of goods, usually provision or grains, a katra was an enclosed market. The chapter gives a description of the various types of markets that existed during that period ranging from emporias to hats. It also describes the structure of towns, the infrastructure, such as sarais, karkhanas, banking facilities, gardens etc.
The two most stupendous items of import in to Mughal India comprised treasure (notably silver) and horses, while textiles dominated exports. The Mughal cavalry generated an enormous demand for quality horses from Central Asia and Persia. Above and beyond this there were horses required by the cavalry troopers. To retain such large number of horses of non-Indian breeds, there was need to import horses continuously, particularly since these breeds could not be raised well in India. While bullion and horses constituted the main import and must have accounted for the major portion of the value of imports, there were also imports of certain other articles, namely precious stones, non precious metals like copper, quicksilver, tin, lead; amber beads and vermillion.

Malabar pepper was one of the important items of export from India; but the producing regions and principal exporting ports were in South India, well outside Akbar’s empire. The major portion of Indian exports was accounted for by textile. Indian cotton textiles were also exported by the Western overland routes. Babur mentions cotton cloth among the main merchandise brought from India to Kabul. Cotton textiles had a colossal market in the Red Sea countries and Turkey.

Turkey imported Gujarat cloth through the Levant. Quantities of Gujarat calico must thus have been regularly reaching Western Europe by the end of the Sixteenth century through the Levant as well as around the Cape of Good Hope.

Ceylon and the Maldives islands also imported cotton cloth from Gujarat. Gujarat cloth had still larger markets farther east. Cambay cloth of various kinds exported to Malacca. Bengal the prior vital exporting region sent white muslin to various markets extending from the Red Sea to China. Sind too produced cotton stuffs. Diverse kinds of Muslin, conceivably fine calico, were exported from the province to Portuguese India and Hormuz.

Mughal India also exported some quantities of Silk. Although Bengal silk exports were a striking features of India’s trade in the seventeenth century, these do not seem to have been as large at the beginning of that century.
The location of majority of towns was determined by proximity to a perennial river, which would guarantee continued water supply through-out the year and assisted transport. The towns which did not have access to a river had large tanks or reservoirs for the supply of water.

The period of Mughal Empire, or rather of the sixteenth century, seventeenth and part of the eighteenth century, appears to be out-and-out golden age of urbanization. At least for much of the Northern and central India, there was both an spreading out of the size of the pre-existing cities and towns and a propagation of the new foundations.

During the Mughal era the towns grew so flourishingly because they were supported with rich agricultural hinterland. It has been seen that a multitude of factors leading to the rise and growth of individual towns; and any classification on the basis of functions that a town mainly performed must take in to account not one or two but a number of categories. The categories of town included; Administrative centres, marts with access to raw materials from the country around to ensure a permanent manufacturing character, positions on navigable river or land route, ports, places of religious sanctity, and of pilgrimage, places possessed of strategic situations on hills passes or borders, contributing to their military as well as commercial importance.

Occasionally more than one factor could coalesce to account for the rise and growth of a town. But by and large it may be said that whatever the origin of towns it was the industries and subsequently the trade which assured their continued survival and stirred their further growth.

There are examples of towns which started out and developed as administrative centres but did not die out when they stopped to function as such, owing to them having acquired position as industrial centres or marts such as Agra.

A very important fact that emerges is that the Mughal administration in the different regions of the empire followed a fairly unvarying pattern. The officials posted in and around the town and their status and functions all-embracing, but not so much according to regions, as to size and importance of towns. Unsurprisingly a big city, which contained a number of mahals, could have a huge number of custom officials,
where as a small town which had only one *mahal* had fewer officials. But on the whole, the designations, duties and functions in various towns were identical, and they were appointed by the same measures.

Today centuries have passed after the decline of the Mughal empire but the towns that originated then are still existing though with a different scenario altogether. To study the current status of these towns the demographic characteristics such as population according to the 2001 data has been studied. Also the occupational structure of these areas has also been studied and analysed. Regarding the occupational structure, most of the towns are having predominantly male population as workers in all the categories. The percentage of male workers with respect to total workers ranged from eighty three percent to ninety percent and in case of female it is ten percent to fifteen percent therefore basically the structure was dominated by male workers. There is lack of equity among the participation of male and female workers. Moreover, all these towns are dynamic in nature. Be it Demographically, Socially, Politically or economically these towns have evolved from their past status and are still evolving as they are evolutionary in nature.