Standing Committee Report Summary

Census Criteria for Defining Urban Areas

- The Standing Committee on Housing and Urban Affairs (Chair: Mr Magunta Sreenivasulu Reddy) presented its report on 'Census Criteria for Defining Urban Areas' on September 25, 2026. The Committee examined the existing Census definition of urban areas, the issues arising from it, and the need for its revision. Key recommendations of the Committee include:

- **Existing framework:** The Committee noted that 'urban' is defined through two mechanisms: (i) the Census, which identifies Census towns, and (ii) state notification of statutory towns. Census towns are villages with: (i) population of 5,000 or more, (ii) density of 400 or more persons per sq km, and (iii) 75% or more of male main workers in non-agricultural work. In 2011, statutory towns (4,041) accounted for 84% of the urban population and Census towns (3,892) for 15%. In Census 2027, the criteria are being retained for comparability. The Committee observed that changing them now is inadvisable, and recommended a platform involving the Registrar General and states to develop objective criteria for future Censuses.

- **Census towns as transitional areas:** The Committee noted that Census towns are neither governed by Urban Local Bodies nor automatically covered under the schemes of the Ministry of Housing and Urban Affairs (MoHUA). It recommended that MoHUA declare them 'transitional areas' so that they receive policy focus.

- **Need for conversion of Census towns to statutory towns:** The Committee noted that only a few Census towns are converted into statutory towns. Of 2,576 new Census towns in 2011, only 175 were notified as statutory towns and 367 were merged with existing ones. States also follow varying criteria for notifying statutory towns. The Committee recommended that MoHUA: (i) engage with states on converting eligible Census towns after Census 2027 data is released; (ii) consult states on national guidelines for notifying statutory towns; and (iii) prescribe a framework for phased, measurable steps and a maximum time limit for the transition from a rural to an urban local body before the next Census.

- **Planned development of Census towns and peri-urban areas:** The Committee noted that Census towns and peri-urban areas face urban problems such as congestion and water shortages, but remain outside the urban governance and funding framework. It recommended that MoHUA, in consultation with states, devise a time-bound national framework to develop them. It recommended that the framework should also provide for transitional administrative arrangements and financial assistance.

- **Need for inter-censal surveys:** The Committee noted that the ten year interval between Censuses may be too long to capture significant changes in cities and emerging settlement patterns. It recommended that MoHUA, with the Registrar General, examine the feasibility of periodic inter-censal surveys.

- **Gender-inclusive criteria:** The Committee observed that the criterion of 75% of male main workers in non-agricultural work is male-centric and does not capture women's informal, self-employed and home-based work. The Registrar General had stated that female participation is unstable and including it would reduce the number of Census towns. The Committee noted that the female labour force participation rate was around 35% as of August 2026. It recommended a study to develop a gender-inclusive methodology, and a gender audit of Census definitions and data collection.

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