

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)**

**TUESDAY, THE TENTH DAY OF FEBRUARY
TWO THOUSAND AND TWENTY SIX**

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN**

WRIT PETITION NO: 1966 OF 2026

Between:

1. SUNIGANTI VITTALAIAH, S/o. S. Venkataiah Aged about 57 years, Occ. Dy. Sarpanch and Ward No. 2 - Member, Urella Grampanchayat R/o. H.No. 1-45, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
2. Nallola Praveen Kumar, S/o. N. Pentaiah Aged about 30 years, Occ. Member - Ward No.1, Urella Grampanchayat R/o. H.No. 1-20/1, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
3. Kavali Srinivas, S/o. (Late) Kavali Ramaiah Aged about 42 years, Occ. Member - Ward No. 4, Urella Grampanchayat R/o. H.No. 2-31, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
4. Karna Bramarambha, W/o. (Late) K. Srisailam Aged about 65 years, Occ. Member - Ward No.5, Urella Grampanchayat R/o. H.No. 2-97, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
5. Bandla Majula, W/o. Bandla Ravinder Aged about 37 years, Occ. Member - Ward No. 6, Urella Grampanchayat R/o. H.No. 1-4/2, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
6. Begari Manjula, W/o. B. Balwanth Aged about 36 years, Occ. Member - Ward No.8, Urella Grampanchayat R/o. H.No. 1-3, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
7. Dutha Lakshmi, W/o. D. Krishna Aged about 40 years, Occ. Member - Ward No.9, Urella Grampanchayat R/o. H.No. 5-4, Mondivagu Hamlet Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
8. Mohammad Khaja Miya, S/o. Mohammad Babu Sab Aged about 78 years, Occ. Member - Ward No. 10, Urella Grampanchayat R/o. H.No. 5-16, Mondivagu Hamlet Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
9. Karni Shiva Prasad, S/o. (Late) Karni Snsailam Aged about 41 years, Occ. MPTC, Urella Grampanchayat R/o. H.No. 1-78/4/2, Andhra Bank Building, Hyderabad main road, Chevella Mandal, Ranga Reddy District, Telangana - 501503
10. Allori Narsimhulu, S/o. Allori Venkataiah Aged about 53 years, Occ. Co-operative society Member R/o. H.No. 3-50, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503

11. Guttala Ananathaiah, S/o. (Late) Ramayya Aged about 63 years, Occ. Co-operative society Member R/o. H.No. 1-44, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
12. Chakali Nagamani, W/o. Chakali Ramachandraiah Aged about 52 years, Occ. Co-operative society Member R/o. H.No. 1-82, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
13. Joshi Ashok Kumar, S/o. Venkaiah Aged about 60 years, Occ. Village Temple Priest, Urella village R/o. H.No. 1-1/2, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
14. Jangam Prasad, S/o. (Late) Eswariah Aged about 40 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 3-92, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
15. Vadla Brahmachari, S/o. (Late) Venkaiah Aged about 55 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 3-43, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
16. Bayakati Venkatamma, W/o. (Late) Balaiah Aged about 50 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 4-19, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
17. Bayakati Ramesh, S/o. (Late) Balaiah Aged about 28 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 4-19, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
18. Bayakati Papayya, S/o. (Late) Balaiah Aged about 32 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 4-19, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
19. Marellah Jangaiah, S/o. (Late) Ramaiah Aged about 50 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 1-53/1, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
20. Marellah Ramachandraiah, S/o. Jangaiah Aged about 28 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 1-53/1, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
21. Bandla Sattaiah, S/o. (Late) Shenkariah Aged about 45 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 1-63, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
22. Bandla Surekha, W/o. Bandla Sattaiah Aged about 35 years, Occ. Daily wage worker (MNREGA) R/o. H.No. 1-63, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
23. Uradi Aruna Narsimhulu, W/o. Narsimhulu Aged about 48 years, Occ. Ex-Sarpanch, Urella Gram Panchayat R/o. H.No. 1-70, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503
24. Uradi Narsimhulu, S/o. Narsimhulu Aged about 51 years, Occ. Co option member, Urella Gram Panchayat R/o. H.No. 1-70, Urella Village, Chevella Mandal, Ranga Reddy District, Telangana - 501503

...PETITIONERS

AND

1. The State of Telangana, Represented by its Principal Secretary, Municipal Administration and Urban Development, Dr. B. R. Ambedkar Telangana State Secretariat, Khairatabad, Hyderabad - 500 022

2. The State of Telangana, Represented by its Principal Secretary, Panchayati Raj and Rural Development, Dr. B. R. Ambedkar Telangana State Secretariat, Khairatabad, Hyderabad - 500 022
3. The District Collector, Ranga Reddy District O/o. The District Collector, Ranga Reddy District Kongara kalan village Ibrahimpatnam, Telangana - 501510
4. The Revenue Divisional Officer, Ranga Reddy District O/o. The RDO, Chevella Division, Near Court, Chevella, Ranga Reddy District - 501503
5. The Tahsildar cum Joint Sub-Registrar, Chevella O/O. Beside Court, Chevella, Ranga Reddy District - 501503
6. The State Election Commission, Telangana State Represented by its Secretary, 1st Floor D T C P Opp PTI Building A C Guards Lakdikapul Hyderabad - 500 004

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue an appropriate writ, order or orders particularly one in the nature of Mandamus declaring the action of respondent no. 1 in issuing the G.O.M.s No.4/2025, Municipal Administration and Urban Development Department dated 04.01.2025 issued under Sec 3(a) of Telangana Municipalities Act, 1965 R/W Rule - 3(1) (a)&(e) of the Telangana Municipalities (Inclusion or Exclusion of Areas in/from the Municipalities/Nagar Panchayats) Rules 2006 and in violation of Rule 9 and 12 of Telangana Gram Panchayats (Declaration of Villages) Rules, 2007 and set aside the G.O.M.s No.4/2025, Municipal Administration and Urban Development Department dated 04.01.2025 so far as Urella Village is concerned.

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the Respondent No. 6 NOT TO CONDUCT ELECTIONS TO THE CHEVELLA MUNICIPALITY BY INCLUDING THE URELLA VILLAGE pending disposal of the writ petition.

Counsel for the Petitioners: SRI RAKESH BHUKYA

**Counsel for the Respondent No.1: SRI E.VENKATA REDDY,
GP FOR MCPL ADMN & URBAN DEV**

**Counsel for the Respondent No.2 SRI SHAZIA PARVEEN,
GP FOR PANCHAYAT RAJ**

Counsel for the Respondent Nos.3 to 5: GP FOR REVENUE

**Counsel for the Respondent No.6: SRI PRIYANKA SINGH FOR
SRI P.SUDHEER RAO, SC FOR EC**

The Court made the following: ORDER

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND**

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT PETITION No.1966 of 2026

DATE: 10.02.2026

BETWEEN:

Suniganti Vittalaiah and 23 others.

....Petitioners

AND

The State of Telangana and 5 others.

....Respondents

ORDER

(Per Hon'ble Sri Justice G.M.Mohiuddin)

The present writ petition is filed with the following prayer:

".....to issue an appropriate writ, order or orders particularly one in the nature of Mandamus declaring the action of respondent No. 1 in issuing the G.O.M.s No.4/2025, Municipal Administration and Urban Development Department dated 04.01.2025 issued under Sec 3(a) of Telangana Municipalities Act, 1965 R/W Rule - 3(1) (a) and (e) of the Telangana Municipalities (Inclusion or Exclusion of Areas in/from the Municipalities/Nagar Panchayats) Rules 2006 and in violation of Rule 9 and 12 of Telangana Gram Panchayats (Declaration of Villages) Rules, 2007 and set aside the G.O.M.s No.4/2025, Municipal Administration and Urban Development Department dated 04.01.2025 so far as Urella Village is concerned and pass...."

2. The petitioners comprising elected representatives and residents of Urella Gram Panchayat, Chevella Mandal, Ranga Reddy District contend that the merging/inclusion of the said Gram Panchayat into Chevella Municipality is arbitrary, illegal, violative of

governing statutory rules and infringes upon their Constitutional right to self-government enshrined in Part-IX of the Constitution of India. The respondents are the State of Telangana, its functionaries and the State Election Commission.

3. With the consent of the learned counsel for the parties, the Writ Petition is heard finally.

4. Heard Mr.Rakesh Bhukya, learned counsel for the petitioners and Mr.E.Venkata Reddy, learned Government Pleader for the Municipal Administration and Urban Development Department for respondent No.1; Ms.Shazia Parveen, learned Government Pleader for Panchayat Raj Department for respondent No.2; Ms.Priyanka Singh, learned counsel representing Mr.P.Sudheer Rao, learned counsel for respondent No.6 and perused the material on record.

Factual background (in brief)

5. The brief facts necessary for the adjudication of this writ petition are as follows:

- i. Petitioners are residents and elected representatives of Urella Village which was constituted as a Gram Panchayat under the Telangana Panchayat Raj Act, 1994 (erstwhile Andhra Pradesh Panchayat Raj Act, 1994).
- ii. That on 04.01.2025, the State Government issued impugned G.O.Ms.No.4 of 2025 whereunder the Urella Gram Panchayat

has been merged/included within the limits of the Chevella Municipality (as per entry 54B of Ex.P-1). Be it noted here that the impugned proceedings (Ex.P-1) though portrayed and pleaded to be G.O.Ms.No.4 of 2025 dated 04.01.2025, is not a Government Order, but an amendment to the Telangana Municipalities Act, 2019 (Act No.04 of 2025), which was published in the Telangana Gazette dated 04.01.2025. Though the relief sought in the writ petition portrays Ex.P-1 as G.O.Ms.No.4 of 2025, it has been construed that the challenge in the present writ proceedings is to the impugned proceedings in Ex.P-1 i.e., the above said Act 4 of 2005 and dealt with accordingly.

iii. The petitioners allege that the merger/inclusion of Urella Village into Chevella Municipality violates:

- a) Rule 3(1)(a) and (e) of Telangana Municipalities (inclusion or exclusion of areas into/from the limits of the Municipalities/Nagar Panchayats) Rules, 2006 (for short "2006 Rules") in terms of distance and population criteria.
- b) Rules 9 and 12 of the Andhra Pradesh Gram Panchayats (declaration of Villages) Rules, 2007 (for short "2007 Rules") and the mandatory procedure prescribed therein for bifurcation/merger of Villages.

c) Constitutional provisions in respect of “self-governance under Part IX of the Constitution”.

iv. The petitioners allege that though they submitted representations on 19.08.2025 to the Government officials starting from the Tahsildar to the Chief Minister of Telangana State opposing the inclusion of Urella Village in the Chevella municipality, none of them were considered. The petitioners/villagers also claim to have held protests for stopping the merger of Urella Village into Chevella Municipality, but to no avail.

v. The petitioners sought information under the Right to Information Act, 2005 (for short, ‘RTI Act’) which according to them, revealed that no sperate demerger process was undertaken for Urella Village.

vi. That left with no alternative remedy to the arbitrary and illegal action of the respondents in issuing the impugned proceedings, the petitioners are constrained to file the present writ petition.

Submissions on behalf of petitioners

6. Learned counsel for the petitioners urged the following grounds:

i. That Urella Village is situated 7 kilometers away from the Chevella Municipality, whereas Rule 3(1)(a) of the 2006 Rules

prescribes that maximum distance in respect of a local body proposed to be included in the municipality, should be within the radius of 3 kilometers of the municipality. That the inclusion of Urella Village in Chevella Municipality flagrantly violated the prescribed criterion of 3 kilometers radius. That no special reasons were recorded to relax the said criteria.

- ii. The mandatory procedure under Rule 9 and 12 of the 2007 Rules, before merging a Gram Panchayat into municipality prescribe a show cause notice/opportunity to the Gram Panchayat of showing cause against the proposal, which notice/opportunity was not afforded to the Gram Panchayat. No show cause notice was issued and no opportunity was afforded to ascertain the will of the villagers, which render the entire process a nullity.
- iii. That Gram Panchayats are institutions of self-government under Part IX of the Constitution. The Gram Panchayats cannot be extinguished or merged in an arbitrary manner.
- iv. That the abolition/merger of the Gram Panchayat cannot be done in an arbitrary manner without adherence to the prescribed procedures, as is sought under the impugned proceedings.
- v. That the response received through RTI Act confirms that no demerger process to exclude the Urella Village from the Gram

Panchayat was undertaken before inclusion of the Urella Village into Chevella Municipality, which is a mandatory step under 2007 Rules. That non-compliance of the said mandate renders the entire exercise nugatory.

- vi. That most of the villagers of Urella Village are agriculturists and are registered beneficiaries under VB-G RAM G (Viksit Bharat - Guarantee for Rozgar and Ajeevika Mission (Gramin)) erstwhile Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) beneficiaries. The inclusion of Urella Village into Chevella Municipality would deprive them of the welfare schemes. The inclusion of the Village in the municipality would lead to an increase in taxes and imposition of new taxes.

Submissions on behalf of the respondents

7. Learned Government Pleaders for Municipal Administration and Urban Development and Panchayat Raj Department have countered the submissions made on behalf of the petitioners as under:

- i. The governing law is the Telangana Municipalities Act, 2019 (for short 'the 2019 Act'). That the petitioners placed reliance on inapplicable 2006 and 2007 Rules.
- ii. The 2006 Rules ceased to have any legal effect. Similarly, the 2007 Rules have no application to an action that transforms a

rural area (local body) into a municipality under a separate, special and later enactment i.e., the 2019 Act.

- iii. The impugned Act is a valid exercise of legislative power vested in the State legislature under Action 243Q of the Constitution of India and the Telangana Municipalities Act, 2019. The impugned amending Act is a valid exercise of Legislative power and its scope cannot be fettered by subordinate legislation framed under repealed enactments.
- iv. That the Act is a policy decision taken for the purposes of Integrated Urban and Policy Development and the presumption of Constitutionality is attached to the Act.
- v. That no interference by this Court is warranted on speculative grounds and untenable contentions as raised by the petitioner.
- vi. That the impugned action does not infringe any of the fundamental rights guaranteed under Part III of the Constitution of India.
- vii. The petitioner's apprehension with regard loss of benefits and enhancement of taxes or imposition of new taxes are speculative and do not constitute grounds for judicial review.

Consideration by this Court

8. In the present case, for a proper appreciation of the controversy, it is necessary to examine the evolution of the statutory

framework governing local self-government institutions in the State of Telangana, particularly in the context of the power to constitute, alter or merge local areas into Municipalities.

9. For a proper and effective adjudication of the issues arising in the present matter, it is considered appropriate to extract the relevant statutory provisions, namely Section 3 and Section 299 of the Telangana Municipalities Act, 2019, which have a direct bearing upon the question under consideration. The said provisions are reproduced hereunder for ready reference:

Section 3. Constitution and Composition of Municipalities

(1) The Municipality shall be a body corporate having perpetual succession and a common seal. It can sue or be sued in its corporate name, acquire, hold and transfer property, enter into contracts and do all things which are necessary, proper or expedient for which it is constituted.

(2) From the date of commencement of this Act, all the Municipalities constituted under the Telangana Municipalities Act, 1965 and the Municipal Corporations constituted under Telangana Municipal Corporations Act, 1994 shall be deemed to have been constituted as Municipal Councils as specified in Schedule I and Municipal Corporations as specified in Schedule II under this Act, and the provisions of this Act shall apply to all such Municipalities constituted and deemed to have been constituted under this Act: Provided that in cases where a Gram Panchayat is already notified as a Municipality under section 3-A of the Municipalities Act, 1965, the elected body of such Gram Panchayat shall continue to be in existence until its term expires and exercise all such powers under the provisions of the Telangana Panchayat Raj Act, 2018, and on such date of expiry, it shall be deemed to have been constituted as a Municipality under this Act.

(3) The State Legislature may, by way of amendment to this Act, modify or add or alter schedule I or II of this Act so as to,-

- (a) form a new Municipality by separation of local area from any Municipality, or by uniting two or more local areas or part of areas, or by uniting any local area to a part of Municipality;
- (b) include within a Municipality any local area;
- (c) exclude from a Municipality, any area comprised therein;
- (d) constitute any local area as a Municipality;
- (e) alter the name of any Municipality;
- (f) revise the boundary of municipal area;

- (g) describe the boundaries of the Municipality;
- (h) abolish a Municipality.

Section 299 Repeal and savings

- (1) On and from the commencement of this Act, the Telangana Municipalities Act, 1965 and the Telangana Municipal Corporations Act, 1994 are repealed.
- (2) On such repeal, the provisions of sections 8 and 18 of the Telangana General Clauses Act, 1891, shall apply, provided that on such repeal, rules or provisions existing are not inconsistent with this Act.
- (3) Notwithstanding the repeal of the Acts referred in sub-section (1) the appointment, notification, order, scheme, form, notice, rule, or bye-law, made or issued, and license or permission granted under the Acts, shall, in so far as it is not inconsistent with the provisions of this Act, shall continue in force and be deemed to have been made, issued or granted under the provisions of this Act, unless it is lapsed or superseded by any appointment, notification, order, scheme, form, notice, rule or bye-law made or issued, and any license or permission granted under the said provisions.
- (4) The members of any Council and Corporation holding office at the commencement of this Act shall be deemed to have been elected as members of that Council and Corporation under this Act, and subject to provisions of section 10, continue to hold office of members until the expiration of their term under the provisions which were applicable to them immediately before such commencement.
- (5) Any division of the Municipality into wards, made or deemed to have been made under the Telangana Municipalities Act, 1965 or Telangana Municipal Corporations Act, 1994 and in force at the commencement of this Act, shall be deemed to be the division of the Municipality into wards made under this Act; and the members representing the wards shall, subject to the provisions under sub-section (4), be deemed to represent them on and from the commencement of this Act.

10. A plain reading of Section 3 indicates that the Legislature has retained the power to include or exclude any local area within a Municipality by amendment. The said provision does not make such legislative action conditional upon the procedural prescriptions applicable to executive notifications under earlier enactments.

11. It is pertinent to note that historically, the Telangana region, forming part of the erstwhile Hyderabad State, was governed by the Hyderabad Village Panchayat Act, 1951 and the Hyderabad Gram

Panchayat Act, 1956. Following the reorganization of States in 1956, these enactments were included into the unified statutory regime under the Andhra Pradesh Gram Panchayats Act, 1964 and, subsequently, the Andhra Pradesh Panchayat Raj Act, 1994 was enacted in consonance with the 73rd Constitutional Amendment, which Constitutionally recognized Panchayat Raj Institutions under Part IX of the Constitution.

12. Upon the formation of the State of Telangana in 2014, the said enactment namely the Telangana Panchayat Raj Act, 1994 continued to operate by virtue of the Telangana Adaptation of Laws Order, 2014. However, in order to strengthen decentralised rural governance and to give full effect to the Constitutional mandate under Articles 243 to 243-O, the State Legislature enacted the Telangana Panchayat Raj Act, 2018 (Act No. 5 of 2018), thereby repealing the earlier 1994 Act. The 2018 Act constitutes a comprehensive code governing rural local bodies and introduces a structured three-tier system, while also making special provisions for tribal habitations in alignment with the Constitutional and statutory scheme.

13. Parallely, urban local bodies in the composite State were governed by the Andhra Pradesh Municipalities Act, 1965 and, in respect of certain urban agglomerations, by the Hyderabad Municipal Corporations Act, 1955. In furtherance of the Constitutional

mandate under Part IX-A (Articles 243-P to 243-ZG), introduced by the 74th Constitutional Amendment, the State Legislature enacted the Telangana Municipalities Act, 2019. This enactment repealed the earlier fragmented municipal legislations insofar as they applied to the State of Telangana and constitutes a complete and self-contained code governing the constitution, classification, alteration and administration of Municipalities.

14. As borne out from the material on record, it is to be noted that the impugned inclusion of Urella Village into Chevella Municipality has been effected under Section 3 of the Telangana Municipalities Act, 2019. Sub-section (3) thereof confers legislative competence upon the State to alter or amend Schedule-I so as to include any local area within a Municipality. By virtue of Amendment Act No.4 of 2025, published in the Gazette dated 04.01.2025, Urella Gram Panchayat has been specifically merged into Chevella Municipality.

15. It is significant to note that the 2006 Rules were framed in exercise of powers conferred under the Andhra Pradesh Municipalities Act, 1965, and similarly the 2007 Rules were framed under the Andhra Pradesh Panchayat Raj Act, 1994. Both sets of Rules are in the nature of subordinate or delegated legislation and derive their validity, force and continued operation solely from the parent enactments under which they were made. With the repeal of the Andhra Pradesh Municipalities Act, 1965 and the Andhra

Pradesh Panchayat Raj Act, 1994, and their replacement by the Telangana Municipalities Act, 2019 and the Telangana Panchayat Raj Act, 2018 respectively, the very statutory source from which the said Rules emanated has ceased to exist.

16. It is a settled principle of statutory interpretation that subordinate legislation cannot survive the repeal of the parent statute unless expressly saved, and even where a saving clause exists, such continuation operates only to the extent that the rules are not inconsistent with the provisions of the new enactment.

17. In the present case, the Telangana Municipalities Act, 2019 constitutes a comprehensive and self-contained code governing the constitution and alteration of Municipalities. Though Section 299 of the 2019 Act contains a saving provision in respect of earlier rules, such saving is expressly conditional upon consistency with the new statutory framework. Therefore, any rule framed under the repealed enactments which curtails, restricts, or conditions the plenary power conferred under Section 3(3) of the 2019 Act the 2006 Rules cannot be treated as surviving law.

18. Similarly, Section 295 of the Telangana Gram Panchayat Act, 2018 contains a saving provision in respect of Rules made under previous legislation subject to inconsistency with the Telangana Gram Panchayat Act, 2018. That the 2007 Rules are inconsistent with Section 3 of Telangana Gram Panchayat Act, 2018.

Consequently, the 2006 and 2007 Rules, being subordinate legislations under repealed statutes and having been repealed as above cannot operate independently nor can they override or control the express legislative competence conferred under the Telangana Municipalities Act, 2019 and the Telangana Gram Panchayat Act, 2018. The said provisions are reproduced hereunder for ready reference:

Section 3 Declaration of a village for the purposes of this Act

- (1) On and from the date of commencement of this Act, all the villages specified in Schedule VIII shall stand and deemed to have been declared as villages by the names and jurisdiction specified in columns (4), (5), (6) and (7) thereof, for the purposes of this Act.
- (2) The Government may, subject to sub-section (3), by notification, amend or alter the Schedule, so as to,-
 - (a) form a new village by separation of local area from any village or by uniting two or more villages or parts of villages or by uniting any local area to a part of any village;
 - (b) increase the local area of any village;
 - (c) diminish the local area of any village;
 - (d) alter the boundaries of any village;
 - (e) alter the name of any village;
 - (f) merge a village or a part of a village to any Nagar Panchayat or Municipality or Municipal Corporation;
 - (g) remove a village from the purview of this Act;
 - (h) describe the area of the Village.
- (3) A copy of every notification proposed to be issued under sub-section (2), shall be laid, in draft, before each House of the State Legislature, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both the Houses agree in disapproving the issue of notification or both the Houses agree in making any modifications in the notification, the notification shall not be issued or as the case may be, shall be issued only in such modified form as may be agreed upon by both the Houses of the State Legislature.
- (4) From the date of notification under sub-section (2), the Schedule VIII shall stand amended or altered; as notified.
- (5) The Government may pass such orders as it may deem fit,-

(a) as to the disposal of the property vested in a Gram Panchayat which has ceased to exist, and the discharge of its liabilities; and

(b) as to the disposal of any part of the property vested in a Gram Panchayat which has ceased to exercise jurisdiction over any local area, and the discharge of the liabilities of the Gram Panchayat relating to such property or arising from such local area; An order made under this sub-section may contain such supplemental, incidental and consequential provisions as the Commissioner may deem necessary, and in particular may direct,—

(i) that any tax, fee or other sum due to the Gram Panchayat or where a Gram Panchayat has ceased to exercise jurisdiction over any local area, such tax, fee, or other sum due to the Gram Panchayat as relates to that area, shall be payable to such authorities as may be specified in the order; and

(ii) that appeals, petitions, or other applications with reference to any such tax, fee or sum which are pending on the date on which the Gram Panchayat ceased to exist or, as the case may be, on the date on which the Gram Panchayat ceased to exercise jurisdiction over the local area, shall be disposed off by such authorities as may be specified in the order.

(6) Any decision made by the Government under this section shall not be questioned in a court of law.

Section 295 Repeal and Saving

(1) The Telangana Panchayat Raj Act, 1994, is hereby repealed.

(2) On such repeal the provisions of sections 8 and 18 of the Telangana General Clauses Act, 1891 shall apply, provided that on such repeal rules or provisions existing are not inconsistent with this Act.

(3) Notwithstanding the repeal of the Telangana Panchayat Raj Act, 1994 any appointment, notification, order, scheme, rule, form, notice or bye-law made or issued, and any license or permission granted under the Act shall, in so far as it is not inconsistent with the provisions of this Act continue in force and be deemed to have been made, issued or granted, under the provisions of this Act, unless it is superseded by any appointment, notification, order, scheme, rule, form, notice or bye-law made or issued, and any license or permission granted under the said provisions.

19. In this regard, the above legislative history clearly shows a deliberate transition from the earlier composite State laws to a new, independent and comprehensive statutory framework under the Telangana Panchayat Raj Act, 2018 and the Telangana

Municipalities Act, 2019. The action impugned in the present case is taken strictly under the provisions of the Telangana Municipalities Act, 2019. Since there is no challenge to the validity of Section 3 of the said Act, and in view of the Constitutional scheme contained in Articles 243 to 243-ZG empowering the State in matters of local self-government, the authority of the State Legislature to include a local area within a Municipality, does not call for interference.

20. Furthermore, the issue in the instant case, is no longer *res integra*. The Division Benches of this Court, in W.P.No.25194 of 2024 and batch, by order dated 05.12.2024, and again in W.P.No.2943 of 2025, by order dated 17.04.2025, have examined the scope and ambit of Section 3(3) of the Telangana Municipalities Act, 2019. In the said decisions, it has been categorically held that Section 3(3) confers express legislative competence upon the State to alter or amend Schedule-I so as to include any "local area" within a Municipality. The power so conferred is plenary in character and traceable to the constitutional framework under Part IX-A of the Constitution of India.

21. Further, it is clarified that when the inclusion or alteration of a local area is undertaken in exercise of powers under Section 3(3) of the 2019 Act, the provisions of the Telangana Panchayat Raj Act, 2018 do not govern or control such action. The field of operation of the Panchayat Raj Act pertains to rural local bodies, whereas the

constitution and alteration of Municipalities fall squarely within the statutory domain of the 2019 Act.

22. In view of the authoritative pronouncements of the Division Benches, the competence of the State Legislature to include a local area within a Municipality under Section 3(3) of the 2019 Act stands judicially affirmed.

23. The 2006 and 2007 Rules, having been framed under repealed enactments, no longer govern the field and cannot restrict the exercise of power under the Telangana Municipalities Act, 2019. Consequently, the distance criterion of three kilometers stipulated under Rule 3(1)(a) of the 2006 Rules, as well as the procedural requirements contemplated under Rules 9 and 12 of the 2007 Rules, cannot be pressed into service to invalidate an action undertaken under a subsequent and overriding legislative enactment. In view of the finding that the inclusion was effected under Section 3 of the 2019 Act, the earlier Rules, having no statutory basis under the existing framework, cannot invalidate the legislative action embodied in Act No.4 of 2025 (Ex.P-1).

24. It may also be noted that the legislative competence of the State in matters of local self-government is traceable to Article 246 of the Constitution read with Entry 5 of List II of the Seventh Schedule. The power to constitute, alter or include areas within local

authorities falls squarely within the State's domain. The Article 246 is extracted hereunder for ready reference:

Article 246. Subject-matter of laws made by Parliament and by the Legislatures of States.

(1) Notwithstanding anything in clauses (2) and (3), Parliament has exclusive power to make laws with respect to any of the matters enumerated in List I in the Seventh Schedule (in this Constitution referred to as the "Union List").

(2) Notwithstanding anything in clause (3), Parliament, and, subject to clause (1), the Legislature of any State also, have power to make laws with respect to any of the matters enumerated in List III in the Seventh Schedule (in this Constitution referred to as the "Concurrent List").

(3) Subject to clauses (1) and (2), the Legislature of any State has exclusive power to make laws for such State or any part thereof with respect to any of the matters enumerated in List II in the Seventh Schedule (in this Constitution referred to as the "State List").

(4) Parliament has power to make laws with respect to any matter for any part of the territory of India not included notwithstanding that such matter is a matter enumerated in the State List.

25. Further, no material has been placed before this Court by the petitioners to demonstrate that the impugned amendment suffers from lack of legislative competence or manifest arbitrariness so as to warrant interference under Article 226 of the Constitution.

26. Furthermore, the contentions raised by the petitioners regarding the possible loss of benefits under the Viksit Bharat - Guarantee for Rozgar and Ajeevika Mission (Gramin) (formerly MGNREGA), or the likelihood of enhanced taxation upon inclusion within a Municipality, pertain to policy considerations and administrative consequences flowing from urban classification. Judicial review of legislative action is confined to examining

legislative competence, constitutional limitations, or manifest arbitrariness. Policy consequences or perceived administrative disadvantages do not, by themselves, furnish a ground to invalidate a statute.

Conclusion

27. In view of the foregoing discussion, this Court is satisfied that the inclusion of Urella and other Villages into Chevella Municipality has been effected by the State Legislature through Amendment Act No.4 of 2025 in exercise of its powers under Section 3 of the Telangana Municipalities Act, 2019. The impugned action is traceable to a valid statutory source and does not suffer from any jurisdictional error, constitutional violation, or any Constitutional or statutory infirmity warranting interference.

28. Accordingly, the Writ Petition is dismissed. No order as to costs.

As a sequel, miscellaneous petitions, pending if any, stand closed.

SD/-S. MALLIKARJUNA RAO
ASSISTANT REGISTRAR

//TRUE COPY//

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HIGH COURT

DATED:10/02/2026

ORDER

WP.No.1966 of 2026



**DISMISSING THE WRIT PETITION
WITHOUT COSTS**

(26) pme.
11/3/26