

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

M.A. & U.D. Dept. – Municipal Corporation of Hyderabad - Council  
Resolution No. 144 dated 4-8-2005 – Cancellation - Orders – Issued.

---

**MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (Elec.II) DEPARTMENT**

**G.O.Ms. No. 247**

**Dated: 13<sup>th</sup> April, 2007**

**Read the following: -**

1. G.O.Ms No. 703 M.A.&U.D. (Elec.II) Dept. dated 20.7.2005.
2. G.O.Ms No. 704 M.A.&U.D. (Elec.II) Dept. dated 20.7.2005.
3. From the Commissioner, MCH Lr. No.6960/Elecs.MCH/2005 dt. 4.8.2005 along with a copy of C.R. No. 144 dated 4.8.2005 of the Council of MCH.
4. Judgment dated 31.1.2007 of Hon'ble High Court of A.P. passed in W.P. Nos. 17524, 17525 and 18249 of 2005.
5. Govt. Memo No. 12417/Elec.II/2005 dated 24.2.2007.
6. From the Commissioner, Municipal Corporation of Hyderabad Lr. No.GMC/C1/754/2005 dated 28.2.2007.

\*\*\*

**ORDER:-**

Vide references 1<sup>st</sup> and 2<sup>nd</sup> read above, Government proposed to constitute Greater Hyderabad Municipal Corporation with a view to facilitating improved and high standard of civic services, providing better civic administrative mechanism, ensuring better planning and focused development of the Mega city, more equitable devolution of finances and utilization of resources, ensuring uniform enforcement and to make the city internationally competitive with world class infrastructure and services by merging the following surrounding 12 Municipalities 1. L.B. Nagar 2. Gaddiannaram 3. Uppal Kalan 4. Malkajgiri 5. Kapra 6. Alwal 7. Quthbullapur 8. Kukatpally 9. Serilingampalli 10. Rajendranagar 11. Ramachandrapuram and 12. Patancheru; and 8 Gram Panchayats 1. Shamsabad 2. Satamarri 3. Jalapalli 4. Mamidipalli 5. Mankhal 6. Almasguda 7. Sardarnagar 8. Ravarala around Hyderabad and called for views/ objections/ suggestions if any from the Council of Municipal Corporation of Hyderabad and the public within a period of 15 days so as to take further action in the matter.

2. In the reference 3<sup>rd</sup> read above, the Commissioner, Municipal Corporation of Hyderabad informed that the Council of Municipal Corporation of Hyderabad vide their resolution No.144 dt.4.8.2005 opposed the proposal to merge the surrounding 12 Municipalities and 8 Gram Panchayats located around Hyderabad with Municipal Corporation of Hyderabad for constituting Greater Hyderabad Municipal Corporation on the grounds that the proposal is against the

basic principles of democracy and decentralized administration as envisaged in the constitution (74<sup>th</sup> Amendment) Act, 1992; it may pose additional burden on Municipal Corporation of Hyderabad for basic amenities due to merger of surrounding areas; Government may transform the proposed Greater Hyderabad into Union Territory; the residents of the surrounding areas may have to pay more taxes and charges; may result in supersession of elected bodies such as 8 Gram Panchayats, Municipal Corporation of Hyderabad and Gaddiannarm Municipality; rich heritage of Nizams may vanish; permission of Government of India may be required in view of the location of many Central Government Institutions which are strategic in nature; the proposal is made in isolation without taking into consideration for redrawing the jurisdictions of other departments/agencies; it requires legislative enactments/amendments of different Acts; the proposal is without the consultation of peoples' representatives; instead of Greater Hyderabad Municipal Corporation, Metropolitan Authority may be constituted; the employment and livelihood opportunities of the people will get adversely affected as it is in violation of Six Point formula; it will be difficult to readjust and accommodate the employees of different cadres working in Municipal Corporation of Hyderabad and other Municipalities; the surrounding municipalities may get weakened financially; due to merger the deficit between revenue and expenditure will get aggravated; the liabilities of the municipalities and Gram Panchayats will fall *ipso facto* on the exchequer of the Municipal Corporation of Hyderabad; the creation of Greater Hyderabad requires expansion of civic infrastructure and developmental activities in a big way and the State Government will not have finances to fund such massive revenue and capital outlays; the proposal is in violation of the spirit of sub-section 2 of Section 3 of HMC Act, 1955; it is ill advised administrative move which smacks of political motives.

3. In the reference 4<sup>th</sup> read above, the Hon'ble High Court of A.P passed orders on 31.1.2007 dismissing the W.P Nos. 17524, 17525 and 18249 of 2005 filed by some of the MLAs, Corporators etc., (with similar objections as mentioned in the above para) against the proposed constitution of Greater Hyderabad Municipal Corporation, held that:

**“the proposed constitution of Greater Hyderabad Municipal Corporation is not ultra vires the provisions of the Constitution and Sections 3 and 679 – D of the 1955 Act and Sections 3 and 62 of the 1965 Act do not suffer from any constitutional infirmity. However, we do not find the slightest hesitation to observe that before taking final decision for creation of Greater Hyderabad Municipal Corporation, the State Government will duly consider the objections raised by the petitioners and other persons and then pass appropriate order. In order to obviate any grievance of the petitioners we deem it**

**proper to give them opportunity to file additional objections within a period of 15 days from today and direct the State Government to consider the same before finally deciding the issue of Greater Hyderabad Municipal Corporation."**

4. Government have examined the objections raised in the Council Resolution No. 144 dated 4-8-2005 of Municipal Corporation of Hyderabad and observed that the Section 3 of HMC Act, 1955, itself provides for "establishing, with a view to secure efficiency and economy in the Municipal Administration, a single Corporation for Greater Hyderabad inclusive of the areas of two Cities aforesaid and the areas contiguous thereto on such terms and conditions as may be specified in a notification published in the Official Gazette in this behalf".

5. As observed, the Hyderabad Municipal Corporations Act, 1955 (Act II of 1956), itself empowers the Government to alter the limits of the city by including contiguous areas for creation of Greater Hyderabad Municipal Corporation. Hyderabad Metropolis have several diverse activities and functions which have led to accelerated growth creating large scale employment opportunities which in turn has led to phenomenal growth in the population and resultant development of new residential areas within the Hyderabad Urban Agglomeration. Therefore the existing infrastructure requires to be augmented substantially. The increase of population also resulted in attendant problems like intensity of land use, densification, pressure on housing, demands on the road network and transportation systems, availability of water and efficient system for disposal of sewerage and solid waste. City Level Systems like road network, water supply, sewerage and drainage network, urban transport, environment management system etc., cannot be managed in compartments or locally and they need to be tackled in an integrated manner by an appropriate civic management structure with proper planning, resource mobilization and technical capabilities. Therefore, it has become necessary to strengthen the civic administration by reorganizing the existing setup by having a single entity with a clear cut organizational structure to meet the challenges of a fast growing metropolis thrown up by fast pace of growth of Hyderabad and its urban spread and to manage in an integrated manner both the Metropolitan and community level developmental needs. Further, it would ensure better accountability, synergy and co-ordination. Some of the immediate benefits will be in improvement of service delivery in surrounding areas, better inter-departmental and inter-agency co-ordination, minimizing functional fragmentation with single coordinating and regulatory authority, better resource mobilization, accountability and considerable internal efficiency and improvements leading to savings of tax payers money. Therefore keeping in view the economic, social and service delivery outcome gains, it is

considered prudent to constitute Greater Hyderabad Municipal Corporation.

6. The creation of larger body may not result in increase of taxation as contended due to the fact that rate of tax is based on set parameters like land use, nature of activities, level of amenities, economic status of the people living in those areas etc. Further, the smaller municipalities would never be able to tackle the macro level urban issues, which require higher order of administrative and technical skills in coordination, management and provision of infrastructure and basic civic amenities. The constitution of Greater Hyderabad Municipal Corporation will help in achieving more balanced development by improved resource mobilization and redistribution of available finances based on the needs of different areas with a view to bring in uniform standard of infrastructure and services. This would also help in attracting huge public and private investments in civic infrastructure and service deliveries which in turn will provide employment opportunities raising income levels of the people residing in these areas. Government is committed to facilitate required funding through appropriate means by tapping external aids, central scheme funds and funds from the state resources in order to provide better civic amenities and services in the entire area of proposed Greater Hyderabad Municipal Corporation.

7. The apprehensions that Greater Hyderabad will be made as Union Territory; will lead to supersession of elected bodies; rich heritage of Nizams may vanish; permission of Government of India is required as there are number of Central Government Institutions located strategically; the proposal is in isolation; it will be difficult to readjust the employees of different cadres; it is based on political motives, are found to be without any basis and therefore untenable.

8. Further, the proposed creation of Greater Hyderabad Municipal Corporation is in consonance with the constitutional provisions as enunciated in the 73<sup>rd</sup> & 74<sup>th</sup> Amendments of the Constitution. It is also not in violation of Six Point formula, Section 3 (2) of Hyderabad Municipal Corporations Act, 1955 and other Acts and is well within the legal and constitutional framework.

9. In pursuance of the Court orders in the reference 4<sup>th</sup> read above, Government in the reference 5<sup>th</sup> read above, issued a show cause notice to the Council of Municipal Corporation of Hyderabad as to why their resolution No. 144 dated 4/8/2005 should not be cancelled in the larger public interest.

10. In the references 6<sup>th</sup> read above, the Council of Municipal Corporation of Hyderabad have resolved that they have no objection for cancellation of their Resolution No. 144 dated 4-8-2005 made earlier as referred in the show cause notices.

11. Government after examining the advantages and in the larger public interest, have decided to cancel the resolution No. 144 dated 4/8/2005 of the Council of Municipal Corporation of Hyderabad and to include the areas of 12 Municipalities as proposed in the para 1<sup>st</sup> read above, with the limits of Hyderabad Municipal Corporation so as to constitute Greater Hyderabad Municipal Corporation.

12. Therefore, in exercise of the powers conferred under section 679 – A of Hyderabad Municipal Corporations Act, 1955, taking larger public interest into consideration and with a view to achieve efficiency and economy in civic administration, Government hereby cancel the resolution No. 144 dated 4-8-2005 of the Council of Municipal Corporation of Hyderabad.

13. The Commissioner, Municipal Corporation of Hyderabad is therefore directed to take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P. SINGH  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Council/ Special Officer, Municipal Corporation of Hyderabad  
The Commissioner, Municipal Corporation of Hyderabad  
The Commissioner & Director of Municipal Administration, Hyderabad

**Copy to:**

The P.S. to Spl. Secy to C.M.  
The P.S. to M (MA)  
The P.S. to Prl Secy, M.A. & U.D. Dept.  
The P.S. to Secy. to M.A. & U.D. Dept.  
The Law Department.  
SF/SC.

//FORWARDED BY ORDER//

  
SECTION OFFICER