



IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

CWP No.2992 of 2026

Reserved on: 02.04.2026

Date of decision: 06.04.2026

Balbir Singh & Ors. ...Petitioners.

Versus

State of Himachal Pradesh & Ors. ...Respondents.

Coram

Hon'ble Mr. Justice Vivek Singh Thakur, Judge.

Hon'ble Mr. Justice Ranjan Sharma, Judge.

Whether approved for reporting?¹ Yes.

For the petitioners : Mr. Nitin Thakur, Advocate.

For the respondent(s) : Mr. Anup Rattan, Advocate General with
Mr. Ramakant Sharma, Additional
Advocate General.

Vivek Singh Thakur, Judge

By way of the present petition under Article 226 of the Constitution of India, petitioners have assailed proposal for constitution and declaration of Nagar Panchayat Barsar, District Hamirpur, vide impugned notification dated 23/24.11.2025 (Annexure P-1), as well as final notification dated 25.02.2026 (Annexure P-6) creating Nagar Panchayat Barsar, issued by respondents, alleging the same to be arbitrary, illegal, and violative of Article 243Q of the Constitution of India. It is further submitted that the notification so published lacks the

¹ *Whether the reporters of the local papers may be allowed to see the Judgment? Yes*



essential ingredients, required to be incorporated therein as envisaged under Article 243Q of the Constitution.

2. This is the second round of litigation. The respondents had notified proposal for declaration of Nagar Panchayat Barsar vide notification dated 23/24.11.2024 (Annexure P-1), inviting objections from affected persons through Deputy Commissioner, Hamirpur, within a period of two weeks.

3. Petitioner has filed objections against inclusion of area of Gram Panchayat Bani in proposed Nagar Panchayat, Barsar, on the ground that for inclusion of Wards of their Gram Panchayat in Nagar Panchayat Barsar, all villagers are annoyed, who are residents of rural area, and some of them are Below Poverty Line and all of them are engaged in animal husbandry and agricultural activities. It is further contended that Panchayat/Wards are situated at a distance of 3–5 kilometers from the town, and residents cannot bear the financial burden associated with Nagar Panchayat.

4. Vide notification dated 20.12.2024 (Annexure P-3), Department of Urban Development, Government of Himachal Pradesh, after receiving objections from inhabitants of the local areas, constituted Nagar Panchayat Barsar, District Hamirpur.

5. Aforesaid notification was assailed by the petitioners by filing **CWP No.819 of 2025 (Balbir Singh & Ors. vs. State of Himachal Pradesh & Ors.)**, which was decided on 18.12.2025



(Annexure P-4) by quashing and setting aside the notification dated 20.12.2024 (Annexure P-3), with directions to Secretary, Urban Development, to consider the objections of the petitioners and to take appropriate decision in accordance with law, as expeditiously as possible, preferably on or before 10.01.2026, by passing a reasoned and speaking order after providing personal hearing to the petitioners.

6. In sequel to aforesaid order, objections filed by the petitioners were considered and decided by the Principal Secretary (Urban Development) to the Government of Himachal Pradesh, vide office order dated 09.02.2026 (Annexure P-5) after giving personal hearing to the petitioners, whereby the objections filed by the petitioners have been rejected and vide fresh final notification dated 25.02.2026 Wards of Gram Panchayat, Bani, have again been notified to have been included in Nagar Panchayat Barsar.

7. In the aforesaid background, present petition has been filed assailing the draft notification dated 23/24.11.2025 (Annexure P-1) as well as the final notification dated 25.02.2026 (Annexure P-6).

8. Respondents have defended the constitution of the Nagar Panchayat in reference, by submitting that the impugned notification was issued after fulfilling all legal formalities, by exercising the powers conferred upon them for better development and improved arrangements in the area in reference, after giving due consideration to



the objections raised by local inhabitants and to fulfill the long-standing demand of large number of people of the area.

9. It has been submitted by learned counsel for the petitioners that the impugned notification dated 23.11.2025 is defective and illegal for not notifying the basic ingredients required to be published at the time of proposal for constitution of Nagar Panchayat, as, according to him, notification dated 23.11.2025 lacks material grounds on the basis of which the area concerned has been proposed to be constituted as a Nagar Panchayat. It has been further submitted that area proposed to be included is neither a “transitional area” nor a “smaller urban area” nor a “larger urban area” and, therefore, creation of Nagar Panchayat, Barsar, by including Gram Panchayat Bani, is liable to be quashed for not fulfilling any criteria warranting inclusion of Gram Panchayat, Bani in Nagar Panchayat, Barsar, as mandated under Article 243Q of the Constitution.

10. To substantiate this plea, learned counsel for the petitioner has placed reliance upon pronouncement of the Apex Court in case of **Champal Lal vs. State of Rajasthan & Ors.**, reported in (2018) 16 SCC 356, by referring to paragraph 10 thereof, which reads as under:-

“In the absence of any notification which meets the requirements of Article 243Q(2), the entire exercise undertaken by the State of Rajasthan in upgrading the Napasar village Gram Panchayat to be a Nagarpalika – [that is equivalent to Nagar Panchayat as mentioned in Article 243Q(1)(a)] is unconstitutional as it is inconsistent with the requirements of the Constitution under Article 243Q of the Constitution of India. Therefore, the initial notification dated 6.10.2008 itself is unsustainable. Unfortunately, this aspect has not been noticed by the High Court obviously because it was not brought



to the notice of the High Court. The fact that a litigant before the court does not point out the relevant principles and provisions of law does not prevent the court from examining the issues involved in the lis, more particularly, when the process which is the subject matter of litigation before the court is inconsistent with the mandate of the Constitution. It is a settled principle of law that courts are bound to take note of the constitution and the laws.”

11. Article 243Q reads as under:-

“243Q. Constitution of Municipalities

- (1) There shall be constituted in every State,—
- (a) a Nagar Panchayat (by whatever name called) for a transitional area, that is to say, an area in transition from a rural area to an urban area.
 - (b) a Municipal Council for a smaller urban area; and
 - (c) a Municipal Corporation for a larger urban area, in accordance with the provisions of this Part:

Provided that a Municipality under this clause may not be constituted in such urban area or part thereof as the Governor may, having regard to the size of the area and the municipal services being provided or proposed to be provided by an industrial establishment in that area and such other factors as he may deem fit, by public notification, specify to be an industrial township.

- (2) In this article, 'a transitional area', 'a smaller urban area' or 'a larger urban area' means such area as the Governor may, having regard to the population of the area, the density of the population therein, the revenue generated for local administration, the percentage of employment in non-agricultural activities, the economic importance or such other factors as he may deem fit, specify by public notification for the purposes of this Part.”

12. It has been submitted that, before deciding the inclusion of Gram Panchayat Bani in Nagar Panchayat Barsar, the area in reference has not been declared as a “transitional area”, “a smaller urban area” or “a larger urban area”, and the respondents have also failed to specify the factors which were deemed fit by them to include Gram Panchayat Bani in Nagar Panchayat Barsar. It is further submitted that the population of the area, density of population, revenue generated in the area for local administration, percentage of



employment in non-agricultural activities, and economic importance have neither been published in the draft notification nor have been considered by the respondents before taking decision to include Gram Panchayat Bani in Nagar Panchayat Barsar.

13. It has been further submitted that Principal Secretary, Urban Development, has failed to consider the objections raised by the petitioners in right perspective. Rather, he has failed to respond to the objections of the petitioners in a proper manner.

14. Perusal of the draft notification depicts that it has been specifically mentioned therein that proposal to create Nagar Panchayat in the area was for better development and well-organized arrangements in the said area. Under Article 243Q(2), it is not mandated that all the factors referred to in this sub-section should exist for creation of municipal area. Rather, it provides that factors A, B, C or D, i.e. such other factors, may also be considered, meaning thereby that an area can be notified as municipal area, not only for the reasons enumerated in this Article, but also 'for such other factors' as may be deemed fit. Therefore, an area can be declared as or included in Municipal area for existence of either factor, but not only for existence of all. Other factor gives vast power to include or declare an area in or as Municipal area. In the present case, it has been categorically notified that for better development and well-organized arrangements, the proposal for Nagar Panchayat Barsar was made. In *Champa Lal's*



case, the State had failed to specify the reasons for creation of municipal area by upgrading the village Gram Panchayat.

15. Perusal of the record and photocopies of documents placed on record with reply depict that Deputy Commissioner, Hamirpur, had undertaken the exercise regarding assessment of relevant factors required to be considered for constitution of Nagar Panchayat, through Sub-Divisional Officer (C), Barsar and Tehsildar, Barsar. In the reports of the field staff, submitted to the Director, Urban Development, Himachal Pradesh, it has been communicated that the population of proposed Nagar Panchayat, according to Census 2011, was 7,132 and income from own resources for the financial year 2021–22 is Rs.19,75,480/-.

16. It has been submitted that a Civil Hospital, Court of Civil Judge/Judicial Magistrate, office of Sub-Divisional Officer (Civil), i.e. SDM, Sub-Divisional Level Private Library, 30-bedded Civil Hospital with Specialist Doctor, Sub-Divisional offices of HPPWD, HPSEB, IPH, Sub-Divisional Police Station/Officer, Vyapar Mandal with about 250–300 businessmen, private parking for 100 vehicles, taxi stand with 15–20 taxis, Sub-Divisional Level Veterinary Hospital, office of the Deputy Employment Officer, offices of the Agriculture Department and Forest Department, Tehsil Office, Treasury, 4 Senior Secondary Schools, 1 B.Ed. College, 6 Banks, 1 Post Office, 3 Hotels, 2 Home Stays, and Rest Houses of HPPWD and Irrigation Department are in existence,



and being situated near the famous Baba Balaknath Ji Temple, area is having a heavy footfall of devotees and tourists in the area.

17. It has also been contended by learned counsel that certain areas falling in between Barsar and Bani have been left out and areas of the petitioners have been included by skipping such areas, but there is no reference to such areas either in the petition or otherwise. From the map placed on record along with the reply, the contention of the petitioners does not appear to be correct. The objections and apprehensions raised by the objectors have been duly considered by the Secretary, Urban Development, in order dated 09.02.2026.

18. From the material on record, it appears that population of area in reference, which has been considered as a transitional area by the respondents, is exceeding two thousand and annual revenue being generated is exceeding Rs.5,00,000/- for the local administration. From the quantum of income, being generated from taxes, shop rents etc. and existence of large number of institutions, it is apparent that having regard to population of area, density of population therein, revenue generated for local administration, percentage of employment in non-agricultural activities and economic importance etc., available on record, there is no arbitrariness, illegality and violation of Articles 14 and 243-Q of the Constitution of India.

19. In the given facts and circumstances, judgment of the Apex Court in **Champa Lal's** case is not applicable.



20. We are of the considered opinion that for the material on record, there is no scope of interference in the draft notification dated 23/24.11.2025 (Annexure P-1) as well as final notification dated 25.02.2026 (Annexure P-6), issued for constitution of Nagar Panchayat, Barsar, District Hamirpur and, accordingly, petition is dismissed, along with pending applications, if any.

(Vivek Singh Thakur)
Judge

(Ranjan Sharma)
Judge.

6th April, 2026
(Pardeep)