

State of Telangana v Kalluri Naga Narasimha Ashram (2025 INSC 1059)

Central Question

Can High Court expand 'local candidate' definition?

Subordinate legislation, Presidential Order (Article 37(2))
High Court under Article 226

State's Argument (Appellants)

Expansion Statutes Article 37(2) special provision

Benefits for local candidates in Telangana
Preferential admission to medical courses

True test: Residence & continued education within State

Collaborating with qualifying exams in State
Establishes real bonding/integration
Presumption: Will work in State after qualifying

Definition benefits studied/visited & marginalized

Born into families unable to send children outside State
Likely to remain in State & offer services
Addresses dearth of qualified medical practitioners

Respondents' Argument (Students)

Definition is gross, doesn't reflect life's vagaries

Parents' employment takes children away
Roots remain within the State

Rules Under Challenge

Telangana Medical & Dental Colleges Admission Rules, 2017 (Rules of 2017)

Challenged in first batch of Writ Petitions
Judgment on 29.08.2023

Amendments to 'local candidate' definition (ECMRs No. 33 dated 19.07.2024)

Challenged in second batch of Writ Petitions
Judgment on 05.09.2024

Inserts order allowed admissions per expanded definition

Genesis & History of Preferential Admissions

Article 37(2) (Before division)

Special provision for undivided Andhra Pradesh
Equitable opportunities in public employment & education
Enacted by Presidential Order

Article 37(2) (After division, incl. Telangana)

Presided by order to provide equitable opportunities
For people in different parts of States (Telangana & AP)
Public employment & education

Andhra Pradesh Educational Institutions (Regulations of Admissions) Order, 1974 (Presidential Order)

Published 01.07.1974
Divided State into 3 local areas: Telangana, Andhra, Rayachota

Local Candidate Definition (Original Presidential Order)

Studied in local area for 4 consecutive academic years
Trading with year of relevant qualifying examination

Local Candidate Definition (Second Amendment Order, 1976)

Students studying in different local areas
Considered in local area of maximum study time (within 7-year period)

AP Integration Act, 2014 - Continuance of Art. 37(2) for 10 years

Benefits for residents in different local areas (private study/open schools)

High Court's Questions & Findings (Rules of 2017)

Source of Legislative Power

Article 245 & 246: Fountain source of legislative power
Seventh Schedule Lists (I, II, III): Fields of legislation (not source)
Admission Act of 1982 & Rules of 2017

Admission Act (Section 3) explicitly refers to Presidential Order
State's power in education (Entry 25, List III) traced to Art. 245 & 246
Rules of 2017 traced to Presidential Order (via Act of 1982)

Scope of Union & State Powers in Education (Tamil Nadu Medical Officers Assn. case)

Entry 16 List I (Unions): Limited to coordination & standards
Entry 25 List III (States): Conduct exams, admissions, fees, reservation

Rejection of High Court's Reading Down

Definition of local candidate was clear and consistent with Presidential Order
Similar provisions upheld by SC for decades
High Court's expansion (residence coefficient) anomalous, unwarrantable

Supreme Court's Analysis & Decision

Binding Precedents Upholding Residence Criteria

D.P. Joshi v. State of Madhya Bharat (1955)

Upheld obligation for fee for non-residents
Justified by State's desire to help residents & fund institutions

Kanuri N. Venkatarao v. State of Mysore (1971)

Upheld 10-year residence condition
Hurdling not sufficient to strike down rule
Policy formulation in legislature's domain (unless gross discrimination etc.)

Pradeep Jain v. Union of India (1984)

Departure from merit for real equality justified
State interest & region's backwardness
Condemned wholesale reservation by domicile, but upheld institutional
70% (later 85%) reservation in order limit for State quota

Anand Mahas v. State of Haryana (1995)

Upheld Haryana residence/domicile + study requirements
Exception for children of certain govt/defense employees

High Court's finding in C. Sundar (Article 37(2) not against basic structure, except sub-article (3)) - Agreed with by SC

Rajesh Choudhary v. State of Assam (2016)

Upheld study requirement from Class 8-12 in Assam
Affluent students seeking outside coaching not entitled to State quota

Abroaded Municipal Corp. v. Nilayshankar R. Thakur (1999)

Expanded local student definition to AIIDA (from Municipal limits)
No varietal/discriminatory in present case

Amended Rules of 2027 (G.O. (MS) No. 33 dated 19.07.2024)

Power traced to Regulation Act of 1982, Entry 25 List III, Act, 37(2), Presidential Order, Act, 245 & 246
85% reservation for 'local candidate'
Definition: (i) 4 years study in local area OR (ii) 4 years residence in local area (without study), qualifying exams in Telangana
SC finds no warrant for High Court's 'reading down' of amended rule

State's Proposed Further Amendment (Previous to Rule 3)

Mitigates hardship for candidates studying outside Telangana due to parents' employment
Eligible categories
Subject to employment certificate submission

Children of Telangana State Government employees serving outside Telangana
Children of All India Services (Telangana cadre) serving outside Telangana
Children of defence personnel posted with Telangana homeunits, serving outside Telangana
Children of Telangana Government Corporation/Agency employees, transferable anywhere in India

Supreme Court's Final Ruling

Appeals of State & University Allowed

Impugned High Court judgments set aside

Writ Petitions & SLP by students dismissed

Rules of 2017 (as amended in 2024) upheld

With reservation for candidates covered by proposed Provision to Rule 3 (Para 34)

No order as to costs