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THE ANDHRA PRADESH GAZETTE

PART IV-A EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 17] AMARAVATI, TUESDAY, 23<sup>rd</sup> SEPTEMBER, 2025.

**ANDHRA PRADESH BILLS  
ANDHRA PRADESH LEGISLATIVE ASSEMBLY**

The following Bill was introduced in the Andhra Pradesh Legislative Assembly on 23<sup>rd</sup> September, 2025.

**L. A. Bill No. 17 of 2025**

**A BILL FURTHER TO AMEND THE ANDHRA PRADESH PANCHAYAT  
RAJ ACT, 1994.**

Be it enacted by the Legislature of the State of Andhra Pradesh in the Seventy-sixth Year of the Republic of India as follows : -

1. (1) This Act may be called the Andhra Pradesh Panchayat Raj (Amendment) Act, 2025. Short title and commencement.  
(2) It shall be come into force on such date as the Government may, by notification, appoint
2. In the Andhra Pradesh Panchayat Raj Act, 1994, in Section 60, sub-section (3) after clause (v), the following shall be added, Amendment of Section 60.  
namely,- Act No. 13 of 1994.  
“(vi) “Fee for conversion of Agricultural lands for Non-Agricultural purposes.”.
3. (1) The Andhra Pradesh Panchayat Raj (Amendment) Ordinance, 2025 is hereby repealed. Repeal and savings.

Ordinance No. 7  
of 2025.

- (2) Notwithstanding such repeal anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act.

## **STATEMENT OF OBJECTS AND REASONS**

On repeal of the Andhra Pradesh Agricultural Land (Conversion for Non Agricultural Purposes) Act, 2006, for increasing the ease of doing business and to prevent multiple stages while taking permissions, the applicable Municipal and Panchayat Acts need to be amended to incorporate the provisions pertaining to payment of conversion fee, duly taking certain factors into consideration while granting conversion proceedings.

The NALA fee being collected in the villages at present by the Revenue Department will hereafter become a source of income to the Gram Panchayats for carrying out the local infrastructural development, such as roads, water supply systems, drains, parks and other civic amenities.

On repeal of NALA Act, 2006 the Gram Panchayats take up the responsibility to oversee the land conversion from Agriculture to Non-Agriculture purpose in Gram Panchayat areas. The proposal enables the Gram Panchayats to derive income from the fee so collected hereafter, which helps to improve the basic infrastructure facilities in the Gram Panchayats in general and the areas where land conversion occurred, in particular.

The proposed amendment promotes a more efficient and transparent system in Gram Panchayats reducing time and administrative burdens to the public in general.

The necessity arose to make amendment to Andhra Pradesh Panchayat Raj Act, 1994 for empowering Gram Panchayats in the State to levy fee for Conversion of Agricultural Lands for non agricultural purpose in addition to the existing taxes/fees/cess.

As the Legislature of the State of Andhra Pradesh is not in session, having been prorogued, and it has been decided to give effect to the above decision immediately, the Andhra Pradesh Panchayat Raj (Amendment)

Ordinance, 2025 [Andhra Pradesh Ordinance No. 7 of 2025] was promulgated by the Governor on 28<sup>th</sup> August, 2025, which was published in Andhra Pradesh Gazette dated 4<sup>th</sup> September, 2025.

The Bill seeks to replace the said Ordinance and to give effect to the above decision.

**KONIDALA PAWAN KALYAN,**  
Deputy Chief Minister (PR. RD&RWS and EFS&T)

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Clauses 1(2) of the Bill authorizes the Government to issue notification in respect of the matters specified therein and generally to carry out the purposes of the Act.

As such the notification issued, which is intended to cover matters mostly of procedural in nature is to be laid on the table of the both Houses of the State Legislature and will be subject to any modifications made by the Legislature.

The above provisions of the Bill regarding delegated legislation are thus of normal type and mainly intended to cover matters of procedure.

**KONIDALA PAWAN KALYAN,**  
Deputy Chief Minister (PR. RD&RWS and EFS&T)

**MEMORANDUM UNDER RULE 95 OF THE RULES OF PROCEDURE  
AND CONDUCT OF BUSINESS IN THE ANDHRA PRADESH  
LEGISLATIVE ASSEMBLY.**

The Andhra Pradesh Panchayat Raj (Amendment) Bill, 2025, after it is passed by the Legislature of the State may be submitted to the Governor for his assent under Article 200 of the Constitution of India.

**KONIDALA PAWAN KALYAN,**  
Deputy Chief Minister (PR. RD&RWS and EFS&T)

**PRASANNA KUMAR SURYADEVARA**  
Secretary-General to Legislature.