GOVERNMENT OF TELANGANA
METROPOLITAN AREA & URBAN DEVELOPMENT (GHMC.2) DEPARTMENT

Memo.No.3271/GHHC-2/2026 **Dated:14:05.2026**

Sub: GHMC- Greater Hyderabad Municipal Corporation - Levy of Road Lease or Rental Charges and waive off Road Restoration Charges for OFC laying – Permission accorded – Instructions – Issued.

Ref: 1. G.O.Rt.No.53, MA&UD(GHMC-II) Department, dated:07.02.2020.
2. Circular No.145.33, Ministry of India (Highway Administration Cell) MoRTH, Dated:12.11.2025.
3. G.O.Rt.No.6, Consumer Affairs, Food & Civil Supplies Department, Dated: 25.03.2026
4. Representation received from the Chief Technical Officer, M/s Bharti Airtel Limited (AP circle) Lr.No.BAL/RoW/IT&C/Policy/84, Dated:04.03.2026.
5. Representation received from the Jio Digital Fibre Private Limited Lr.No. JDFPL/Row Rules 2024/Implementation/014, Dt:15.04.2026.
6. From the MD, HGCL, Hyd., Lr.No.113/CGM(T)/HGCL/DGM-I/UTILITY PERMISSIONS/2024-25, Dated:26.02.2026.

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In the 8th State Broadband Committee meeting held on 10.02.2026, it was observed that the MA&UD Department, along with GHMC, MMC, CMC, and HGCL, shall onboard the e-services portal in compliance with the Telecommunication (Right of Way) Rules, 2024, indicating the need for alignment at both State and Urban Local Body (ULB) levels with the central framework.

2. The Telecommunication (Right of Way) Rules, 2024, which came into effect from 01.01.2025, stipulate that public authorities shall not impose arbitrary or recurring levies such as rent, lease, or annuity. Only limited, regulated charges linked to restoration or damage are permissible. Further, for notified special projects such as BharatNet, even such charges are not allowed. These provisions establish a uniform national framework that shifts from revenue-based models to a facilitative approach for infrastructure deployment.

3. In the reference 1st read above, the Government has introduced the levy of road rent/lease charges by Urban Local Bodies as a recurring revenue mechanism for the use of public land for utilities in the State of Telangana. Under the said Government Order, lease charges at the rate of 10% of the land cost were permitted, in alignment with the then prevailing policy of MoRTH/NHAI. The said charges were intended to compensate for the utilization of public land and to augment municipal revenues.

4. In the reference 2nd read above, the Ministry of Road Transport and Highways, Government of India, waived license fees for BharatNet projects and transitioned to a framework based on restoration compliance and penalties for damages instead of recurring charges.

5. In the reference 3rd read above, the Consumer Affairs, Food & Civil Supplies Department highlighted constraints in City Gas Distribution (CGD) network expansion due to high restoration costs and lease charges. Accordingly, annual rental/lease charges were waived or reduced as a short-term measure up to 30.09.2026, and a "Dig and Restore" mechanism was introduced, replacing upfront restoration charges with a bank guarantee framework. This reflects a clear policy shift from revenue generation to facilitation.

6. In the reference 4th read above, M/s Bharti Airtel Limited (AP Circle) highlighted the positive impact of implementing RoW reforms and indicated readiness to deploy approximately 1300 km of Optical Fibre Cable (OFC), with a further proposal of 2000 km upon implementation of the Rules, involving an estimated investment of ₹744 crore over three years. In the 5th reference cited, M/s Jio Digital Fibre Private Limited requested implementation of the RoW Rules, 2024, particularly for overground infrastructure such as poles, and sought removal of pole rental and land lease charges in line with the Rules.

(P.T.O)

7. Further, under the Government of India's Special Assistance to States for Capital Investment (SASCI) 2026–27, financial assistance is provided as 50-year interest-free loans. The scheme emphasizes capital investment as a driver of economic growth and links incentives to structural reforms, including implementation of the Right of Way Rules, 2024. Under Part VI of the scheme, Telangana has been earmarked ₹150 crore as an incentive for undertaking such reforms.

8. Consistent with this policy shift, reforms mandated under SASCI require States to align policies, remove legacy charges, ensure time-bound approvals, and facilitate telecom expansion. The objective is to reduce cost barriers and accelerate infrastructure rollout, as also emphasized in the 8th State Broadband Committee meeting.

9. The reduction of such charges lowers entry barriers for telecom and utility providers, accelerates network expansion, and enhances digital connectivity. As recognized under SASCI, capital expenditure has a strong multiplier effect, generating increased economic activity, employment, and downstream revenue. The long-term economic and fiscal benefits are expected to outweigh the short-term loss of municipal revenue.

10. In view of the statutory provisions under the Telecommunication (Right of Way) Rules, 2024, reform requirements under SASCI, State policy direction under G.O.Rt.No.6, and practices adopted by BBMP, Chennai, NHAI, and other agencies, continuation of road rent/lease charges is no longer aligned with the prevailing policy framework. Further, HMDA/HGCL has permitted the concerned agencies to carry out restoration works as per the prescribed specifications while undertaking OFC laying and allied telecom infrastructure works within the ORR utility corridor, Accordingly, the agencies shall ensure restoration of roads and allied infrastructure strictly in accordance with the Specifications and standards prescribed by HMDA/HGCL

11. Government, after careful examination of the matter, hereby decides to remove such charges and adopt a facilitative, uniform regime based on restoration compliance and streamlined approvals.

12. The Commissioners, GHMC/CMC/MMC/HMDA, Hyderabad and the MD HGCL, Hyderabad shall take necessary action accordingly.

JAYESH RANJAN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Commissioner,
Greater Hyderabad Municipal Corporation (GHMC), Hyderabad.
The Commissioner,
Cyberabad Municipal Corporation (CMC), Hyderabad.
The Commissioner,
Malkajgiri Municipal Corporation (MMC), Hyderabad.
The Commissioner, HMDA Hyderabad
The MD, Hyderabad Growth Corridor Limited (HGCL), Hyderabad
Copy to:
P.S. to Secretary to Hon'ble Chief Minister.
P.S. to Special Chief Secretary to Government, MA&UD Department.
Sf/Sc.

// FORWARDED:: BY ORDER //

R. Srilaxmi

SECTION OFFICER