



## JSA Newsletter Telecommunications

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### **Consultation paper on 'Regulatory Framework for the Sale of Foreign Telecom Service Providers SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes'**

On July 4, 2025, the Telecom Regulatory Authority of India ("TRAI") has released a consultation paper on 'Regulatory Framework for the Sale of Foreign Telecom Service Providers SIM/ eSIM Cards for the use in M2M/ IoT Devices meant for Export purposes'. The consultation paper sought the views of the stakeholders broadly on the following:

1. whether the approach of: (a) introducing new service authorisation for sale of foreign Telecom Service Providers ("TSPs") Subscriber Identity Modules ("SIMs")/eSIM cards in India should be followed; or (b) including the activity of sale of foreign TSP SIMs/eSIM cards in India within the scope of proposed service authorisation for sale/rent of international roaming SIM cards/global calling cards of foreign operators in India can be adopted for the use of Machine-to-Machine ("M2M")/Internet of Things ("IoT") devices meant for export purposes;
2. whether any regulatory issues arise, including those under the jurisdiction of authorities such as the Reserve Bank of India ("RBI"), and Customs, in relation to the import of foreign TSP SIM/eSIM cards for export M2M SIM/ eSIM use in devices; and
3. whether any regulatory issues arise, including those under the jurisdiction of authorities such as RBI and Customs, in relation to the export of Indian TSPs SIM/eSIM cards for import use in M2M/IoT devices.

The stakeholders were required to provide their comments by August 1, 2025, and counter comments by August 18, 2025.

### **TRAI response to the back reference received from Department of Telecommunications on TRAI's recommendations for additional spectrum for Indian Railways' safety and security applications**

On July 4, 2025, TRAI has issued its Responses ("Responses") to the back reference sent by Department of Telecommunications ("DoT") on TRAI's earlier Recommendations on 'Assignment of Additional Spectrum to Indian Railways for its Safety and Security Applications' dated December 20, 2024 ("Previous Recommendations"). The Responses to the Previous Recommendations broadly state the following:

1. TRAI under the Previous Recommendations put forth the aspects related to sharing of spectrum among Indian Railways/National Capital Region Transport Corporation ("NCRTC")/Regional Rapid Transit System ("RRTS")/Metro Rail and other similar networks. It also addressed spectrum valuation and charging methodology along with the various issues related to assignment of additional 5 (five) MHz (paired) spectrum in the 700 (seven hundred) MHz band to Indian Railways. TRAI reiterated its earlier position rejecting DoT's view that additional

spectrum in the 700 (seven hundred) MHz band should be assigned only after the currently assigned 5 (five) MHz (paired) spectrum is fully utilised. TRAI further clarified that any new assignment will be based on the Auction Determined Price (“ADP”) and will require upfront payment of spectrum charges. TRAI is of the view that an additional 5 (five) MHz of paired spectrum can be assigned to Indian Railways so that they can plan, design and implement an optimised network for meeting the bandwidth requirements;

2. TRAI under the Previous Recommendations put forth that the field trial of Radio Access Network (“RAN”) sharing through Multi-Operator Core Network (“MOCN”) is conducted and in the event the Indian Railways intends to use the 5 (five) MHz frequency spectrum in the 700 (seven hundred) MHz band assigned to NCRTC and other RRTS/Metro Rail networks, then the Indian Railways will be permitted to use the additional 5 (five) MHz spectrum on an additional payment basis provided the same is not being used by NCRTC/other RRTS/Metro Rail networks. TRAI reiterated its earlier position rejecting DoT’s view that since Indian Railways is yet to utilise the already assigned 5 (five) MHz of paired spectrum in the 700 (seven hundred) MHz, the recommendation by TRAI may not be considered. TRAI is of the view that where the 5 (five) MHz frequency spectrum is not being used by NCRTC/other RRTS/Metro Rail networks, it should be allowed to Indian Railways keeping the national interest in mind; and
3. TRAI under the Previous Recommendations put forth the recommendation that spectrum charges for Indian Railways/NCRTC/other RRTS/Metro Rail networks should be levied based on the formula for royalty charges and license fees for captive use. TRAI further recommended that in order to harmonise the administrative assignment of spectrum in the International Mobile Telecommunications (“IMT”) bands, it should adopt an upfront payment mechanism based on the annual demand projections. This new charging method will apply to all future administrative assignments of IMT band spectrum. This approach is expected to promote efficient spectrum utilisation, prevent hoarding or blocking of spectrum, and resolve accounting issues that arise from phased spectrum assignments. This upfront ADP payment mechanism will also be applied to the 5 (five) MHz of paired spectrum already assigned to Indian Railways, effective prospectively. TRAI reiterated its earlier position rejecting DoT’s view that such charging mechanism will enthrone efficiency in utilisation of spectrum by the user department, avoid hoarding/blocking of spectrum and avoid accounting problem due to assignment of spectrum in phased manner. This upfront payment of ADP mechanism will also be applicable to the already assigned 5 (five) MHz of paired spectrum to the Indian Railways with prospective effect. TRAI is of the view that DoT’s concern regarding hoarding or blocking of spectrum and accounting related challenges do not appear to be well founded.

## Framework for establishing telecommunication infrastructure in building development

On July 9, 2025, DoT has issued a notification establishing a framework to integrate telecommunication infrastructure into building development regulations. This is to ensure that buildings are equipped with reliable telecommunication services. The framework *inter alia* provides for the following:

1. specific responsibilities for various government bodies and institutions such as the Bureau of Indian Standards, the Telecommunication Engineering Centre, the Ministry of Rural Development, the National Communications Academy – Technology (“NCA-T”) are outlined. Further, the Ministry of Housing and Urban Affairs (“MoHUA”) is tasked with updating the Model Building Bye-Laws to include telecommunication infrastructure as a core utility. It must ensure that Enabling Telecommunication Infrastructure (“ETI”) is treated as essential in building plans and allow states to decide whether building ratings for telecommunication connectivity should be mandatory or voluntary. MoHUA is also expected to integrate ETI provisions into builder-buyer agreements under the Real Estate Regulatory Authority, making them enforceable. Additionally, MoHUA will develop standardised formats for issuing no objection certificates related to telecommunication infrastructure during building plan approvals and post-construction;
2. telecommunication infrastructure is defined in 3 (three) distinct parts to standardise its implementation across buildings. The first part is ETI, which includes physical components such as entrance facilities, underground

conduits, fibre cables, and equipment rooms which must be installed during the construction phase for provisioning telecommunication services before a building receives its occupancy certificate. The second part is indoor mobile coverage, which involves systems like In-Building Solutions (“**IBS**”) and Distributed Antenna Systems (“**DAS**”) to ensure strong mobile signal coverage inside buildings. The third part is Telecommunication Equipment (“**TE**”), which includes base stations and associated hardware that feed the IBS/DAS systems;

3. NCA-T will maintain a registry of certified professionals and act as the nodal agency for all matters related to telecommunication infrastructure workforce development, define qualifications, roles, and responsibilities for these professionals; and
4. to ensure effective implementation, a quarterly review committee will be established.

## Draft National Telecom Policy – 2025

On July 24, 2025, DoT has released the Draft National Telecom Policy 2025 (“**Draft NTP-25**”) for public consultation. The timeline for stakeholders’ consultations and suggestions ended on August 14, 2025. The Draft NTP-25 proposed to ensure India’s strategic commitment to telecommunications and respond to emerging opportunities and challenges presented by next generation technologies. The Draft NTP-25 aims to build on the progress made under the National Digital Communications Policy 2018, while addressing the evolving challenges and aiming to align India’s telecom sector with current and future technology security needs, with the adoption of AI-driven security mechanisms. The Draft NTP-25 is India’s blueprint for the transformation and modernisation of its telecommunications sector, aiming to make the country a global leader in digital innovation.

For further details, please refer to the [JSA Prism of July 29, 2025](#).

## Meeting of Joint Committee of Regulators

On July 22, 2025, TRAI convened a meeting of the Joint Committee of Regulators (“**JCoR**”), which was attended by the representatives of RBI, the Securities Exchange Board of India, the Insurance Regulatory Development Authority of India, the Pension Fund Regulatory and Development Authority, the Ministry of Electronics and Information Technology, DoT, the Ministry of Home Affairs and the National Payments Corporation of India (“**NPCI**”), to roll out collaborative regulatory measures in light of rising digital payment linked frauds. Some of the key outcomes are as follows:

1. regulators agreed on a phased migration to the 1600-number series for banking, financial services and insurance service calls, with timelines based on inputs from sectoral regulators to TRAI;
2. a pilot project is underway, led by TRAI and RBI, aimed to replace offline consents with a secure digital system for managing consent for commercial communication. Major banks and telecom providers will participate, with 4 (four) working groups to oversee the implementation. A workshop on July 21, 2025, confirmed joint commitment to the initiative;
3. plans were discussed for automated data sharing between Indian Cyber Crime Coordination Centre, DoT, and Distributed Ledger Technology platforms under the Telecom Commercial Communications Customer Preference Regulations, 2018, to enable quick actions like disconnection of fraud-related numbers;
4. misuse of Session Initiation Protocol and Primary Rate Interface lines for spam was flagged and proposed solutions include issuing lines from designated ranges and adding safeguards;
5. TRAI updated its portal to help users identify entities behind commercial SMS headers; and
6. NPCI was added to JCoR to address mobile and unified payments interface-related financial fraud, strengthening the committee’s fraud prevention efforts.

Further, TRAI, emphasised the need for cross-sectoral collaboration to protect consumers in a digital economy, and urged regulators to implement safeguards swiftly without burdening legitimate businesses.

## Framework and guidelines for classification of critical services in the M2M/IoT sector

On July 29, 2025, DoT has issued an Office Memorandum (“OM”) establishing a framework for identifying and regulating critical M2M and IoT services across government ministries and regulatory bodies. The OM adopts the TRAI recommendations dated April 22, 2025, on issues related to critical M2M services and transfer of M2M SIM ownership. Some of the key outcomes are as follows:

1. critical M2M/IoT services are specific applications that demand ultra-reliable, low-latency M2M/IoT connectivity with very high availability, where any disruption of the M2M/IoT connectivity used for delivering the service will have a huge impact on national security, economy, public health, or public safety;
2. critical status is applied only to individual services within a domain or sector that satisfy the twin criteria of ultra-reliable connectivity and huge impact upon disruption, rather than classifying entire domains or sectors as critical;
3. any M2M/IoT service will be considered non-critical unless it is identified and notified as a critical M2M and IoT service by the concerned ministry or regulatory body, in consultation with DoT and assisted by the Telecommunication Engineering Centre (“TEC”);
4. each concerned ministry or regulatory body will constitute a standing committee comprising officers with relevant domain knowledge and TEC nominees to identify and recommend specific M2M/IoT services that meet the criteria of criticality and to recommend appropriate and measurable service performance benchmarks for each identified service;
5. after consideration of the standing committee’s recommendations, the concerned ministry or regulatory body will notify the telecommunication service performance benchmarks for each critical M2M/IoT service separately. TEC will establish and maintain an online repository of sector-wise critical M2M and IoT services along with their corresponding regulatory requirements;
6. under the Telecommunications (Framework to Notify Standards, Conformity Assessment and Certification) Rules, 2025, the Mandatory Testing and Certification of Telecom Equipment framework will be applied in a phased manner to the communication modules of devices used in critical M2M and IoT services and to high-volume non-critical modules determined by the standing committee, to ensure compliance with safety, security, and performance standards; and
7. ministries and regulatory bodies are advised to constitute their standing committees at the earliest and coordinate. Further, DoT, through the TEC, is committed to providing all necessary support and technical assistance for the smooth and effective implementation of this framework.

## Instructions for provisioning of telecommunication services to Person with Disabilities

On July 31, 2025, DoT has issued instructions to unified access service/unified license (access service authorisation/virtual network operator) licensees regarding provisioning of telecommunication services to Persons with Disabilities (“PwD”), basis the earlier guidelines and in compliance with the Supreme Court of India (“**Supreme Court**”) judgment in the case of *Amar Jain vs Union of India*<sup>1</sup>. The key points of the instructions are as follows:

1. licensees must ensure strict adherence to the instructions and implement the existing Know Your Customer (“KYC”) process in a manner accessible and inclusive for PwDs;

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<sup>1</sup> WP(C) No. 49/2025

2. licensees must inform PwD customers regarding the choice of extant KYC processes, e-KYC, Digital KYC (“**D-KYC**”), self-KYC, and paper-based KYC, and will not deny telecommunication services due to non-completion of KYC on account of disability;
3. if PwD customers opt for e-KYC, D-KYC or self-KYC, the liveness detection mechanism for live photographs or videos will not be limited to eye blinking alone. The licensees are required to incorporate alternative methods to ensure inclusivity. The photograph of the PwD certificate will also be captured by Point of Sale (“**PoS**”);
4. licensees are required to ensure the availability of paper-based KYC as an accessible alternative for PwD customers who choose this option, with copies of PwD certificates attached to the Customer Application Form (“**CAF**”);
5. CAF and the database is required to include mandatory fields for identification of PwD status and disability type with percentage;
6. licensees are required to appoint a designated officer to address issues faced by PwD customers. PoS facing difficulties enrolling PwD customers are required to refer such cases, along with the relevant details, to the designated officer who will take appropriate action and update systems accordingly;
7. the designated officer will review the KYC applications of PwD customers rejected by the automated systems and may approve enrolment after recording reasons in writing on the CAF, if deemed appropriate;
8. licensees are required to establish a grievance redressal mechanism for PwD customers to report accessibility-related issues during the KYC process or while using services;
9. establish a dedicated desk or helpline within their customer support centres staffed by personnel, trained to assist PwDs. The licensees will conduct disability awareness and training programs periodically for PoS, designated officers, and employees to better sensitise them to issues raised by PwD customers; and
10. licensees will need to submit an accessibility compliance report on January 1<sup>st</sup> and July 1<sup>st</sup> of every year through the Saral Sanchar Portal, beginning on January 1, 2026, signed by an authorised signatory. The instructions will be applicable from 1 (one) month after issuance of the letter, which is from August 31, 2025.

## **TRAI response to the back reference received from DoT on TRAI’s recommendations on the terms and conditions of network authorisations to be granted under the Telecommunications Act, 2023**

On August 13, 2025, TRAI has issued its responses to the back reference sent by DoT on TRAI’s earlier Recommendations on ‘Terms and Conditions of Network Authorisations to be Granted Under the Telecommunications Act, 2023’ dated February 17, 2025 (“**Previous T&C Recommendations**”). The responses to the Previous Recommendations broadly state the following:

1. the Previous T&C Recommendations stated that the Central Government should seek TRAI’s input on any substantive changes to the terms and conditions of network authorisations. DoT had responded that this might not be accepted. In the responses, TRAI reiterated its position, clarifying that its recommendation only applies to substantive changes, not routine amendments, to ensure regulatory stability and investor confidence;
2. the Previous T&C Recommendations sought to prevent entities from holding multiple authorisations with overlapping scopes. DoT had responded by proposing a new provision to exclude entities with existing, overlapping service authorisations from being eligible for new network authorisations. TRAI in its responses accepted this proposed provision as it aligns with their original objective;
3. the Previous T&C Recommendations did not address Satellite Communication Network (“**SCN**”) authorisation under the new Telecommunications Act, 2023 (“**Telecom Act**”). DoT had referred this issue to TRAI. TRAI responded by announcing a new consultation process to get stakeholder views on the terms and conditions for SCN authorisation, including spectrum assignment. On the issue of Internet Exchange Points (“**IXP**”)



blocking internet sites, DoT had sought TRAI's views on the technical feasibility. TRAI responded by noting that the feasibility depends on whether the IXP operates at Layer 2 or Layer 3 and recommended that DoT, in consultation with the Ministry of Home Affairs and the Telecom Engineering Centre, examine the need and feasibility of such blocking;

4. the Previous T&C Recommendations exempted the establishment of IBS by property managers from authorisation, to encourage deployment and address poor network coverage. DoT had responded by suggesting that IBS should be part of the 'Infrastructure Provider Authorisation'. TRAI reiterated its original recommendation, arguing that the exemption would help prioritise the deployment of IBS in buildings and reaffirmed that property managers must provide fair and non-discriminatory access to all authorised service providers and digital connectivity infrastructure provider entities;
5. the Previous T&C Recommendations advised against a separate licensing framework for Content Delivery Network ("CDN") providers to support market expansion. DoT had requested a reconsideration of this. TRAI confirmed its previous recommendation and, instead of licensing, proposed a mandate for agreements between the authorised telecommunications entities and CDN providers to be fair, non-discriminatory, and compliant with net neutrality objectives; and
6. the Previous T&C Recommendations proposed a single bank guarantee to promote ease of doing business and cover all financial obligations. DoT had not provided a reason for accepting this, only for the Central Government and not for TRAI. TRAI reiterated its recommendation and proposed that if the single bank guarantee is not accepted, a separate one should be stipulated with TRAI to secure the recovery of financial disincentives.

### **Advisory on deployment of oneM2M standards based IoT solutions**

On August 21, 2025, DoT has issued an advisory on deployment of oneM2M standards-based IoT solutions ("Advisory") committing to fostering a secure and interoperable IoT ecosystem in the country. The important terms of the Advisory are specified below:

1. it was noted in the Advisory that TEC, the nodal agency for standards, requires all notified telecommunication equipment to be tested and certified before being sold or imported. In this backdrop, the essential requirements have been prepared for various IoT devices, including IoT gateways, feedback devices, tracking devices, smart electricity meters, and end point devices for environmental monitoring. TEC has adopted oneM2M Release 2 and Release 3 specifications as National Standards in 2020 and 2022, respectively, which support the development of standardised IoT ecosystem in India. Additionally, the rapid growth of proprietary IoT solutions in the country has highlighted the urgent need for standardisation; and
2. accordingly, the Advisory provides that all the ministries, departments, government organisations as well as IoT stakeholders viz., M2M service providers, IoT device manufacturers, etc., should deploy IoT solutions based on oneM2M standards for creating smart infrastructures so that all the applications/use cases deployed are interoperable and secure.

### **Draft telecommunications rules on authorisation for telecommunication services**

DoT, in September 2025, has released 3 (three) sets of draft rules under the Telecom Act. These rules are open for stakeholders' comments and suggestions for a period of 30 (thirty) days from the date on which copies of the notification are published in the official gazette. It introduces a unified authorisation framework designed to simplify entry and reduce compliance requirements for operators by covering main telecommunication services, miscellaneous telecommunication services and captive telecommunication services. These draft rules establish category specific provisions while also setting out common eligibility, financial, technical, and national security requirements. The draft rules clarify that the actions taken under the exiting Indian Telegraph Act, 1885 ("Telegraph

**Act**”), such as the grant of licenses or registrations, will continue to remain valid and governed under the provisions of the Telecom Act.

For further details, please refer to the [JSA Prism of September 20, 2025](#).

## Draft Telecommunications (Migration) Rules, 2025

DoT, *vide* notification dated September 19, 2025, has issued the Draft Telecommunications (Migration) Rules, 2025 (“**Draft Migration Rules**”). The stakeholders’ consultations and suggestions on the Draft Migration Rules can be submitted by October 19, 2025. The Draft Migration Rules broadly state the following:

1. the Draft Migration Rules apply to the migration of licenses granted under the Indian Telegraph Act and the Indian Wireless Telegraphy Act, 1933 (“**relevant licenses**”) to corresponding authorisations under the Telecom Act, as listed in Schedule A of the Draft Migration Rules;
2. licensees seeking migration must apply at least 12 (twelve) months prior to the expiry of their relevant license. For licenses with less than 12 (twelve) months’ validity from the date of commencement of the draft rules, applications must be submitted within 90 (ninety) days;
3. migration applications must include details of all licenses held by the applicant and promoters and accompanied by a non-refundable processing fee of INR 10,000 (Indian Rupees ten thousand). Applicants holding multiple licenses must apply for migration of all such licenses;
4. migration is permitted only for the same service area or area of operation, with specific provisions for internet service provider Category C, access service Category B, and M2M Category C licenses to migrate to corresponding authorisations for specified telecom circles or metro areas;
5. upon determining eligibility, the Central Government will issue a demand letter specifying the differential entry fee payable. No refunds will be issued if the entry fee already paid exceeds the applicable fee for the new authorisation;
6. migration approvals are contingent on payment of all pending dues under the relevant license, including license fees, spectrum usage charges, auction dues, and any amounts subject to judicial orders. Applicants must submit undertakings to pay any future liabilities arising from the migrated license;
7. upon migration, the terms and conditions of the new authorisation will apply. However, pre-migration obligations, including rollout requirements, financial dues, and penalties for past violations, will continue to be enforceable under the original license terms;
8. existing permissions, certificates, and resources such as spectrum assignments, compliance certificates, foreign deployment approvals, will be deemed reassigned under the new authorisation, unless the government determines otherwise;
9. upon successful migration, the relevant licenses will be cancelled and deemed subsumed into the new authorisation. All liabilities under the cancelled license will carry forward and remain enforceable under the authorisation;
10. spectrum assigned through auction or market-based pricing will continue to be valid under its original terms. Administratively assigned spectrum will remain valid for 5 (five) years from the appointed date or until expiry, whichever is earlier; and
11. the Central Government may notify one or more digital portals for implementation of these rules, including submission of applications and issuance of approvals.

## Draft Telecommunications (User Identification) Rules, 2025

DoT, *vide* notification dated September 19, 2025, has issued the Draft Telecommunications (User Identification) Rules, 2025 (“**Draft User Identification Rules**”). Stakeholders’ consultations and suggestions on the Draft User Identification Rules can be submitted by October 19, 2025. The Draft User Identification Rules broadly state the following:

1. the Draft User Identification Rules apply to entities providing telecommunication services, whether under authorisation or license, and to all users of such services. These entities are referred to as ‘authorised entities’;
2. the Draft User Identification Rules establish a framework for biometric-based identification of users through the following 2 (two) processes:
  - a) e-KYC for Aadhaar number holders; and
  - b) D-KYC for users without Aadhaar or unable to undergo e-KYC;
3. authorised entities must establish and maintain a Biometric Identity Verification System (“**BIVS**”) to verify users enrolled via D-KYC. Each user is assigned a unique user identification in BIVS, which is used for identification and tracking the number of connections;
4. BIVS must comply with government-specified standards, ensure secure storage of user data, maintain access controls, and enable real-time sharing of biometric data among authorised entities while ensuring data privacy;
5. authorised entities must record reasons for using D-KYC in the customer acquisition form and Subscriber Database Record (“**SDR**”) and collect proof of identity and address documents as specified by the government;
6. activation of telecommunication services must be done in accordance with Rule 45 of the Main Telecommunication Services Rules, 2025, and any directions issued by the Central Government;
7. re-verification of user identity is required in cases of:
  - a) SIM replacement or upgrade;
  - b) mobile number portability; and
  - c) government directions;
8. change of user is permitted only between blood relatives or legal heirs, subject to submission of a no-objection certificate and biometric re-verification. Business connections must notify changes in end users, who must be verified within 7 (seven) days;
9. authorised entities must inform users of their obligations under the Telecom Act, including:
  - a) providing accurate identity information;
  - b) avoiding fraudulent acquisition of SIMs; and
  - c) preventing misuse of telecom services;
10. biometric and other user data must not be stored on PoS devices and must be securely transmitted. SDR and BIVS must be operated in compliance with data protection laws;
11. if false or forged documents are used during enrolment, authorised entities must file a police complaint and notify the government. Failure to act may result in enforcement action under the Telecommunications (Adjudication and Appeal) Rules, 2025, which are yet to be issued;
12. users may request disconnection of services, and authorised entities must update SDR and BIVS in real time and are prohibited from:
  - a) providing false or forged documents; and
  - b) reselling or transferring telecom connections (except as permitted under Rule 9);



13. periodic re-verification of identity may be mandated by the government, including for users enrolled under the Indian Telegraph Act;
14. non-compliance by authorised entities or users is subject to penalties under the Telecom Act and related rules. The government may direct suspension of services if rules are violated; and
15. the Central Government may issue clarifications, procedures, and notify a digital portal for implementation, including forms, document lists, and guidelines.

## **Draft Telecommunications (Regulation of Restructuring or Acquisition of Authorised Entities) Rules, 2025**

DoT, *vide* notification dated September 19, 2025, has issued the Draft Telecommunications (Regulation of Restructuring or Acquisition of Authorised Entities) Rules, 2025 ("**Draft Restructuring Rules**"). Stakeholders' consultation and suggestions on the Draft Restructuring Rules can be submitted by October 19, 2025. The Draft Restructuring Rules broadly state the following:

1. the Draft Restructuring Rules establish a regulatory framework for mergers, demergers, acquisitions, and restructuring of authorised entities. These rules supersede the 2014 guidelines for transfer or merger but will not override the terms and conditions in respect of transfer or merger which have been undertaken pursuant to those guidelines;
2. the Draft Restructuring Rules apply to authorised entities that have been granted authorisation under the Telecom Act or are licensees under the Indian Telegraph Act who have opted to continue under the Telecom Act. However, Rules 5, 11, 12, and 14 of the Draft Restructuring Rules apply only to entities with a turnover exceeding INR 50,00,00,000 (Indian Rupees fifty crore);
3. the Draft Restructuring Rules do not apply to restructuring or acquisition that is part of a disinvestment or undertaken by lenders exercising rights under a security interest, or to entities providing only broadcasting services. Entities providing both broadcasting and other telecom services are not exempted;
4. the Draft Restructuring Rules require authorised entities and their promoters to ensure compliance. Any breach will be treated as a violation of the terms of authorisation and may attract penalties under the Telecommunications (Adjudication and Appeal) Rules, 2025 which are yet to be issued. Promoters may be held jointly and severally liable for violations, especially if they have received any consideration from such transactions;
5. the Draft Restructuring Rules mandate entities undergoing restructuring or acquisition to disclose their direct and indirect shareholding, ensure that foreign investment does not exceed prescribed limits, comply with applicable foreign direct investment laws and policies, and ensure that no investment is made by prohibited investors;
6. The Draft Restructuring Rules require entities with turnover above INR 50,00,00,000 (Indian Rupees fifty crore) to obtain prior written approval from DoT before undertaking any restructuring or acquisition. Applications must include details of pending disputes, impact on market share and spectrum holding, compliance with spectrum liberalisation, post-transaction spectrum holding, and any pending dues or court orders;
7. The Draft Restructuring Rules prohibit any restructuring or acquisition that results in an entity holding more than 50% market share in any service area or area of operation. If this threshold is breached, the entity must reduce its market share to below 50% within 1 (one) year of the transaction;
8. The Draft Restructuring Rules stipulate that total access spectrum holding of an entity post-restructuring or acquisition must not exceed the limits specified in the latest 'Notice Inviting Application'. If exceeded, the excess spectrum must be vacated or traded within 12 (twelve) months of tribunal approval;
9. the Draft Restructuring Rules require that administratively assigned or entry-fee-based spectrum must be liberalised before applying for restructuring or acquisition approval;

10. the Draft Restructuring Rules require applicants to submit spectrum holding calculations along with their application. DoT will determine the applicable spectrum charges and specify a payment schedule, which must be adhered to by the applicants;
11. the Draft Restructuring Rules mandate that all pending dues must be cleared before approval is granted. If the dues are under judicial stay, the applicant must submit an irrevocable on-demand bank guarantee for the amount due with interest for 3 (three) years;
12. the Draft Restructuring Rules require the restructuring scheme to provide for transfer or issuance of authorisation within 1 (one) year, include undertakings for compliance with all applicable terms, disclose spectrum holdings and cross holdings, and address any lock-in periods or spectrum limits;
13. the Draft Restructuring Rules provide that, DoT will grant approval for restructuring or acquisition if the scheme includes compliance undertakings, the acquirer is not a prohibited investor and meets eligibility criteria, both entities hold compatible authorisations, all dues are paid or guaranteed, and the transaction complies with market share and spectrum limits;
14. the Draft Restructuring Rules require the resulting entity or acquirer to apply for transfer or new authorisation within 60 (sixty) days of tribunal approval. DoT will process the request within a similar timeframe, subject to conditions;
15. the Draft Restructuring Rules require prior approval of DoT, for transactions involving change in control, asset transfer, or shareholding changes for entities with turnover above INR 50,00,00,000 (Indian Rupees fifty crore), even if not covered under Chapter 3 of the Draft Restructuring Rules;
16. the Draft Restructuring Rules state that approvals are based on applicant submissions. If any statement is found to be false, the approval will be deemed void from the beginning; and
17. the Draft Restructuring Rules create a comprehensive compliance regime for telecom mergers and acquisitions, balancing corporate restructuring flexibility with safeguards against market concentration, spectrum hoarding, and revenue leakage, under close DoT oversight.

## **Recommendations on reserve price for auction of Frequency Modulation Radio Channels, 2025**

On September 23, 2025, TRAI has issued recommendations on the reserve price for auction of Frequency Modulation ("FM") radio channels. These recommendations were made in response to a reference from the Ministry of Information and Broadcasting ("MIB") seeking reserve prices for FM channels in 3 (three) cities i.e. Bilaspur (Chhattisgarh), Rourkela (Odisha), and Rudrapur (Uttarakhand), as well as for 18 (eighteen) new cities in hilly states and union territories proposed to be classified under a newly introduced city category 'E'.

TRAI recommended that the reserve prices for Bilaspur, Rourkela, and Rudrapur be set at 70% of the average valuation derived from 4 (four) key variables: (a) per capita gross state domestic product; (b) per capita gross revenue; (c) FM radio listenership; and (d) past ADP. The valuation methodology was consistent with TRAI's 2020 recommendations, with adjustments made using the 'Market Intensity Index' to reflect city-specific market potential. Accordingly, the reserve prices recommended were INR 83,00,000 (Indian Rupees eighty-three lakh) for Bilaspur, INR 1,20,00,000 (Indian Rupees one crore twenty lakh) for Rourkela, and INR 97,00,000 (Indian Rupees ninety-seven lakh) for Rudrapur.

For the newly proposed category 'E' cities, TRAI recommended a reserve price of INR 3,75,000 (Indian Rupees three lakh seventy-five thousand) per channel. This was calculated by applying a coverage ratio of 0.75 (zero point seven five) to the INR 5,00,000 (Indian Rupees five lakh) reserve price used for cities in the 'Others' category during the Phase-III auctions. The lower 'Effective Radiated Power' and reduced coverage area in category 'E' cities justified the reduced reserve price.

TRAI also recommended that the minimum net worth requirement for bidders in category 'E' cities be set at INR 30,00,000 (Indian Rupees thirty lakh), lower than the INR 50,00,000 (Indian Rupees fifty lakh) required for 'Others' category cities. This is intended to encourage participation from local entrepreneurs and reduce entry barriers. For all other city categories (A+, A, B, C, D, 'Others'), the existing financial competence criteria under the FM Phase-III policy guidelines dated July 25, 2011, would continue to apply.

Regarding annual fees, TRAI recommended that category 'E' cities be subject to an annual authorisation fee of 2% of Adjusted Gross Revenue ("AGR") for the initial 3 (three) years, increasing to 4% thereafter. AGR should be calculated after excluding goods and services tax from the gross revenue. Additionally, revenue from streaming of radio content should be included in the AGR. These recommendations align with TRAI's earlier proposals to delink annual fees from the 'Non-Refundable One Time Entry Fee', which have already been accepted for new cities but not yet extended to existing licensees.

TRAI proposed that the maximum number of FM channels in category 'E' cities be capped at 3 (three), consistent with the limit for category 'D' and 'Others' cities. For all other categories, the existing channel limits under the FM Phase-III policy would remain unchanged.

To support the financial viability of FM broadcasters, TRAI reiterated its earlier recommendations to remove the mandatory requirement for co-location on Prasar Bharati infrastructure. Instead, infrastructure sharing should be voluntary and based on technical and commercial feasibility. Additionally, Prasar Bharati should offer its land and tower infrastructure and common transmission infrastructure to private broadcasters at concessional rental rates, with full recovery of operational expenses.

TRAI also reaffirmed its recommendation that private FM broadcasters be permitted to air independent news and current affairs programs for up to 10 (ten) minutes per hour, subject to compliance with the program code prescribed by the Central Government. Furthermore, broadcasters should be allowed to stream their radio content concurrently over the internet without user control features such as download or replay, thereby expanding reach and revenue potential.

Finally, TRAI recommended that successful bidders be given multiple payment options for the bid amount, similar to those offered in telecom spectrum auctions. These options include upfront payment or staggered instalments over 20 (twenty) years, with interest protection on net present value. This flexibility is expected to improve auction participation and reduce financial stress on FM operators.

### **Bharti Airtel Limited and Ors. vs. Commissioner of Central Excise**

The Supreme Court, *vide* an order<sup>2</sup> dated August 8, 2025, dismissed the special leave petition filed by the Commissioner of Central Excise, Pune, and upheld the Delhi High Court ("**Delhi HC**") judgement in the appeal filed by Bharti Airtel Limited, Tata Teleservices Limited, Reliance Communications and other TSPs against the decision of the Customs, Excise and Service Tax Appellate Tribunal ("**CESTAT**"), dated August 26, 2014, where CESTAT had concluded that the towers, shelter and other accessories used by the TSPs for providing telecom services are immovable property.

The Delhi HC held that mobile towers, shelters, and other accessories do not come under the purview of an accessory permanently annexed to the earth for the beneficial enjoyment of the owner of the land. Accordingly, they do not come under the category of immovable property as defined under per Section 3(26) of the General Clauses Act, 1897 and Section 3 of the Transfer of Property Act, 1882. Therefore, the TSPs can claim for cenvat credit under the Cenvat Credit Rules, 2004.

For the telecom sector, the dismissal of the appeal against the judgment of the Delhi HC is a financial relief that encourages capital investment, accelerates network expansion, and promotes infrastructure sharing. It also enhances regulatory clarity around tax treatment of telecommunication infrastructure, which is crucial for long-term planning

<sup>2</sup> *Bharti Airtel Ltd. & Ors. vs. Commissioner of Central Excise, Pune, (2024) 132 GSTR 404: 2024 SCC OnLine SC 3374*

and competitiveness in a capital-intensive industry. The telecommunication towers are the backbone of the telecommunication sector, and any denial of this credit would substantially increase the cost of providing this service to the common man. For consumers and end users, the judgment is likely to translate into improved network coverage, faster deployment of telecom services, and potentially more competitive pricing as operators gain greater financial flexibility to invest in service quality and innovation.

## Telecommunications & Broadcasting Practice

Our Communications practice is handled by a team with specific domain expertise, and we advise various stakeholders in both Telecom & Broadcasting sectors on a wide range of transactions and assignments that involve constitutional, legal, contractual, commercial, regulatory and policy advice. We advise broadcasters, BPOs, Internet Service Providers (ISPs), operators and investors in the Global System for Mobile Communications (GSM) and the Code Division Multiple Access (CDMA) technologies, and new investors on diverse licensing issues, entry strategies, structuring, national security challenges, and other regulatory issues. Some of the main aspects handled/negotiated/advised by us include commercial arrangements; mergers & acquisitions (including FDI) and joint ventures; spectrum allocation; communication satellites; and regulatory compliances and strategic advice including handling regulatory proceedings. We represent the interests of licensees and other stakeholders in interacting with the licensor and regulators with respect to reforms in the regulatory and policy framework to facilitate business growth, drawing upon international best practices. We advise and represent investors, broadcasters, and telecom licensees on commercial transactions in this sector, including restructuring, divestment, licensing, and project financing (vendor financing and corporate finance). We advise telecom service providers and other corporate houses on all aspects of spectrum licensing and allocation, including fundamental issues relating to the scope of spectrum bands, the regulatory framework governing their allocation in India, and planning, strategising and following up on their application to the Government. We advise and represent diverse entities in proceedings before the concerned licensing, regulatory, judicial and quasi-judicial authorities (including DoT, MIB, TRAI, TDSAT, various High Courts and the Supreme Court). In such proceedings, we assist clients in developing strategies, render opinions, draft pleadings and lead/assist in the proceedings. We have a strong track record of providing quality advice and concrete results to the above segments of the communications industry, and have been engaged in handling the key legal, regulatory and policy issues that have historically arisen in the industry.

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18 Practices and  
41 Ranked Lawyers



7 Ranked Practices,  
21 Ranked Lawyers



14 Practices and  
12 Ranked Lawyers



12 Practices and 50 Ranked  
Lawyers



20 Practices and  
22 Ranked Lawyers



8 Practices and  
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