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For Immediate Release

Telecom Regulatory Authority of India

TRAI releases "The Telecommunication Interconnection (Reference Interconnect Offer) (Amendment) Regulations, 2026".

New Delhi, 27th November 2026 - The Telecom Regulatory Authority of India (TRAI) today released **"The Telecommunication Interconnection (Reference Interconnect Offer) (Amendment) Regulations, 2026"**. The amendment regulations modernise the framework governing Reference Interconnect Offer (RIO), align it with the current licensing and authorisation regime, and update the framework for determination of Significant Market Power (SMP), submission and publication of RIO, the Model RIO and RIO Guidelines, and interconnection arrangements. A financial disincentives framework for specified contraventions has also been introduced by these regulations. These regulations will come into force with effect from 1st January 2027.

2. Interconnection in telecommunications refers to the commercial and technical arrangements through which authorised entities or licensees connect their telecommunication equipment, networks and services so that users can access the users, services and networks of other authorised entities or licensees. Sub-clauses (ii), (iii) and (iv) of Section 11(1)(b) of the TRAI Act, 1997, *inter alia*, require TRAI to prescribe the terms and conditions of interconnection between service providers, ensure technical compatibility and effective interconnection between service providers, and regulate arrangements among service providers for sharing revenue derived from the provision of telecommunication services.

3. The Telecommunication Interconnection (Reference Interconnect Offer) Regulation, 2002 was notified in July 2002 to ensure transparent, non-discriminatory and standardised interconnection terms, particularly where a service provider has Significant Market Power (SMP). Since then, the telecom sector has undergone significant technological and regulatory changes, including the transition from legacy circuit-switched and E1/TDM-based

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interconnection towards packet-switched, IP-based networks and the emergence of LSA-level interconnection.

4. To ensure that the existing regulatory framework governing interconnection matters remain relevant, transparent, and conducive to efficient interconnection between service providers, TRAI initiated a review of the regulatory framework through a Pre-Consultation Paper on the "Review of existing TRAI Regulations on Interconnection matters", dated 03.04.2025.

5. Subsequently, a Consultation Paper on the "Review of existing TRAI Regulations on Interconnection matters", providing the background information and taking into account the stakeholders' comments received during the pre-consultation process, was issued on 10.11.2025. Through the Consultation Paper, stakeholders' comments were sought, *inter alia*, to review the Telecommunication Interconnection (Reference Interconnect Offer) Regulation, 2002. After extension, the last dates for furnishing written comments and counter-comments were 15.12.2025 and 29.12.2025, respectively.

6. In response to the issues raised in the Consultation Paper, seventeen stakeholders submitted their comments, while nine stakeholders submitted counter-comments. As part of the consultation process, an Open House Discussion (OHD) on the Consultation Paper was held on 28.01.2026. Based on the comments received from stakeholders during the consultation process, and its own analysis, TRAI has finalised the Telecommunication Interconnection (Reference Interconnect Offer) (Amendment) Regulations, 2026.

7. The salient points of the amendment regulations are given below:

(i) Periodic determination of Significant Market Power (SMP): A service provider will be regarded as having SMP if it holds a share of 30% or more in any one or more of the "Activity" parameters in a licensed or authorised telecommunication service area. The four parameters are Adjusted Gross Revenue, Subscriber Base, Voice Call Handling Capacity of the Network and Volume of Traffic. SMP will be determined by TRAI in respect of each of the four services, namely, Wireline Access Service, Wireless Access Service, National Long Distance Service and International Long Distance Service, in each licensed or authorised telecommunication service area based on the data furnished by service providers. After the end of the first quarter of every financial year, the determination will be based on Subscriber Base as on 31st March, and the maximum Voice Call

Handling Capacity of the Network and Volume of Traffic for the month of March, of the preceding financial year. A subsequent determination may be made taking into account Adjusted Gross Revenue for the preceding financial year, without affecting the SMP status already determined for that financial year. The amendment regulations also provide that a service provider once determined by TRAI to have SMP shall continue to be treated as having SMP until TRAI modifies its SMP status.

(ii) Time-bound submission and publication of RIO: A service provider determined to have SMP must submit its RIO to TRAI for approval within 30 days of such determination, and publish the approved RIO on its website within 15 days of its approval. Where TRAI directs modification of a published RIO, the modified RIO must be submitted to TRAI within 15 days of such direction, and any modified RIO, after approval, must be published within 15 days of its approval. This will ensure timely public availability of approved interconnection terms and conditions, and help new entrant service providers plan network interconnection and commence negotiations without avoidable delay.

(iii) Transparency and flexibility in interconnection agreements: Interconnection agreements are to be entered into in accordance with the published RIO. Service providers may, by mutual consent, modify the terms and conditions of the published RIO while entering into an interconnection agreement. The published RIO provides an accessible and non-discriminatory baseline, while mutually agreed modifications preserve commercial flexibility and can reduce negotiation time and inter-operator disagreements.

(iv) Updated interconnection routing framework: The revised framework provides simplified routing arrangements for PSTN-PSTN, PSTN-PLMN, PLMN-PLMN, PSTN-NLD Network and PLMN-NLD Network, incoming and outgoing traffic routing for intra-LSA, inter-LSA and international calls, based on LSA-level interconnection. By replacing obsolete SDCA/LDCA-based routing with LSA based routing, the framework will simplify network planning, support scalable IP-based architecture and facilitate more efficient delivery of traffic across service providers.

(v) Modernised model RIO and RIO guidelines: The legacy model RIO and guidelines have been updated. The revised framework reflects LSA-level points of interconnection, IP-based interconnection, current technical standards, and updated quality requirements. This provides an updated and consistent reference for entering into interconnection agreements.

(vi) Graded framework for financial disincentives: For contravention of provisions relating to submission, modification, publication of RIO, and furnishing of data by service providers for determination of SMP, a graded financial disincentive subject to a ceiling per Service Area for each instance of contravention has been prescribed. The framework provides a reasonable opportunity to represent before imposition of financial disincentive. The graded structure distinguishes short delays from prolonged non-compliance, encourages timely corrective action, and strengthens enforcement while retaining proportionality and procedural fairness.

8. Collectively, the amendment regulations are expected to strengthen transparency, regulatory certainty and non-discrimination in interconnection arrangements, while supporting efficient interconnection in an IP-based and LSA-level network environment.

9. The full text of "The Telecommunication Interconnection (Reference Interconnect Offer) (Amendment) Regulations, 2026", along with the Explanatory Memorandum, is available on TRAI's website www.trai.gov.in.

10. For any clarification/ information, Shri Sameer Gupta, Advisor (Networks, Spectrum & Licensing-I), TRAI may be contacted at email ID: adv-nsl1@trai.gov.in or telephone number +91-11-20907752.

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(Harinder Kumar)

Secretary, TRAI