

Telecommunications Act 2023: Understanding the New Telecom Rules and Their Implications

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Telecommunications Act 2023 Latest News

- The government has notified a new set of rules recently under the Telecommunications Act, 2023. These are the:
 - Telecommunications (Authorisation for Provision of Principal Telecommunication Services) Rules, 2026
 - Telecommunications (Authorisation for Captive Telecommunication Services) Rules, 2026
 - Telecommunications (Authorisation for Provision of Miscellaneous Telecommunication Services) Rules, 2026
- The rules mark a shift in India's telecom regulatory framework, though much of the implementation remains incomplete.

The Big Picture: What the Parent Act Does

- The main objective of the **Telecommunications Act, 2023** is to simplify and replace the much-amended, colonial-era Indian Telegraph Act, 1885 (along with other laws like the Wireless Telegraphy Act, 1933).
- Importantly, for telecom operators and ordinary users, there are not many operational changes on the ground.
- The exercise is largely about modernising and consolidating the legal framework rather than altering day-to-day services.

The Key Shift: From “Licence” to “Authorisation”

- The central change in the newly notified rules is a move away from the old licensing framework to an **authorisation regime**.
 - The term “licence” is replaced with “authorisation.”
- The paperwork that telecom operators and Internet Service Providers (ISPs) must complete is simplified and modified.
- **Anti-spam enforcement** is added as an obligation under the parent Act.
- Operators have flexibility in the transition: telcos and ISPs can migrate to the new authorisation regime now, or wait until their existing licences expire and then apply afresh.

Greater Powers for the Government

- Along the way, the Act has expanded the Union government’s powers.
- Notable examples include:
 - A **broad definition** of “telecommunication” that could be used to regulate messaging apps.
 - Though the government initially denied this intent, experts note that last year the Department of Telecommunications (DoT) attempted to make WhatsApp log out web users every six hours and “bind” every user to a SIM, as an **anti-spam measure**.
 - **Renaming** the Universal Service Obligation Fund (into which telcos pay to fund telecom infrastructure in remote, financially unviable areas) as the **Digital Bharat Nidhi**.
 - **Power** to seize telecom infrastructure on national security or war grounds.
 - **A replacement** for interception orders — despite pushback from industry and civil society, the government retained senior officials’ powers to issue phone and internet tapping orders.

The Unfinished Business: Satellite Internet and Starlink

- Implementation is still incomplete, and satellite internet is the biggest grey area.
 - The Act recognises **satellite internet**, but the final rules removed explicit references to **GMPCS** (Global Mobile Personal Communications by Satellite) that were present in the draft rules.
 - Starlink, the world’s largest satellite internet provider, still awaits approvals to launch in India.
 - The delay reportedly reflects the government’s lingering concern about whether it can truly shut off Starlink, given how the service has been used in countries like Iran in defiance of local governments — a national security and controllability worry.

Why the New Telecom Regime Is Not Fully Ready Yet

- Even though the rules have been notified, the system is not yet fully working on the ground. Notifying a rule is only the first step; the government still has to spell out many practical details before operators can actually function under the new regime.
- Legal analysts have pointed out that several of these details are still missing.
 - First is the **“sound track-record” criterion**. To get an authorisation, a telecom company is expected to have a good past record.
 - But the government has not yet defined what counts as a “sound” record — for example, whether past penalties, dues, or compliance failures would disqualify a company.
 - Without a clear yardstick, operators cannot be sure whether they will qualify.
 - Second are the **exemption thresholds**. Not every service or entity will need to go through the full authorisation process; smaller players or certain categories may be exempted.
 - But the government has not yet specified the size or nature of operations below which such exemptions apply.
 - Until this is fixed, companies do not know whether the rules even apply to them.
 - Third are the **technical directions and detailed specifications** — the fine print on how systems must be set up, what standards must be met, and how compliance will actually be carried out.

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