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Shri Devendra Kumar Rai Joint Secretary (Telecom), Ministry of Communications, Sanchar Bhawan, 20, Ashoka Road, New Delhi 110001

Email: <u>ist-dot@gov.in</u>

<u>Feedback on Telecommunications (Authorisation for Telecommunication Network) Rules,</u> 2025

The Asia Video Industry Association (AVIA) is the trade association for the video industry and ecosystem in Asia Pacific. It serves to make the video industry stronger and healthier through promoting the common interests of its members. AVIA is the interlocutor for the industry with governments across the region, leading the fight against video piracy, as well as publishing reports and hosting industry conferences. It aims to support a vibrant video industry for the benefit of all stakeholders. Our membership consists of a combination of local, regional and multi-national companies, many of which are substantial cross-border investors; creating and purchasing video content to meet rapidly-expanding consumer demands and investing in India's communications and creative industries.

AVIA welcomes the opportunity to comment on the Department of Telecommunication (DoT) draft rules published on 9 October, 2025 and known as the Telecommunication (Authorisation for Telecommunication Network) Rules, 2025 (the 'Rules'). AVIA notes that this is an important issue on which we have previously shared our views to the Telecommunications Regulatory Authority of India, most recently in response to their Consultation Paper on the Terms and Conditions of Network Authorisations to be Granted Under the Telecommunications Act, 2023. The views stated in this submission remain aligned with the comments made in that and other previous submissions on the same topic.

AVIA notes that our key concern relates to Rule 46 of the Rules, which states that IXPs must enter mutual agreements with internet providers or Content Delivery Networks (CDNs) in order to interconnect, peer and exchange traffic. Additionally, Rule 46 states that these agreements should be on fair and non-discriminatory terms, and that the central government or the Telecom Regulatory Authority of India (TRAI) can stipulate terms and conditions for such agreements. However, previous consultation exercises and indeed the current Rules have not cited any market failure nor national security rationale for standardising commercial agreements that are private and bilateral in nature. Imposing mandatory terms and conditions that relate to eligibility conditions, areas of operation and validity periods are likely to disincentivise innovation as it will diminish flexibility in responding to technological developments and consumer demands.



The ability for companies to be able to adapt to market conditions is essential to enable them to cater to diverse requirements. Imposing standard terms and conditions risks inhibiting the ability of IXPs to enter into bespoke agreements based on need and demand. Furthermore, there is a risk of template contractual provisions inhibiting innovation. For instance, if new entities evolve that further reduce latency, IXPs may not be able to contract with them in India because of standardised terms and conditions. IXPs cater to different kinds of network capacity demands and need flexibility and agility to be able to do so. Customisable architecture enables them to adapt to such different levels of traffic and demand.

As India's digital economy continues to grow, it is essential that the voluntary nature of the IXP's commercial agreements, and negotiation on fair, reasonable, and non-discriminatory terms between various entities in the value chain is upheld as a principle that regulators do not derogate from. This will allow their arrangements to adapt to changes in the digital world and meet growing connectivity demands.

The proviso to Rule 46 seeks to transpose TRAI oversight and prescriptive commercial conditions on IXPs without justifying the need for it. IXPs play a unique role by supporting seamless traffic between networks, equipment, and users. Combined with services like CDNs that cache content closer to end-users to reduce latency and improve delivery speed, they work to enhance consumer experience. This requires IXPs to work collaboratively with other players across the telecom network value chain, as opposed to providing substitutable services. Thus, IXPs have more incentive to reach mutually beneficial terms in their agreements, via fair and agreeable terms, that will allow for more partnership with other players like CDNs and ISPs, fostering interconnection.

AVIA notes that the Government has failed to identify any current market failure. Indeed, the IXP market is growing and this growth has boosted interconnection across hundreds of networks, enhancing network performance, reducing latency and improving connectivity. IXPs constantly invest in innovation, attracting operators, spurring peering arrangements for faster information exchange, and boosting local internet speeds. A robust IXP ecosystem also promotes competition among internet service providers (ISPs), which aids the growth and expansion of smaller ISPs. IXPs enable this by allowing smaller ISPs to directly exchange traffic with other ISPs and content providers, reducing their dependency on larger ISPs for transit services.

In conclusion, AVIA believes that IXPs play a key role in accelerating digital service adoption in India, which remains constrained by the lack of adequate infrastructure. Industry friendly policies and limited intervention will allow them to continue to remain agile and open to innovation. At this stage, due to a lack of market failure, free market forces should be allowed to prevail and IXPs allowed to freely negotiate their contractual terms with other players. The benefits of freely negotiated and implemented interactions goes beyond ISPs and CDNs - enterprise, academia, non profits, administration private networks are also free to peer directly with other networks, improving costs, performance and resilience. AVIA therefore recommends that Rule 46 be removed.