

## ASSOCHAM Suggestions on Consultation Paper on the “Proliferation of Public Wi-Fi Networks in India”

### **Understanding India’s Connectivity Reality**

India’s internet ecosystem today is firmly anchored in a **mobile-first** internet market, which accounts for the overwhelming share of both user access and data consumption. This shift reflects a clear consumer preference for mobile connectivity, driven by its ubiquity, accessibility, reliability, affordability, portability, and inherent security advantages. Users increasingly value uninterrupted universal and seamless access that does not require repeated logins or reliance on shared infrastructure, which has naturally positioned mobile broadband as the dominant access medium.

Public Wi-Fi, in contrast, has not seen comparable traction. While conceptually attractive, its real-world deployment has been challenged by inconsistent availability, fluctuating quality, and concerns regarding data protection. More fundamentally, public Wi-Fi is inherently hotspot-oriented—usable only within the limited physical range of a fixed access point—which offers users little incremental value over always-on mobile broadband and provides a weak basis for paid adoption. Even with targeted regulatory measures such as PM-WANI simplification and ecosystem formalisation, growth in usage remains limited, indicating that the binding constraint is the weak underlying business case rather than authentication or onboarding.

This divergence suggests that the core issue is not regulatory inadequacy but rather **limited intrinsic demand and weak commercial viability at the last-mile level**, particularly for paid public Wi-Fi services that offer little commercial utility relative to widely available mobile data. Attempting to scale public Wi-Fi through artificial interventions—such as mandates, funding support, or cross-subsidisation—risks creating a model dependent on continuous financial backing rather than genuine market demand.

Furthermore, in areas already well served by advanced mobile networks, the incremental benefit of expanding public Wi-Fi is minimal. Highly affordable mobile data plans and robust 4G/5G coverage have already met most accessibility and connectivity needs. The situation mirrors earlier transitions in the sector, where public access models like PCOs became redundant once superior personal technologies became widespread.

### **Policy Direction for Government Intervention**

Designing schemes that disproportionately support public Wi-Fi could disrupt competitive balance and reduce incentives for private sector investment in cellular networks, which currently serve as the backbone of digital connectivity.

The Government’s priority should instead be to strengthen foundational enablers that benefit the entire ecosystem. Key areas include rationalising backhaul spectrum costs and simplifying Right-of-Way procedures.

### **Role of State Governments and Local Authorities**

Local administrative frameworks play a crucial role in enabling infrastructure rollout. Currently, challenges such as high Right-of-Way fees, fragmented approval systems, and inconsistent

regulations create barriers for all types of network deployment.

A unified **approach to infrastructure access** is therefore essential. Standardised processes, rationalised charges, and single-window clearance systems should be adopted across states and local bodies. This will allow service providers to optimise network design based on technical and economic considerations rather than regulatory constraints.

### **Implications for the Telecom Industry**

Telecom operators in India continue to operate under significant financial and regulatory pressures, even while delivering globally competitive telecom services with one of the world's lowest data pricing. Imposing additional responsibilities—such as supporting or financing public Wi-Fi infrastructure—would place further strain on the sector and may not be sustainable.

Instead, policy reforms should target structural bottlenecks affecting the industry. Rationalising levies and charges, reducing backhaul costs, eliminating bank guarantee requirements, and enabling cost-sharing for security compliance obligations can enhance investment capacity. Such measures would naturally strengthen network expansion and improve service delivery for end users.

Policies that create preferential conditions for public Wi-Fi—whether through mandatory provisioning, subsidised access, or asymmetric regulatory frameworks—could weaken investment in licensed networks, which remain critical for reliable and scalable connectivity.

### **Technical and Ecosystem Considerations**

The development of public Wi-Fi architecture, including interoperability mechanisms, should evolve through **industry collaboration and globally established standards**. Prescriptive regulatory approaches—particularly those imposing rigid frameworks for roaming or aggregation—may not align with India's predominantly mobile usage environment, where intrinsic demand for public Wi-Fi remains limited.

Flexibility in technical design will be key to ensuring innovation, efficient deployment, and compatibility with evolving user behaviour.

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