Counter Comments on Consultation Paper on the "Proliferation of Public Wi-Fi Networks in India"

The Responses for the TSPs and the Industry Association COAI have been reviewed to ascertain their views. There are many similar points made and so We have chosen to focus on the submission made by the Industry Body. The actual statements from their response is shown in quotes and we have taken one statement for a particular argument as there multiple repetitions.

1. **Lack of Demand for Wi-Fi (PM-WANI) services**.

The statement in the submission made by COAI is

> *"In particular, the availability of affordable, seamless, and ubiquitous mobile broadband services in India has substantially reduced the consumer need for public Wi-Fi access, thereby limiting the demand for PM-WANI-based services"*

CCS believes that Low usage reflects ecosystem failures rather than absence of demand. Consumers currently face Complicated authentication procedures, Inconsistent hotspot availability, Poor quality of service, Limited roaming between hotspots coupled with Lack of awareness. The success of UPI, FASTag and Aadhaar-enabled services demonstrates that once the these hurdles are removed, the friction is lessened, then consumer adoption of the public WI-Fi will increase dramatically.

Consumers prefer convenience, not complexity. Current adoption levels measure inconvenience rather than actual demand.

2. Affordable alternative (Cellular broadband) is available

> *"Thus, mobile broadband already offers a compelling combination of affordability, convenience, reliability, mobility, and security, which substantially reduces consumer dependence on Public Wi-Fi networks."*

This statement is firstly contentious in its sweeping generalisaton which many consumers will attest is not true most of time and in many areas. There are constant feedback from the market that mobile broadband is variable in its quality and that it is non-existant is some areas.

That apart, even if the assertion is assumed to be true, international scenario and experience points to a different conclusion. Globally, even countries with excellent mobile

broadband (e.g. United States, South Korea, Japan) continue to invest heavily in Public Wi-Fi.

In April 2026, the Seoul Metropolitan Government (SMG) announced a KRW 2.4 billion investment to shift its public Wi-Fi policy from expanding coverage to improving service quality. The plan replaces 2,020 outdated routers across all 25 districts with next-generation **Wi-Fi 7**, delivering speeds up to 46 Gbps.

This demonstrates that even with near-universal 5G availability, South Korea still treats public Wi-Fi as public digital infrastructure rather than an obsolete technology

In US, numerous cities continue to fund public Wi-Fi and community Wi-Fi networks as a part of building their broadband infrastructure.

3. <u>Mobile broadband provides superior user experience</u>

> *"The expansion of 5G services is expected to further enhance mobile broadband capabilities by delivering significantly higher speeds, lower latency, improved network capacity, and superior user experience, thereby further reducing the dependence on Public Wi-Fi networks for routine broadband access Requirements"*

This is not borne out in reality. TRAI has in its press releases mentioned that Between **70% to 80%** of India's total mobile data traffic is consumed indoors and this high concentration of indoor usage causes significant challenges for 5G signals, leading to dropped connections and prompting the government to propose indoor connectivity ratings for buildings.

Future applications such as AI services, AR/VR, 4K/8K video, telemedicine, cloud gaming and digital classrooms will generate significantly higher data consumption and these services are mostly consumed indoor where Wi-Fi is generally better. This is negates the claim that mobile broadband will provide superior user experience.

CCS reiterates that public Wi-Fi network is an important complementary access infrastructure for Digital India.

4. <u>Mobile broadband already addresses the connectivity requirements</u>

> *"Thus, Policy interventions should focus on addressing consumer expectations, genuine connectivity gaps and specific use cases, rather than attempting to artificially create demand in areas where the market has already effectively addressed consumer connectivity requirements."*

Connectivity should be measured not only by coverage but also by quality, affordability, resilience and accessibility. A consumer may technically have 4G/5G coverage, but they still face Indoor signal issues, Network congestion and Poor service in crowded locations.

We believe that Public Wi-Fi provide Capacity augmentation, Alternative access and Service Resilience. So consumer will have choice and better service quality.

5. <u>TSPs should be Primary Beneficiaries of DBN</u>

> *"Furthermore, the consultation paper proposes (para 2.111) the use of Digital Bharat Nidhi for funding last-mile connectivity for Public Wi-Fi, a fund to which licensed TSPs have contributed the overwhelming majority of the corpus through mandatory levies. TSPs should, therefore, be primary beneficiaries of DBN deployment and should not be required to fund, through their levies, a competing ecosystem that operates without equivalent obligations"*

The statutory purpose of Digital Bharat Nidhi (DBN) as a universal service funds is Universal Access, Inclusion of marginalised groups and Bridging connectivity gaps.

If Public Wi-Fi can connect Students, Rural citizens, Tribals, Small businesses, then DBN objectives are being fulfilled. Further with connectivity gaps in most areas, the provision of public Wi-Fi will bridge them.

As the contributions are mandated for the stated objectives and being spent for them it is justified. Hence, TSPs cannot have a first claim on DBN.

6. <u>TSPs should also be provided support</u>

> *"Therefore, if the government is willing to extend fiscal and regulatory support to Public Wi-Fi providers on the basis that communication is a public utility, it must as a matter of fairness and equality extend equivalent or proportionate relief to licensed TSPs, who provide the same utility at a vastly larger scale".*

CCS believes that targeted funding is justified where market incentives are inadequate. Since market forces alone have historically failed to provide Rural broadband., Adequate connectivity in many areas there is a need for governmental intervention. Now,the Government already subsidizes BharatNet, Mobile towers in remote areas and Digital public infrastructure, Public Wi-Fi should be viewed similarly.

Finally, the cost per user connected through a shared Wi-Fi hotspot is often substantially lower than providing individual mobile broadband connections. So it makes eminent sense to provide support to Public Wi-Fi as it maximises Social and Consumer Welfare.

7. <u>Security risks in public Wi-Fi</u>

> *"COAI submits that these concerns are particularly significant in the present context, where digital payments and online financial services are deeply integrated into daily life. The Government's own cybersecurity advisories therefore underscore the security*

limitations of shared Public Wi-Fi networks and further explain consumer preference for secure, personal mobile broadband connectivity."

We are completely aligned with this statement and stress that without adequate security and safety protection, broadband access especially for communities of poor digital literacy would be a hazard for consumers.

We however do not recommend throwing the baby with the bath water, when there are solutions to address the drawbacks of the current Wi-Fi networks. These approaches have been highlighted in our submissions made earlier. To reiterate the Public Wi-Fi should have the highest level of security that is currently available. Only such a network should be supported and established across the country.

8. <u>No Further Support is necessary for PDOs and PDOAs</u>

"We submit that the, PDOs (Public Data Offices) and PDOAs (Public Data Office Aggregators) have been provided with a facilitative regulatory regime with no levies or charges and price control on supply side, thus clearly the only challenge faced by these entities is lack of acceptance by public and lack of demand"

The consultation paper and our study of the market clearly leads to a conclusion that is the converse of this submission. There is an unmet need for good quality access network across the country, especially the rural areas, despite the expansion of the mobile broadband. This situation would be exacerbated in the immediate future with the users rapidly transitioning to high data use situations. Hence there is an incontrovertible need for a complementary broadband access network.

Most successful digital ecosystems received initial support Mobile telephony, UPI, FASTag. PDOs face Low initial traffic and Thin operating margins leading to their unviability. The constraints faced by the PDOs are unfortunately not of their making and are imposed by the system. Support is necessary to achieve critical mass after which the ecosystem can become self-sustaining.

9. <u>Other Stakeholders Reponse</u>

We have also analysed the comments by few other stakeholders and would offer counter to those that have been submitted by Digital Empowerment Foundation. While we are broadly in agreement with them on the main issues, on a few suggestions we offer our views.

In the Executive Summary, Key recommendations 2,3 and 4 are as follows,

2. Enact mandatory tower infrastructure sharing - requiring licensed ISPs and TSPs to provide rack space, antenna mounting, and power access at their tower sites to PMWANI PDOs deploying wireless backhaul, at cost-based regulated tariffs.

3. Mandate ISPs to provide leased-line connectivity to registered PM-WANI PDOs as a service obligation at a regulated lower price. ISPs should have no discretionary power to refuse backhaul provisioning to a registered PDO operating in their licensed service area.

4. Mandate BSNL to offer a PM-WANI Backhaul Service at a government-notified maximum monthly rate, available to any registered PDO, and introduce a TRAI-regulated wholesale backhaul price ceiling so affordable backhaul is a regulated entitlement, not a market outcome.

These suggestions require the regulator to mandate sharing of infrastructure of the TSPs/ISPs and specifically BSNL.

Whether these entities have excess capacity in all areas across the country is doubtful. Our experience indicates that these Service Providers themselves have not made sufficient investment in infrastructure for Mobile Broadband itself.

The bigger challenge the mandatory sharing may create is operational conflicts. Further such a mandate could lead to unnecessary litigation.

CCS is strongly convinced that it is absolutely imperative to have a separate backhaul for the Public Wi-Fi and where this is not feasible for operational reasons to consider sharing of the infrastructure of government owned service provider by offering them the market price.

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