Could Digitized Cables Ease India's Broadband Woes?

Unlocking the potential of vast cable assets could give the country's broadband ambitions some wired teeth and not just wireless wings

Industry watchers will readily vouch for the fact that India's broadband numbers have miserably fallen short of the targets set by Broadband Policy of 2004. As against the initial targets of 20 million subscribers by 2010, the country had achieved less than 11 million. That too, when broadband used to be defined as a connection with a speed of 256 kbps!

Yes, that was just before the 3G rollouts started taking place and significantly accelerated the pace of broadband penetration and also before the new guidelines revised the threshold speed for broadband to a minimum of 512 kbps. As per data published by Telecom Regulatory Authority of India (TRAI), there were 85.7 million broadband subscribers at the end of CY 2014, of which 70 million were on wireless. The target is to achieve 175 million broadband subscribers by 2017 but at the same time the broadband speed is also due to be redefined in 2015 from the current 512 kbps to 2 Mbps.

In other words, the broadband targets would continue to be elusive as before, even with 3G and 4G playing the catalysts. Indeed, mobile broadband is good but not enough.

Mobile broadband is a means, not an end

It is a no brainer that while smartphones are good enough for accessing a number of media, entertainment, communication and e-commerce apps, they are not viable substitutes for the larger PC screen. The overall user experience as well as productivity goes up sharply when the same sets of applications are accessed through a larger screen.

True, the fact remains that the broadband access goals could not be realized for years through a combination of the PC and the wireline—so low has been the installed base of the PC and the penetration of the wireline in India. (Low PC literacy rates and relatively higher cost of the device as well as the data subscription have posed to be significant entry barriers.)

By comparison, combination of the smartphone and 3G has turned out to be highly effective. Not only the cost of the device has kept coming down, the number of features it supports has been going up at the same time. The value for money that the smartphone shows to the average Indian user has been unprecedented—be it the camera's megapixels, MP3 support, the sound

Straight Talk: On the Broadband Opportunity

On comparison with the prevalent wired broadband technology, DSL:

[Prasanna Gokhale, CTO, ACT Group]

The superiority of our broadband internet services is primarily because of the technology we use and the quality of service we provide. We use "fiber to the home technology" using various mix of layer 2 and layer 3 data-com technologies for delivering the broadband services to the end customer. With experience of s everal years behind us, we have developed immense expertise in delivering these services to the end customer.

On potential threat from 4G LTE services:

We consider LTE technology as a complementary service which provides data option only for convenience of mobility. Irrespective of LTE-Advanced or dense LTE Small Cells, the LTE based service will never be able to match the products that ACT Fibernet is offering today. LTE-Advanced with its Carrier Aggregation feature will still be unable to economically provide dedicated 50Mbps or 100Mbps speeds at peak times. LTE uses shared spectrum and hence service providers will not be able to provide 1:1 contention ratio. ACT Fibernet always provides 1:1 contention for all customers at all times.

On the opportunity for cable operators as well as telcos:

Cable Operators are venturing with DOCSIS 3.0 based broadband services. DOCSIS 3.0 comes with its own technological limitation. More than 50 Mbps per subscriber will not be possible, and the medium is shared with a high contention ratio. We feel that there is ample opportunity for all operators, be it MSOs or Telcos in this space, especially considering that the Indian data market continues to be severely under-penetrated.