

Issues for Consultation

It may please be noted that answers/ comments to the issues given below should be supported with justification. The stakeholders may also comment on any other issues related to the use of Unstructured Supplementary Service Data (USSD) as a bearer for mobile banking services, along with all necessary details.

Q1: Do you agree that USSD is one of the most appropriate modes for mobile banking for financial inclusion? If not, which mode do you think is more appropriate? Please support your viewpoint with reasons.

USSD is the most appropriate. It requires no download and secure transaction can be carried out on all GSM / 3G phones.

Q2: Do you agree that the Mobile Banking (Quality of Service) Regulations, 2012 should be amended for mandating every TSP, acting as bearer, to facilitate not only the banks but also the agents of banks acting as the aggregation platform providers to use SMS, USSD and IVR to provide banking services to its customers? Please support your viewpoint with reasons.

Yes. There is no reason why customers be denied use of USSD to carry out a transaction. Once Mobile license is provided, service provision must be obligatory on all channels.

Q3: Do you agree that in case of USSD transactions for mobile banking, the TSPs should collect charges from their subscribers as they do in the case of SMS based and Application (App) based mobile banking? Please support your viewpoint with reasons.

Yes. The service is like voice or SMS or Internet. TSPs should declare their charges to customer for this. If customer likes it, she will use it. In case they do not like it, they will go to other TSPs.

Q4: Do you agree that the records for USSD transactions must be generated by the TSPs to provide an audit trail for amounts deducted from prepaid subscribers and bills raised to postpaid subscribers? Please support your viewpoint with reasons.

Yes. TSPs should do that. Or they could ask some agent or some organisation that they tie with, generate these records. After all the user would pay.

Q5: Would it be appropriate to fix a ceiling of Rs. 1.50 per USSD session for mobile banking? Please support your viewpoint with reasons.

Let TSPs decide on the amount. Let it not be imposed on them. But they should declare and compete. Any attempt to place a cartel should be resisted. Whatever charge they specify must also be charged when the TSP provide their own cash-card service using USSD. Rs 1.50 is on high side. Hopefully, competition will bring it down. If TRAI has to specify a Ceiling, it should be closer to Re 1.

Q6: In case your response to Q5 is in the negative, please suggest an alternative methodology to fix a ceiling tariff for USSD session for mobile banking. You may also support your viewpoint with a fully developed model with associated assumptions, if any.

No ceiling or a ceiling of Re 1 per session

Q7: Is there any other relevant issue which should be considered in the present consultation on the use of USSD as a bearer for mobile banking services?

None. It should be opened up early.