



युनाइटेड बैंक ऑफ़ इंडिया
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वैकल्पिक सुपुर्दगी माध्यम विभाग
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To,

Smt. Vinod Kotwal,
Advisor (F&EA),
TRAI, New Delhi
advfea1@traf.gov.in.

Sub : Consultation Paper on the review of regulatory framework for the use of USSD for mobile financial services

Madam / Dear Sir,

Please find below the response from United Bank of India on the captioned subject -

Q1: In your opinion, what should be the maximum number of stages per USSD session for mobile banking service:

- (i) Five
- (ii) Eight
- (iii) Unlimited
- (iv) Any other (please specify)

(Please provide justification in support of your response).

Ans) : ii) Eight . This will help in taking sufficient input from customers and also facilitate confirmation / retry inputs.

Q2: Which of the following methods is appropriate for prescribing the tariff for USSD based mobile banking?

- (i) Cost-based tariff for outgoing USSD session for mobile banking; or
- (ii) Monthly (or periodic) subscription fee for the use of USSD for mobile banking services; or
- (iii) Any other method

Ans) : either (i) or (ii) depending on customer choice.

Q3: What methodology should be used for estimating the cost per USSD session for mobile banking service?

Ans) : Since USSD is the session based service , ideally the charges should be basis the time taken for doing the transactions. The charges can be benchmarked with the voice calls/SMS. Considering that the time taken for doing transaction is less than 1 minute, so customer should not be charged more than an SMS or a voice call charge (which is normally 50 paisa or less).

Q4: If your response to the Q2 is 'Any other Method', please provide full details of the method.

Ans) N.A.



Q5: Whether it would be appropriate to mandate the service providers to levy charges for USSD session for mobile banking only if the customer is able to complete his/her transaction? If yes, please describe the method to implement such an arrangement technically?

Ans) Definition of a successful transaction may be debatable and may lead to frequent customer complaints. Hence, if the existing charges are reduced to less than 50 paisa then charging for any session (irrespective of the fate of the transaction) will not be an issue.

Q6: Whether the present pricing model for USSD-based mobile banking in which consumers pay for the use of USSD should continue?

Ans) Yes , this is the best option but the charges should be reduced to 25 to 50 paisa. TSPs should directly charge the customers and should charge post completion of transaction unlike current pricing model.

Q7: In case your response to the Q6 is in the negative, what should be alternative pricing models? Please provide justification in support of your response.

Ans) N.A

Q8: Keeping in view the concerns raised by the TSPs, whether there is a need for allowing USSD push sessions when customer-initiated USSD session is dropped due to some reason so that the customer can complete his/her unfinished transaction? Please support your response with justifications.

Ans) Yes, allowing USSD push session will help in improving the customer convenience.


Q9: Whether it would be appropriate to allow all variety of mobile payment services apart from the mobile banking services on the existing USSD Aggregation platform(s)? Please support your response with justification.

Ans) Yes, *99# is launched for providing financial inclusion. Basic merchant transactions such as mobile top-up , DTH recharge , electricity payment etc are important services that are currently not available on *99#. Inclusion of these services will help in increasing the financial inclusion reach. Also, since USSD is not dependent of data/Internet, it is an important alternative for mobile banking especially in scenarios where no data is available or customer does not have data plan or has only basic phone.

Q10: Is there any other relevant issue which should be considered in the present consultation on the review of regulatory framework for the use of USSD for mobile financial services?

Ans) Telecom companies may include *99# option as part of their own USSD channel (*123# , *121#). It may also be included as default SIM services.

Thanking You.
Yours faithfully,


Manish Agrawal
Dy General Manager (ADC)



“बैंक हिन्दी में पत्राचार का स्वागत करता है”