

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:937  
ANSWERED ON:11.12.2013  
MOBILE BANKING .  
Sivasami Shri C.

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the Telecom Regulatory Authority of India (TRAI) has mooted USSD based mobile banking services in the country;
- (b) if so, the details thereof;
- (c) whether the TRAI has taken up this issue with the banking sector;
- (d) if so, the response received from the banks; and
- (e) the present status thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a) to (e) Government in April 2010 has accepted the framework proposed by an Inter-Ministerial Group (IMG) for delivery of basic financial services using mobile phones. The IMG framework envisaged the opening of mobile linked 'no frills' accounts, which would be operated using mobile phones. TRAI was requested to ensure that telecom services of adequate quality are provided for mobile banking at reasonable charges.

After a consultation process with various stakeholders, which inter-alia include banking sector, TRAI through 56th Amendment to TTO 1999 dated 26.11.2013 has prescribed a ceiling of Rs. 1.50 for an outgoing Unstructured Supplementary Service Data (USSD) session for USSD based mobile banking service. This order will become effective from 01.01.2014. The service providers will collect the charges from their subscribers for providing USSD channel to deliver mobile banking services.

TRAI has already issued the Mobile Banking (Quality of Service) (Amendment) Regulations in April 2012 laying down quality of standards for use of SMS, USSD and Interactive Voice response (IVR) for mobile banking services. TRAI through an amendment issued to Mobile Banking (Quality of Service) Regulations on 26.11.2013 mandated that every access service provider should facilitate not only the banks but also the authorized agents of the banks to use the SMS, USSD and IVR channels to provide mobile banking services to the bank's customers.

All the Orders and Regulations issued by TRAI are placed on TRAI's website for compliance and information of the stakeholders and a corresponding press release is also issued by TRAI.