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*A REVIEW*

# Effectiveness of mobile money transfer technology in rural areas in India

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## ABSTRACT

Owing to the advancements in communication technologies, high processing systems and low-cost software, mobile money transfer is an emergent application that boosts the participation of network operators while reducing the intermediaries like Banks or ATMs, removing the condition of opening an account in a bank. It is a money transfer service that acts through the collaboration of Mobile Network Operators, Banks and Information and Communication Technologies. As notified in recent reports, there are around 1843 Banks having 82439 branches and approx 10 big Network Operators are running in India. Moreover, with increased mobile consumers and a big consumer market, MMT may get immense popularity as well as effectiveness in rural areas having less banking services. The overall effectiveness of this service, possibly will be increased mobility of money, more demand for consumer products, improved socio-economic status of rural population and hence a high economic growth. The current paper discusses various key nugget helpful in enhancing performance of the service, such as cost of availing this mobile-wallet, required infrastructure, finance and mobile literacy by consumers, micro financing in rural areas, laws and regulations to avoid fraud, high speed internet, risk factors and consumer protection.

**KEY WORDS** : Mobile money transfer, Aadhaar, Mobile network operators, Microfinance

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