FAQs/ Clarifications Regarding Direct Remittance of Fund to RBI through NEFT/RTGS Payment System in Odisha Treasury Portal (IFMS)

1. **What is NEFT payment system?**

   Ans: NEFT is the acronym for National Electronic Funds Transfer. This is a centralized payment system owned and operated by the Reserve Bank of India (RBI) nation-wide.

2. **What is RTGS payment system?**

   Ans. RTGS stands for Real Time Gross Settlement. 'Real Time' means the processing of instructions at the time they are received; 'Gross Settlement' means that the instructions for settlement of fund transfer occur individually. In this system of payment there is a continuous and real-time settlement of fund. Transfers of fund happen individually on a transaction-by-transaction basis without netting.

3. **How is the processing of RTGS different from that of NEFT System?**

   Ans. NEFT is an electronic fund transfer system in which the transactions received up to a particular time are processed in batches. Contrary to this, in RTGS, the transactions are processed continuously on a transaction-by-transaction basis throughout the day.

4. **Who can avail NEFT system for fund transfer?**

   Ans: Individuals, Firms and Corporates maintaining accounts with any member bank participating in the NEFT system, can electronically transfer funds to any individual, firm or corporate having an account with any other bank in the country participating in the NEFT system.

   (The list of bank-wise branches participating in NEFT is available on the website of RBI at the link https://rbi.org.in/Scripts/bs_viewcontent.aspx?Id=2009).

5. **Do all bank branches in India provide RTGS service? How can a remitting customer know whether the bank branch of the beneficiary accepts remittance through RTGS?**

   Ans. For any fund transfer to happen through RTGS, both the sending bank branch and the receiving bank branch need to be RTGS enabled.

   At present, there are more than1,60,000 RTGS enabled bank branches, the list of which is available on the website of RBI at the link https://rbi.org.in/Scripts/Bs_viewRTGS.aspx?Category=5 .The list is updated on a fortnightly basis.

6. **Can the NEFT system be used for remitting funds even by those who do not have a bank account?**

   Ans: Yes, a person who does not have a bank account can remit funds through NEFT to a beneficiary having a bank account with another NEFT member bank. It can be done by depositing cash at the nearest NEFT enabled branch of any bank by furnishing additional personal details such as complete address, telephone number, etc. **Such cash remittances will however, be restricted to a maximum of ₹50,000 per transaction**.

7. **What are the advantages of using NEFT system?**

   Ans: NEFT offers the following advantages for funds transfer or receipt:

   - Round the clock availability on all days of the year.
   - Near-real-time funds transfer to the beneficiary account and settlement in a secure manner.
   - Pan-India coverage through large network of branches of all types of banks.
   - The beneficiary need not visit a bank branch for depositing the paper instruments. Remitter can initiate the remittances from his / her home / place of work using internet banking, if his / her bank offers such service.
   - Positive confirmation to the remitter by SMS / e-mail on credit to beneficiary account.
   - Penal interest provision for delay in credit or return of transactions.
   - No levy of charges by RBI from banks.
   - No charges to savings bank account customers for online NEFT transactions.
   - The transaction charges have been capped by RBI.
   - Besides funds transfer, NEFT system can be used for a variety of transactions including payment of credit card dues to the card issuing banks, payment of loan EMI, inward foreign exchange remittances, etc.
   - The transaction has legal backing.

8. **What are the benefits of using RTGS?**

   Ans. RTGS offers many advantages for funds transfer:

- It is a safe and secure system for funds transfer.
- RTGS transactions / transfers have no amount cap set by RBI.

- The system is available on all days on 24x7x365 basis. There is real time transfer of funds to the beneficiary account.
- The remitter need not use a physical cheque or a demand draft.
- The beneficiary need not visit a bank branch for depositing the paper instruments.
- The beneficiary need not be apprehensive about loss / theft of physical instruments or the likelihood of fraudulent encashment thereof.
- Remitter can initiate the remittances from his / her home / place of work using internet banking, if his / her bank offers such service.
- The transaction charges have been capped by RBI.
- The transaction has legal backing.

9. What are the essential details required for remitting funds through NEFT system?

Ans: The essential elements of beneficiary's identification are:

a. Beneficiary's Name
b. Beneficiary's Bank Name
c. Beneficiary's Branch Name
d. Beneficiary's Account Type
e. Beneficiary's Account No.
f. Beneficiary's Branch IFSC
g. Sender and Beneficiary Legal Entity Identifier (for eligible transactions)

10. What is the essential information that the remitting customer needs to furnish to the bank for making a remittance through RTGS?

Ans. The remitting customer has to furnish the following information to a bank for initiating an RTGS remittance:

i. Amount to be remitted
ii. The account number to be debited
iii. Name of the beneficiary bank and branch
iv. The IFSC number of the receiving branch
v. Name of the beneficiary customer
vi. Account number of the beneficiary customer
vii. Sender to receiver information, if any
viii. Sender and Beneficiary Legal Entity Identifier (for eligible transactions)

11. Is there any limit on funds / amount to be remitted through NEFT system?

Ans: No, there is no limit imposed by the RBI for funds transfer through NEFT system. However, a member bank may place amount limits based on its own risk perception with the approval of its Board. **Cash remittances will, however, be restricted to a maximum of ₹50,000 per transaction.**

12. **Is there any minimum / maximum amount stipulation for RTGS transactions?**

    Ans. The RTGS system is primarily meant for large value transactions. **The minimum amount to be remitted through RTGS is ₹ 2,00,000/- with no upper or maximum ceiling**.

13. **How can a depositor transfer fund through NEFT/RTGS mode in general**?
    What the depositor is expected to do while using the NEFT/RTGS fund transfer option in IFMS Portal?

    Ans: An individual / firm / corporate willing to transfer funds through NEFT can use the internet / mobile banking facility offered by his / her bank for initiating the request of online fund transfer. The remitter has to provide details of beneficiary such as name of the beneficiary; name of the bank branch where the beneficiary has an account; IFSC of the beneficiary bank branch; account type and account number; etc. for addition of the beneficiary to his / her internet / mobile banking module. Upon successful beneficiary addition, the remitter can initiate online NEFT fund transfer by authorizing debit to his / her account.

    Alternatively, the remitter can also visit his / her bank branch for initiating NEFT funds transfer through branch / off-line mode. The customer has to fill-in the beneficiary details in NEFT application form available at the bank branch and authorize the branch to debit to his / her account to the extent of the amount requested in NEFT application form. Such cash remittances will, however, be restricted to a maximum of ₹50,000 per transaction.

    The aforesaid general process of fund transfer through NEFT/RTGS mode would be the same for NEFT/RTGS mode of fund transfer available in IFMS Portal except for the use of an NEFT Mandate Form or NEFT Application Form available at the bank branch. Instead, the depositor has to generate an NEFT Challan Form in the IFMS Portal (e-payment menu) by filling-up the beneficiary (here State Govt. Receipts) details and the deposit details. Thereafter, the depositor may choose the online fund transfer option either by using the internet / mobile banking facility offered by his / her bank or may visit his / her bank branch for initiating NEFT funds transfer through Branch / Off-line mode.

14. **What is a mandate form for NEFT/RTGS remittance? Is it necessary that a depositor need to furnish a mandate form while remitting?**

Ans. NEFT Mandate Form or NEFT Application Form is the form available at the bank branch which is required to be filled-in by the depositor with the beneficiary details for necessary remittance through NEFT/RTGS mode.
In case of government deposits through NEFT/RTGS mode of RBI in IFMS Portal , **no** such mandate form or application form available the bank shall be used, rather an NEFT Challan containing the deposit and beneficiary details shall be generated by the depositor in IFMS Portal (e-payment menu) and subsequently this would be used by the depositor for transfer of fund either by online/off-line mode .

15. Whether Cash and Draft are allowed in case of Over-The-Counter (of a Bank Branch) remittance through NEFT/RTGS mode?

Yes, cash remittances are allowed but it is restricted to a maximum of ₹50,000 per transaction. In such cases, the remitter has to visit his / her bank branch for initiating NEFT funds transfer through branch / off-line mode. The depositor has to generate the NEFT Challan Form from IFMS e-payment Menu by filling-up the deposit details , visit the bank and deposit the amount due in Cash /DD or through Cheque by authorizing the branch to debit his / her account to the extent of the amount requested in NEFT challan plus applicable NEFT charges.

16. What are the customer charges levied by bank for NEFT transactions?

Ans: There are no charges to be levied for inward transactions at destination bank branches for giving credit to beneficiary accounts. For outward transactions undertaken using the NEFT system, RBI stopped levying processing charges on member banks from July 01, 2019. Also, in order to give further impetus to digital retail payments, banks have been advised to not levy any charges from their savings bank account holders for NEFT funds transfers initiated online with effect from January 01, 2020.

The maximum charges which originating bank can levy from its customers for other outward transactions, if they so desire, are given below: –

- For transactions up to ₹10,000: not exceeding ₹2.50 (+ Applicable GST)
- For transactions above ₹10,000 up to ₹1 lakh: not exceeding ₹5 (+ Applicable GST)
- For transactions above ₹1 lakh and up to ₹2 lakhs: not exceeding ₹15 (+ Applicable GST)
- For transactions above ₹2 lakhs: not exceeding ₹25 (+ Applicable GST)

17. What are the processing charges / service charges for RTGS transactions?

Ans. With effect from July 01, 2019, RBI has waived the processing charges levied by it for RTGS transactions. Banks may pass on the benefit to its customers.

With a view to rationalize the service charges levied by banks for offering funds transfer through RTGS system, a broad framework of charges has been mandated as under:

a) Inward transactions – Free, no charge to be levied.

b) Outward transactions – ₹ 2,00,000/- to 5,00,000/-: not exceeding ₹ 25/- (exclusive of tax, if any)

c) Above ₹ 5,00,000/-: not exceeding ₹ 50 (exclusive of tax, if any)

Banks may decide to charge a lower rate but cannot charge more than the rates prescribed by RBI.

The applicable charges may be verified from the website of RBI using the URL (https://www.rbi.org.in/commonman/English/Scripts/FAQs.aspx?Id=274) & (https://www.rbi.org.in/commonman/English/Scripts/FAQs.aspx?Id=275) for NEFT & RTGS respectively.

18. Whether the commission /charge levied by the bank shall be included in the Cheque/Draft/Cash amount to be deposited for Govt. receipts?

Ans. Yes, the commission/charges are over and above the amount due to be deposited towards Govt. receipts and these amount need to be included in the cheque/draft/cash amount.

For instance, one depositor wants to deposit Rs.1000/- to Govt. account through offline/Over- The-Counter mode of NEFT. For this purpose, the depositor has to generate an NEFT Challan of Rs1000/- in IFMS Portal; then visit his/her bank and deposit the amount i.e Rs.1000/-plus the applicable NEFT charges plus applicable GST in shape of Cash /DD.

19. Whether a depositor can remit the cheque from the Branch where he/she does not have an account but has an account in another branch of the same Bank?

Ans. Acceptance of deposit through cheque in respect of the account maintained in another branch of the same bank, may depend on the policy decision of the bank concerned depending upon their risk perception.

20. What is UTR No in NEFT/RTGS?

Ans. Unique Transaction Reference (UTR) number is a 22-character code used to uniquely identify a transaction in NEFT/ RTGS system.

21. How much time should I expect for receipt of funds by beneficiary under NEFT?

Ans: A timeline of two hours from the batch settlement can be expected, within which beneficiary's account should be credited.

22. **How can one track status of NEFT transactions initiated? Who should be approached to know status of the NEFT transaction?**

    Ans: The remitter and the beneficiary can track status of NEFT transaction by contacting NEFT Customer Facilitation Centre (CFC) of their bank, respectively. Details of NEFT CFCs of banks are available on the websites of the respective banks. The details of CFC of member banks are also available on the website of RBI at https://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=2070.

23. **Can an RTGS transaction be tracked? Would the remitting customer receive an acknowledgement of money credited to the beneficiary's account?**

    Ans. While the customers do not have the facility to track the transaction, the RBI has implemented the feature of positive confirmation in an RTGS transaction. Under this, the remitting bank would receive a message from RBI (through the beneficiary bank) that the money has been credited to the beneficiary bank / customer account. Based on this, the remitting bank should advise the remitting customer that money has been credited to the receiving bank's beneficiary account.

24. **What happens in case NEFT funds are not credited to the beneficiary? Or Does one get the money back, if funds are not credited to the beneficiary due to various reasons?**

    Ans: If it is not possible to afford credit to the account of the beneficiary for any reason, destination banks are required to return the transaction (to the originating branch) within two hours of completion of the batch in which the transaction was processed.

25. **Would the remitting customer get back the RTGS money if it is not credited to the beneficiary's account? Is there any time frame prescribed for it?**

    Ans. Yes, if it is not possible to credit the funds to the beneficiary customer's account for any reason, the funds received by the RTGS member bank will be returned to the originating bank within one hour of receipt of the payment at the Payment Interface (PI) or before the end of the RTGS Business Day, whichever is earlier. Once the money is received back by the remitting bank, the original debit entry in the customer's account needs to be reversed.

26. **What are the penalties / compensation for delayed credit or return of funds by beneficiary bank in NEFT?**

Ans: If the NEFT transaction is not credited or returned within two hours after batch settlement, then the bank is liable to pay penal interest to the affected customer at the current RBI LAF Repo Rate plus two percent for the period of delay / till the date of credit or refund, as the case may be, is afforded to the customers' account without waiting for a specific claim to be lodged by the customer in this regard.

27. Whom can a customer contact, in case of non-credit or delay in credit to the beneficiary account in case of an RTGS transaction?

Ans. The customer can contact his / her bank / branch if there is an issue of delay / non-credit to the beneficiary account. The details of Customer Facilitation Centre of member banks are also available on the website of RBI at https://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=2070.

28. Which details of source of a NEFT transaction should be provided by a bank to its customer?

Ans: After crediting the account of the beneficiary, the beneficiary bank shall advise the beneficiary of the funds received. The remitter's name shall be printed in the Account Statement / Pass Book of the beneficiary.

There is an optional field with tag 7495 in NEFT payment message that enables inclusion of additional sender-to-receiver information. Destination banks should capture and store this information in their CBS / other systems as appropriate, to be provided to the customer on request.

If the beneficiary specified in the sender's payment instruction fails to get payment through the NEFT system for some valid reasons, the originating bank shall provide the description "NEFT-Return" in the pass book / account statement of the originator whose NEFT transaction is returned.

29. What happens if one writes wrong account number of beneficiary?

Ans: The credit is given to the account number written / given by remitter in his / her application / instruction. Credit to beneficiary account is released solely based on account number. It is the responsibility of remitting customer to write correct account number. The originator / sender should exercise due care in providing **the correct account number of the beneficiary**, in the NEFT remittance instruction / application.

30. What is the Help Desk / Contact point at the RBI?

Ans: The NEFT Help Desk / Contact point of the RBI can be approached at nefthelpdeskncc@rbi.org.in

31. What is the Help Desk / Contact point at the RBI for RTGS transactions?

Ans. One may approach RTGS Help Desk / Contact point of the RBI at rtgsmumbai@rbi.org.in.

32. Whom should one approach for raising dispute / complaint related to NEFT/RTGS transaction?

Ans: One may approach grievance redressal cell of the remitting bank with details of the disputed transaction. In case the grievance is not resolved within 30 days, one may make a complaint under "The Reserve Bank-Integrated Ombudsman Scheme (RB-IOS 2021)". The RB-IOS 2021 provides a single reference point for customers to file complaints against the RBI regulated entities specified therein. The RB-IOS, 2021 is available at the following path on the RBI website: https://rbidocs.rbi.org.in/rdocs/content/pdfs/RBIOS2021_121121.pdf.

33. How can one file complaint under the RB-IOS 2021?

Ans: Complaints can be filed online on https://cms.rbi.org.in, or through the dedicated e-mail or sent in physical mode to the 'Centralised Receipt and Processing Centre' set up at RBI, 4th Floor, Sector 17, Chandigarh – 160 017 in the format given at the following path - https://rbidocs.rbi.org.in/rdocs/content/pdfs/RBIOS2021_121121_A.pdf. A toll-free number -14448 (9:30 am to 5:15 pm) – is also available for customers to seek assistance in filing complaints and information on grievance redressal, with multi-lingual support.