RTGS is supposed to be the faster one as it is done in **real time.**

In RTGS, the beneficiary bank has to credit the the beneficiary's account **within two hours** of receiving the funds transfer message.

NEFT is done on **net basis.**

This means bank club transactions together and only the net amount is transfered. This settlement is done 6 times per day on weekdays and 3 times on Saturdays.

NEFT is slightly slower compared to RTGS.

However, **RTGS** is **only for transactions above Rs 1 lac.**

If your transaction is for less than Rs 1 lac, you have to use NEFT.

Q1. What is RTGS System?

Ans. The acronym 'RTGS' stands for Real Time Gross Settlement, which can be defined as the continuous (real-time) settlement of funds transfers individually on an order by order basis (without netting). 'Real Time' means the processing of instructions at the time they are received rather than at some later time.'Gross Settlement' means the settlement of funds transfer instructions occurs individually (on an instruction by instruction basis). Considering that the funds settlement takes place in the books of the Reserve Bank of India, the payments are final and irrevocable.

Q2. How RTGS is different from National Electronics Funds Transfer System (NEFT)?

Ans. NEFT is an electronic fund transfer system that operates on a Deferred Net Settlement (DNS) basis which settles transactions in batches. In DNS, the settlement takes place with all transactions received till the particular cut-off time. These transactions are netted (payable and receivables) in NEFT whereas in RTGS the transactions are settled individually. For example, currently, NEFT operates in hourly batches - there are eleven settlements from 9 am to 7 pm on week days and five settlements from 9 am to 1 pm on Saturdays. Any transaction initiated after a designated settlement time would have to wait till the next designated settlement time Contrary to this, in the RTGS transactions are processed continuously throughout the RTGS business hours.

Q3. 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 lakh. There is no upper ceiling for RTGS transactions.

Q4. What is the time taken for effecting funds transfer from one account to another under RTGS?

Ans. Under normal circumstances the beneficiary branches are expected to receive the funds in real time as soon as funds are transferred by the remitting bank. The beneficiary bank has to credit the beneficiary's account within two hours of receiving the funds transfer message.

Q5. Would the remitting customer receive an acknowledgement of money credited to the beneficiary's account?

Ans. The remitting bank receives a message from the Reserve Bank that money has been credited to the receiving bank. Based on this the remitting bank can advise the remitting customer that money has been delivered to the receiving bank.

Q6. Would the remitting customer get back the money if it is not credited to the beneficiary's account? When?

Ans. Yes.It is expected that the receiving bank will credit the account of the beneficiary instantly. If the money cannot be credited for any reason, the receiving bank would have to return the money to the remitting bank within 2 hours. Once the money is received back by the remitting bank, the original debit entry in the customer's account is reversed.

Q7. Till what time RTGS service window is available?

Ans. The RTGS service window for customer's transactions is available from 9.00 hours to 16.30 hours on week days and from 9.00 hours to 13.30 hours on Saturdays for settlement at the RBI end. However, the timings that the banks follow may vary depending on the customer timings of the bank branches.

Q8. What about Processing Charges / Service Charges for RTGS transactions?

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

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

b) Outward transactions –

Rs. 2 lakh to Rs. 5 lakh - not exceeding Rs. 30 per transaction.
Above Rs. 5 lakh - not exceeding Rs. 55 per transaction.

Q9. What is the essential information that the remitting customer would have to furnish to a bank for the remittance to be effected?

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

1. Amount to be remitted
2. Remitting customer’s account number which is to be debited
3. Name of the beneficiary bank
4. Name of the beneficiary customer
5. Account number of the beneficiary customer
6. Sender to receiver information, if any
7. The IFSC Number of the receiving branch

Q10. How would one know the IFSC code of the receiving branch?

Ans. The beneficiary customer can obtain the IFSC code from his bank branch. The IFSC code is also available on the cheque leaf. The IFSC code is also available on the RBI website (http://rbidocs.rbi.org.in/rdocs/RTGS/DOCs/RTGEB1110.xls). This code number and bank branch details can be communicated by the beneficiary to the remitting customer.

Q11. Do all bank branches in India provide RTGS service?

Ans. No. All the bank branches in India are not RTGS enabled. As on September 29, 2011, there are more than 78,000 RTGS enabled bank branches. The list of such branches is available on RBI website at http://rbidocs.rbi.org.in/rdocs/RTGS/DOCs/RTGEB1110.xls

Q12. Is there any way that a remitting customer can track the remittance transaction?

Ans It would depend on the arrangement between the remitting customer and the remitting bank. Some banks with internet banking facility provide this service. Once the funds are credited to the account of the beneficiary bank, the remitting customer gets a confirmation from his bank either by an e-mail or sms.

Q13. Whom do I can contact, in case of non-credit or delay in credit to the beneficiary account?

Ans Contact your bank / branch. If the issue is not resolved satisfactorily, complaint may be lodged to the Customer Service Department of RBI at -

The Chief General Manager,
Reserve Bank of India,
Customer Service Department,
1st Floor, Amar Building, Fort,
Mumbai – 400 001
Or send email

Q14. How can a remitting customer know whether the bank branch of the beneficiary accepts remittance through RTGS?

Ans. For a funds transfer to go through RTGS, both the sending bank branch and the receiving bank branch would have to be RTGS enabled. The lists are readily available at all RTGS enabled branches. Besides, the information is available at RBI website (http://rbidocs.rbi.org.in/rdocs/RTGS/DOCs/RTGEB1110.xls). Considering that more than 74,000 branches at more than 20,000 cities/ towns / taluka places are covered under the RTGS system, getting this information would not be difficult.

1. **What is Inter Bank Transfer?**

   Inter Bank Transfer enables electronic transfer of funds from the account of the remitter in one Bank to the account of the beneficiary maintained with any other Bank branch. There are two systems of Inter Bank Transfer - RTGS and NEFT. Both these systems are maintained by Reserve Bank of India.

   RTGS- Real Time Gross Settlement- This is a system where the processing of funds transfer instructions takes place at the time they are received (real time). Also the settlement of funds transfer instructions occurs individually on an instruction by instruction basis (gross settlement). RTGS is the fastest possible interbank money transfer facility available through secure banking channels in India.

   NEFT- National Electronic Fund Transfer- This system of fund transfer operates on a Deferred Net Settlement basis. Fund transfer transactions are settled in batches as opposed to the continuous, individual settlement in RTGS. Presently, NEFT operates in hourly batches from 9 am to 7 pm on week days and 9 am to 1 pm on Saturdays.

   The above mentioned facilities are available to both Retail and Corporate Internet Banking users of SBI (provided they have availed transaction rights).

2. **What is the minimum/maximum amount for RTGS/NEFT transactions under Retail Internet Banking?**

Type	Minimum	Maximum
RTGS	Rs.2 Lakhs	Rs.5 Lakhs
NEFT	No Minimum	Rs.5 Lakhs

3.
4. **What is the minimum/maximum amount for RTGS/NEFT transactions under Corporate Internet Banking?**

Type	Minimum	Maximum
RTGS	Rs.2 Lakhs	Rs.50 lakhs for Vyapaar and Rs.500 crores for Vistaar
NEFT	No Minimum	Rs.50 lakhs for Vyapaar and Rs.500 crores for Vistaar

5.
6. **When does the beneficiary get the credit for a RTGS payment?**

   Under normal circumstances the beneficiary Bank branch receives the funds in real time as soon as funds are transferred by the remitting Bank. The beneficiary Bank has to credit the beneficiary's account within two hours of receiving the funds transfer message.

7. **When does the beneficiary get the credit for a NEFT payment?**

   As stated above, NEFT operates in hourly batches. Currently there are eleven settlements from 9 am to 7 pm on week days and five settlements from 9 am to 1 pm on Saturdays. Therefore, the beneficiary can expect to get the credit for the transactions put through between 9 am to 5 pm on weekdays (between 9 am to 12 noon on Saturdays) on the same day. For transactions settled in the 6 and 7 pm batches on week days and at 1 pm on Saturday, the credit will be afforded either on the same day or on the next working day.

8. **If an RTGS transaction is not credited to the beneficiary account, does the remitter get back the money?**

   Yes. If the beneficiary's bank is unable to credit the beneficiary's account for any reason, the former will return the money to the remitting bank within 2 hours. Once the amount is received by the remitting bank, it is credited to the remitter's account by the branch concerned.

9. **If an NEFT transaction is not credited to a beneficiary account, does the Remitter get back the money?**

   Yes. If the beneficiary's bank is unable to credit the beneficiary's account for any reason, the former will return the money to the remitting bank within 2 hours of completion of the batch in which the transaction was processed. Once the amount is received by the remitting bank, it is credited to the remitter's account by the branch concerned.

10. **At what time during the day/week the RTGS & NEFT services are available?**

    RTGS transactions are sent to RBI as per the following schedule:

Day	Start Time	End Time
Monday to Friday	9:00 hrs	16:30 hrs
Saturday	9:00 hrs	13:30 hrs

11. NEFT transactions will be sent to RBI based on the following schedule:

Day	Start Time	End Time
Monday to Friday	8:00 hrs	18:30 hrs
Saturday	8:00 hrs	12:30 hrs

12. RBI NEFT transactions are settled in batches based on the following timings:

    1. 11 settlements on weekdays - at 09:00, 10:00, 11:00, 12:00, 13:00, 14:00, 15:00, 16:00, 17:00, 18:00 and 19:00 hrs.
    2. 5 settlements on Saturdays - at 09:00, 10:00, 11:00, 12:00 and 13:00 hrs.

    Please note that all the above timings are based on Indian Standard Time (IST) only.

13. **What is the mandatory information required to make an RTGS & NEFT payment?**

    For effecting an RTGS/NEFT remittance the remitter has to furnish the following information:

    - Amount to be remitted.
    - Remitting customer's account number which is to be debited
    - Name of the beneficiary bank.
    - Name of the beneficiary.
    - Account number of the beneficiary.
    - Sender to receiver information, if any
    - IFSC code of the destination bank branch

14. **How to find the IFSC code of the beneficiary branch?**

    In Onlinesbi, the remitter has the option of selecting the location of the destination Bank Branch in case the IFSC code is not known. If the correct values are selected for Bank, State and Branch, the IFSC code is automatically updated.

15. **Do all bank branches in India provide RTGS & NEFT services?**

    No. RTGS and NEFT services are enabled only in specific bank branches across the country. A list of such RTGS/NEFT enabled branches can be obtained from the RBI website, http://rbidocs.rbi.org.in/rdocs/RTGS/DOCs/RTGEB1110.xls for RTGS and http://www.rbi.org.in/scripts/neft.aspx for NEFT.

16. **How do I go about using this service?**

0. Avail Internet Banking facility for your account with transaction rights. Contact your SBI branch for the purpose.
1. Log on to www.onlinesbi.com using Internet Banking ID and Password.
2. Access the Profile tab and click on the Manage Beneficiary link.
3. Select Inter Bank Payee from the options provided.
4. Select 'Add' option and provide the Beneficiary Name, Beneficiary Account Number, Address and Inter Bank Transfer Limit in the relevant fields.
5. Enter the IFSC code of the beneficiary bank branch by either:
    a. Selecting the IFSC code option and entering 11 digit IFSC code in the textbox.
    b. Selecting the Location option and then the Beneficiary Bank, State and Branch form the drop down menus provided.
6. Click the 'accept Terms of Service (Terms & Conditions)' button followed by 'confirm'.
7. A high security password is sent to the mobile number as an additional security measure. Enter this password to authorize the beneficiary.
8. The beneficiary added is activated in a maximum of 16 hrs. time. Once activated you can transfer funds to the beneficiary.
9. To remit funds to the Inter Bank Payee through RTGS/NEFT select the 'Inter Bank Transfer' link in the 'Payments/Transfers' tab.
10. Select the Transaction Type-RTGS or NEFT .
11. The list of beneficiary accounts added is displayed.
12. Enter the Amount and select the beneficiary to be credited from the list.
13. Click on 'accept Terms of Service (Terms & Conditions)' and confirm.

17. **What are the service charges applicable for RTGS/NEFT transactions?**

Charges for RTGS/NEFT are as listed in the following table:

RTGS	**Time of settlement at the Reserve Bank of India**		**Charges per Transaction for Outward Transactions.**	
	From	**To**		
1	09:00 Hours	12:00 Hours	Rs.2 lakhs to Rs.5 lakhs	Rs.25/-
			Above Rs.5 lakhs	Rs.50/-
2	After 12:00 Hours	15:30 (13:00 hrs on Saturday hours)	Rs.2 lakhs to Rs.5 lakhs	Rs.26/-
			Above Rs.5 lakhs	Rs.51/-
3	After 15:30 Hours	16:30 hrs (On week days)	Rs.2 lakhs to Rs.5 lakhs	Rs.30/-
			Above Rs.5 lakhs	Rs.55/-

	Amount	Service Charge
NEFT	Upto Rs.1 lakh	Rs.5/-
	Above Rs.1 lakh to Rs.2 lakhs	Rs.15/-
	Above Rs.2 lakhs	Rs.25/-