

Difference Between NEFT and IMPS



What is NEFT?

- The full form of NEFT is NATIONAL ELECTRONIC FUND TRANSFER.
- NEFT came into existence in 2005.
- NEFT is a modification of Special Electronic Fund Transfer (SEFT).
- NEFT is an online fund transfer activity through the electronic wire.
- NEFT is used nationwide by individuals or institutions.
- Only NEFT enabled bank branches can transact.
- The amount does not immediately transfer but the Transactions are done in specific batches during fixed time.
- Those who have not bank account can use NEFT by depositing cash to NEFT enabled branches.
- NEFT is both secure and convenient.
- NEFT take place 11 hours on weekdays, 5 hours on Saturday and Sunday there is no NEFT transactions.
- No limit for minimum or maximum transfer amount.

WHAT IS IMPS?

- The full form of IMPS is IMMEDIATE PAYMENT SERVICE.
- IMPS is a real time 24×7 inter-bank transfer of funds through smartphones.
- It came into existence in 2010.
- This facility is provided by National Payment Corporation of India through National Financial Switch.
- With the help of IMPS, one can access bank account anytime, anywhere easily using mobile.

- It is customer-centric banking service used by bank customers by using a mobile phone.
- It is safe and economic.
- The bank charges fees for this type of facility and it differs from bank to bank.
- In IMPS transactions are done all the days. (Means no holiday)
- Both, the receiver and sender need to be registered with mobile banking service of Bank and get a mobile money Identifier (MMI) code. Which is comprised of seven digits issued by the bank.
- Bank account number, MMID code and IFSC code is necessary to complete the transaction.

Comparison between NEFT and IMPS

Basis	NEFT	IMPS
Meaning	It is an electronic payment system used nationwide by banks to transfer money.	It is an instant interbank mobile transfer facility by using a smartphone.
Settlement Time	It means it takes some time to transfer money.	It is an instant facility.
Working days	It operates Monday to Saturday except for 2 nd and 4 th Saturday, Sunday and a holiday.	It works on all days means 24×7 a day.
Transfer limit	No limit for minimum and maximum transfer.	No limit for minimum transfer and for maximum it is Rs.200000
No. of transactions	12 settlements per working day.	Transactions occur continuously.
speed	It is slower as compare to IMPS.	It is very fast.
category	It comes under electronic banking.	It comes under mobile banking.
Fees	It is fixed by banks.	Differs from bank to bank.