

Unified Payment Interface

UPI stands for Unified Payment Interface. It is a real-time payment system that helps in instant and quick transfer of funds between two bank accounts. The transfer of funds is done through a single mobile application. Some of the important features of UPI are listed below.

1. Immediate fund transfer which is faster than NEFT.
2. UPI is available for 24 hours
3. It is also available on public holidays
4. Every Bank provides its own UPI for different mobile platforms like Android, IOS.
5. It can be utilized for making payments to merchants, and utility bill payments.
6. Any complaint can be raised from Mobile App directly.

Aspirants would find this topic very helpful in the [IAS Exam](#).

Are BHIM and UPI the same?

UPI is a platform whereas BHIM is a separate mobile wallet app like Paytm, PhonePe, etc. If a person has bank accounts with the different banks then the person will have to use different UPI apps and VPA (Virtual Payment Address). On the other hand, BHIM is a unified payment app based on UPI which can be synced to any of the UPI enabled bank accounts. The BHIM app is an upgraded version of existing bank UPI apps. The biggest advantage of BHIM apps over other payment apps is that transactions happen directly between bank accounts and no charges associated with the transfer. Unlike other payment apps, there is no need to recharge BHIM payment apps. There are no commission or hidden charges.

Who Created UPI?

The idea of UPI was developed by the National Payments Corporation of India (NPCI) and is controlled by the Reserve Bank of India ([RBI](#)) and IBA (Indian Bank Association).

Find the [difference between NEFT and RTGS](#) by visiting the linked article.

Can UPI be hacked?

The UPI interface is based on the authentication of 2 factors. This is in line with the regulatory guidelines making it very safe. 2-factor authentication is very much similar to One Time Password (OTP). UPI transfer will happen in a highly encrypted format as per experts. However, in the mid of 2019, there were around 150 fraud cases linked with UPI. Hence one needs to understand that technology evolves every day at a rapid pace, although the payment methods would be largely secure, there will be scope for loopholes which could be misused by criminals. Hence people can safely use technology related to financial services but also exercise caution as no technology on earth is completely foolproof.