



POSITIVE PAY SYSTEM (PPS) ON CHEQUE TRUNCATION SYSTEM

I. Preamble:

To reduce instances of Fraud, RBI has introduced a new mechanism "Positive Pay System (PPS) from January 01, 2021 for all cheques of Rs.50,000/ and above.

II. Key Features:

❖ The concept of Positive Pay involves a process of reconfirming key details of large value cheques for the CTS instruments. Under this process, **before presentation of the instrument**, the account holder submits the details of the cheque (viz. Account Number, Cheque Number, Cheque Date, Cheque Amount, Transaction Code, MICR Code, and Payee Name) electronically for the **amount of Rs. 50,000 & above through following Channels:**

- i. **Internet Banking**
- ii. **Mobile Banking**
- iii. **ATM**

❖ **While availing this facility is at the discretion of the account holder, it is mandatory for all cheques of amount Rs. 5.00 lakhs & above.**

❖ **Those cheques details which are available in PPS will alone be accepted under dispute resolution mechanism of the CTS Grids.**
