



Positive Pay System

As per the Reserve Bank of India (RBI) circular no. RBI/2020-21/41 DPSS.CO.RPPD. No.309/04.07.005/2020-21 dated Sep 25, 2020.

RBI had announced introduction of 'Positive Pay' System for Cheque Truncation System (CTS) with effect from Jan 01, 2021. An extract of the policy is summarized below for your ready reference:

- *The concept of Positive Pay involves a process of reconfirming key details of large value cheques. Under this process, the issuer of the cheque submits electronically, through channels like SMS, mobile app, internet banking, ATM, etc., certain minimum details of that cheque (like date, name of the beneficiary / payee, amount, etc.) to the drawee bank, details of which are cross checked with the presented cheque by CTS. Any discrepancy is flagged by CTS to the drawee bank and presenting bank, who would take redressal measures.*
- *Banks, shall enable it for all account holders issuing cheques for amounts of ₹50,000 and above. While availing of this facility is at the discretion of the account holder, banks may consider making it mandatory in case of cheques for amounts of ₹5,00,000 and above.*
- *Only those cheques which are compliant with above instructions will be accepted under dispute resolution mechanism at the CTS grids.*
- *Positive Pay System shall be implemented from January 01, 2021.*

Accordingly, the Bank would enable this facility to all account holders issuing cheques for amounts of Rs. 50,000 and above. Further, all cheques issued for amount ₹5,00,000 and above, customers need to mandatorily update under 'Positive Pay'.

Customers are requested to make use of this facility to secure their cheque payments.