

## **What you should know regarding Positive Pay System (PPS)**

Reserve Bank of India Notification No. DPSS.CO.RPPD. No.309/ 04.07.005/ 2020-21 dated September 25, 2020 on captioned subject has asked all banks to introduce Positive Pay System.

National Payment Corporation of India (NPCI) have developed the facility of positive pay in CTS and made it available to participant banks for all account holders issuing cheques for Rs 50,000/- and above. Only those cheques which are compliant with above instructions will be accepted under dispute resolution mechanism at the CTS grids.

Zoroastrian Bank has decided to introduce and implement the Positive Pay System (PPS) mandatory for cheque of Rs. 5.00 Lakhs and above w.e.f. 04 September, 2023 in a bid to enhance safety and eliminate cheque related frauds by reconfirming key details of large value cheque.

Positive Pay System will enable the Bank to submit the cheque issuance data collected from their customers to NPCI for validation during the clearing process. This system will provide validated cheque information to both the presenting bank as well as drawee bank and thus will act as an additional layer of safety to the customer and avert fraudulent encashment of cheques through their fabrication.

The Customers need to share the following details of the issued cheque immediately to the Bank

- Drawer's / Issuer's Account Number
- Cheque Number
- Cheque Date
- Amount
- Payee's / Beneficiary's Name

To enable validation through Positive Pay, cheque details mentioned above should be provided by the customer to the Bank, one working day prior to the cheque presentation date. else the cheque will be returned back with the reason Kindly contact the drawer.

Insufficient and incorrect details submitted by the customer may lead to cheque return.

Only cheques that are compliant with the Positive Pay will be accepted under RBI dispute resolution mechanism between the presenting and the paying banks.

Availing of this facility for cheques amounting to Rs 50,000/- and above is at the discretion of the account holder. However, sharing the cheque details through PPS for cheque amounting to Rs 5,00,000/- and above has been mandatory by the bank w.e.f. 4<sup>th</sup> September 2023.

If sufficient funds are not available in the customer account and PPS details are not submitted by the customer, then the cheque will be returned with the reason – Insufficient Funds.

[Positive Payment System - Requisition Form](#)