

Positive Payment System on Cheque Truncation System

What is Positive Payment System?

The concept of Positive Payment System (PPS) involves a process of reconfirming key details of large value cheques to the Drawee Bank before presentation of the cheques. Under this process, the issuer of the cheque need to submit electronically certain minimum details of that cheque like date, name of the beneficiary / payee, amount, etc. to the Drawee Bank.

Whether details of all cheques need to be submitted to the Drawee Bank?

Details of all cheques amounting Rs 50,000/- and above need to be submitted to the Drawee Bank under PPS.

Is it mandatory to provide the details to Drawee Bank under PPS?

While availing this facility is at the discretion of the account holder, it is mandatory for all cheques of amount Rs. 5 lakhs & above.

What is the drawback in case of non-submission of details under PPS?

Cheques details which are available in PPS will be accepted under dispute resolution mechanism of the CTS Grids. Non submission of the details under PPS will lead to rejection of the claim under dispute resolution mechanism.

Which channels are enabled for submission of details under PPS?

Presently, submission of PPS details are enabled under Fednet, Corporate Fednet and Fed e Point. Data submission through other digital channels will be enabled shortly.