

POSITIVE PAY SYSTEM FOR CHEQUE TRUNCATION SYSTEM

The concept of Positive Pay involves a process of reconfirming the key details of large value cheques.

As per RBI instructions, we have to implement Positive Pay System (PPS) without exception. For that National Payments Corporation of India (NPCI) has developed the facility of Positive Pay in Cheque Truncation System (CTS) and made it available to participant banks.

2. In this background, our Information Technology service provider, C-Edge Technologies has provided mobile application namely “**TGB Positive Pay**”, which is available in Play Store/ App store in addition to the following URL for PPS process.

URL: “<https://www.cedgepps.in/TGB/#!/auth/login>”

3. As and when customer issues a cheque value for an amount of Rs.50,000/- and above is an optional to the customer and for an amount of Rs.5,00,000/- it is mandatory to complete the PPS process meticulously.

4. Process flow of positive pay:

Customer has to download “**TGB Positive Pay**” app or go through the URL “<https://www.cedgepps.in/TGB/#!/auth/login>”

- I. Customer enters mobile number followed by one time password (OTP).
- II. Click on tick option on the terms and conditions to accept.
- III. Customer has to create 6 digits MPIN (**For mobile app only**)
- IV. Customer has to enter the following details
 - a) Cheque number
 - b) Cheque date
 - c) Account number
 - d) MICR code
 - e) Unique Short Account Number (SAN). If not available on the cheque, enter „000000”.
 - f) Amount in Rs.
 - g) Amount in words
 - h) Payee name

After entering the entire details customer needs to review it and also upload the image of the cheque for completion of process.

5. The **Positive Pay** process is self explanatory. Customers have to complete the process step by step as directed by the App/URL.

6. Features of cheques for the information of operating staff members:

Cheque No: Cheque number is usually six digit number at the bottom left side of the cheque and is unique for each cheque.

MICR code: MICR stands for **Magnetic Ink Character Recognition** and is a 9 digit code. There are three parts. First three digits represent the City code, next three digits represents the bank code. Last three digits represent the branch code.

(Branch code need not be the same as our CBS branch code, while issuing MICR codes to the branches by RBI, allotted serial wise for applicant branches)

SAN: Unique **Short Account Number (SAN)** is usually a 6 digit number prepared by the bank used in image based cheque clearing process.

Transaction ID: Transaction ID is a 2 digit number printed on the bottom of the cheque.

7. The above details 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.

8. Only those cheques which are compliant with above instructions will be accepted under dispute resolution mechanism at the CTS grids. Branches may implement similar arrangements for cheques cleared/ collected outside CTS as well.

9. Branches are advised to give wide publicity on PPS for smooth processing of clearing of cheques and display the feature of positive pay system in the banking Hall.