

This presentation was prepared in 2003 and is relevant even now under the demonetization related problems... Naavi

DVIIS for Banking Products

By
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1

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Bank Products based on DVIIS

- Digi real Cheque
 - Use by Customers
- Intra city Payment Instrument
 - Alternative to Mail Transfers/Gift Cheques /Traveller's Cheques
 - And also to Pay Orders / DDs
- E-Com Payment instrument
 - Alternative to online credit card acceptance systems
 - And Debit Cards

2

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Present Systems

- Inter Bank Transfer through SWIFT/EFT
 - High value VPN based
 - Password Dependent with Dual Control
 - No Digital Signatures at present
- Truncated Cheque for Inter Bank Clearance
 - Limited Use
 - Requires application and hardware to be developed
- Electronic Cheque
 - Has some practical difficulties
 - Requires application and hardware to be developed

3

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E-Cheques in USA

- Smart card based
 - Cheque book loaded on Smart card
 - Software to write and view cheques
 - Transmission through e-mail in encrypted form
 - Authentication by Digital Signature
 - Electronic Copy retained by the sender
 - E Cheque software at the originator's end designed to protect duplication.

4

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DVIIS System

- Has a different Approach
 - Does Not Release Duplicate Instruments to the system like Electronic/Truncated Cheques
- Does not require own Computer by user
 - Connects through Internet
- No proprietary Hardware required
 - Requires purchase of pre printed stationery
- System is more than an Electronic Cheque system..

5

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Digital Value Imprinted Instrument (DVII)

- Physical Instrument
 - Carrying a printed identification number
 - Can be issued like a cheque book
 - Does not require security printing

6

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Essential Features

- The Essential Features of the DVIIS
 - Material facts of the Instrument stored virtually in a control account
 - Maintained by the Bank
 - Drawer
 - Date
 - Amount,
 - Payee
 - Details of Endorsements

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IOB Digi-Real Cheque

Date Drawn: 20/1/2003
Payee ID: c4678c30

SI No: 123456

This Instrument has been Digitally imprinted with Date, Monetary Value, Names of the drawer, payee and particulars of endorsements made there in.. Details are available for view at <http://www.digiioab.com> with the reference number printed in top right hand corner For further instructions check the website.

SI No: 123456
Drawer ID: b2527w42
Amount ID: v9754w15

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Can Digi-Real Cheque

Transaction ID	Transaction ID
E45678a9	E567342f0

This Instrument has been Digitally imprinted with Date, a monetary value, name of the drawer, payee and particulars of endorsements made there in.. Details are available for view at <http://www.digiioab.com> with the reference number printed in top right hand corner on the face of the instrument For further instructions check the website.

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IOB Digi-Real Cheque

The Contents of this cheque can be verified at www.digiioab.com

SI No: 123456
Date: d37673d1
Pay: Mr xyz.....or Bearer
Rupees: One thousand only Rs:.....
AID: k36694y7

15, North Usman Road
T.Nagar, Chennai-60017

Name of the Drawer
(This instrument represents a digitally signed instruction)

SI No: 123456
DID: m73183t6

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IOB Digi-Real Cheque

Endorsed To	Transaction ID
abcd	E567342f0

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Query Enabled on Internet

- Instrument operated upon by the holder through Internet
- Instrument details can be queried through the Internet
- The transaction reference can be inserted on the instrument by hand.

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Phase I of the Instrument

- Initially issued as "Zero Value" Slips
- At this stage
 - it is only a stationery item carrying a printed identification number
 - Low risk physical instrument
 - It is a Digital Value Imprint Enabled instrument
 - Can be put for distribution at any branch

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Phase II of the Instrument

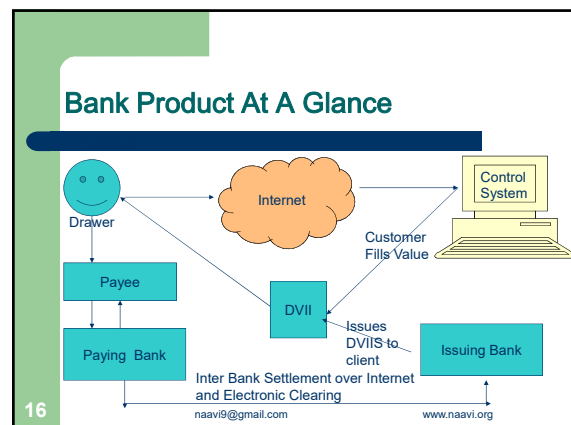
- Registering Ownership
 - Account Holder/DD Issuing branch can register the name where required
 - Through the Issuing Bank
- Other Details of the instrument can be completed
 - by logging onto the designated website.
 - The holder can log in to a designated website, make payment to the designated authority by
 - Credit card
 - Transfer from bank account
 - Payment to a representative who will authenticate
- Transactions will be confirmed with a transaction ID sent through a digitally signed mail
 - can be noted on the instrument
- At the end of this phase the instrument has all characteristics of a financial instrument

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Phase III of the Instrument

- Negotiation
 - The holder can log in to a designated website,
 - make endorsements to the instrument
- The details of each negotiation is authorized by a suitable code which is entered on the instrument
- Paying Bank will transfer the value to itself by logging on to the website and cancel the instrument.
 - No presentation in Clearing is required
 - No onerous responsibility for collecting bankers

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Benefits

- Instrument represents Money already paid to the Bank
 - Like a DD or
 - Certified Good for payment Cheque
- No Clearing Delays

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Benefits..2

- Strict Monitoring Possible
 - Each cheque can be tracked from the time it leaves the control of the issuer
 - Before and After purchase by a consumer
- Every endorsement and usage can be tracked

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Benefits..3

- Instrument can be disabled in case of reported loss
 - It is therefore theft proof
- No Responsibility for Collecting banker to check subtle material alterations.

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Other Uses..in Financial Sector

- Intra City Money Transfer and International Money transfers
 - Slips will be bought locally from the Bank
 - Money will be filled by the remitter
 - Cost of Inward remittance saved

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Other uses..2

- E-Com pay cards
 - E-Commerce site will buy blank slips and let Customers load on to it.
 - Will be encashed by the Bank
- Can use instead of credit cards in a real world shop
 - Credit card particulars need not be revealed to every shop
 - Can be loaded with a value and if not used, can be scrapped
- Bank can take over "Merchant Bank" role in Credit card transactions.

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Date Encashed: 20/1/2003 SI No: 123456
 Confirmation ID: c4678c30

E-Com Pay Cards

This Instrument has been Digitally imprinted with a monetary value and name of the buyer which is available for view at <http://www.iobdigicash.com> with the reference number printed in top right hand corner For further instructions check the website.

SI No: 123456 Beneficiary ID: b2527u42
 Value ID: v9754n15

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Key Success Factor

- Secure System Design
 - Functional
 - User friendly
 - Secure
 - Hacker Proof
 - Disaster Proof
- Innovative and Adequate Marketing
- Policy Support from Regulators

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System Breakup

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