Step by Step Generic Process for effecting Direct Benefit Transfers (DBT) using CPSMS

CPSMS is a web based, online transaction system being used by several scheme mangers to affect Aadhaar based payments directly to the bank accounts of intended beneficiaries. The following guidance is aimed at facilitating this process. The entire process involves several steps which are detailed below:

1. **Registration of Implementing Agencies**

   To effect payments directly to the bank accounts of scheme beneficiaries, the implementing agencies must register on the CPSMS portal.

   a. Please access the CPSMS portal (www.cpsms.nic.in)
   b. Follow the steps outlined in the Agency Registration Manual available on the homepage.
   c. On completion of the registration process (it usually takes 10 minutes to register), the user-ID and Password is given to the Administrative User of the Implementing Agency.
   d. For security reasons, it is advisable to follow a maker-checker protocol when effecting payments. Towards this, the Administrative user will create two user IDs for the "Maker" user and "Data Entry Approver (CHECKER)" user.
   e. Both these users must already have valid separate email IDs While user IDs for these two officials will be communicated by the Administrative user, the passwords of the maker and checker user will be sent on their respective email-IDs.
   f. Maker and checker users should login on CPSMS with their user IDs and passwords and change their passwords (for first time use only).

2. **Details regarding Bank Account to be debited**

   a. The Implementing Agency responsible for authorizing payments must inform CPSMS regarding the bank name and bank account number from which the DBT will happen. This information would normally be identical to the bank account details provided during the Agency Registration process.
   b. The Agency also needs to choose the authentication system it will use for authorizing payments. The three authentication systems available on CPSMS are-
      a. Printed Debit Authority for Banks
      b. Digital Signature

      c.   Corporate Internet Banking

The first option is available instantaneously and user can start with the same (recommended option initially). The other two are paperless but need more formalities to be completed.
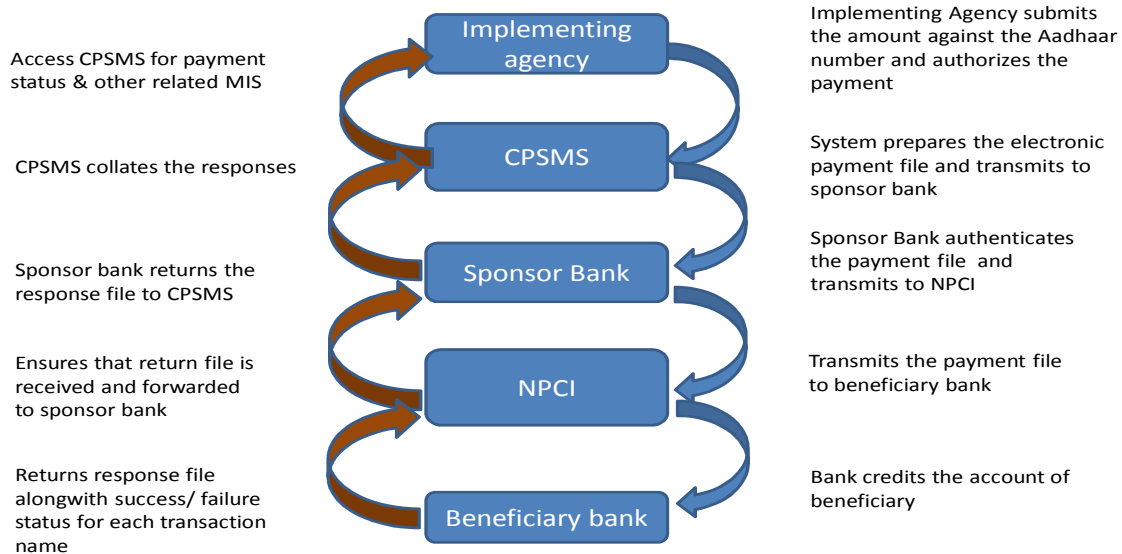
3. Prepare Beneficiary Database on CPSMS

a. Data entry operator uploads the beneficiary data on CPSMS in the prescribed format (an EXCEL sheet annexed to this guidance note).

b. Aadhar number must be captured while completing the database.

c. The beneficiary bank account details (if available) are sent to banks for validation (done in an automated fashion by CPSMS system).

d. On receipt of bank confirmation, the Data Entry Approver (Checker) will approve the beneficiary data on CPSMS.

e. Approved beneficiary data is now available on CPSMS to Maker for Payment.

4. Aadhaar Based Payment

a. Maker selects the beneficiary by ticking check box for payments

b. Amount is entered against each beneficiary for payment

c. Submit the payments to checker for approvals

d. Checker logs in on the system and clicks on the approval requests submitted by the maker (the checker can reject or approve the request).

e. Once approved, the payment file is transmitted to the sponsor bank.

f. Simultaneously, in case where printed debit advice has been selected as the authentication mode by the agency, this printed and signed advice is sent to the concerned bank branch.

g. After this, the electronic file is sent to NPCI using the Aadhar payment bridge and the respective accounts of the beneficiaries are credited.

h. Payment to beneficiaries is confirmed to the implementing agencies through a reverse MIS and to the beneficiaries through SMS (if the mobile number of beneficiary has been captured in the beneficiary database).

Aadhaar based Payments

Access CPSMS for payment status & other related MIS

Implementing Agency submits the amount against the Aadhaar number and authorizes the payment

Implementing agency

CPSMS collates the responses

System prepares the electronic payment file and transmits to sponsor bank

CPSMS

Sponsor bank returns the response file to CPSMS

Sponsor Bank authenticates the payment file and transmits to NPCI

Sponsor Bank

Ensures that return file is received and forwarded to sponsor bank

Transmits the payment file to beneficiary bank

NPCI

Returns response file alongwith success/ failure status for each transaction name

Bank credits the account of beneficiary

Beneficiary bank

Before, authorizing transactions, it would be prudent to get a confirmation from the sponsor bank that they have an active interface with the NPCI system. The beneficiary bank should be also on the NPCI's Aadhaar Based Payment Bridge compliance bank.

In case of any doubt, please contact your District Nodal Officer for CPSMS as per annexed list.