

**Expansion of Direct Benefit Transfer  
(DBT) Mode of Payment to JSY  
Beneficiaries through Public  
Financial Management System –  
PFMS (formerly, CPSMS)**

- Public Financial Management System – PFMS (formerly, CPSMS) is a web based, online transaction system enabled to make Direct Benefit Transfer (DBT) and effect payments directly on the Bank A/cs of intended beneficiaries.
- The system has been developed by office of the Controller General of Accounts (CGA), Ministry of Finance for all Plan Schemes of the Govt. Of India. PFMS has been configured to make Direct Benefit Transfer/ e-Payment to beneficiaries under various Programmes of National Health Mission (NHM).

## Various Stakeholders involved in the Process for DBT using PFMS and their Roles & Responsibilities

S. No.	Stakeholder	Role & Responsibility
A	State Health Society	<ol style="list-style-type: none"> <li data-bbox="761 586 1860 929">1. Overall responsibility to implement DBT/ e-Payment for JSY and ASHAs beneficiaries using PFMS platform in the State.</li> <li data-bbox="761 1065 1860 1308">2. Ensuring capturing of beneficiaries' data on MCTS by all the Health Facilities/ Centres in the State.</li> </ol>

S. No.	Stakeholder	Role & Responsibility
<b>B</b>	Health Facility (District Hospital, CHC, PHC, etc.)	<ol style="list-style-type: none"><li data-bbox="759 315 1731 379">1. To ensure its registration of PFMS.</li><li data-bbox="759 451 1860 601">2. Creation of users (Maker &amp; Checker) on PFMS.</li><li data-bbox="759 679 1860 829">3. Fulfilling pre-conditions as mentioned at 4(d) below.</li><li data-bbox="759 908 1860 1058">4. Updating beneficiaries' database and their bank A/c details on MCTs.</li><li data-bbox="759 1136 1860 1286">5. Processing of DBT/ e-Payment file and payment authorization on PFMS.</li></ol>

S. No.	Stakeholder	Role & Responsibility
C	Beneficiary (Mother/ ASHA)	<ol style="list-style-type: none"> <li>1. Share latest Bank A/c No. [complete 11/ 12/ 13/ 15/ 16 Digit No. (as per Bank)] and other details (especially Bank Name &amp; branch) with the Health Facility to facilitate it to update her details on MCTS and PFMS.</li> </ol>
D	Agency Bank	<ol style="list-style-type: none"> <li>1. Honouring signed Print Payment Advice (PPAs) or Digital Signature file received from the Health Facility for e-Payment.</li> <li>2. Updating 'Success and Failure Status' on PFMS.</li> </ol>

S. No.	Stakeholder	Role & Responsibility
<b>E</b>	Beneficiary's Bank	<ol style="list-style-type: none"><li data-bbox="761 332 1850 482">1. Validation of beneficiaries' Bank A/c details received from PFMS.</li><li data-bbox="761 586 1850 829">2. Crediting beneficiary's Bank A/c on receipt of funds/ advice from Agency Bank.</li></ol>

## Steps involved in Process of DBT/ e-Payment

## *Registration of Implementing Agencies/ Health Facility:*

- ✓ To effect payments directly to the bank accounts of scheme beneficiaries, the implementing agencies must register itself on the PFMS portal (<http://pfms.nic.in>);
- ✓ Agencies are already registered. When registration process is complete, the agency gets User ID and Password which is used by its Administrative User (Agency Admn.); and
- ✓ Bank A/cs of the Agency, if correctly registered, also gets validated/ approved from Banks' CBS.



## *Creation of Maker and Checker:*

- ✓ For security reasons, it is advisable to follow a Maker-Checker protocol when effecting payments.
  - *For DBT and e-Payment, it is mandatory;*
- ✓ Towards this, the **Administrative User (Agency Admin.)** will create two user IDs:
  - (i) One for **Maker (Agency Data Operator)** and
  - (ii) another for the **Checker (Agency Data Approver)**;

## *Creation of Maker and Checker (...contd...):*

- ✓ Both these users must already have separate valid e-mail IDs.
- While user IDs for these two officials will be communicated by the Administrative User, the Passwords of the Maker and Checker will be sent on their respective e-mail IDs;
- ✓ When Maker and Checker login on PFMS first time, the system will ask for a change of password.
  - They should change their passwords.

## *Role of Agency Admin. User, Maker and Checker:*

- ✓ **Agency Admin. user is the Agency Administrator.**
  - It performs all administrative functions such as creation and disabling of agency users, Registration & approval of child agencies, Scheme component – Bank A/c mapping for e-Payment, Activation of Bank A/c for e-Payment, etc.
  
- ✓ **Maker is a first level user/ data contributor who initiates the transaction(s).**
  - It prepares & uploads or downloads beneficiaries' data, edit & update beneficiaries' details and sends/ submits details of beneficiaries' bank accounts to their banks for validation. Maker also initiates the payment to beneficiaries.

## *Role of Agency Admin. User, Maker and Checker (contd.):*

- ✓ **Checker** is a second level user who approves or rejects the beneficiary(ies) whose Bank A/cs have been validated by Banks.
  - Checker also approves the payments initiated by the maker.

## *Pre-condition/ Pre-requisites for initiating DBT/ e-Payment on PFMS:*

- ✓ Scheme component - Agency Bank A/c Mapping (by Agency Admin. – requires no further approval).
- ✓ If agency has more than one Bank A/c registered with it, one of the Bank A/cs needs to be activated for e-Payment (this will be done by Agency Admin. and approved by the Project Office – PFMS).
- ✓ This activated Bank A/c will be debited by the amount of e-Payment credited to beneficiaries' Bank A/c.

## *Pre-condition/ Pre-requisites for initiating DBT/ e-Payment on PFMS (contd.):*

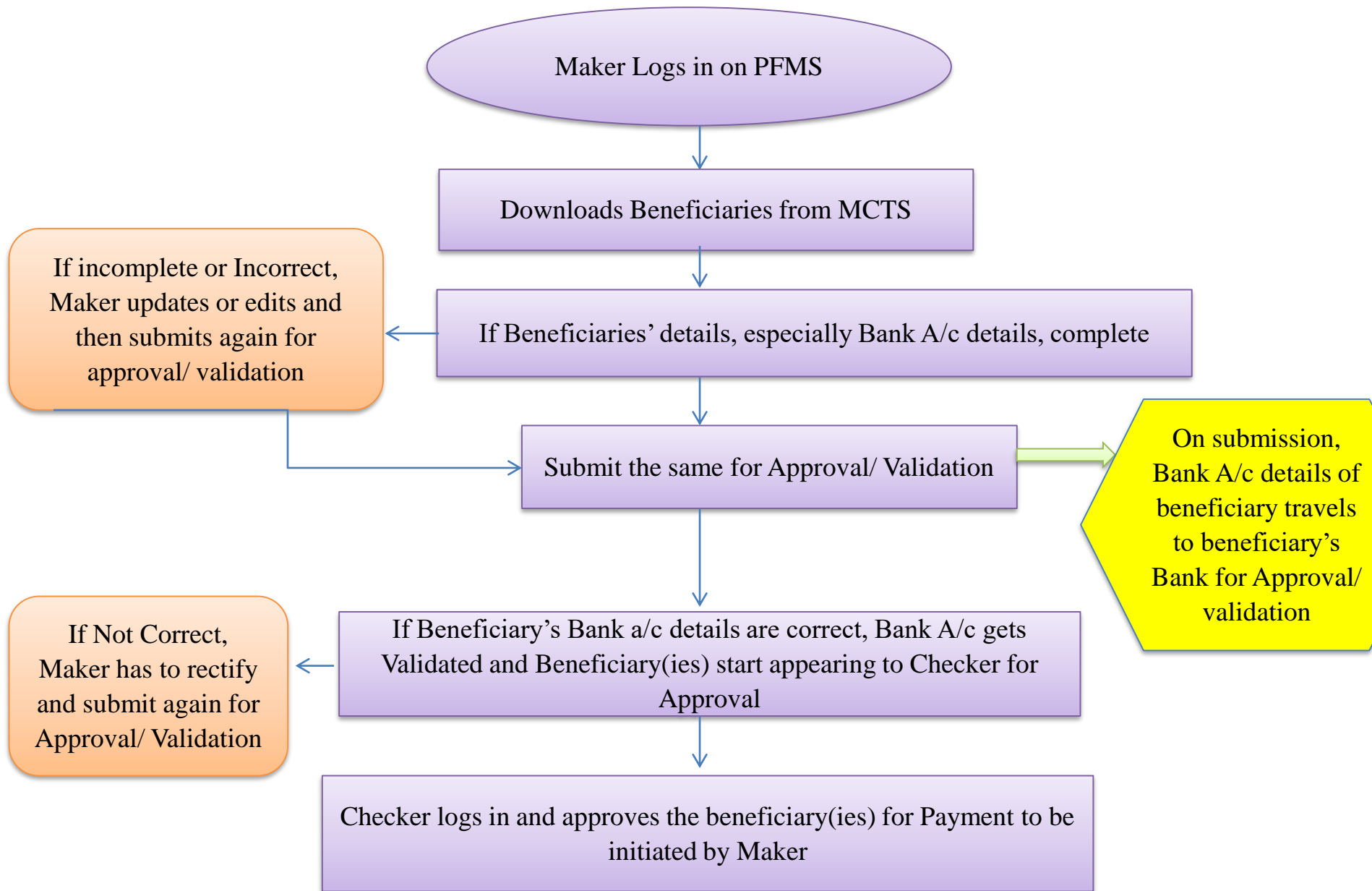
- ✓ Before starting e-payment, agency will ensure availability of funds in the Bank A/c activated for e-Payment.
- ✓ For this, agency needs to enter opening balance as per Cash Book and receive funds released by the Parent agency (this will be done by Agency Admin. – requires no further approval).

## *Pre-condition/ Pre-requisites for initiating DBT/ e-Payment on PFMS (contd.):*

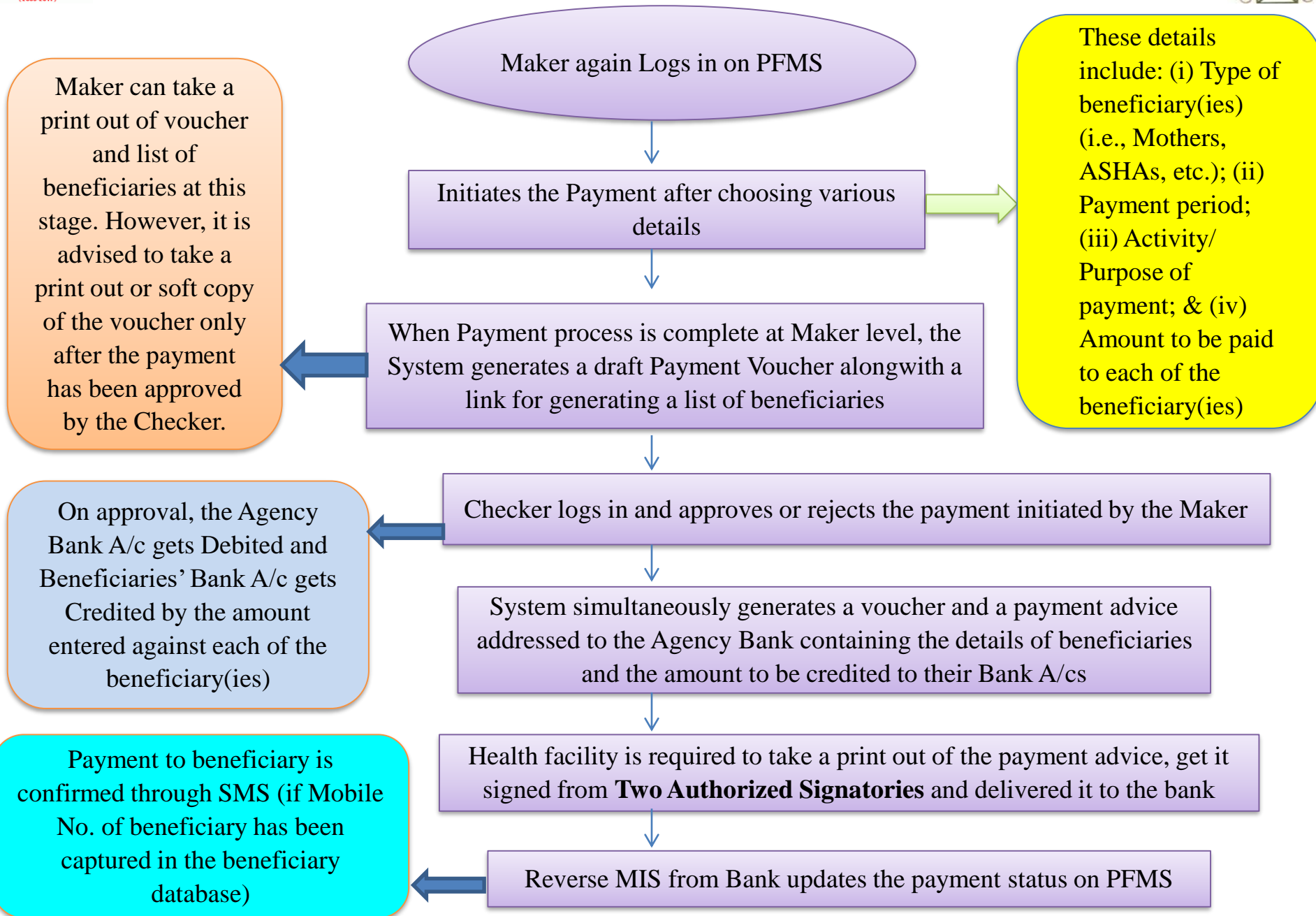
- ✓ While activating Bank A/c for e-Payment, agency also needs to choose the authentication system it will use for authorizing payments.
- ✓ **Three authentication systems are:**
  - (i) ***Printed Payment Advice (PPA)*** addressed to Agency Bank,
  - (ii) ***Digital Signature***, and
  - (iii) ***Corporate 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.

## **Process Flow for DBT/ e-Payment to JSY Beneficiaries (Mothers/ ASHAs) – for Approval/ Validation:**





## Process Flow for DBT/ e-Payment to JSY Beneficiaries (Mothers/ASHAs) – for Payment:



Maker again Logs in on PFMS

Initiates the Payment after choosing various details

When Payment process is complete at Maker level, the System generates a draft Payment Voucher alongwith a link for generating a list of beneficiaries

Checker logs in and approves or rejects the payment initiated by the Maker

System simultaneously generates a voucher and a payment advice addressed to the Agency Bank containing the details of beneficiaries and the amount to be credited to their Bank A/cs

Health facility is required to take a print out of the payment advice, get it signed from **Two Authorized Signatories** and delivered it to the bank

Reverse MIS from Bank updates the payment status on PFMS

These details include: (i) Type of beneficiary(ies) (i.e., Mothers, ASHAs, etc.); (ii) Payment period; (iii) Activity/Purpose of payment; & (iv) Amount to be paid to each of the beneficiary(ies)

Maker can take a print out of voucher and list of beneficiaries at this stage. However, it is advised to take a print out or soft copy of the voucher only after the payment has been approved by the Checker.

On approval, the Agency Bank A/c gets Debited and Beneficiaries' Bank A/c gets Credited by the amount entered against each of the beneficiary(ies)

Payment to beneficiary is confirmed through SMS (if Mobile No. of beneficiary has been captured in the beneficiary database)