

F.No. 25-09/2012-FS-CBS-Part (1)

Govt. of India

Ministry of Communications

Department of Posts

(F.S. Division)

Dak Bhawan, New Delhi – 110001

Dated : 25.01.2022

To

All Head of Circles / Regions

**Subject: Introduction of online PAN verification functionality in Finacle CBS System – Reg.**

\*\*\*

Sir / Madam,

At present, in Finacle CBS System, the PAN Card of the Depositors are updated as part of KYC compliance. The PAN Card entered in the system is validated only based on the standard PAN format i.e. 10 ALPHA Numeric Characters. But the correctness of the PAN card numbers provided by the Depositors or the PAN entered by the Post Office officials are not validated with NSDL currently.

2. During the filing of TDS returns, many of the PAN numbers are not accepted in Income Tax statements due to invalid / wrong PAN, which leads to complaints from Depositors regarding non availability of TDS deducted details in Form 26AS of the Depositors. In order to settle these complaints, the DDOs are required to file correction TDS statements which unnecessarily put the DDOs and Depositors in trouble.

3. Further, as per Rule 6 of Govt. Savings Promotion General Rules 2018 (GSPR 2018), w.e.f. 18.12.2019, for opening of any account in Post Office, submission of either PAN Number or Form – 60 is mandatory and if Form – 60 is submitted by the customer, PAN Number is to be submitted by the Depositor without fail, within next six months. If a depositor who has already opened an account prior to the date of notification (GSPR 2018) and has not already submitted his Permanent Account Number, the depositor shall do so within a period of six months from the date of notification (GSPR 2018) and in the event of the failure of the depositor to submit the Permanent Account Number within the specified period of six months, his account shall cease to be operational till the time the depositor submits the PAN Number.

4. Hence, it has been decided to restrict the account opening without entering either PAN or Form – 60 details and validate the correctness of the PAN number entered by availing the facility of online verification of PAN Numbers being provided by NSDL. Accordingly Finacle CBS System is integrated with NSDL System.

...2...

5. Patches have been deployed in CBS Finacle System to validate the PAN entered at the time of creation and modification of CIFs of the Customers / Depositors and when any cash transaction exceeding Rs. 50,000/- is carried out.
6. A detailed Standard Operating Procedure for online validation of PAN is attached herewith.
7. Checking and validation of the PAN by the Post Office officials has to be done with care to avoid mistakes. Details of the PO users validating the PAN are captured in audit trials.
8. Circles are requested to take necessary action in this regard and this order may be circulated to all the Post Offices.
9. This is issued with the approval of DDG (FS).

Encl: As above.

  
(Puneet Bijaraniya)  
25/1/22

Asst. Director General (FS-II)

Copy to:-

1. Sr. PPS to Secretary (Posts)
2. PS to Director General Postal Services.
3. PPS/ PS to Addl. DG (Co-ordination)/Member (Banking)/Member (O)/Member (P)/ Member (Planning & HRD)/Member (PLI)/Member (Tech)/AS & FA
4. Addl. Director General, APS, New Delhi
5. Chief General Manager, BD Directorate / Parcel Directorate / PLI Directorate
6. Sr. Deputy Director General (Vig) & CVO) / Sr. Deputy Director General (PAF)
7. Director, RAKNPA / CGM, CEPT / Directors of all PTCs.
8. Director General P & T (Audit), Civil Lines, New Delhi
9. Secretary, Postal Services Board/ All Deputy Directors General
10. All General Managers (Finance) / Directors Postal Accounts / DDAP
11. Chief Engineer (Civil), Postal Directorate
12. All recognized Federations / Unions / Associations
13. The Under Secretary, MOF (DEA), NS-II Section, North Block, New Delhi.
14. The Joint Director & HOD, National Savings Institute, ICCW Building, 4 Deendayal Upadhyay Marg, New Delhi-110002
15. GM, CEPT, Mysuru - for uploading the order on the India Post website.
16. Guard File

## Standard Operating Procedure for online PAN Validation

### Introduction

At present, in Finacle CBS System, the PAN Card numbers of the Depositors are updated as part of KYC compliance. The PAN card number entered in the system is validated only based on the standard PAN format i.e. 10 ALPHA Numeric Characters. But the correctness of the PAN card numbers provided by the Depositors or the PAN entered by the Post Office officials are not validated with NSDL currently.

During the submission of TDS, many of the PAN numbers are not accepted in Income Tax statements due to invalid / wrong PAN numbers, which leads to complaints from Depositors regarding non availability of TDS deducted in Form 26AS of the Depositors. In order to settle these complaints, the DDOs are required to file correction TDS statements which unnecessarily put the DDOs and Depositors in trouble.

Hence, it has been decided to validate the correctness of the PAN number entered at the time of creation and modification of CIFs of the Customers / Depositors and at time of any cash transaction exceeding Rs. 50,000/-. Accordingly, the Finacle System and NSDL System has been integrated for availing facility of online verification of PAN numbers.

Patches have been deployed in CBS Finacle System

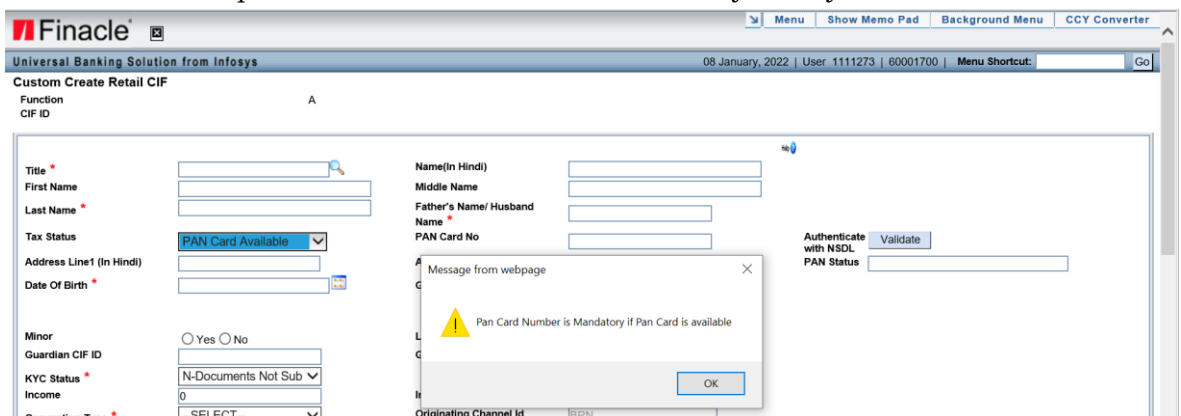
- (i). To validate a PAN captured during CIF Creation and CIF modification.
- (ii). To restrict creation and modification of CIF without validation of PAN.
- (iii). To restrict opening / modification of account and performing cash transactions exceeding Rs. 50,000/- without validation of PAN.
- (iii). To view the PAN Verification Status at Post Office Counters / e-Banking and Mobile Banking Apps
- (iv). To generate reports related to PAN Verification

### **1. Procedure for validation of PAN in Finacle Core System**

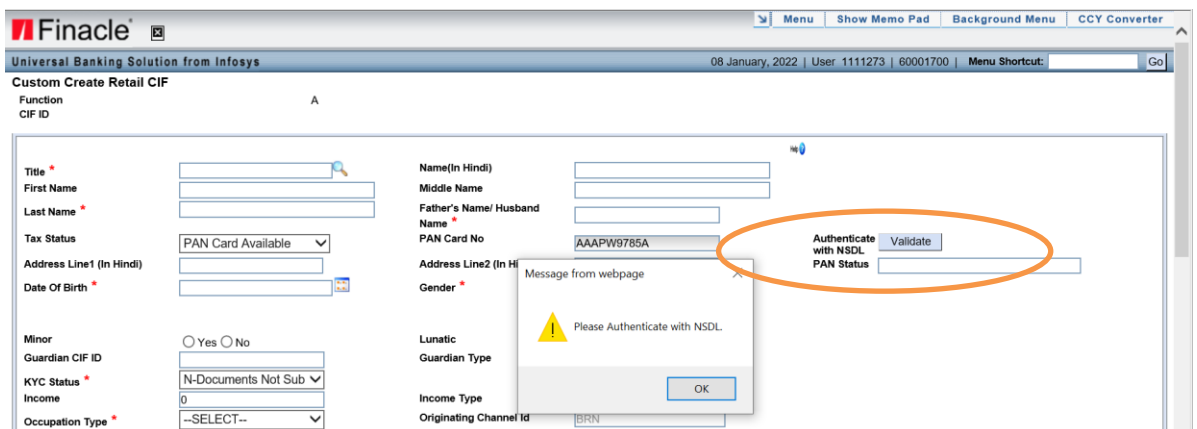
As per Rule 6 of Govt. Savings Promotion General Rules 2018 (GSPR 2018), w.e.f. 18.12.2019, for opening of any account in Post Office, either PAN Number or Form – 60 is mandatory and if Form – 60 is submitted by the customer, PAN Number is to be submitted by the Depositor without fail, within next six months. If a depositor who has already opened an account prior to the date of notification i.e. GSPR 2018 and has not already submitted his Permanent Account Number, the depositor shall do so within a period of six months from the date of notification (GSPR 2018) and in the event of the failure of the depositor to submit the Permanent Account Number within the specified period of six months, his account shall cease to be operational till the time the depositor submits the PAN Number.

(A). At the time of Creation of New CIF (Customer Information File)

- i. The Counter PA shall ask the Customer to submit either PAN Card detail or the Form – 60.
- ii. The Counter PA shall create the CIF using CCRC menu in Finacle. On the CIF Creation screen, after entering name of the Customer, the Counter PA should select the **Tax status** as “**PAN Card Available**”, if the Customer provided PAN Details.
- iii. Immediately after selecting the Tax status, an alert message prompting the Counter PA to capture the PAN card will be thrown by the System as follows.

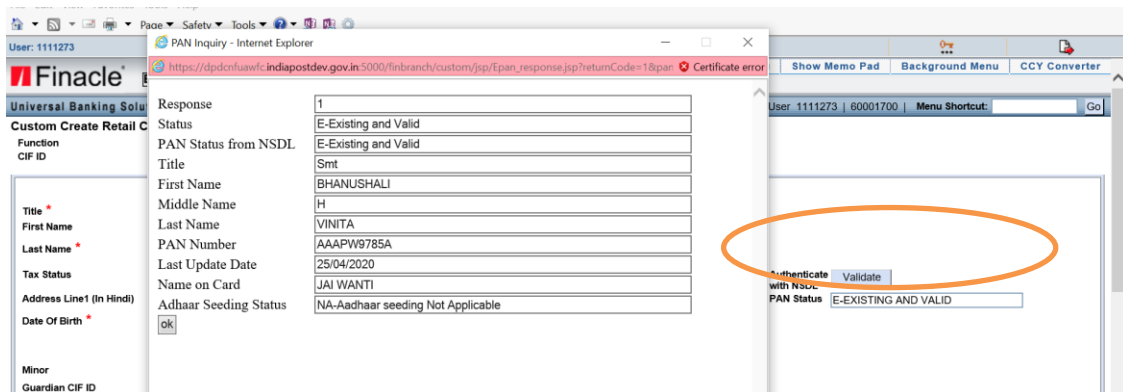


- iv. The Counter PA shall accept the alert message and enter the PAN number in the desired field viz. “PAN Card No”. As soon as the PAN Number is entered, the Counter PA will be prompted by the System to authenticate the captured PAN Number as follows.



- v. The Counter PA should accept the alert message by clicking OK and then he/she should Click on “**Validate**” Button. The Finacle system will connect with NSDL system. After Validation at NSDL, Finacle System will show the details of PAN status from NSDL, Name, Name on Card and Aadhar Seeding Status with PAN. The Finacle system will display the PAN status as **E-EXISTING AND VALID** or

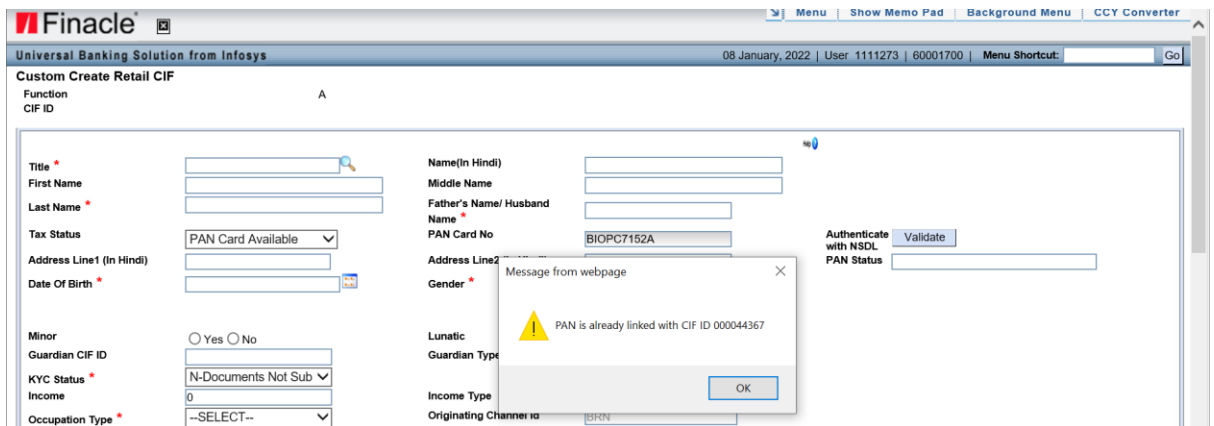
**INVALID based on response from NSDL** and if the PAN is Existing and Valid, the screen will appear as follows.



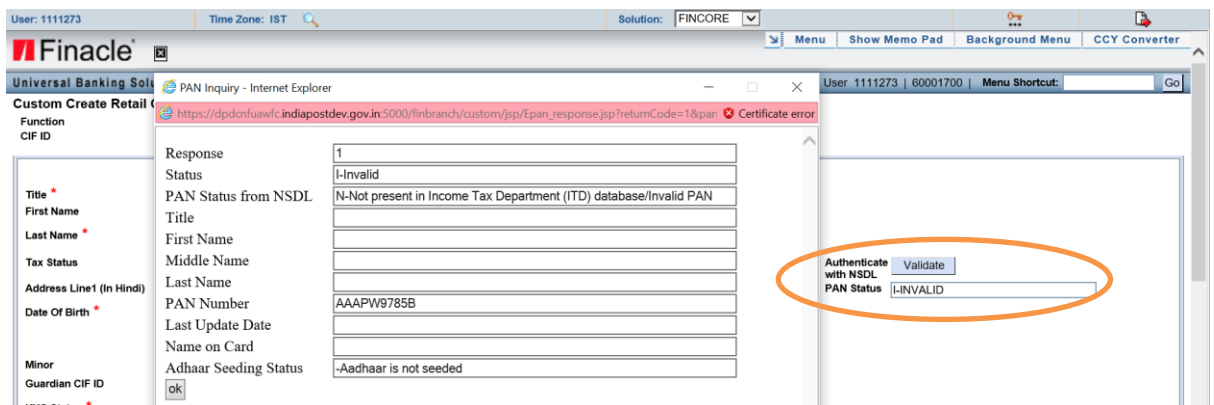
- vi. **The Counter PA should verify the name of the customer entered in Finacle System with the name details displayed from NSDL system.**

**Note:** Finacle system will not match the name in the Finacle System with the name displayed from the NSDL System. Hence, it is the responsibility of the Post Office Counter Officials to verify both the names to ensure genuineness of the PAN submitted by the Customer. There may be difference in the order of the first name, middle name and last name between the name captured in the PAN from NSDL and those details in the CIF. PO Counter officials shall verify upon the correctness of the same.

- vii. PAN number entered in the PAN Card No. field which has been validated from NSDL will be auto populated in the document details, if the selected document code is PANCD. Hence, the Counter PA shall not be required to enter the PAN number once again in the document details.
- viii. If the entered PAN number is already linked to any other CIF, the System will not allow to enter the same PAN number during CIF creation and a message “PAN is already linked with CIF ID xxxxxxxxxx” will be displayed as follows. In such cases the PAN Number already available in the other CIF should be validated and if there is any difference in the name of the depositor with the one displayed on PAN validation, the wrong PAN Number shall be removed and it should be intimated to the CPC through email by the Postmaster, for further action to enter the correct PAN in the CIF.



ix If the PAN Number entered by the Counter PA is invalid, the following result screen will be displayed.



**Note:** If the customer submits the forged document, it shall be reported under Suspected Transaction Report (STR) by the Post Office concerned as prescribed under AML/CFT norms.

- x. The Counter PA will not be able to proceed further with CIF creation if the PAN CARD status is INVALID.
- xi. If the PAN status is Existing and Valid, the Counter PA shall enter the remaining information required for creation of CIF in CCRC menu and create the CIF as it is being done already.

Note-1: If PAN Card details are entered, CIF will be created only when the PAN status is “E-Existing and Valid”.

Note-2: To create a CIF, either capturing and validating PAN as prescribed above or selecting Form 60 option is mandatory. New CIF cannot be created either without Form 60 or VALIDATED PAN.

Note-3: If Name of the PAN holder differs, then PO user needs to cancel CIF creation in CCRC / modification in CMRC and confirm the PAN details with the customer once again before proceeding with CIF creation / modification.

xii. Whenever a CIF for Minor Account Holder is created, validation of PAN number in the Guardian's CIF is mandatory. Hence, before creation of minor's CIF, the Counter PA shall validate the PAN number in the Guardian's CIF through CIF modification process using CMRC menu in Finacle.

**(B). At the time of Modification of CIF**

i). In order to ensure validity of all the existing PANs already linked with CIFs and to ensure compliance of Rule 6 of GSPR 2018, any modification in the CIF will be allowed only when the PAN linked with CIF is validated successfully with NSDL.

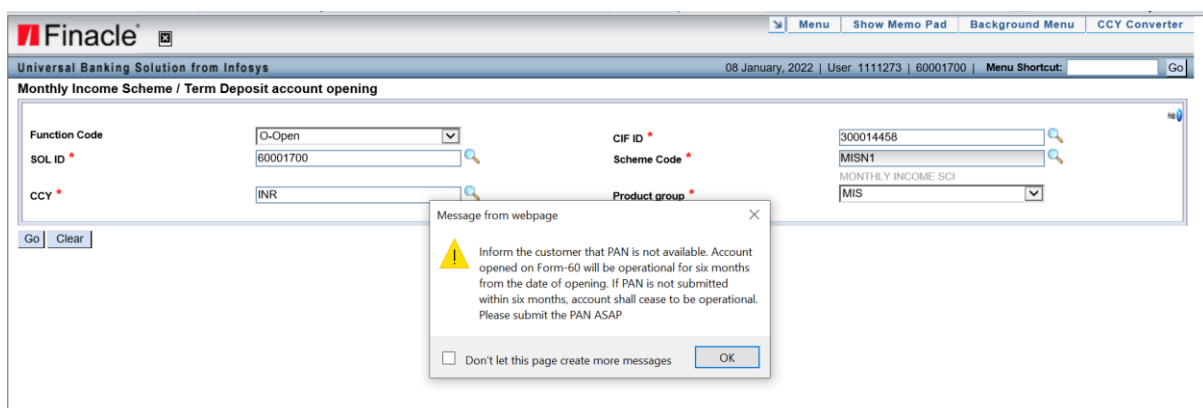
ii). The procedure at para (A) above prescribed for validation of PAN at the time of creation of CIF shall be applicable, for CIF modification activity also

**(C). At the time of Account Opening or Account Modification**

i). Whenever any new account is opened or modification is done in any existing account, the system will check whether the validated PAN or Form – 60 is available in the CIF of the Customer. If the PAN linked at CIF level is not validated, the Counter PA will be prompted to validate the PAN or select Form 60 at CIF level, to proceed further. Finacle System will restrict the Counter PA to open or modify the account, till the PAN linked with CIF concerned is validated successfully.

ii). For validation of PAN, the Counter PA shall perform the CIF modification process using CMRC menu in Finacle.

iii). If the Form – 60 is available in the CIF, an alert message as shown below will be thrown prompting the Counter PA to inform the Customer. The Counter should inform the Customer about the provisions of Rule 6 of GSPR 2018.



iv). In case of Joint Accounts, System will check the PAN validity status of the First Joint Holder's CIF. **But the Counter PA should ensure that the PANs in all the Joint Account Holders are validated.**

v). In case of Accounts opened on behalf of Minor or Person of unsound mind, the Counter PA should ensure that the PAN of the Guardian is validated and if the account is operated by minor himself, PAN of the minor should be validated.

**(D). At the time of Cash Transactions**

i). Whenever any Cash Transaction exceeding Rs. 50,000/- in an account is initiated using the menus viz. CTM, CPDTM, CRDP, HPAYOFF and HLAUPAY, if the PAN is available in the Finacle System, System will check whether the PAN of the account holder is validated. If the PAN is not validated, any cash transaction exceeding Rs. 50,000/- will not be allowed and the System will prompt the Counter PA to authenticate the PAN at CIF level, to proceed further.

ii). The Counter PA should validate the PAN of the Account Holder through CIF modification process using CMRC menu.

iii). In case of Form 60 is available in the system, System will allow to perform cash transaction exceeding Rs. 50,000/- after displaying an alert message as shown below.



**2. Inquiry of PAN Validation Status**

a). The Post Office officials can inquire the validation status of the PAN linked with a CIF using the Mobile Number or Aadhaar Number of the Customer using **CCIFINQ** menu in Finacle. The details will be displayed as below.

CIF ID	CUST NAME	SUSPENDED	DECEASED	AUTHORIZED IN CCRC	PAN NUMBER	PAN STATUS
000044348	P.SUSEELKUMAR JAIN	N	N	Y		NOT VALIDATED
000044371	ADITYA	N	N	Y	AANPM0354E	EXISTING AND VALID
000044406	MYTHILUR	N	N	Y	AGYPW4350P	EXISTING AND VALID
000065331	KULDEEP	N	N	Y		NOT VALIDATED

**3. PAN Validation Status in eBanking**

DOP e-Banking users can view the status of the PAN linked with their CIF. In EB Application, a link “View Your PAN Status in DOP” under “My Profile” Tab is

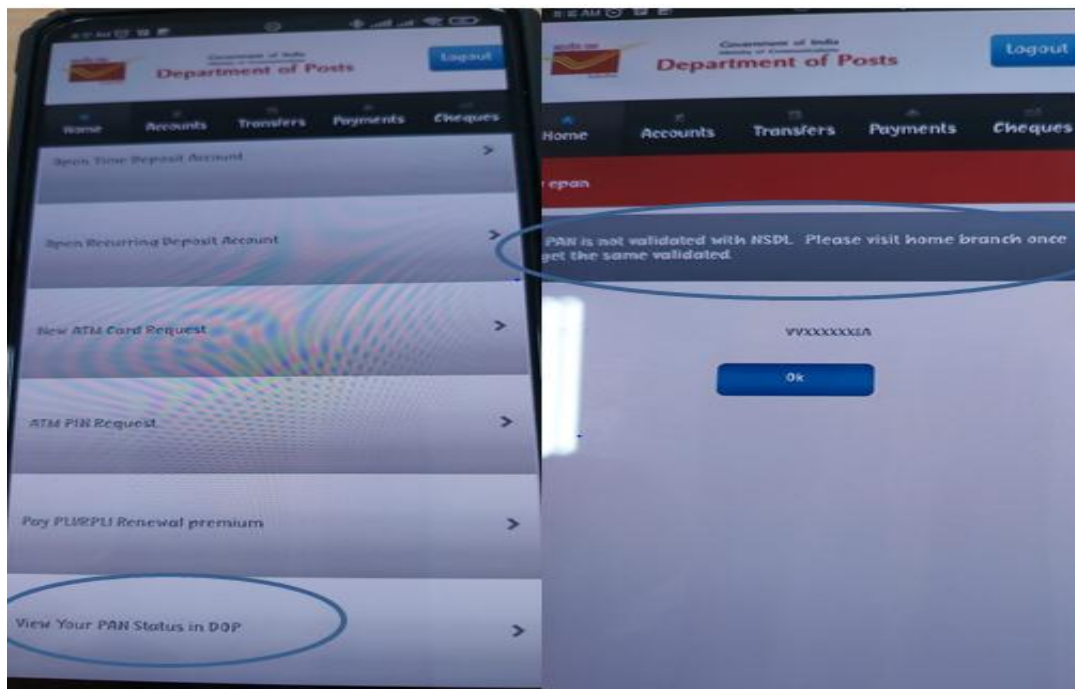


provided for the Customers to check the validation status of their PAN. If the PAN is not validated, such customer will be prompted to get the PAN validated by visiting the home branch as below.



#### 4. PAN Validation Status in M-Banking


DOP M-Banking users can view the status of the PAN linked with their CIF. In MB Application, a link “View Your PAN Status in DOP” under Home Screen is provided for the Customers to check the validation status of their PAN. If the PAN is not validated, such customer will be prompted to get the PAN validated by visiting the home branch as below.




**5. Reports Available for ePAN Validation**

a). Two types of reports viz EPAN Detailed report and EPAN Summary Report will be available in Finacle Core System. These reports can be generated by the Post Offices.

b). EPAN Detailed Report can be generated SOL ID Wise for any given date. This report shows the details of the PAN numbers validated on a given date. The status of Aadhar Seeding with the PAN is also included in this report. The report will be in the following format.

		<b>INDIA POST</b> <b>EPAN Detailed Report</b>						
Input Date :		26-11-2021					Run Date : 26/11/2021 2:32 PM	
Sol ID :		11000000						
S.No	CIF ID	CIF Name	PAN Number	PAN Name on the Card	PAN Validated On	PAN Status Code with Desc	Aadhar Seeding Status Code with Desc	Error Code v Desc
1	000021714	ANKIT S.SHAH	AAAPW9785A	JAI WANTI	26-NOV-21	E - Existing and Valid	NA - Aadhaar seeding Not Applicable	
2	320093500	SENTHIL KUMAR	AAIPM3854E		26-NOV-21	E - Existing and Valid	- Aadhaar is not seeded	

c). EPAN Summary Report can be generated SOL ID / SET ID wise for a period. This report will show the total number of PANs validated during the said period and the report format will be as follows.

		<b>INDIA POST</b> <b>EPAN Summary Report</b>	
From Date : 26-11-2021		To Date : 26-11-2021	
		Run Date : 30/11/2021 12:27 PM	
Sol/Set ID : TNTHY			
S.No	Sol Id-Desc	Total CIFs validated with NSDL	
1	60000600 - OLD COLLEGE BUILDING SO	1	
2	60001700 - THYGARAYANAGAR H.O	2	
		<b>Total :</b>	<b>3</b>

\*\*\*\*\*