CBS-25/3/2024-FS-DOP
Government of India
Ministry of Communications
Department of Posts
(FS Division)
Dak Bhawan, New Delhi-110001

Dated: 12.11.2026

Subject: Online PAN Verification functionality in Finacle CBS System – reg.

Reference: SB Order No. 02/2024 dated 07.05.2024

I am directed to inform that, in continuation of the above-cited SB order, the following functionalities have been enabled in CBS system:

a. Validation of PAN details with NSDL/Protean response.

b. Higher rate of TDS deduction for in-operative PANs.

2. The functionality for validation of PAN details such as PAN status, Aadhaar–PAN linkage status, and matching of Name and Date of Birth (DOB), with the records available in the NSDL system, has been deployed. The CIF creation and modification shall now be restricted in cases where the Name and Date of Birth furnished by the customer do not match with the corresponding details available in the PAN, through the online PAN validation facility.

3. However, CIF Creation/Modification will be allowed for in-operative PANs (Aadhaar-PAN not linked) with higher rate of TDS in accordance with the guidelines of Income Tax Act.

4. Further, as per the provisions of Income Tax Act 2025 section 393(1), erstwhile Section 194H of Income Tax Act, 1961, TDS shall be deducted for commission above Rs 20,000/- but the functionality was not available in the system causing inconvenience to Agents. To resolve this issue, a functionality has now been developed and deployed, wherein henceforth, no TDS shall be deducted from the commission paid to MPKBY and SAS agents, where the amount of such income, or the aggregate amount during the financial year, does not exceed ₹20,000/-

5. To minimize customer inconvenience and complaints post deployment of the functionalities, SMS will be sent periodically to SCSS customers and SAS/MPKBY Agents whose PAN status is inoperative, advising them to link their Aadhaar with PAN, and visit the concerned Post Office for PAN re-validation and submission of Form 121, wherever applicable.

6. CPRC Chennai shall share the Circe-wise data of customers with inoperative PANs with the Concerned Circles by 16th November, 2026. Circles should reach out to the concerned SCSS customers and agents for completing the requisite process by 15.12.2026, sufficiently in advance of the next interest run date, i.e. 31.12.2026, to

enable the concerned Post Offices to update Form 121 in the respective accounts, and thereby avoid deduction of TDS at the higher applicable rate.

7. It is therefore requested to issue necessary instructions to all Post Offices in the matter, and ensure that the field functionaries are suitably sensitized regarding the above cited changes.

8. An SOP related to the above changes is enclosed herewith for information of all POs and concerned stakeholders.

This issues with the approval of the competent authority.

Rahul Yadav
ADG(FS-I)

All Head of Circles

Copy To-

Director CPRC, Chennai-It is requested to share the data related to agents/SCSS customers having inoperative PAN with the Circles for their further necessary action.

Addendum to SOP conveyed vide SB order 02/2022 dated 25.01.2022 for Online PAN validation

Introduction:

In SB order 02/2024 dated 07/05/2024, details of changes made in Protean (formerly NSDL) system with respect to PAN validation were detailed. In addition to PAN status, following details were also received as response during PAN validation.

Name Match (Y/N).

Date of Birth Match (Y/N).

Aadhar to PAN linkage status (Operative/Inoperative PAN/Non-Individual PAN).

Validations have been built in Finacle to restrict acceptance of PAN in case of the following responses (CCRC, CMRC, ECMRC).

Response Item	Response
PAN status from NSDL	Other than Existing and Valid
Name	N- Not matched
Date of Birth	N- Not matched

Changes implemented in Finacle

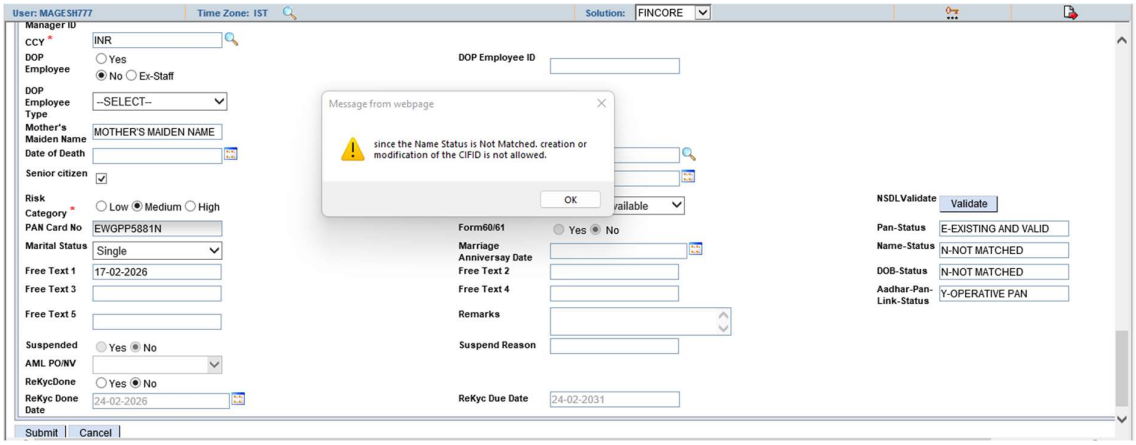
This SOP details the enhancements made in Finacle for implementing above changes.

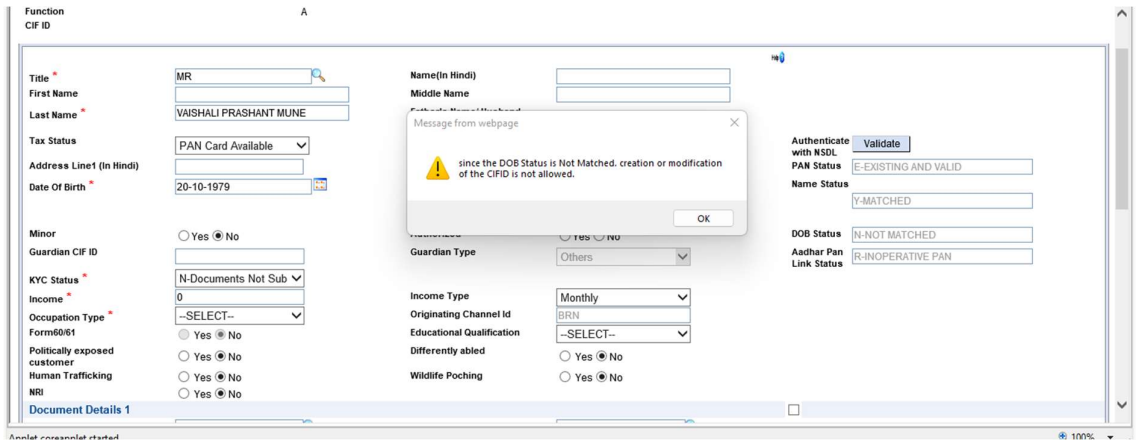
1. PAN VALIDATION is mandatory if PAN is linked at CIF level. Currently validation button will be disabled once PAN status is received as Existing and Valid. But after this patch is implemented, validation button will be disabled only if all the below 4 values are received as positive response.

    PAN status is Existing and Valid
    Name is Matched
    DOB is matched
    Aadhar linkage to PAN is Operative

2. CIF can be created only if PAN STATUS is Existing and Valid, Name status is Y (Matched) and DOB status is Y (Matched). Appropriate error will be thrown if Name and DOB is not matched i.e. Name and DOB stored in NSDL to match with CIF Name and DOB.

3. Error “Since the Name status /DOB status is not matched, creation or modification of CIF ID is not allowed” will be thrown during CIF creation or modification if Name /DOB does not match with NSDL.



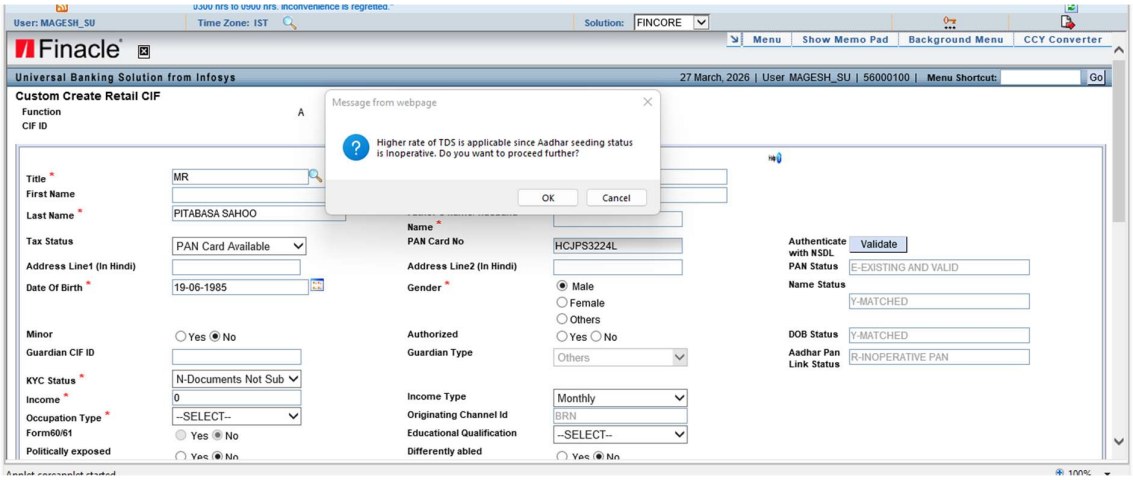


4. Two New Tax Codes at CIF level (Creation/Modification) have been created for handling scenarios where PAN is existing and Valid but Inoperative (Aadhar not linked with PAN). TDSIO (20% TDS for customers below 60 years of age) and TDSIS (20% TDS for customers above 60 years of age and below 80 years) This is in addition to existing TDS codes TDSNR (TDS for Normal Citizens), TDSNS (TDS for Senior citizens).

5. CIF can be created for those PANs which are not linked with Aadhar with higher TDS by selecting new TDS code TDSIO/TDSIS.

6. 20% slab is configured for TDSIO and TDSIS Tax codes.

7. Alert message “Higher rate of TDS is applicable since Aadhar PAN linkage status is inoperative. Do you want to proceed further” will be thrown if Inoperative status is received and TDS code is TDSIO/TDSIS.



8. Appropriate error will be thrown if incorrect TDS Code is selected.

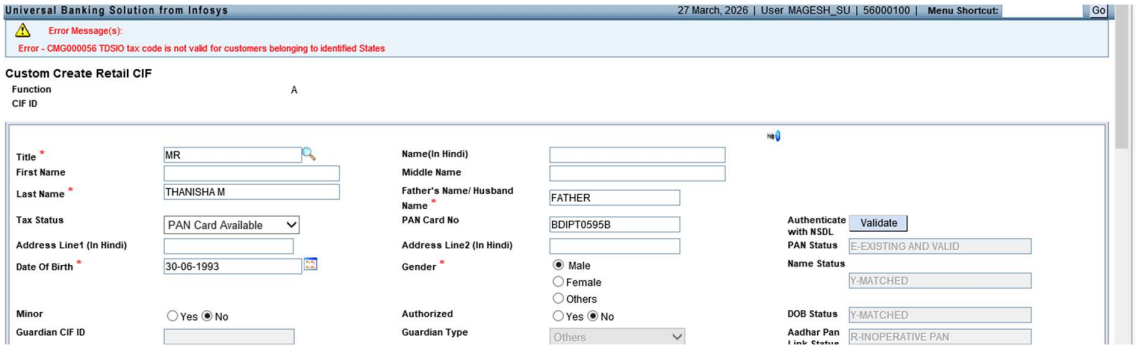
9. Relaxation of Inoperative PAN Validation based on age-Aadhar PAN linkage is not necessary for Senior citizens aged above 80 years. Even if linkage stage is Inoperative, system will not prompt to select TDSIS. Regular TDS codes TDSNS can be selected. Error message “TDS table code is not valid for senior citizens” will be thrown if TDSIS is selected for customers above 80 years of age even if linkage status is INOPERATIVE.



10. Batch job is configured for automatic change of TDS tax code as below

On attaining 60 Years - TDSIO to TDSIS
On attaining 80 Years - TDSIS to TDSNS

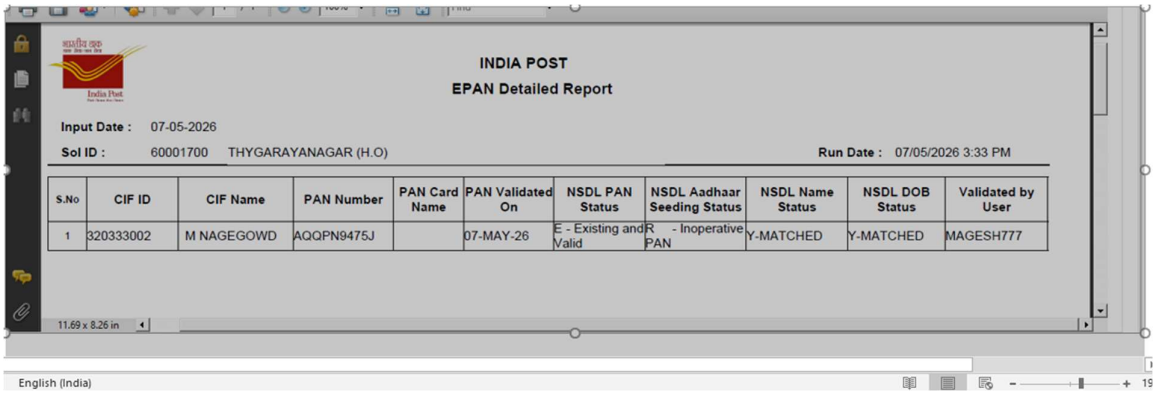
11. Relaxation of Inoperative PAN Validation based on exempted States- Aadhar linkage with PAN is not mandatory for Assam, Jammu and Kashmir, and Meghalaya. These values are based on the PINCODE stored in customer address at CIF level. Higher rate of TDS will not be deducted for Senior Citizen even if Aadhar PAN linkage status is Inoperative for customers having following pin code at CIF level for above states. “TDSIO Tax code is not valid for customers belonging to identified States” viz Assam, Jammu and Kashmir, and Meghalaya will be thrown if Tax code TDSIO is selected even if Aadhar PAN linkage is Inoperative (R). Depending on age either TDSNS or TDSNR can be selected.



12. Existing EPAN detailed report is modified to include the following columns: Name match

DOB match

PAN Aadhar Linkage status.



INDIA POST

EPAN Detailed Report

Input Date : 07-05-2026

Sol ID : 60001700 THYGARAYANAGAR (H.O)

Run Date : 07/05/2026 3:33 PM

S.No	CIF ID	CIF Name	PAN Number	PAN Card Name	PAN Validated On	NSDL PAN Status	NSDL Aadhaar Seeding Status	NSDL Name Status	NSDL DOB Status	Validated by User
1	320333002	M NAGEGOWD	AQQPN9475J		07-MAY-26	E - Existing and Valid	R - Inoperative PAN	Y-MATCHED	Y-MATCHED	MAGESH777

11.69 x 8.26 in

English (India)