

18th August, 2009

No. 028/IRDA/LIFE/PAN/Aug-2009

All Insurers

Re: Requirement of PAN for Insurance Products

It was mandated vide Circular No.021/IRDA/LIFE/PAN/Jul-2009 dated 22.07.2009 that insurers shall collect PAN from all persons purchasing insurance policies with annualized premiums exceeding Rs. one lakh per policy.

1. Many insurers have expressed difficulty in meeting with the deadline of 1st August, 2009 for implementing the above Circular and requested for an extension. Taking the representation of the insurers into consideration, the deadline for complying with the Circular is now extended to 01.09.2009.
2. Representations have also been made that since certain categories of persons such as persons with only agricultural income, NRIs with no assessed income under the IT Act, 1961 etc are exempted from the requirement of PAN, the requirement of submitting PAN be waived in case of such persons. This request has been considered and it is now decided that insurers shall insist on PAN from all persons who are required to obtain the same under the provisions of IT Act, 1961. Insurers shall however collect a signed declaration from persons exempted from the requirement of PAN, stating the provisions of the IT Act under which they have been exempted.
3. It has also been decided that in cases where a proposer has applied for PAN but has still not received the same, a copy of form 49A (application for PAN), duly acknowledged by the agency authorized to collect applications for PAN, can be accepted by insurers in lieu of PAN, with an undertaking from the proposer that the PAN shall be submitted as soon as it is received.

sd/-

**(J. Harinarayan)
Chairman**