

No.Ad.A.V/NPS/Misc

Dated, 17/10/2015

Circular

Sub: Letter issued by PFRDA on awareness about Portability of PRAN in National Pension System
Ref: e-mail dated 22nd Sep 2015 received from Sri.Vijay Hegde, NSDL

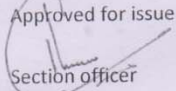
Please find attached letter received from Pension fund Regulatory & Development Authority (PFRDA) regarding the portability of PRAN under NPS. NPS subscribers can continue in his existing PRAN using the portability of PRAN across the geographies and employments. You are instructed to go through the letter for further details.

Sd/-

Assistant Registrar (Admn-II)
and Nodal officer, NPS

To

1. All NPS holders
2. Content management Section , for publishing in MGU website
3. File copy
4. Stock copy

Approved for issue

Section officer

R 6359
E No:
G 25/9/15
R Dt:

AdAV

Letter issued by PFRDA on Awareness about Portability of PRAN in National Pension System

1 message

Vijay Hegde <vijayh@nsdl.co.in>
To:

Tue, Sep 22, 2015 at 6:00 PM

23/9

Joint Registrar-in-Charge of
REGISTRAR

Dear Sir/Madam,

Please find attached letter issued by Pension Fund Regulatory & Development Authority (PFRDA) to create awareness among the NPS subscribers about portability of PRAN under NPS. With the facility of portability of PRAN across the geographies and employments, subscribers can continue with his existing PRAN and need not opt for pre-mature exit from NPS on change of job or resignation.


You are requested to circulate the attached letter issued by PFRDA to all Nodal Offices so that the underlying NPS subscribers are adequately informed about PRAN portability. Further, you may kindly issue an advisory to the concerned offices of the State Autonomous Bodies(SABs) regarding the same.

Regards,

Vijay Hegde | Manager | NSDL e-Governance Infrastructure Limited | (CIN U72900MH1995PLC095642)

Direct +91 22 40904298 | Cell +91 9819174229 | Fax +91 22 24915217 | Email vijayh@nsdl.co.in |
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1st Floor, Times Tower, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

 F. No. PFRDA-Exit-1 dated 21-09-2015.pdf
115K



सत्य रंजन प्रसाद
कार्यकारी निदेशक
Satya Ranjan Prasad
Executive Director

पेंशन निधि विनियामक और
विकास प्राधिकरण

प्रथम मल आईसीएडीआर भवन, प्लॉट नं. 6,
वसंत कुंज इन्स्टिट्यूशनल एरिया,
फेज - 2, नई दिल्ली - 110070
दूरभाष : 91-11-26893182
91-11-26897948 / 49
फैक्स : 91-11-26897938
ई-मेल : satyarp@pfrda.org.in
वेबसाइट : www.pfrda.org.in

PENSION FUND REGULATORY
AND DEVELOPMENT AUTHORITY
1st Floor, ICADR Building, Plot No. 6,
Vasant Kunj Institutional Area,
Phase - II, New Delhi - 110070
Tel : 91-11-26893182
EPABX : 91-11-26897948 / 49
Fax : 91-11-26897938
E-mail : satyarp@pfrda.org.in
Website : www.pfrda.org.in

F. No. – PFRDA/Exit/1

September 21, 2015

To
CG/SG/CAB & SABs

Sub: On need to create awareness among the Central/State Government Employees about portability of PRAN to enable them to continue with the benefits of NPS on change of job or location.

Dear Sir/ Madam,

As you are aware, the National Pension System (NPS) launched by the GOI and supervised by PFRDA, has evolved out of the very need to provide old age security to the vast multitude of Indian population. NPS is a highly innovative and sophisticated product and is based on the world's best practices in the pension sector involving disciplined saving, vigilant investment to build a sufficient retirement corpus and its judicious draw down in the post retirement phase. It was initially launched for the government and semi-government employees on January 01, 2004, marking a paradigm shift from defined-benefit to defined-contribution pension system and subsequently opened to all citizens of India.

NPS is technology driven and is portable across the geographies and employments. Thus, on changing job or location there is no implied need for an employee to exit from NPS. Despite change in employer, the NPS subscriber

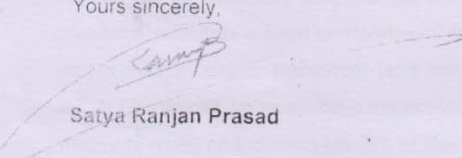
can continue with his existing Permanent Retirement Account No. (PRAN) and continue making his subscriptions.

The fact must be appreciated that the broad architecture of NPS is to provide financial security and stability during the old age. Therefore, it is desirable that the subscriber remain with NPS till his superannuation and does not make premature exits on change of job or otherwise. Premature exits defeat the entire purpose of NPS to provide financial security and stability during old age when people do not have a regular source of income. However, it has come to our notice that a large number of Central Government and State Government employees, who resign from the services or change their jobs, opt for premature exit. This, *prima facie*, is on account of lack of knowledge or awareness on their part that they can continue with the NPS subscriptions in their existing PRAN and there is no need for them to compulsorily opt for premature exit.

While PFRDA has taken the cause and making efforts to make the subscribers to NPS aware of the above said facility of portability of PRAN across the geographies and employments, a need is felt that those NPS subscribers, who are under your employment, are suitably and adequately informed about the same by you as well, so that the instances of premature exit from NPS on change of job or on resignation, which are primarily on account of lack of awareness, are brought down.

In the matter, PFRDA shall be pleased to provide any clarification or guidance, if needed.

Yours sincerely,


Satya Ranjan Prasad