To

1- AN-Pay, Pay Section Local
2- All AAOs(Pay), PAO (Ors) & AO GEs
   Under PCDA (WC) Chandigarh

SUB: - Submission Monthly report on Nil Credit Permanent Retirement Account
      Numbers (PRANs) in the NPS for Government sector.

HQrs Office vide their letter No NPS/Gen Corr/Vol-XVI/E-1997 dt 24/03/2021 has intimated that Nil Credit PRANs cases are reflecting against
Defence. It is advised that your office may take priority action for identifying
and deactivating funding of all NIL Credit PRANs in accordance with the
methodology prescribed in PFRDA letter (Copy enclosed).

Further, a monthly progress report on the above subject may be
furnished to this office on or before 5th of the following month for onward
submission to HQrs Office. The first such report (for March 2021) may be
furnished by 07/04/2021.

Encl-As above

A.C.D.A. (Fund Cell)

Copy to
The OI/C
IT & S (Local)

For uploading the website of PCDA (WC)

A.C.D.A. (Fund Cell)
Subject: Nil Credit PRANs in the NPS for Government Sector

As you are aware, NPS is a defined contribution pension scheme, wherein both the employer & employees contribute towards the pension corpus of the employees. Any delay or indiscipline in uploading the NPS contributions may result in sub-optimal returns for the employee-subscribers, which gets compounded over the years, thereby adversely impacting the NPS corpus accumulation and consequently the pension receivable on superannuation by the employee.

2. In this background, we would like to invite your kind attention to the issue of Nil credit PRANs (unique Permanent Retirement Account No. allotted to each NPS subscriber) i.e. PRANs which have not received a single NPS contribution since the date of their generation. The records of the Central Record Keeping Agency (CRA) indicate that a total of 34,249 Nil credit PRANs as on 30.11.2020, pertaining to various Ministries/Departments. The Accounting formation-wise ageing summary of the Nil credit PRANs as on 30.11.2020 is tabulated as under:

<table>
<thead>
<tr>
<th>Accounting Formation</th>
<th>Upto 1 year</th>
<th>1 - 2 years</th>
<th>2 - 3 years</th>
<th>3 to 5 years</th>
<th>5 years and above</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railways</td>
<td>11579</td>
<td>1314</td>
<td>240</td>
<td>1319</td>
<td>3489</td>
<td>17941</td>
</tr>
<tr>
<td>Civil</td>
<td>2463</td>
<td>215</td>
<td>108</td>
<td>661</td>
<td>3275</td>
<td>6722</td>
</tr>
<tr>
<td>CABs</td>
<td>4218</td>
<td>405</td>
<td>210</td>
<td>218</td>
<td>545</td>
<td>5597</td>
</tr>
<tr>
<td>Defence</td>
<td>944</td>
<td>107</td>
<td>38</td>
<td>151</td>
<td>628</td>
<td>1691</td>
</tr>
<tr>
<td>Post</td>
<td>1357</td>
<td>18</td>
<td>181</td>
<td>69</td>
<td>35</td>
<td>1660</td>
</tr>
<tr>
<td>Telecom</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>Union Territories (NCT)</td>
<td>420</td>
<td>65</td>
<td>6</td>
<td>35</td>
<td>165</td>
<td>661</td>
</tr>
<tr>
<td>Grand Total</td>
<td>20986</td>
<td>2124</td>
<td>778</td>
<td>2455</td>
<td>7906</td>
<td>34249</td>
</tr>
</tbody>
</table>

Detailed Accounting Formation/Ministry/Department-wise report along with ageing analysis is enclosed (in CD-ROM) for reference.
4. Another reason for NIL credit PRANs could be generation of a second PRAN for an employee, before the de-duplication process with CRA was made stringent. This may well be the case where the NIL credit PRANs are older, say more than five years old. In such cases, the NIL credit PRANs need to be deactivated to avoid payment of maintenance charge on such redundant PRANs.

5. In this regard, PFRDA’s advisory dated 09th October 2020 on the issue is enclosed for your ready reference. Keeping in view the importance of the matter, it is requested to issue necessary instructions to all the concerned Nodal offices, for time-bound deactivation or funding of such NIL Credit PRANs.

6. PFRDA shall be glad to extend assistance in the given matter for smooth and effective implementation of NPS under the Central Govt Sector. For any clarification/communication, your office may contact Mrs. Sumeet Kaur Kapoor (Chief General Manager) at sumeet.kapoor@pfrda.org.in.

With Regards,

(Pranab Kumar Singh)

To,

Dr. T V Somanathan
Secretary to the Government of India
Department of Expenditure, Ministry of Finance
129-A, North Block
New Delhi-110001

Ends -/8

Copy to:

Dr. Madhesh Kumar Mishra, Joint Secretary, Department of Financial Services, Ministry of Finance, 39th Floor, Jeevan Deep Building, Sansad Marg, New Delhi-110002