FINANCIAL OPPORTUNITIES FORUM

Today's topic:

Why NPS Matters: The Smart Choice for Retirement Planning

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Upcoming FOFs:

August 25, 2026

September 24, 2026

October 22, 2026

All archives available at: ppfasfof.com

National Pension System

PPFAS PENSION

July 2026

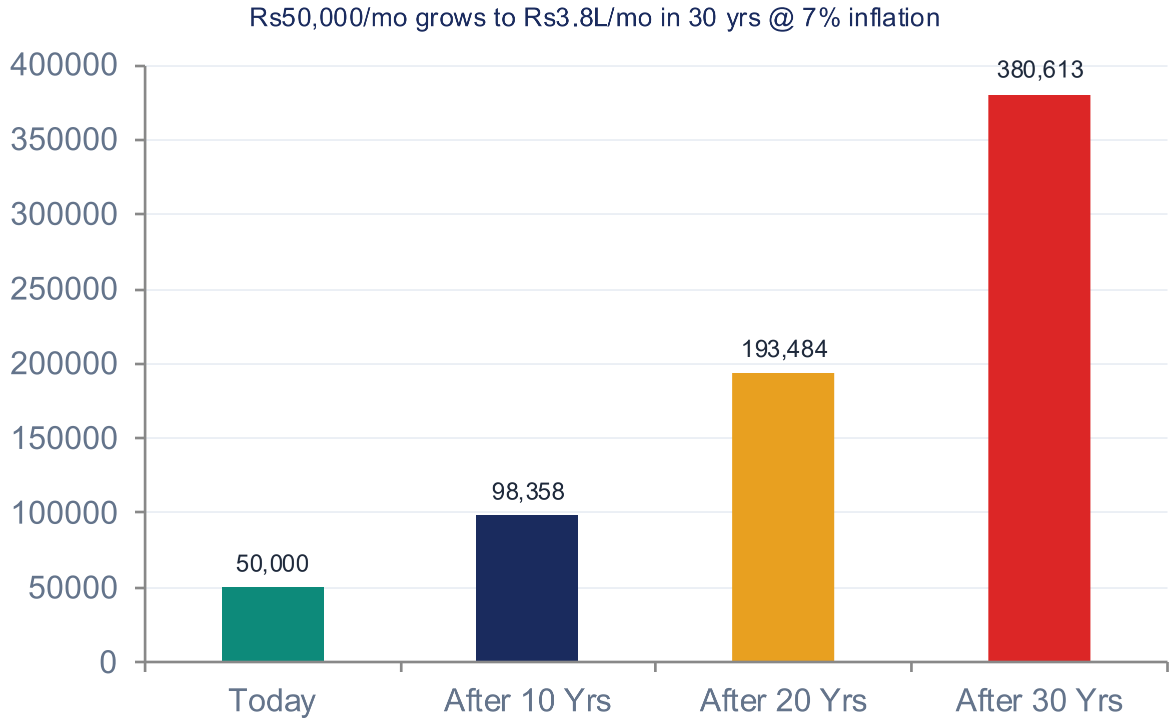
Retirement Needs - Why planning for retirement is critical

20-25 Yrs
Avg Retirement Duration

~7%
Avg Inflation Rate India

60%
Income Replaced Needed

Rs 17.25 Lakh Cr
Total NPS AUM (Jun 2026)



- Only ~12% of India's workforce has any formal pension coverage
- Corporate employees have no employer-funded pension after NPS transition
- Life expectancy rising: plan for 85+ years of life
- EPF alone is insufficient to fund post-retirement expenses
- NPS is the most tax-efficient retirement tool available today

Source: PFRDA

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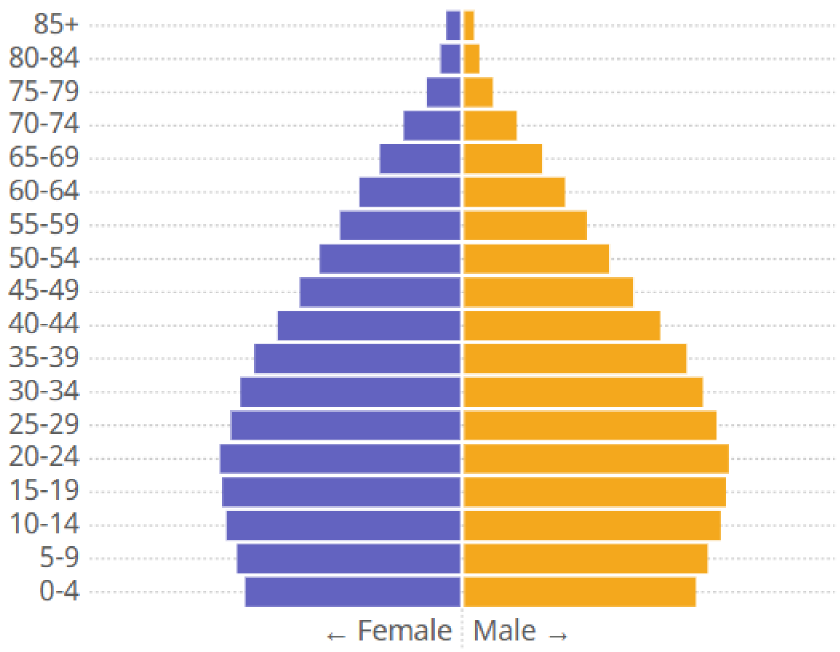
Demographic change: India's Ageing Crisis , Why NPS Cannot Wait

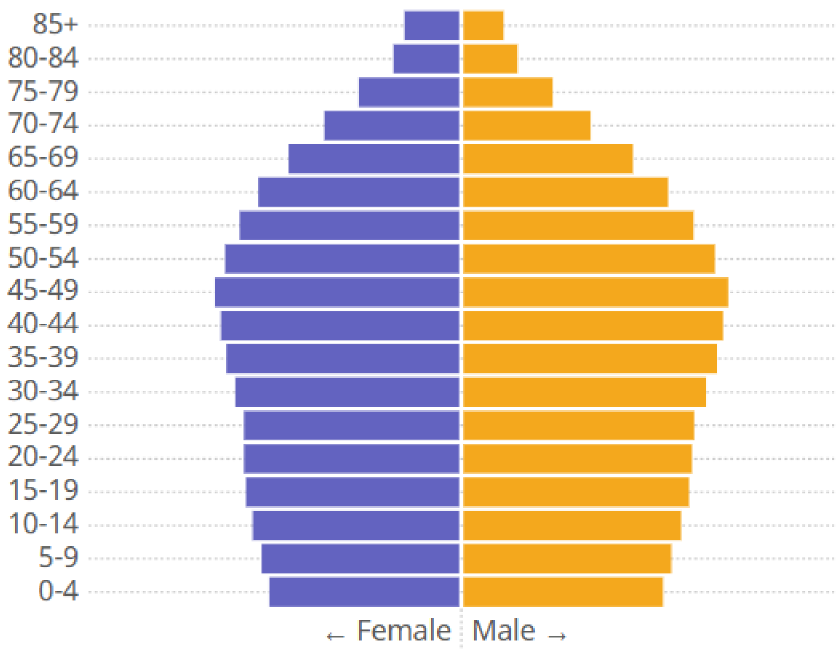
2023

Population by age and sex. India



2050

Projected population by age and sex. India



Source: United Nations Report

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What is NPS?

NPS is a voluntary, retirement savings tool regulated by PFRDA (Pension Fund Regulatory and Development Authority). It helps individuals accumulate retirement corpus through market-linked investments with low cost and tax efficient manner

2004	2009	2011	2015	2024	2025
Notified for Central Govt employees joining from Jan 1, 2004	Extended to All Citizens of India on voluntary basis	Extended to Corporates	APY launched for unorganized sector	NPS Vatsalya announced for minors below 18 years	Multiple Scheme Framework (MSF) introduced

ELIGIBILITY AT A GLANCE

Age	Citizenship	Corporate	Min Contribution	Min Annual
18 to 85 years	**Indian Citizens, NRIs & OCI**	**Any registered company**	**Rs 500 per contribution**	**Rs1,000 per year**

Source: PFRDA

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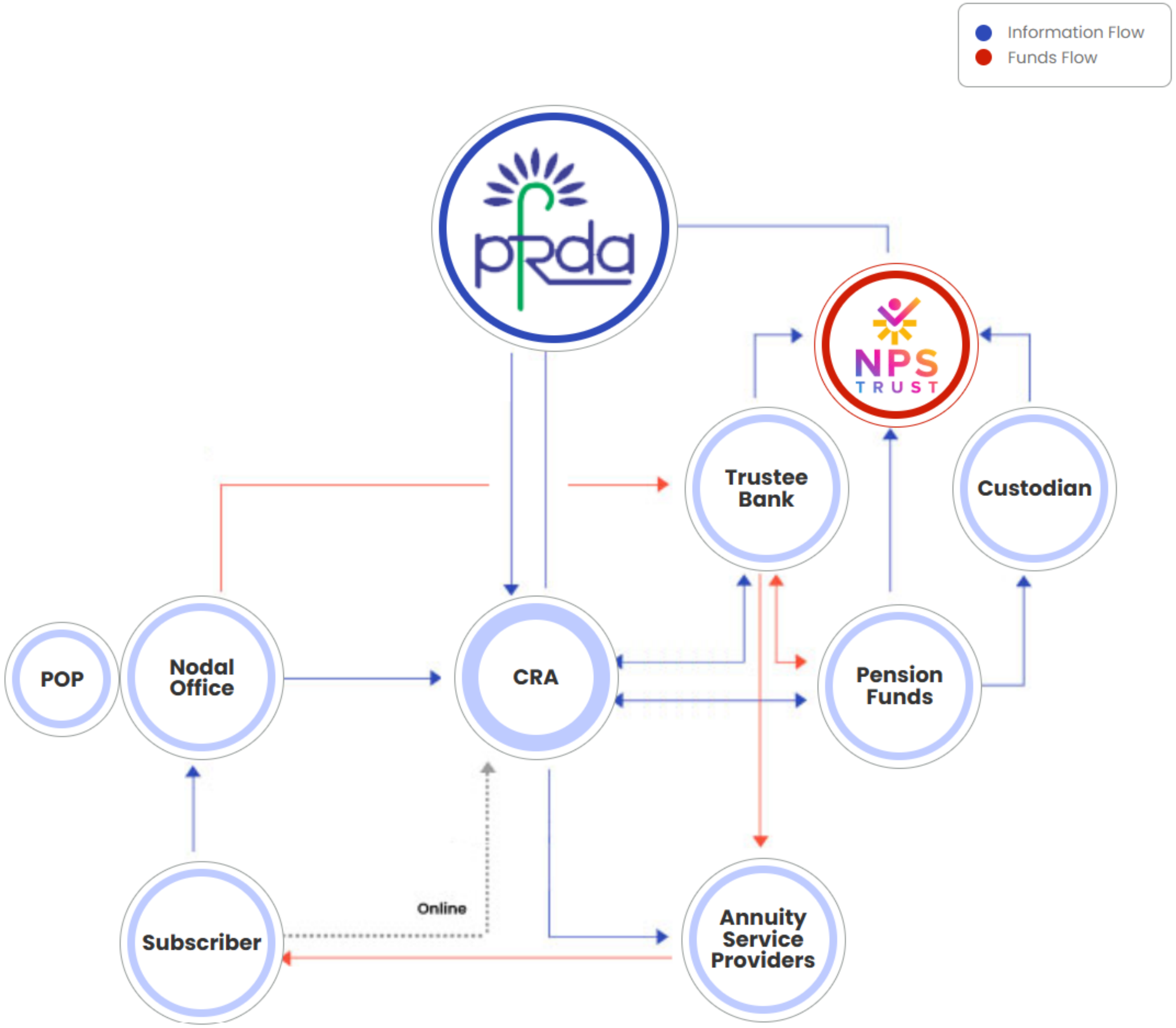
NPS Architecture



Source: NPS Trust

Central Recordkeeping Agencies (CRAs)

CRAs maintain all subscriber records, account balances, transactions and process withdrawals. They are the operational heart of NPS.

NCRA
First CRA, since 2008

Protean (Formerly NSDL e-Gov)

- ✓ Web portal: enps.nsdl.com
- ✓ Mobile App: NSDL NPS
- ✓ Protean eGov Technologies
- ✓ PRA Opening fee: Rs 40

KCRA
CRA since 2017

KFin Technologies Ltd.

- ✓ Web portal: mykfin.in
- ✓ Mobile App: KFin NPS
- ✓ Technology focused CRA
- ✓ PRA Opening fee: Rs 39.36

CAMS CRA
Newest CRA

CAMS Pension Services

- ✓ Web portal: camsnps.com
- ✓ CAMS group company
- ✓ Pan-India presence
- ✓ PRA Opening fee: Rs. 40

CRA Functions: Account opening | Record maintenance | Transaction processing | Contribution accounting | Withdrawal processing | Grievance handling

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Source: Respective Websites

TYPES OF NPS SCHEMES

NPS – Government Sector

- Foundation of NPS architecture. Applies to employees of central / state governments, including PSU's
- Subscribers can choose any one of the pension funds (including private-sector PFs) and change the option once a year.
- Choice of investment pattern: (a) default scheme, (b) Scheme G, (c) Life Cycle 25 (Low, 5E/55Y), (d) Life Cycle 50 (Moderate, 10E/55Y).

NPS – All Citizen Model

- Open to any Indian citizen aged 18–85; allowing individuals outside the government and corporate framework
- Investment approach: (a) Active Choice and (b) Auto Choice.
- Also allows access to the Multiple Scheme Framework (MSF).

NPS – Corporate

- Corporates can define the contribution structure: equal contributions, unequal contributions, or contribution by only the employer / employee.
- Employer / employees can select a Pension Fund (PF) and asset-allocation strategy.
- The Multiple Scheme Framework (MSF) is available.

Multiple Scheme Framework (MSF)

- Effective 1 Oct 2025 for non-government subscribers (All Citizen & Corporate); built on the principle of "One PAN, One PRAN, Multiple Schemes."
- Lets you hold multiple distinct schemes under a single PRAN — each with its own PFM, asset allocation, NAV & risk profile.
- High-risk variant allows up to 100% equity (vs the old 75% cap); also enables PFM/manager diversification.
- Available in both Tier I & Tier II; total charges capped at 0.30% of AUM. (15-yr vesting on MSF schemes.)

NPS Vatsalya

- Scheme designed for minors, including minor NRIs and OCIs.
- Guardians can choose any one pension fund registered with PFRDA to manage investments.
- Minimum contribution is INR 250.
- Besides parents / guardians, relatives & friends can gift contributions to the NPS Vatsalya account.

Source: PFRDA

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How NPS Works

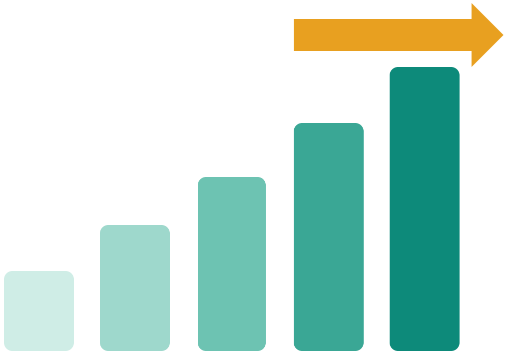
1 CONTRIBUTE

Corporate contribution
Up to 14% of Basic + DA: tax-free u/s 80CCD(2)

Self contribution
Voluntary top-ups, anytime

2 GROW

Invested by PFRDA-regulated pension funds across equity & debt - compounding at market-linked returns till withdrawal



3 RETIRE

Up to 80% as lump sum
60% of corpus is tax-free

At least 20% buys an annuity
Guaranteed income for life

Exit at 60 / superannuation - deferrable to 85

Accumulation phase | **Withdrawal: At Retirement** | **Pension phase**

Employees can make self-contribution or through Corporate

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Source: PFRDA

Features of NPS

Low Cost

Among lowest fund management fees: 0.04%–0.12% p.a. vs >1% for other categories

Portable

One PRAN number follows you across jobs, cities and employers throughout your career

Tax Efficient

Triple tax benefit - on contribution, on growth, and on 60% lump sum at exit

Flexible Choices

Choose your pension fund manager, asset class and allocation - up to 75% in equity

Transparent

Daily NAV published, online access 24×7, Monthly Portfolio Disclosures

Regulated

Governed by PFRDA - a statutory body. Subscriber funds held in NPS Trust

Market Returns

Equity allocations have delivered 10–13% CAGR since inception; higher than EPF/PPF

Online Access

Web portal and mobile app for contributions, withdrawals, changes - no paperwork

Source: PFRDA

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Types of NPS Accounts - Tier I & Tier II

TIER I

Mandatory Pension Account

Purpose:	**Core retirement savings**
Tax Benefit:	**Yes (80CCD(1), 80CCD(1B), 80CCD(2))**
Withdrawal:	**Restricted - on exit/retirement**
Min Contribution:	**Rs500 per contribution**
Min Annual:	**Rs1,000 per year**
Max Contribution:	**No upper limit**

TIER II

Optional Savings Account

Purpose:	**Flexible savings (not just retirement)**
Tax Benefit:	**No**
Withdrawal:	**Unrestricted — anytime**
Min to Open:	**₹1,000 (requires active Tier I)**
Min Contribution:	**₹250 per contribution**
Max Contribution:	**No upper limit**

Source: PFRDA

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Tax Benefits on NPS Contributions

OLD REGIME

80CCD(2) **Employer contribution**

Up to 10% of Basic + DA contributed by the employer is deducted from your taxable income.

80CCD(1) **Your own contribution**

Self-contribution deductible within the overall ceiling of Rs1,50,000.

80CCD(1B) **Extra self contribution**

An additional Rs50,000 deduction - over and above the Rs1,50,000 limit.

VS

NEW REGIME

80CCD(2) **Employer contribution**

Up to **14% of Basic + DA** - even higher than the old regime's 10%. It directly reduces your taxable salary.

✗ Not available in the New Regime

Self-contribution deductions under 80CCD(1) (Rs1,50,000) and 80CCD(1B) (extra Rs50,000) cannot be claimed.

Overall cap: Employer contribution to NPS + EPF + Superannuation combined is tax-exempt only up to **Rs7,50,000** per financial year.

Source: Income Tax Act

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Common Scheme vs MSF Schemes

FEATURE	Common Scheme (existing E / C / G)	MSF Schemes (from 1 Oct 2025)
Structure	One scheme + one fund manager per asset class (Active or Auto choice)	Multiple theme-based schemes under one PRAN: mix across fund managers
Maximum equity	**Up to 75%**	**Up to 100% (aggressive variant)**
Flexibility	Standardised allocation, a single strategy	Persona / theme-based; mix conservative & aggressive strategies
Vesting & switching	Standard NPS switching rules	15-year minimum vesting to switch between MSF schemes
Fund-management charges	**~0.04%–0.12% p.a. of AUM + Upto 0.20% for PoP**	**0.30% p.a. of AUM (including PoP)**
Best suited for	simpler needs	Aggressive investors wanting 100% equity

Both co-exist: Common Schemes continue unchanged; MSF is an optional new layer you can combine with them.

Source: PFRDA

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Asset Classes under Common Schemes of NPS

Asset Class/ Scheme	Category	Investment Pattern
E	I	Equities and Related Investments. *- Top 250 Stocks by MCap. 90% of the PF shall be in top 200 stocks with flexibility to invest upto 10% in the remaining 50 stocks* *- Units of REITs, Gold/Silver ETFs, Equity Oriented AIFs (Max 5%)* *- Exchange Traded Derivatives (hedging only)*
C	II	Debt Instruments and Related Investments *- Listed Debt securities issued by Body Corporates, Commercial Banks, Public Financial Institutions* *- Bank Term Deposits of > 1 Year, Debt Mutual Funds, Municipal Bonds, INVITs*
G	III	Government Securities and Related Investments *- T-Bills, Central Govt Secs, SDLs*
Short-term investment	Applicable to I, II and III	Short term debt instruments and related investments (not exceeding 10% of the scheme corpus on temporary basis only)

Source: PFRDA

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Asset Allocation

ACTIVE CHOICE* - You Decide

E – Equity — Max 75%

Constituents of Nifty 250 Stocks

C – Corporate Bonds — Max 100%

Investment grade debt instruments

G – Govt Securities — Max 100%

Central & State Govt bonds

Can be changed 4 times per year

**Non-Govt Employees*

AUTO CHOICE - Age-Based Allocation

LC-75 High

75% equity up to age 35, reduces by 4% per year. For young, risk-tolerant investors.

LC-50 Moderate (Default)

50% equity up to age 35, reduces by 2% per year.

LC-25 Low

25% equity up to age 35, reduces by 1% per year. For risk-averse investors.

LC-Aggressive

Designed for investors who want growth with controlled volatility. 50% equity up to age 45, reduces by 2% per year

Equity allocation automatically reduces as you age — protecting your corpus as retirement approaches

Source: PFRDA

Life Cycle Funds - Asset Allocation

<table>
<tr><th rowspan="3">Age</th><th colspan="3">Life Cycle Fund High</th><th colspan="3">Life Cycle Fund Moderate</th><th colspan="3">Life Cycle Fund Low</th><th colspan="3">Life Cycle Fund Aggressive</th></tr>
<tr><th colspan="3">Asset Class (in %)</th><th colspan="3">Asset Class (in %)</th><th colspan="3">Asset Class (in %)</th><th colspan="3">Asset Class (in %)</th></tr>
<tr><th>E</th><th>C</th><th>G</th><th>E</th><th>C</th><th>G</th><th>E</th><th>C</th><th>G</th><th>E</th><th>C</th><th>G</th></tr>
<tr><td>Up to 35 years</td><td>75</td><td>10</td><td>15</td><td>50</td><td>30</td><td>20</td><td>25</td><td>45</td><td>30</td><td rowspan="11">50</td><td rowspan="11">30</td><td rowspan="11">20</td></tr>
<tr><td>36 years</td><td>71</td><td>11</td><td>18</td><td>48</td><td>29</td><td>23</td><td>24</td><td>43</td><td>33</td></tr>
<tr><td>37 years</td><td>67</td><td>12</td><td>21</td><td>46</td><td>28</td><td>26</td><td>23</td><td>41</td><td>36</td></tr>
<tr><td>38 years</td><td>63</td><td>13</td><td>24</td><td>44</td><td>27</td><td>29</td><td>22</td><td>39</td><td>39</td></tr>
<tr><td>39 years</td><td>59</td><td>14</td><td>27</td><td>42</td><td>26</td><td>32</td><td>21</td><td>37</td><td>42</td></tr>
<tr><td>40 years</td><td>55</td><td>15</td><td>30</td><td>40</td><td>25</td><td>35</td><td>20</td><td>35</td><td>45</td></tr>
<tr><td>41 years</td><td>51</td><td>16</td><td>33</td><td>38</td><td>24</td><td>38</td><td>19</td><td>33</td><td>48</td></tr>
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<tr><td>45 years</td><td>35</td><td>20</td><td>45</td><td>30</td><td>20</td><td>50</td><td>15</td><td>25</td><td>60</td></tr>
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<tr><td>52 years</td><td>18</td><td>16</td><td>66</td><td>16</td><td>13</td><td>71</td><td>8</td><td>11</td><td>81</td><td>38</td><td>16</td><td>46</td></tr>
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<tr><td>55 years and beyond</td><td>15</td><td>10</td><td>75</td><td>10</td><td>10</td><td>80</td><td>5</td><td>5</td><td>90</td><td>35</td><td>10</td><td>55</td></tr>
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Source: PFRDA

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NPS — Government Sector

Where NPS began — the default retirement system for government recruits since 2004

WHO IS COVERED

Mandatory for **Central Government employees joining on or after 1 Jan 2004**. Nearly all State Governments have adopted NPS as well.

CONTRIBUTIONS

Employee: **10% of Basic + DA**. Government: **14% of Basic + DA** (Central, since 2019) - credited monthly to the employee's PRAN.

HOW IT IS INVESTED

Default scheme run by **SBI, UTI & LIC pension funds** in a set proportion, a conservative pattern with limited equity. Choice of pension fund and pattern is now available.

EXIT AT SUPERANNUATION

Up to **60% of the corpus as a tax-free lump sum**; at least **40% buys an annuity** for a lifelong pension.

UNIFIED PENSION SCHEME (UPS) - OPTIONAL FROM 1 APRIL 2025

Eligible Central Government employees can opt for an assured payout built on NPS: **50% of the last 12-month average basic pay** after 25 years of service - minimum **Rs 10,000 / month**. Contributions: employee **10%** + Government **18.5%** of Basic + DA.

Source: PFRDA | npstrust.org.in | pfrda.org.in

PPFAS PENSION

Multiple Scheme Framework (MSF)

WHAT IS MSF?

Objective: expand choices, transparency and efficiency in pension planning - and widen reach.

- One PAN, One PRAN, Multiple Schemes - effective 1 October 2025
- Pension Fund Managers now offer multiple schemes with different investment themes.
- Equity exposure can go up to 100% (vs the 75% cap).
- Invest across multiple assets: equity, debt, gold, REITs & AIFs.
- Access the top 250 companies - full large & mid-cap spectrum.
- Mix conservative and aggressive strategies.
- Build a portfolio of schemes across different pension fund managers

FRAMEWORK AT A GLANCE

Rs **Subscriber Incentives**

Extra incentives for bringing in new subscribers.

Target Audience

Schemes designed for groups like digital workers and women.

↑ **Equity Exposure**

High equity exposure allowed — up to 100%.

15y **Vesting Period**

Minimum 15-year vesting period for MSF schemes.

\+ **Additional Benefits**

Partnerships with other financial providers.

% **Charges**

Total charges capped at just 0.30% of AUM.

Source: PFRDA

PPFAS PENSION

Common Scheme vs MSF Schemes

FEATURE	Common Scheme (existing E / C / G)	MSF Schemes (from 1 Oct 2025)
Structure	One scheme + one fund manager per asset class (Active or Auto choice)	Multiple theme-based schemes under one PRAN: mix across fund managers
Maximum equity	**Up to 75%**	**Up to 100% (aggressive variant)**
Flexibility	Standardised allocation, a single strategy	Persona / theme-based; mix conservative & aggressive strategies
Vesting & switching	Standard NPS switching rules	15-year minimum vesting to switch between MSF schemes
Fund-management charges	**~0.04%–0.12% p.a. of AUM + Upto 0.20% for PoP**	**0.30% p.a. of AUM (including PoP)**
Best suited for	simpler needs	Aggressive investors wanting 100% equity

Both co-exist: Common Schemes continue unchanged; MSF is an optional new layer you can combine with them.

Source: PFRDA

PPFAS PENSION

NPS Vatsalya

WHAT IS IT?

A contributory savings and long-term security scheme built **exclusively for minors** to encourage financial literacy and grow a retirement corpus from childhood.

<18

Who can join

Any minor below 18. A parent or legal guardian operates the account.

Rs

Contributions

Just Rs250 to open and Rs250 a year minimum with no upper limit. Relatives and friends can gift contributions too.

#

One PRAN

A Permanent Retirement Account Number is issued in the child's own name.

KEY RULES & LIFECYCLE

3y

Partial withdrawal

Up to 25% of contributions after 3 years; max 2 times before age 18 (2 more up to 21), for education, specified illness or disability (>75%).

18

At age 18

Continue in the scheme (up to 21), shift the corpus to a regular NPS account

Rs

On exit (after 18)

If corpus is below Rs8 lakh, take it all as lump sum. If Rs8 lakh or more: up to 80% as lump sum, at least 20% to an annuity.

21

If undecided by 21

The account auto-shifts to a MSF variant of the same fund and follows regular NPS rules.

Tax benefits (Old Regime): guardians may claim up to Rs50,000 under 80CCD(1B); at exit, up to 60% lump sum and the annuity portion are tax-exempt.

Source: PFRDA

PPFAS PENSION

NPS Vatsalya vs Sukanya Samriddhi (SSY)

FEATURE	NPS VATSALYA	SUKANYA SAMRIDDHI (SSY)
Who can join	Any minor below 18: Boy or Girl	Girl child below 10 only (max 2 girls per family)
Contributions	Rs 250 to open, Rs 250 / year minimum: No **upper limit**	Rs 250 / year minimum, capped at **Rs 1.5 lakh / year**; deposits for first 15 years
Returns	**Market-linked:** Equity + Debt mix	Fixed, set quarterly: **8.2% p.a. currently**, sovereign guarantee
Tenure	Becomes a regular NPS account at 18; corpus compounds till 60	Matures 21 years from opening (or on marriage after 18)
Withdrawals	Up to 25% of contributions after 3 years: Education, illness, disability	Up to 50% of balance once the girl turns 18 for higher education
Tax benefits	Up to Rs 50,000 u/s 80CCD(1B) for the guardian (old regime)	EEE u/s 80C up to Rs 1.5 lakh; interest & maturity fully tax-free

Not either-or: SSY gives assured, tax-free growth for a daughter's education and marriage; Vatsalya builds a market-linked retirement corpus for any child. Families can run both.

Source: PFRDA | Ministry of Finance (small savings notifications)

PPFAS PENSION

Flexibility to Change Fund Manager (PFM)

10 PFRDA-regulated Pension Fund Managers to choose from

SBI Pension Funds Pvt. Ltd.
PSU / Largest by AUM

LIC Pension Fund Ltd.
PSU / Life Insurance

UTI Retirement Solutions Ltd.
PSU / AMC backed

HDFC Pension Fund Ltd.
Private / HDFC Group

ICICI Prudential Pension Fund
Private / ICICI Group

Kotak Mahindra Pension Fund
Private / Kotak Group

Aditya Birla Sun Life Pension
Private / ABSL Group

Tata Pension Management
Private / Tata Group

Axis Pension Fund
Private / Axis Group

DSP Pension Fund Managers
Private / DSP Group

FLEXIBILITY RULES

PFM Change
Once per year

Investment Option (Active/Auto)
4 times per year

Asset Allocation (within Active)
4 times per year

Process to make changes
Anytime online

New: PFRDA has approved 4 new Sponsors to set up pension funds — PPFAS AMC, Motilal Oswal AMC, Bank of Baroda & Bajaj.

Source: PFRDA

PPFAS PENSION

Normal Exit from NPS

At 60 / superannuation — or on completing 15 years of subscription, whichever is earlier (Retail)

Corpus up to Rs 8 Lakh	Corpus Rs 8 – 12 Lakh	Corpus above Rs 12 Lakh
100% lump sum withdrawal allowed — no annuity required	Up to Rs 6 lakh as an immediate lump sum	Up to 80% as lump sum — raised from the earlier 60%
Or draw it gradually via SLW / SUR	Balance paid out via SUR / SLW over a minimum of 6 years	At least 20% must buy an annuity: a pension for life
Or the standard split: 80% lump sum + at least 20% annuity	…or use the balance to purchase an annuity	Lump sum & annuity purchase can be deferred to age 85 — corpus keeps earning

Tax today: 60% of the corpus is tax-free u/s 10(12A) • Government sector continues with 60% lump sum + minimum 40% annuity

Source: PFRDA | npstrust.org.in | pfrda.org.in

PPFAS PENSION

Partial Withdrawal, Premature Exit & Death

✅ Partial Withdrawal (while invested)	⚠️ Premature Exit (before vesting)	🛡️ Death of Subscriber
After 3 years — up to 25% of your own contributions	No lock-in — exit anytime	Nominee receives 100% of the corpus as a tax-free lump sum
Up to 4 times till 60: education, illness, disability, first home	Maximum 20% lump sum; minimum 80% must buy an annuity	Nominee may instead opt for an annuity or SLW / SUR
100% tax-free — and the corpus keeps compounding	If corpus < Rs 5 lakh — 100% withdrawal (or SLW / SUR)	Applies at any age and any corpus size

SLW & SUR — the new systematic payout routes — are explained on the next slide ▸

Source: PFRDA | npstrust.org.in | pfrda.org.in

PPFAS PENSION

Systematic Payouts — SLW & SUR

Two phased-withdrawal routes

Features

- Take your lump-sum share in instalments — monthly, quarterly or annual — instead of one shot
- The balance stays invested, still earning market-linked returns
- Runs on normal exit or while deferring — for any period up to age 85
- Stop or change anytime; whatever remains can be taken as lump sum or used to buy an annuity

SLW —Amount is Fixed

A set payout — say Rs 50,000 a month — and units are redeemed to match it. **Income is predictable; how long the corpus lasts depends on returns.**

IN FORCE SINCE OCTOBER 2023

SUR — UNITS are Fixed

A set number of units is redeemed each period, so the rupee payout moves with NAV. **Income varies; the corpus lasts exactly the period you chose.**

INTRODUCED BY THE EXIT & WITHDRAWAL (AMENDMENT) REGULATIONS, 2025

Why it matters: stay invested through retirement, smooth out market timing, and bridge the years before buying an annuity — while managing longevity risk.

Source: PFRDA | npstrust.org.in | pfrda.org.in

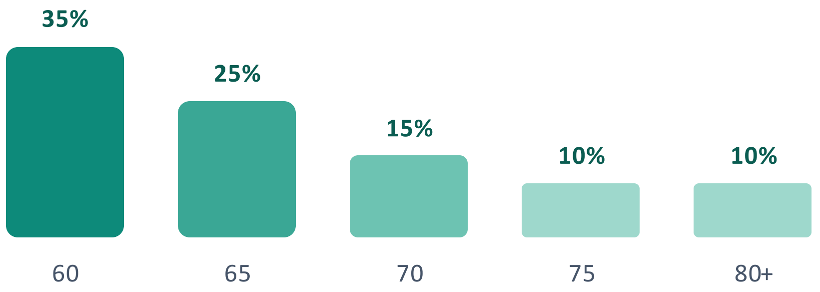
PPFAS PENSION

New: Retirement Income Schemes (RIS)

A dedicated life-cycle fund for the payout years — your drawdown corpus stays invested and pays you till 85

RIS STEADY — where the corpus stays invested

A new life-cycle fund built only for the payout phase — equity glides from **35% at 60 to a 10% floor at 75**, held till 85; G-secs rise to 75%.



Equity allocation by age (balance in corporate bonds & G-secs)

DRAWDOWN OPTIONS — how you get paid

SPR — Systematic Payout Rate (default)
Each year you receive 1 ÷ (years left): 4% at 60 rising to 10% at 75 for an 85 end-age — reset every birthday on market value.

SUR — Systematic Unit Redemption
Your units split evenly over the chosen period: 8,00,000 units over 25 years = 2,667 units a month — payout varies with NAV.

PAYOUTS

Monthly, quarterly or annual — for a period up to age 85

WHO

Government and non-government subscribers alike

ANNUITY Requirement doesn't go away

Drawdown does not touch the mandatory 20% / 40% annuity

FLEXIBILITY

Keep or switch your pension fund (once every 2 FYs); leftover corpus — lump sum or annuity

Market-linked, no guaranteed payout — effective from a date to be notified by PFRDA once systems are ready.

Source: PFRDA Circular PFRDA/2026/31/MWnR/01 dated 15 May 2026

PPFAS PENSION

Annuity Service Providers (ASP)

At exit, minimum 20% of your NPS corpus must be used to purchase an Annuity - a pension paid for life. You choose the ASP and annuity variant.

- LIC of India
- SBI Life Insurance
- HDFC Life Insurance
- ICICI Prudential Life
- Bajaj Allianz Life
- Kotak Mahindra Life
- Tata AIA Life
- Axis Max Life Insurance
- PNB MetLife
- Aditya Birla SunLife
- Canara HSBC Life
- Star Union Dai-ichi
- Edelweiss Life
- India First Life
- Shriram Life

ANNUITY PLAN VARIANTS

- Life Annuity (payable till death)
- Life Annuity + Return of Purchase Price
- Joint Life (100% to spouse on death)
- Joint Life with return of purchase
- NPS Family Income

Source: PFRDA

PPFAS PENSION

Annuity Options

Annuity Rates Depend on Plan variant, Age of subscriber (& Spouse), prevailing Interest rate Environment and Frequency

Subscriber Type	Private Sector Subscriber
First Annuitant Age	60 years
Purchase Price (excluding taxes in ₹)	1,00,00,000

Annuity Service Provider - Scheme Name					
	With Return of Purchase Price (With ROP) ₹			Without Return of Purchase Price (Without ROP) ₹	
Annuity Service Provider	Annuity for Life	Joint Life Annuity	NPS - Family Income	Annuity for Life	Joint Life Annuity
HDFC Life Insurance Co. Ltd	58,000 (6.96%)	57,600 (6.91%)	57,600 (6.91%)	71,760 (8.61%)	63,840 (7.66%)
ICICI Prudential Life Insurance Co. Ltd	55,167 (6.62%)	55,146 (6.62%)	51,215 (6.15%)	64,542 (7.75%)	57,008 (6.84%)

Subscriber Type	Private Sector Subscriber
First Annuitant Age	65 years
Purchase Price (excluding taxes in ₹)	1,00,00,000

Annuity Service Provider - Scheme Name					
	With Return of Purchase Price (With ROP) ₹			Without Return of Purchase Price (Without ROP) ₹	
Annuity Service Provider	Annuity for Life	Joint Life Annuity	NPS - Family Income	Annuity for Life	Joint Life Annuity
HDFC Life Insurance Co. Ltd	58,080 (6.97%)	58,000 (6.96%)	58,000 (6.96%)	78,000 (9.36%)	67,440 (8.09%)
ICICI Prudential Life Insurance Co. Ltd	55,157 (6.62%)	55,238 (6.63%)	51,310 (6.16%)	70,111 (8.41%)	59,875 (7.18%)

Source: https://cra.nps-proteantech.in/CRAOnline/aspQuote.html

PPFAS PENSION

Charges

<table>
<tr><th>Entity</th><th>Common Scheme</th><th>MSF</th></tr>
<tr><td>PoP*</td><td>0.2% p.a. of AUM (min. Rs. 30)</td><td rowspan="2">0.30% p.a. of AUM</td></tr>
<tr><td>PF*</td><td>
<table>
<tr><th>Slabs of AUM (in Rs.)</th><th>IMF for Non Government Sector Schemes</th></tr>
<tr><td>Upto 25,000 crore.</td><td>0.12%</td></tr>
<tr><td>Above 25,000 & Upto 50,000 crore</td><td>0.08%</td></tr>
<tr><td>Above 50,000 & Upto 1,50,000 crore</td><td>0.06%</td></tr>
<tr><td>Above 1,50,000 crore</td><td>0.04%</td></tr>
</table>
</td></tr>
<tr><td>CRA#</td><td colspan="2">
i. PRAN opening charges – Rs. 18 (ePRAN Kit) / Rs. 40 (Physical PRAN card)
ii. AMC –
<table>
<tr><th>Corpus</th><th>Max charges</th></tr>
<tr><td>Re. 1 – Rs. 2,00,000</td><td>Rs. 100</td></tr>
<tr><td>Rs. 2,00,001 – Rs. 10,00,000</td><td>Rs. 150</td></tr>
<tr><td>Rs. 10,00,001 – Rs. 25,00,000</td><td>Rs. 300</td></tr>
<tr><td>Rs. 25,00,001 – Rs. 50,00,000</td><td>Rs. 400</td></tr>
<tr><td>Above 50,00,000</td><td>Rs. 500</td></tr>
</table>
</td></tr>
<tr><td>NPST*</td><td colspan="2">0.003% p.a. of the AUM</td></tr>
<tr><td>Custodian*</td><td colspan="2">0.00000000177% p.a. of AUC</td></tr>
</table>

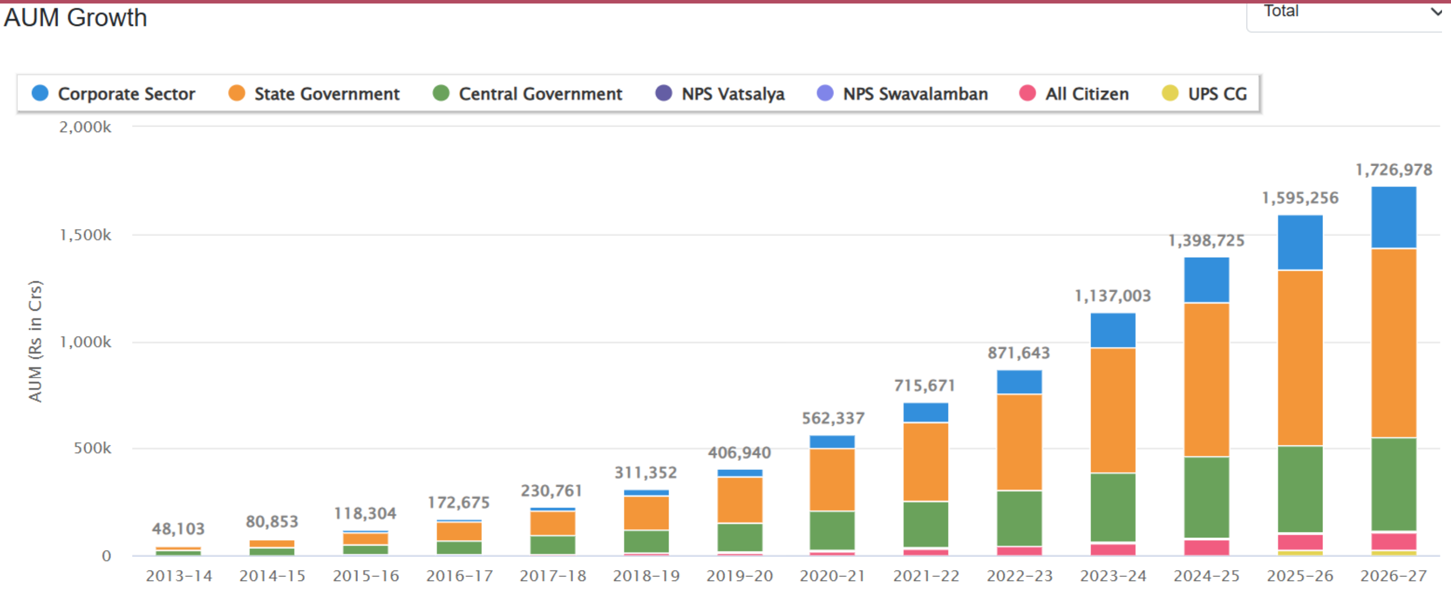
** NAV Adjustment* *#Unit deduction*

At <0.35%, NPS is one of the lowest cost investment product available for retirement.

Source: NPS Trust

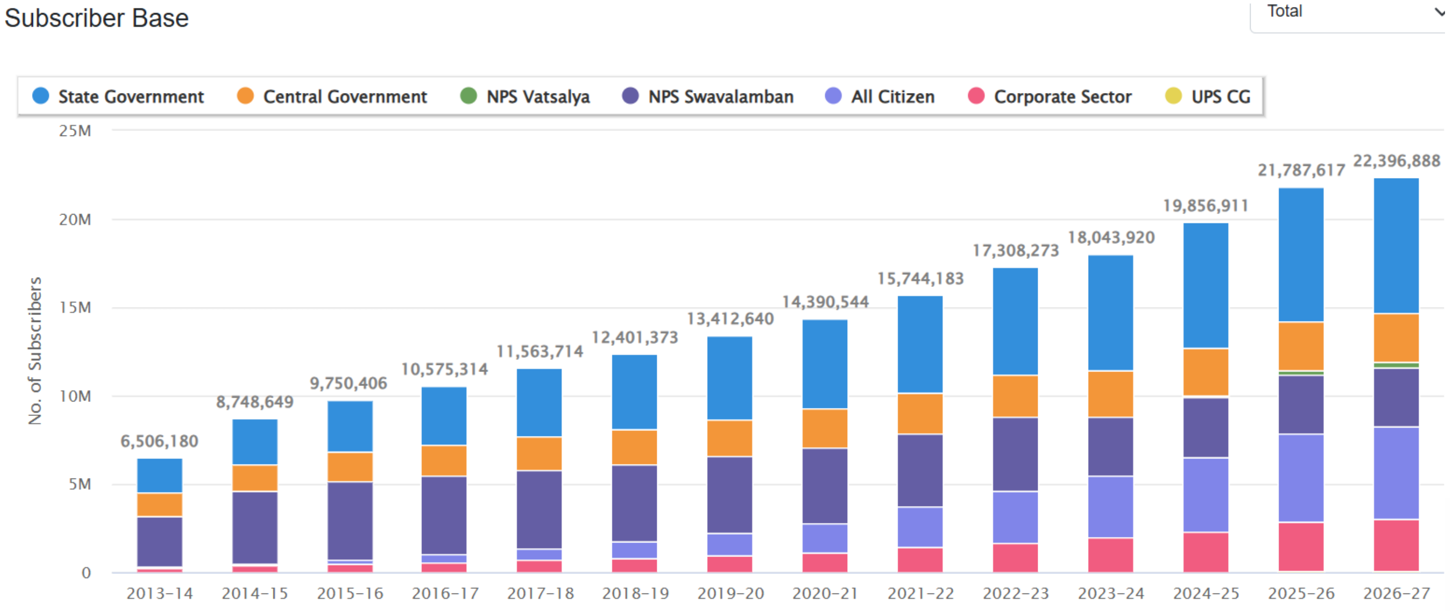
PPFAS PENSION

AUM & Subscribers



For FY 2026-27, AUM as on 30th June, 2026.

23% AUM growth in last 5 years.
Corporate AUM is growing at 25%



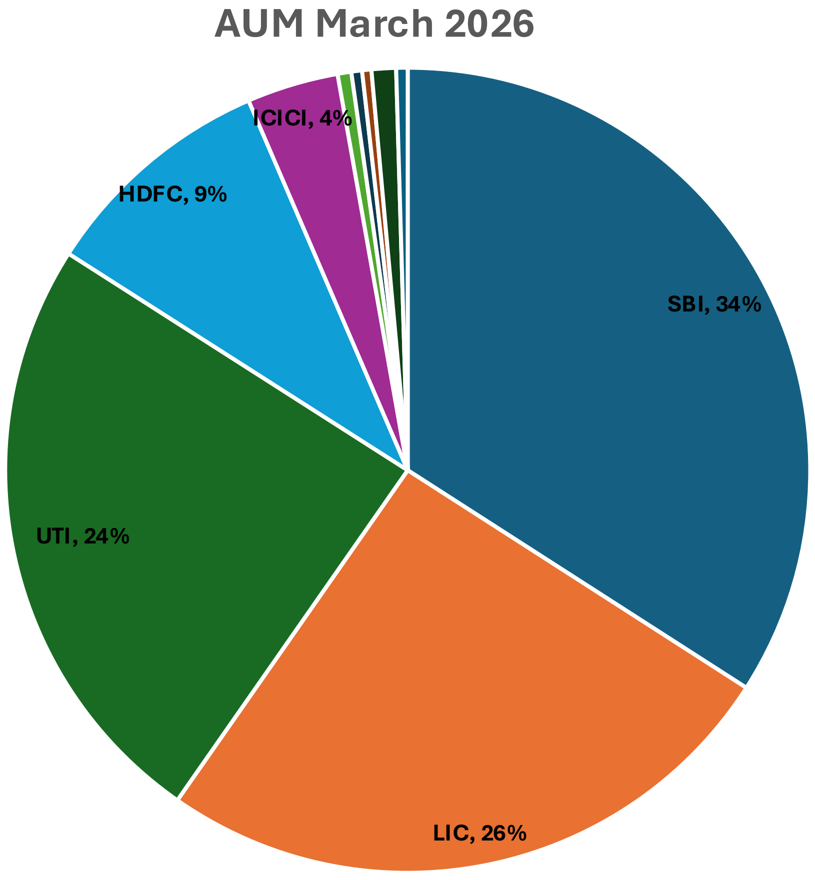
For FY 2026-27, Subscriber Base as on 30th June, 2026.

9% Subscriber growth in last 5 years.
Corporate subscriber base is growing at 20%

Source: NPS Trust

PPFAS PENSION

PFM Share



	Mar-2025	Mar-2026	Growth
SBI	5,14,335	5,60,802	9%
LIC	3,82,004	4,21,327	10%
UTI	3,58,793	4,00,539	12%
HDFC	1,15,627	1,56,007	35%
ICICI	45,455	60,545	33%
Kotak	6,378	9,025	41%
Aditya Birla	4,025	7,042	75%
Tata	4,385	6,147	40%
Axis	8,854	16,118	82%
DSP	2,049	7,580	270%
Total	**14,43,511**	**16,45,132**	**14%**

Source: PFRDA

Returns

Category	SBI	LIC	UTI	ICICI	Kotak	HDFC	Aditya Birla	TATA	Axis	DSP
Scheme CG	9.29%	9.15%	9.13%							
Scheme SG	9.01%	9.09%	9.07%							
UPS	4.80%	2.95%	4.62%							
Tier I - E	10.67%	12.28%	12.20%	12.42%	11.83%	13.95%	12.25%	12.87%	10.15%	8.46%
Tier I - C	9.37%	8.76%	8.61%	9.34%	9.09%	9.07%	8.16%	7.30%	7.72%	7.95%
Tier I - G	8.75%	9.25%	8.05%	8.22%	8.14%	8.53%	7.62%	7.04%	7.25%	7.19%
Tier II - E	10.57%	10.75%	11.15%	11.31%	11.40%	12.70%	12.39%	12.70%	10.93%	6.94%
Tier II - C	8.96%	8.37%	8.59%	9.18%	8.48%	8.48%	7.71%	7.43%	7.29%	8.49%
Tier II - G	8.81%	9.47%	8.53%	8.30%	7.93%	8.69%	7.18%	7.22%	6.98%	7.48%

Returns Since Launch as on July 20, 2026

Source: NPS Trust

PPFAS PENSION

NPS vs EPF vs PPF

Feature	NPS	EPF	PPF
Who Can Join	Any Indian 18-85 yrs	Salaried employees only	Any individual
Returns	Market-linked *Returns since inception: ~10.5%**	Fixed ~8.25% p.a.	Fixed ~7.1% p.a.
Employer Contribution	Yes, up to 14% Basic+DA	Yes,12% of Basic+DA	No employer contribution
Tax on Contribution	80CCD(1)+80CCD(1B)+80CCD(2) Max:- Rs 7.5 Lacs pa#	80C up to Rs1.5L	80C up to Rs1.5L
Tax on Withdrawal	60% tax-free	Fully exempt after 5 yrs	Fully exempt
Liquidity	Partial (25% after 3 yrs)	Partial (specific conditions)	Loan after 3rd year / Partial withdrawal 7th year
Investment Choice	Yes – Equity/Bonds/G-Sec	No choice	No Choice

Note: EPFO has clarified that EPF contribution can be limited to Rs 1,800 / month (12% of the Rs 15,000 statutory wage ceiling) — freeing a larger share of the employer contribution to be diverted to NPS within the Rs 7.5 lakh tax-free limit.

** 50% Equity investment and another 50% in Corp Bonds / G-secs (median returns)*

 # Rs 7.5 Lacs pa limit includes NPS & EPF & Superannuation

PPFAS PENSION

Corporate NPS in Action — How Much Tax Can You Save?

An employee aged 35, earning Rs 30 lakh a year (Basic Rs 15 lakh), 30% tax slab.

OLD REGIME

	WITHOUT NPS	WITH NPS
Self NPS u/s 80CCD(1B)	—	Rs 50,000
Corporate NPS 10% of Basic, u/s 80CCD(2)	—	Rs 1,50,000
Taxable income	Rs 29,50,000	Rs 27,50,000
Tax payable	Rs 7,25,400	Rs 6,63,000

Tax saved: Rs 62,400

NEW REGIME

	WITHOUT NPS	WITH NPS
Self NPS 80CCD(1B) — not available in new regime	—	—
Corporate NPS 14% of Basic, u/s 80CCD(2)	—	Rs 2,10,000
Taxable income	Rs 29,25,000	Rs 27,15,000
Tax payable	Rs 4,75,800	Rs 4,10,280

Tax saved: Rs 65,520

Illustrative computation as per FY 2025-26 slabs

Source: Income Tax Act — Sections 80CCD(1B) & 80CCD(2)

PPFAS PENSION

Corporate NPS VS Mutual Fund: Retirement Advantage Through Upfront Tax Savings

Same Employee opting for new regime can set aside Rs 17,500 a month till 60 — through Corporate NPS, or a mutual fund SIP.

	CORPORATE NPS	MUTUAL FUND SIP
Invested each month after income tax	**Rs 17,500** pre-tax via employer — u/s 80CCD(2)	**Rs 12,040** after 31.2% tax on the same Rs 17,500
Corpus at 60 Return 12% p.a. ·Contribution Increases 7% p.a.	**Rs 5.17 Cr**	**Rs 3.56 Cr**
Tax on the corpus at withdrawal	**0% on 60% | Slab Rate on 20% | Slab Rate on 20% Annuity Income**	**LTCG 12.5% + cess | Slab Rate** on gains, as units are redeemed
Monthly income from 60 Return 9%. SWP 6% of corpus. Annuity 6.5% all figures pre-tax	SWP on 60% (Rs 3.10 Cr): **Rs 1.55 lakh** — tax-free SWP on 20% (Rs 1.03 Cr): **Rs 0.52 lakh** — taxed at slab Annuity on 20% (Rs 1.03 Cr): **Rs 0.56 lakh** — taxed at slab **Total: Rs 2.63 lakh / month**	One SWP on the full corpus (Rs 3.56 Cr @ 6%) LTCG applies on the gains portion of each instalment **Total: Rs 1.78 lakh / month**

Same cost to Employee, same 12% returns — NPS delivers ~48% higher income, because money goes in pre-tax and compounds tax-free.

Source: Illustration based on the infographic by Suraj Dixit (source: Floatr Wealth Linkedin). Not a guarantee of returns.

PPFAS PENSION

Ease of Operations - Options & Holdings

protean | nps national pension system #Zaruri Hai

National Pension System (NPS)

Welcome Subscriber-[redacted] 09-Jun-2026 Home | Logout

Make Transaction | Manage My Account | Account Statement | Goal Planner | Track Transaction | Manage My Withdrawal

Welcome to Central Recordkeeping Agency

Tier I Account Holding Summary

Current Scheme Preference

Investment Option	Scheme Details	Percentage
ACTIVE CHOICE	LIC PENSION FUND SCHEME G - TIER I POP	10.00%
	NPS TRUST- A/C HDFC PENSION FUND MANAGEMENT LIMITED SCHEME C - TIER I POP	15.00%
	NPS TRUST A/C DSP PENSION FUND MANAGERS PRIVATE LIMITED SCHEME E - TIER I POP	75.00%

Account Summary For Current Schemes

Scheme Name	Total Units	Blocked Units	Free Units	NAV (Rs.)	Amount (Rs.)	Amount in Transition (Rs.)	Total Value of Scheme (Rs.)
NPS TRUST- A/C HDFC PENSION FUND MANAGEMENT LIMITED SCHEME C - TIER I POP	[redacted]						
LIC PENSION FUND SCHEME G - TIER I POP							
NPS TRUST A/C DSP PENSION FUND MANAGERS PRIVATE LIMITED SCHEME E - TIER I POP							
Total							

PPFAS PENSION

Source: Protean

Ease of Operations - Scheme Allocation

Common Schemes

Common Schemes*	50

Pension Schemes (MSF)

PFM*	Scheme*	Percentage*
UTI PENSION FUND LIMITED	NPS TRUST A/C - UTI PF WEALTH B	10
KOTAK MAHINDRA PENSION FUND	NPS TRUST A/C - KOTAK PF NPS K	10
TATA PENSION FUND MANAGEMEN	NPS TRUST A/C - TATA PENSION F	10
HDFC PENSION FUND MANAGEME	NPS TRUST A/C - HDFC PF NPS SU	10
DSP PENSION FUND MANAGERS P	NPS TRUST A/C - DSP PF NPS LON	10

Add Remove

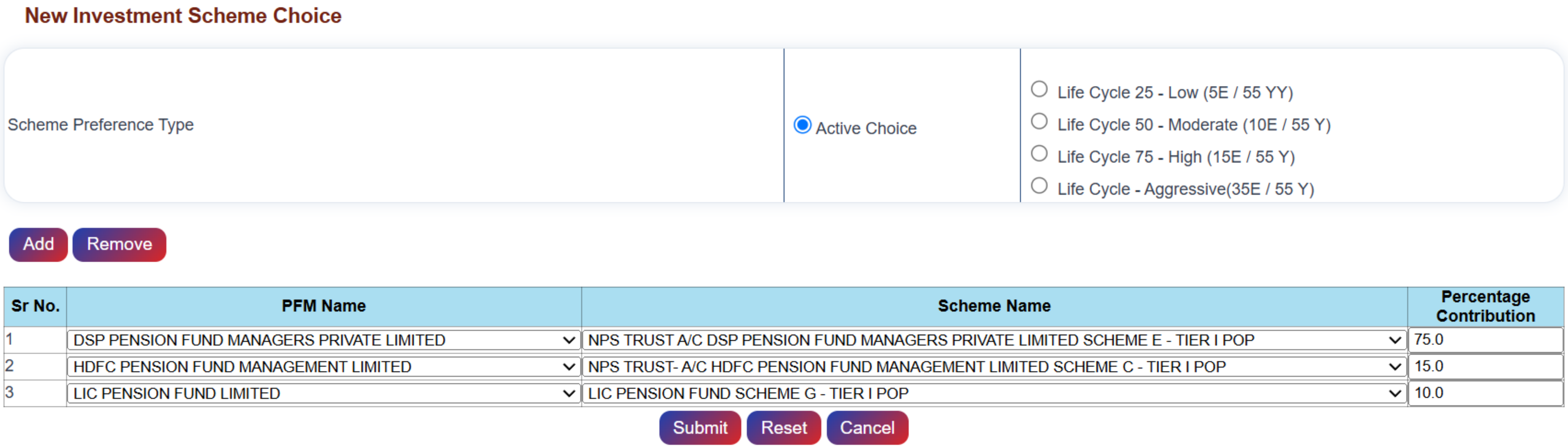
Total Percentage

Total*	100

Source: Protean

PPFAS PENSION

Ease of Operations - Active Vs Auto



Source: Protean

PPFAS PENSION

Ease of Operations - Asset Allocation

Common Schemes

Scheme*	Percentage*	Amount*
LIC PENSION FUND SCHEME G - TIER I POP	5.00%	₹250.00
NPS TRUST- A/C HDFC PENSION FUND MANAGEMENT LIMITED SCHEME C - TIER I POP	7.50%	₹375.00
NPS TRUST A/C DSP PENSION FUND MANAGERS PRIVATE LIMITED SCHEME E - TIER I POP	37.50%	₹1,875.00

Pension Schemes (MSF)

Scheme*	Percentage*	Amount*
NPS TRUST A/C - UTI PF WEALTH BUILDER NPS EQUITY SCHEME - TIER I	10.00%	₹500.00
NPS TRUST A/C - KOTAK PF NPS KUBER EQUITY FUND - TIER I	10.00%	₹500.00
NPS TRUST A/C - TATA PENSION FUND NPS SMART RETIREMENT FUND - TIER I	10.00%	₹500.00
NPS TRUST A/C - HDFC PF NPS SURAKSHIT INCOME FUND - TIER I	10.00%	₹500.00
NPS TRUST A/C - DSP PF NPS LONG TERM EQUITY FUND - TIER I	5.00%	₹250.00
NPS TRUST A/C - LIC PFL NPS SMART BALANCE - TIER I	5.00%	₹250.00

Total Percentage

Total*	100%	₹5,000.00

Source: Protean

PPFAS PENSION

Common Criticisms and the Reality

THE CONCERN	THE REALITY
Lock-in till retirement	Only a small portion of savings is locked in - up to 14% of Basic + DA (about 7% of total salary), all from pre-tax income. You can convert to All citizen Model in case of early retirement and exit after a total of 15 years.
Forced annuity	Annuity is a hedge against longevity risk, and the mandatory annuity portion has already been reduced to just 20%.
Regulatory uncertainty	Regulatory changes have consistently improved the product - e.g. MSF with 100% equity, reduced annuity, and multiple PFMs.

PPFAS PENSION

Summary - Key Takeaways

Low cost & Flexible

A low-cost, flexible product purpose-built for long-term retirement saving.

Tax-efficient

One of the very few tax-saving products that still works under the New tax regime.
Tax Benefit at exit for 60%
Even more beneficial in higher tax brackets

Market Linked Returns

Long term Retirement savings compounding with Market linked Returns

Thank You

Questions and discussion are welcome.

PPFAS PENSION