

Socio-economic characteristics of NPS subscribers (*all citizen model*)

Summary

- ❖ Average subscriber enrolments in a year stood at 2.89 lakh in the absolute terms, comprising of 24% female subscribers and 76% male subscribers during the last 05 years.
- ❖ As per *age group analysis*, majority of the enrolments were from the age group of 26- 35 years (33%) and 36-45 years (31%) during the last 05 years.
- ❖ As per *educational qualification analysis*, 81% of the subscribers enrolled during the last 05 years were graduates (47%) and post-graduates (34%).
- ❖ As per *occupation analysis*, enrolments from private sector were highest (54%) during the last 05 years.
- ❖ As per *income analysis*, 2/3rd of the enrolments were from the income group of Rs 5-25lakh (36%) and Rs 10-25 lakh (30%) during the last 05 years.
- ❖ As per *location analysis*, enrolments from the state of Maharashtra were the highest at 17% of total enrolments during the last 05 years.

This paper analyses the social-economic characteristics of voluntary subscribers enrolled in NPS during the last 05 years *i.e* FY 2016-17 to FY 2020-21. The National Pension System (All Citizen Model) was introduced in May 2009 for voluntary subscription by any citizens of India (resident/NRI/OCI), aged between 18 to 70 years (at the time of subscription).

NPS is a low cost, tax-efficient retirement plan wherein a subscriber contributes towards accumulation of a retirement corpus during his/her working life to procure a pension upon retirement from work. The objective of this scheme is to provide old age income security to the subscribers.

Methodology and data set

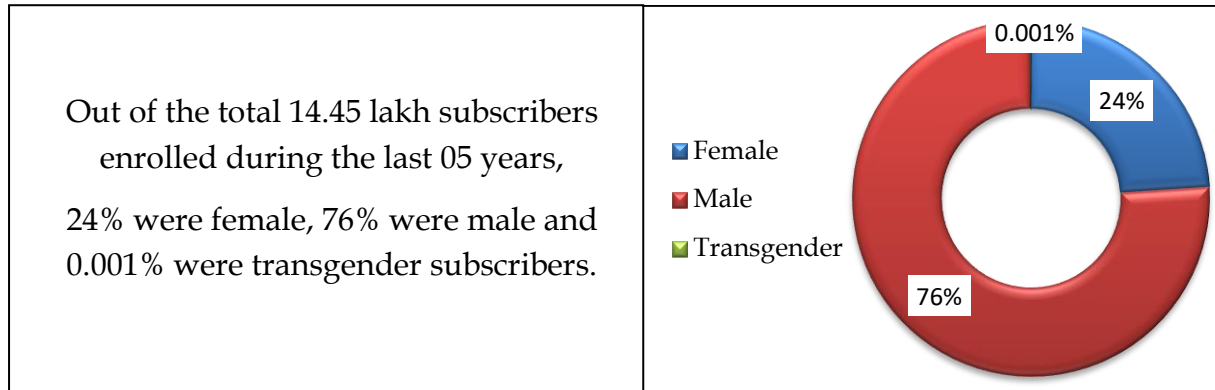
The analysis of subscribers is based on secondary data and study of 14.45 lakh individuals who had joined the NPS All Citizen Model during the financial year 2016-17 to 2020-21 (*from 1st April to 31st March*).

The analysis of subscribers is organized into seven sections; **Section-1**, Gender Analysis. **Section-2**, Age group Analysis. **Section-3**, Educational Qualification Analysis. **Section-4**, Occupation Analysis. **Section-5**, Income range Analysis. **Section-6**, Location Analysis. **Sector-7**, Freeze Account Analysis.

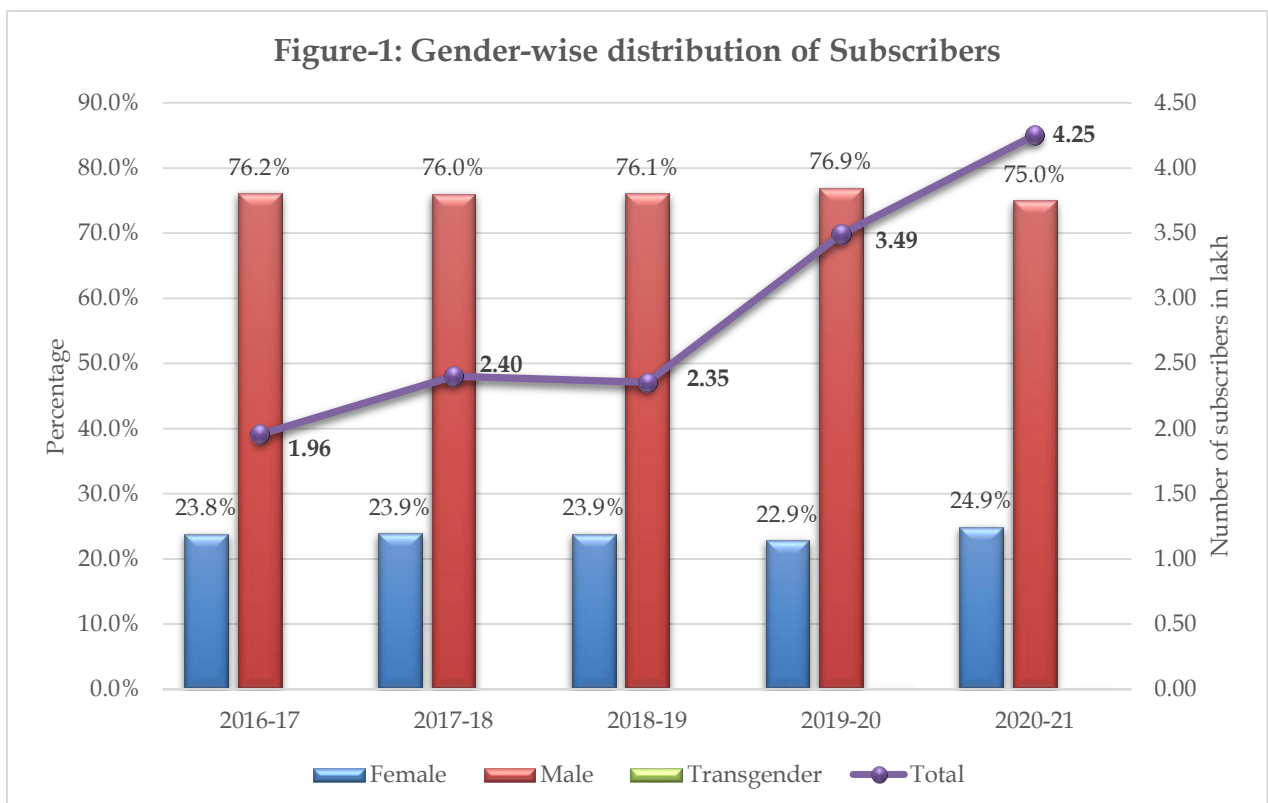
Section - 1: Gender Analysis

Table-1: Gender of subscribers enrolled during the last 05 years

Gender	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17 to 2020-21)
Female	46,613	57,489	56,179	79,856	1,06,042	69,236
Male	1,48,883	1,82,578	1,79,224	2,68,650	3,18,799	2,19,627
Transgender	8	20	92	622	307	210
Total	1,95,504	2,40,087	2,35,495	3,49,128	4,25,148	2,89,072



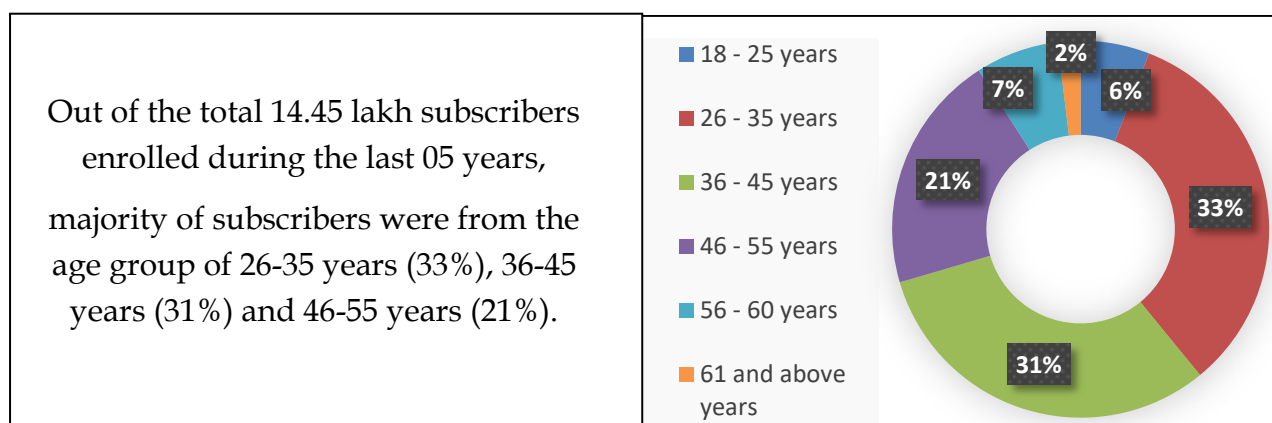
- During the last 05 years, female subscriber enrolments in percentage terms were range bound between 22.9%-24.9% (*Table -1 & Figure-1*)
- In FY 2020-21, male subscriber enrollments were highest at 3.18 lakh in absolute terms but were lowest in percentage terms (75%). (*Table -1 & Figure-1*)
- Total subscriber enrolments exhibited positive growth y-o-y except for FY 2018-19. (*Table -1 & Figure-1*)



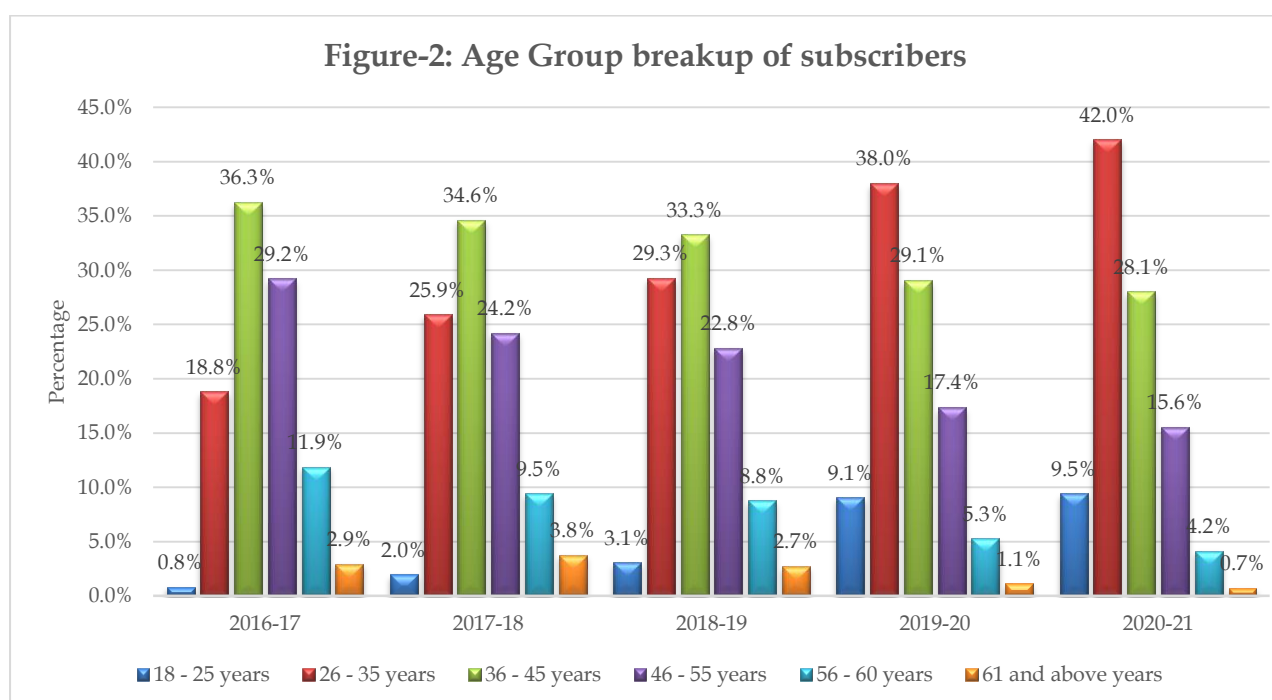
Section - 2: Age Group Analysis

Table-2: Age group break-up of subscribers enrolled during the last 05 years

Age Group	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17 to 2020-21)
18 - 25 years	1,635	4,787	7,246	31,609	40,183	17,092
26 - 35 years	36,791	62,266	68,961	1,32,771	1,78,650	95,888
36 - 45 years	70,911	83,160	78,374	1,01,553	1,19,308	90,661
46 - 55 years	57,172	58,152	53,766	60,700	66,122	59,182
56 - 60 years	23,229	22,690	20,684	18,495	17,714	20,562
61 and above years	5,766	9,032	6,464	4,000	3,171	5,687
Total	1,95,504	2,40,087	2,35,495	3,49,128	4,25,148	2,89,072



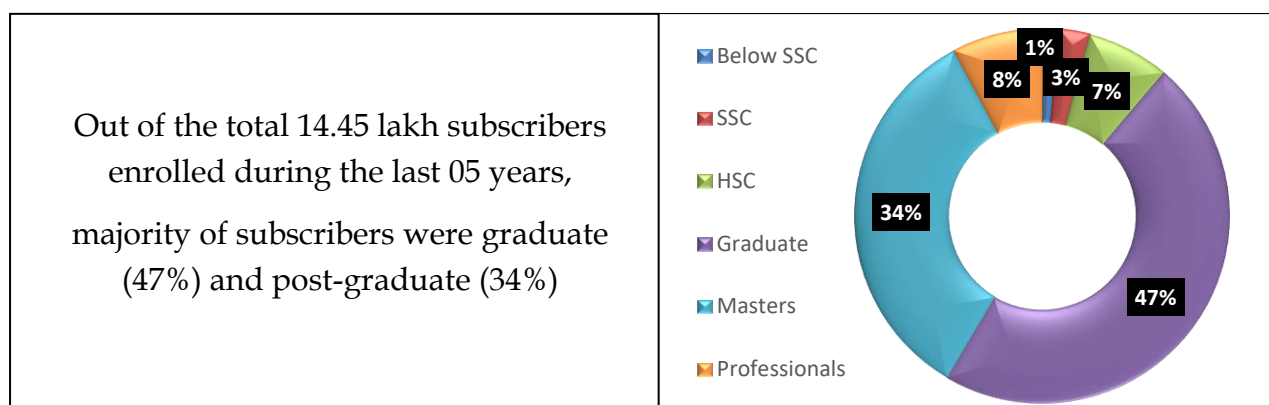
- During the last 05 years, enrolments of subscribers aged 18-25 years and 26-35 years exhibited positive trends. (*Table-2 & Figure-2*)
- Enrolment of subscribers aged 56-60 years exhibited negative trend. (*Table-2 & Figure-2*)
- Enrolment of subscribers aged 46-55 years declined in percentage terms. (*Figure-2*)



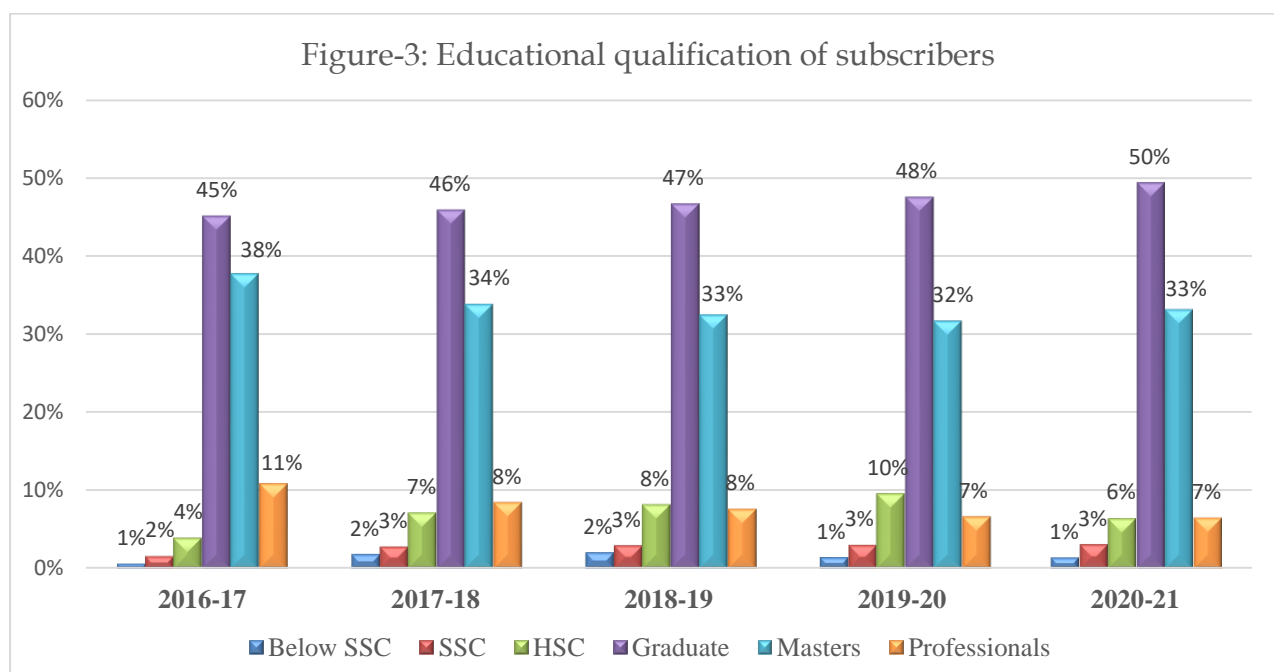
Section- 3: Educational qualification analysis

Table-3: Qualification of subscribers enrolled during the last 05 years

Educational Qualification	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17 to 2020-21)
Below SSC	960	3,493	4,017	2,628	3,508	2,921
SSC	2,488	5,422	5,866	5,634	7,899	5,462
HSC	6,326	14,180	16,508	18,133	16,817	14,393
Graduate	72,797	91,393	94,673	90,250	1,29,527	95,728
Masters	60,838	67,345	65,790	60,137	86,894	68,201
Professionals	17,458	16,809	15,351	12,562	17,014	15,839
Data not available	34,637	41,445	33,290	1,59,784	1,63,489	86,529
Total	1,95,504	2,40,087	2,35,495	3,49,128	4,25,148	2,89,072



- During the last 05 years, enrolment of graduate individuals exhibited positive trend in percentage terms. (Figure-3)
- Percentage of subscribers with SSC qualifications enrolled during the last 04 years remained unchanged at 3% (Figure-3)
- In percentage terms, enrolments of professionals were on a declining trend. (Figure-3)



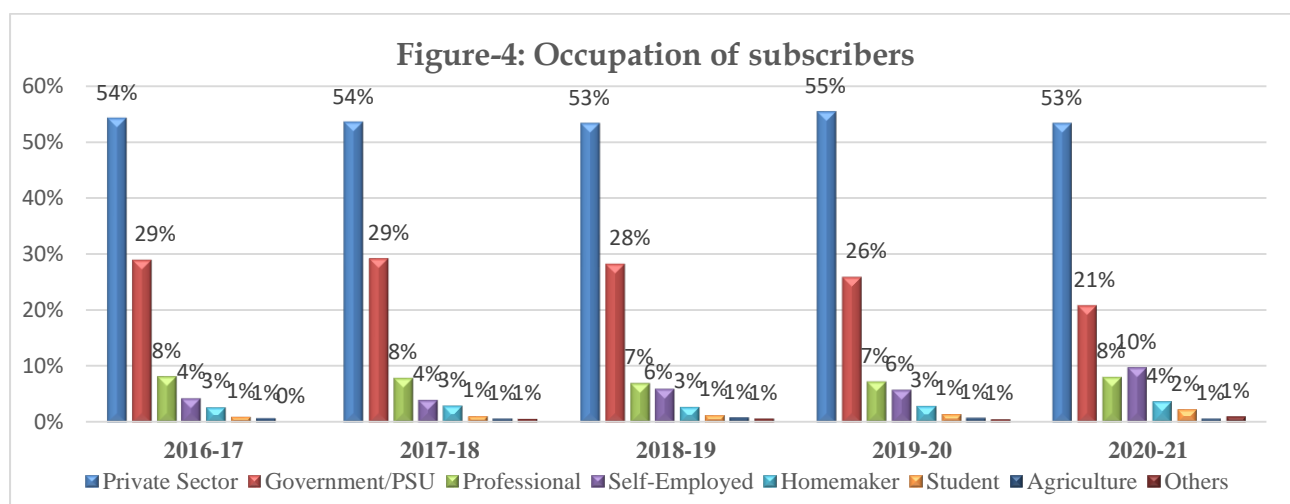
Section-4: Occupation analysis

Table- 4: Occupation of subscribers enrolled during the last 05 years

Occupation	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17 to 2020-21)
Private Sector	93,639	1,08,813	1,15,036	1,29,565	2,13,855	1,32,182
Government/PSU	50,008	59,404	60,947	60,634	83,669	62,932
Professional	14,094	16,057	15,107	17,035	32,377	18,934
Self-Employed	7,401	8,176	12,863	13,503	38,930	16,175
Homemaker	4,600	5,972	5,862	6,708	14,623	7,553
Student	1,706	2,255	2,739	3,367	8,970	3,807
Agriculture	1,142	1,231	1,613	1,670	2,373	1,606
Others	6	1,189	1,352	1,234	3,998	1,556
Data not available	22,908	36,990	19,976	1,15,412	26,353	44,328
Total	1,95,504	2,40,087	2,35,495	3,49,128	4,25,148	2,89,072



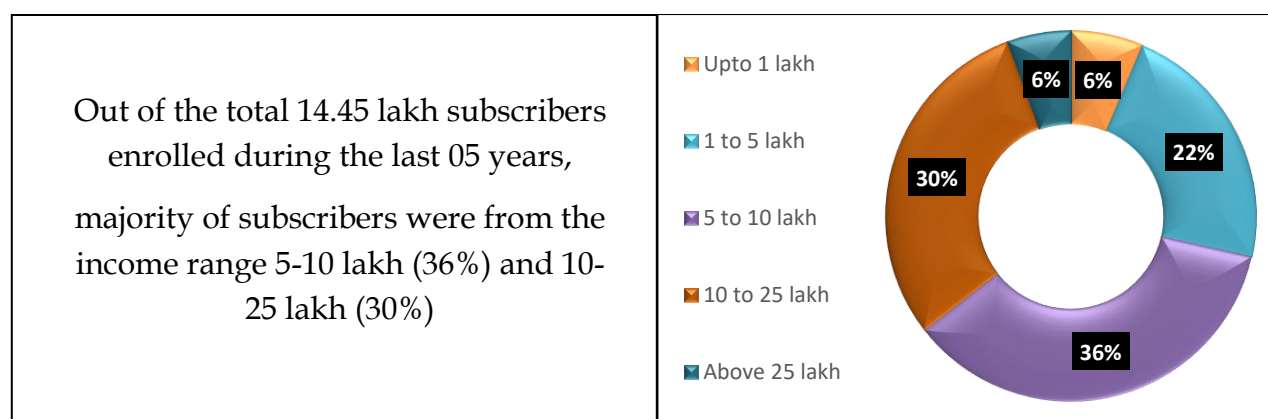
- During the last 05 years, enrolments from private sector remained range bound between 53%-55% in percentage terms but increased in absolute terms. (Table-4 & Figure-4)
- Enrolments from Government/PSU sector declined in percentage terms. (Figure-4)
- Enrolments of self-employed individuals exhibited positive trend. (Table-4 & Figure-4)
- Students and agricultural subscribers had exhibited nominal growth in absolute terms but in percentage terms remained unchanged at 1%. (Table-4 & Figure-4)



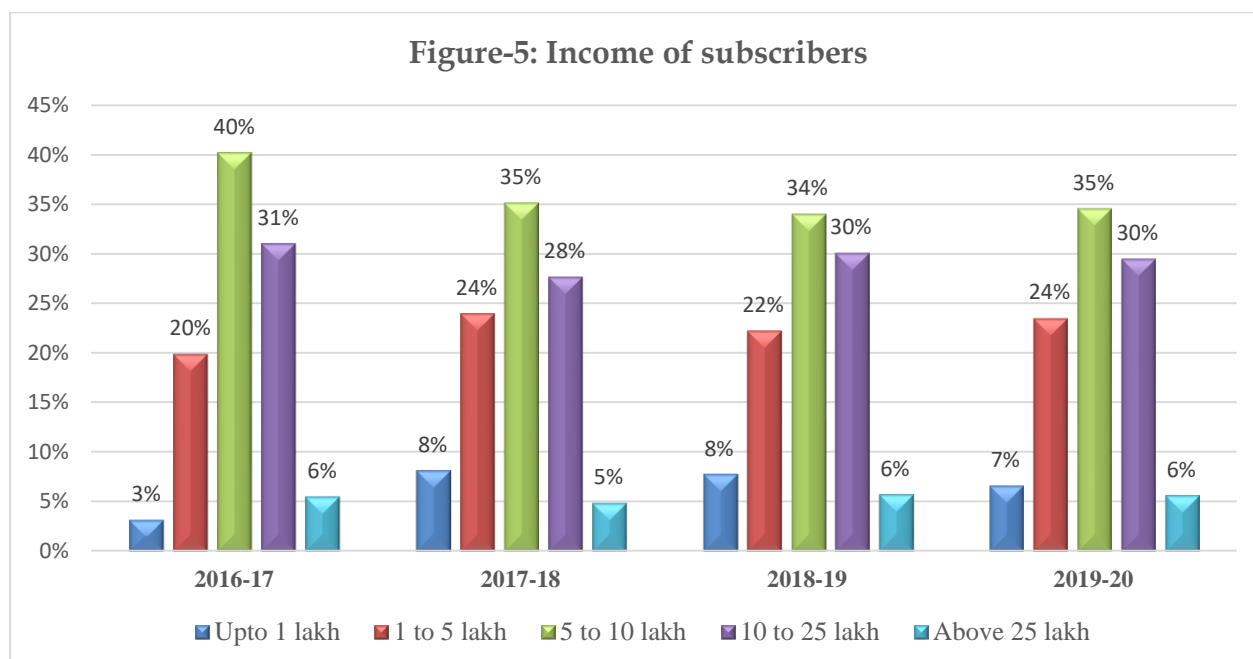
Section-5: Income analysis

Table-5: Income range of subscribers enrolled during the last 05 years

Income Range	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17 to 2020-21)
Upto 1 lakh	5,144	16,212	15,578	12,372	14,363	12,734
1 lakh to 5 lakh	32,416	47,905	44,709	44,077	54,173	44,656
5 lakh to 10 lakh	65,504	70,168	68,341	64,854	92,735	72,320
10 lakh to 25 lakh	50,598	55,349	60,479	55,399	79,818	60,329
25 lakh and above	8,978	9,683	11,533	10,576	15,157	11,185
Data not available	32,864	40,770	34,855	1,61,850	1,68,902	87,848
Total	1,95,504	2,40,087	2,35,495	3,49,128	4,25,148	2,89,072



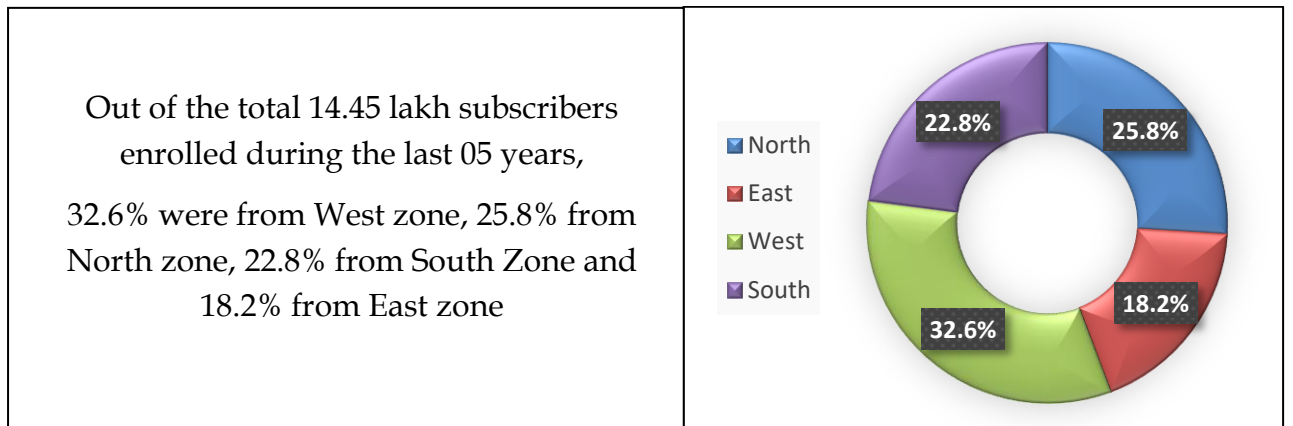
- Enrolment of individuals having annual income upto 1 lakh declined in percentage terms since FY 2017-18. (*Figure-5*)
- Enrolments of individuals having annual income of more than 25 lakh remained range bound between 5%-6% in percentage terms. (*Figure-5*)
- 86%-91% of subscribers enrolled were from the income range of 1 lakh to 25 lakhs. (*Table-5 & Figure-5*)



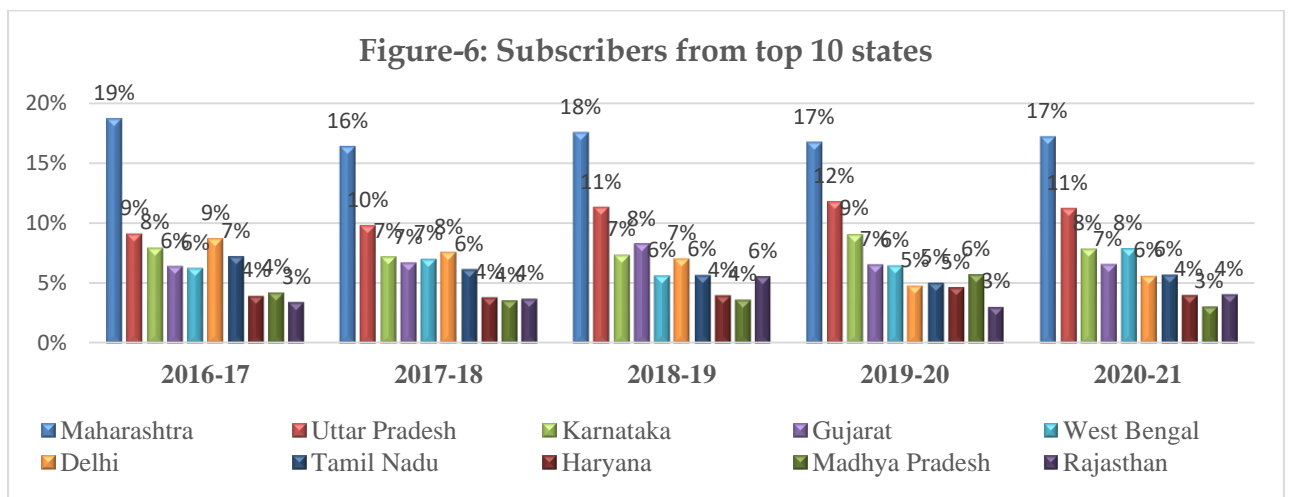
Section-6 Location analysis

Table-6: Top 10 Location of subscribers enrolled during the last 05 years

State	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17-2020-21)
Maharashtra	36,626	39,481	41,423	58,590	73,292	49,882
Uttar Pradesh	17,859	23,611	26,745	41,268	47,812	31,459
Karnataka	15,614	17,403	17,429	31,782	33,604	23,166
Gujarat	12,533	16,103	19,466	22,808	27,926	19,767
West Bengal	12,238	16,845	13,306	22,682	33,590	19,732
Delhi	17,006	18,204	16,597	16,727	23,806	18,468
Tamil Nadu	14,128	14,786	13,401	17,601	24,257	16,835
Haryana	7,701	9,201	9,403	16,258	17,117	11,936
Madhya Pradesh	8,215	8,554	8,524	19,924	13,056	11,655
Rajasthan	6,645	8,818	12,984	10,544	17,243	11,247



- During the last 05 years, the state of Maharashtra accounted for highest subscriber enrolments in absolute and percentage terms. (*Table-6 & Figure-6*)
- Subscriber enrolment from the state of Gujarat and West Bengal remained range bound between 6%-8% (*Figure-6*)
- Subscribers enrolments from the state of Karnataka, Gujarat and Haryana depicted y-o-y growth in absolute terms. (*Table-6*)



Section-7 Freeze account analysis

Freeze account: These are accounts inactivated in the CRA system due to various reasons viz. requirement of photograph, signature, KYC verification pending by PoP, non-contribution of Rs 1000 in a year, duplicate, non-submission of forms to CRA, etc.

Table-7: Frozen accounts and subscribers enrolments during the last 05 years

Accounts	2016-17	2017-18	2018-19	2019-20	2020-21	Average (2016-17-2020-21)
Frozen	28,152	53,158	42,840	11,424	19,652	31,045
Total	195,504	240,087	235,495	349,128	425,148	289,072

- Average 11% of the total accounts opened got frozen during the last 05 years.
- For the last 02 financial years 2019-20 & 2020-21, the percentage of frozen accounts vis a vis new account opened was only 3% & 5% respectively.
- The gender proportions of frozen accounts were similar to enrolments i.e. 3/4th male and 1/4th female subscribers.
