

National Pension System (NPS)

A Comparative Analysis

Employee Provident Fund (EPF)



Voluntary



Mandatory

Market-linked Returns, so can be slightly higher



Standardised, Guaranteed Returns

Tax Benefit:

Up to ₹1.5 lakh u/s 80CCD (1)
+ Up to ₹50,000 u/s 80CCD (1B)
(for voluntary contribution)
+ Up to ₹7.5 lakh u/s 80CCD (2)
(for employer's contribution up to 10% of salary)



Tax Benefit:

up to ₹1.5 lakh u/s 80C

Restricted Withdrawal



Flexible Withdrawal

No loan facility available



Loan facility available

Minimum contribution: ₹500



Minimum contribution:
12% of salary per month

Regular Income Post Retirement



Lumpsum Withdrawal

