

FOR IMMEDIATE RELEASE

Government reforms and increasing interest by private players to drive the Pension Fund Market in India, finds Netscribes

Netscribes (India) Pvt. Ltd. launches a report on the Pension Fund Market in India 2011 as part of Netscribes' Financial Services Series.

Mumbai, India – September 07, 2011 – Netscribes (India) Pvt. Ltd., a knowledge consulting solutions company, announces the launch of its report *Pension Fund Market in India 2011*. In India, the pension fund market is still at a nascent stage. Low coverage in a highly populated country leaves the pension fund market with huge scope for growth. The government aims to take significant measures to implement the new pension scheme and increase pension coverage. Increasing participation of global funds in the Indian market leaves a lot of scope for the domestic market to leverage on them and develop strongly.

The report begins with an introduction including the history of India's social security laws, types of pension systems and the various pension schemes in India. This section introduces one to the pension structure that has been followed in India historically. The various pillars of pension schemes and their characteristic features have also been provided including nature, eligibility, applicability, funding, benefit, premature withdrawal option and taxation.

This is followed by the market overview section which gives an insight into the overall pension fund market, its size and growth. It delves further into the growth of pension premium, pension coverage and government pension expenditure. Growth of pension premium was much more compared to that of the total life insurance premium in 2007-08. Percentage of pension in total number of policies, including insurance policies, has also risen to 20% in 2008. Pensions comprise of one of the largest components of government expenditures and are set to increase further. The government has taken to encourage and support private pension funds to ease the financial burden.

An analysis of the drivers explain the factors for growth of the industry including low existing coverage, changing demographic pattern, higher savings rate, support to private and foreign players and increasing investment potential. Strong opportunity exists in the market as existing penetration and coverage of pension funds is low. This coupled with the fact that life expectancy amongst individuals is rising and the trend towards higher savings will lead to a developing market. The key challenges of the market include structural flaws in pension systems including low returns, market domination and implementation hurdles. Additionally, pension systems in the market have a rigid structure, not providing the necessary flexibility to consumers. Burden on government finances has created a major fiscal drag.

This is followed by a section on government participation which covers various regulations, initiatives and schemes forwarded by them including Employees' Provident Fund Organisation, Project OASIS, High Level Expert Group (HLEG), Pension Fund Regulatory and Development Authority (PFRDA), New Pension Scheme (NPS) and Expected Developments. New Pension Scheme also incorporates information regarding the framework, key constituents, basic cost structure, performance with statistics, recent initiatives and future outlook.

The competition section provides an overview of the competitive landscape in the industry and includes a detailed profile of the major players in the market. The report concludes with a section on strategic recommendations which comprises of an analysis of the growth strategies of the pension fund market in India.

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About Netscribes (India) Pvt. Ltd.

Netscribes (www.netscribes.com) is a pioneering knowledge consulting and solutions firm with clientele across the globe. The company's expertise spans areas of investment & business research, business & corporate intelligence, publishing services and customized knowledge database creation. At its core lies a true value proposition that draws upon a vast knowledge base.

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