# "EMPOWERING HER PURSE: A DEEP DIVE INTO GOVERNMENT SAVINGS INITIATIVE, SPOTLIGHTING SUKANYA SAMRIDDHI YOJANA"

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**Abstract:**

In India, poverty and the dowry system historically contributed to female infanticide, with the belief that men, as primary earners through agricultural work, were essential for family income. This led to the perception of female children as financial burdens. To address gender inequalities and shift societal attitudes, the Government of India launched the Sukanya Samriddhi Yojana (SSY) under Beti Bachao, Beti Padhao campaign. The SSY, designed to cover the educational and marriage expenses of girl children, emerged as a remedy. Qualitative interviews revealed respondents' consensus on removing the investment limit and introducing a loan facility for urgent needs. Some advocated for a more substantial government contribution to the scheme. Dissatisfaction among respondents manifested as reluctance to recommend the SSY to other parents, highlighting the need for adjustments to enhance its appeal and effectiveness in promoting financial well-being for girl children.

**Keywords:** Income, Sukanya Samriddhi Yojana, Education, Marriage, Dissatisfaction.

## INTRODUCTION:

Government of India have launched various saving schemes to encourage individuals to save money for future with specific purpose. For example, Kisan Vikas Patra (KVP) is the scheme with specific focus on benefit for the farmers. Senior Citizen Saving Scheme (SCSS) is beneficial for the senior citizen with specific purpose of saving for retirement. These schemes are launched to cater different financial goals and demographics, it provides a range of options for individuals to save, invest, and plan for their future. All the Government saving schemes are very safe investment option, as these are backed by Government assets. Also, the tax benefits and high interest rates are provided on the invested amount of these schemes.

One of such saving schemes is Sukanya Samriddhi Yojana (SSY) is a special savings scheme was launched on January 22, 2015, by Prime Minister Narendra Modi. This scheme is designed to support parents in building funds for their daughters' education and marriage. This initiative is part of Beti Bachao, Beti Padhao campaign, with the goal of celebrating the birth of girl child and removing outdated beliefs that girls are burdens to their families. To get started, a minimum deposit of Rs 250 must be made in the account annually, or else a fine of Rs 50 is incurred. Parents can then continue to deposit any amount in multiples of Rs. 1000020 with a maximum limit of Rs. 1,50,000 per year. This flexibility allows parents to contribute based on their convenience and willingness.

The Sukanya Samriddhi Yojana has a tenure that aligns with the time the girl child turns 21 or gets married upon reaching the age of majority (18 years). However, contributions are to be made only for 15 years. Importantly, the account continues to earn interest until maturity, even if no additional deposits are made. Parents can open an account for their girl child anytime between her birth and when she turns 10, at any India Post office or authorized commercial bank branch. Each parent can open a maximum of two accounts for their girl children, with exceptions for twins or triplets. One of the significant advantages of this scheme is its triple E tax benefits. This means that the principal amount invested is exempt from the taxable income of parents under section 80C of the Indian Tax Act, 1961. Additionally, the interest earned on the account and the amount received at maturity are non-taxable, providing a financial incentive for parents to invest in their daughters' future.

## REVIEW OF LITERATURE:

**(Sonali Bhattacharya, 2020)** This study explores the Sukanya Samriddhi Yojana (SSY) introduced by Indian Government, aiming to understand factors influencing investments for girl's education and marriage. A composite index assessing SSY performance across states was developed using a mixed-method approach. Motivations for investment included wealth creation, guaranteed returns, and tax benefits. Respondents expressed a desire for higher interest rates, removal of investment limits, and provisions for premature withdrawal. **(Baburaj, 2019)** The study critically evaluates SSY scheme. It's suggested that regions with better socio-economic status and literacy exhibit abnormal sex ratios. Outdated societal views consider raising a female child more financially burdensome, leading to a preference for male children. In response, the Sukanya Samriddhi Account (SSA), launched by PM Narendra Modi on January 22, 2015, serves as a small savings scheme to help parents fund their daughter's education and marriage, aligning with the Beti Bachao, Beti Padhao campaign**. (V. Kameswari Harini, n.d.)** The Sukanya Samriddhi Yojana, launched by Indian Government on January 22, 2015, aims to secure a prosperous future for girl children. The scheme contributes to the economic development of India by promoting girl education, increasing female literacy rates, and subsequently enhancing incomes and living standards. The paper seeks to explore the concept and advantages of the Sukanya Samriddhi Scheme. **(Selvakumar & Chellasamy, n.d.)** This study evaluates the Sukanya Samriddhi Yojana, a dedicated savings account for girl children under 10, seeks to promote financial inclusion in India. By offering accessible and affordable financial services, the scheme empowers families and fosters equality. This aligns with the broader goal of providing the disadvantaged and low-income groups with fair, transparent access to banking and financial services, thereby bridging the income gap and spurring development across diverse populations. **(Roslin Swamidasan, 2020)** The study has been conducted on awareness and effectiveness of SSY schemes. The study reveals that people who are enrolled for this scheme are satisfied with scheme benefit and returns. The study also shows that people who are eligible for this scheme but not applied for this scheme. There is a need for more awareness to make the schemes more effective. **(Rajkumar A. Gupta, 2023)** This research paper provides an overview of the Sukanya Samriddhi Yojana, a government-backed saving scheme in India for the welfare of girl child. It discusses key features, advantages like empowerment and financial inclusion, as well as disadvantages such as inflexibility. Achievements in terms of accounts and deposits are analysed, and prospects and potential policy improvements are explored. **(R Shivani, 2020)** The study explores factors influencing individuals to open Sukanya Samriddhi Yojana accounts in India, addressing issues related to female infanticide stemming from poverty and the dowry system. The scheme, aimed at supporting education and marriage expenses for female children, is accessible through post offices and is beneficial for both educated and uneducated individuals. The study also examines the scheme's shortcomings. **(Krishna, 2020)** This study in Ongole Town, Andhra Pradesh, assesses the performance of the Sukanya Samriddhi Yojana Scheme and its impact on women's empowerment. It aims to understand the town's profile, analyse the scheme's implementation, and gauge the satisfaction level of account holders. The research provides valuable insights into the scheme's effectiveness and its contribution to women's empowerment in the region. **(Asher, 2018)** The Sukanya Samriddhi Yojana presents an opportunity for rigorous evidence-based studies on its impact on household behaviour in various Indian societal levels. While current publicly available data is limited, leveraging digital technology for data mining and analytics can provide valuable insights. Initiating rankings of states and districts under SSY, akin to other areas, can enhance learning and facilitate progress toward a better sex ratio, aligning with national interests**. (Dr. Monali Ray, 2021)**This research paper focuses on a comparative study of investor awareness in two forms of small saving schemes administered by the Government of India. The chosen respondents are investors in small saving schemes. The study reveals insights into awareness levels and suggests potential for extension to cover various small saving schemes and their broader impact. **(M. Rajesh, 2019)** Sukanya Samriddhi Yojana (SSY) addresses gender inequality in India, aiming to empower girls financially. This study in five Taluks of Dakshina Kannada district examines investor perceptions through a structured questionnaire. Results indicate high satisfaction with SSY's benefits but suggest a need for improved implementation services. The scheme's popularity among below-poverty-line segments underscores its societal necessity. **(G. Kumar, 2022)** Sukanya Samriddhi Yojana, prominent scheme for the welfare of girl child, addresses gender disparities in India. This study in the Delhi-NCR region assesses awareness levels among 110 respondents. Findings reveal lower awareness among illiterate, uneducated, and lower-income individuals, emphasizing the need for targeted efforts to raise awareness about the scheme. (Venkatesh, 2018) The 2011 Indian census reveals a sex ratio of 943 females per 1000 males, indicating persistent issues of female foeticide and infanticide. Deep-seated societal attitudes and misconceptions persist, with a strong preference for male children. Technology exacerbates the problem. The declining child sex ratio (918 girls per 1000 boys in 2011) has led to trafficking, discrimination, and heightened vulnerability for women. Changing mindsets requires a gradual evolutionary process. **(Jhanak Moteelal Uprade, 2023)** This research paper compares investor awareness of two small saving schemes in India, Sukanya Samriddhi Yojana, and Public Provident Fund. Utilizing primary data from 20 respondents in Mumbai and Kolkata, it employs Mann-Whitney U Test to analyse awareness levels. While limited to two schemes, the findings offer valuable insights for policymakers and financial institutions to enhance awareness programs. **(Deb, 2016)** This study explores the determinants of savings under the Sukanya Samriddhi Account (SSA) in Northeast India, focusing on Tripura's eight districts. Analysing data from 225 respondents with a girl child under 10, key factors influencing SSA investment decisions include gender, age, income, financial literacy, family size, and planning for the child's future. The findings have policy implications for enhancing financial inclusion in the region.

## OBJECTIVES:

- To provide a detailed overview of the Sukanya Samriddhi Yojana, including its features, eligibility criteria, and operational procedures.
- To assess the impact of various variables (e.g., age of the girl child, purpose of account opening, the limit on maximum deposit amount in the account per year, maturity of the scheme) on the satisfaction level of participants of the SSY scheme.
- To explore the implications of factors like government contributions and the availability of loan facilities on the satisfaction of account holders.

## RESEARCH METHODOLOGY:

This study is descriptive in nature. The respondents are the holders of Sukanya Samriddhi Yojana account. The convenient sampling method is used in the study. The samples in the study were selected from a population that is readily accessible. 150 samples were collected for study. Both the primary and secondary data has been collected for study. Primary data has been collected from the respondents who are holders of Sukanya Samriddhi Yojana account. The secondary data has been collected from previous research on the topic, articles, and various websites.

## SCOPE AND LIMITATIONS:

The study has been conducted in semi-urban area of Pimpri-Chinchwad, for customers of Bank of Maharashtra, Ravet Branch where the income of individuals varies between Rs. 50,000 to Rs. 10,00,000 per annum. This study is helpful in analysing the respondent's opinion towards various features of Sukanya Samriddhi Yojana. As the study is conducted based on 150 respondents, generalization of the population in this area is not possible as the sample size collected is small. The potential for personal bias exists as respondents answered based on their individual perceptions and experiences.

**ANALYSIS AND FINDINGS:**

Table 1.1 Showing demographic of Respondents.

| Variables and Categories | N=150 | Percentage |
|---|---|---|
| **Gender** | | |
| Male | 82 | 54.67 |
| Female | 68 | 45.33 |
| **Age of Respondents** | | |
| 20-30 | 34 | 22.67 |
| 30-40 | 62 | 41.33 |
| 40-50 | 54 | 36.00 |
| **Annual Income** | | |
| 50,000-2,50,000 | 25 | 16.67 |
| 2,50,000-5,00,000 | 35 | 23.33 |
| 5,00,000-7,50,000 | 47 | 31.33 |
| 7,50,000-10,00,000 | 43 | 28.67 |
| **Number of Girl children's respondents have** | | |
| One | 38 | 25.33 |
| Two | 48 | 32.00 |
| Three | 64 | 42.67 |
| **Number of accounts opened** | | |
| One | 111 | 74.00 |
| Two | 39 | 26.00 |
| **Age of Girl child at time of opening an account** | | |
| One | 25 | 16.67 |
| Two | 15 | 10.00 |
| Three | 13 | 8.67 |
| Four | 9 | 6.00 |
| Five | 29 | 19.33 |
| Six | 12 | 8.00 |
| Seven | 23 | 15.33 |
| Eight | 13 | 8.67 |
| Nine | 11 | 7.33 |
| **Purpose of opening the account** | | |
| Marriage | 15 | 10.00 |
| Education | 47 | 31.33 |
| Investment Option | 13 | 8.67 |
| Both Marriage and Education | 75 | 50.00 |

Authers Calculation

The given data shows that the respondents selected as sample has majority of male candidates. And the age of respondents varies between 20-50 years, in which most respondents were between 30-40 age group. From given data it can be concluded that most of the respondents in the study were in higher income group. Though around 74.67% of respondents have 2 or 3 girl children only 26% of respondents have opened 2 SSY account for their girl children. The purpose of opening the SSY account by most of respondents is truly aligned with the main purpose of the scheme, as the main purpose of the scheme is to fulfil the educational as well as the marriage expenses of Girl child.

- A significant majority of respondents believe that a maturity period of 21 years for an account is too much to invest money for their said purpose of SSY account opening. Early needed educational expenses resulted in overwhelming dissatisfaction about maturity period of account. Respondents believe that there should be some liquidity regarding partial or full withdrawal of the invested amount.

- Most of respondents believe that the maximum deposit amount limit of the account which is Rs. 1,50,000 per annum should be increased. Possible reasons behind this viewpoint could include factors like inflation, increasing cost of the marital and educational expenses. Respondents through this response strongly suggests that the amount they will save through this account for the said purpose of opening SSY account will not be sufficient.
- The positive response towards the equal contribution by government in the account has been noticed in the study. The significant majority of respondents agree with the idea of availability of loan on the saved amount in SSY account. The reason behind these responses is the lowest liquidity provided by the account. As the maturity of the account is 21 years, which is too much as per opinion of most respondents, they also believe that the loan facility over account can provide the needed liquidity for their investment.
- The study shows that significant majority of respondents would prefer exploring alternative saving options rather than opening a Sukanya Samriddhi Yojana (SSY) account for another daughter. The main reason behind this aggressive negative response lies in the features of the scheme like the excessive i.e., 21 years maturity period of account, unavailability of loan facility for liquidity on investment, the limited maximum deposit amount in the account and the limit over the exemption in the taxable amount of parents.
- The respondent's opinion over recommendation of SSY scheme to other parents of girl children provides a mixed response, but respondents show negative opinion, that they would not suggest this scheme to other parents. The majority of respondents are in conflict over recommendations. This shows the significant dissatisfaction of SSY account holders.

**CONCLUSION:**

Sukanya Samriddhi Yojana is a small saving deposit scheme introduced by central government to secure the bright future of girl child. The study for this research reveals that there is significant dissatisfaction can be noticed among the SSY account holders about various features of the scheme. Most of the respondents in the sample agrees that the amount they will save in account will not be able to serve the said purpose of opening the account, as majority of the respondents have opened the account with the purpose to meet both educational and marital expenses of girl children, thus respondents believe that the maximum deposit limit should be increased and respondents also recommend the need of government contribution in the account. The maturity period of the account as per respondents is very high and it results into the least liquid investment for their girl child. Respondents believe that the availability of loan facility will serve as remedy for the long maturity period of account. And all this disappointment about scheme results into the significant negative response for recommendation of SSY scheme to other parents for their girl children. Respondents chose to prefer other saving option to save for another girl child they have.

**RECOMMENDATIONS:**

- Government should introduce flexibility in SSY maturity periods to accommodate diverse financial planning preferences.
- The maximum deposit limit should be flexible according to the purpose and the annual income of the parents.
- The government's contribution into the account can positively affect the satisfaction level of the account holders.
- Loan facility for the specific purpose and emergency should be available, it can increase the liquidity to access the amount saved in the account.

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