



Sukanya Samriddhi Yojana

A Savings Instrument for
the Girl Child



A perfect scheme for child's education

As a parent, you would have multiple financial goals for your child's future, but the topmost is their education. To ensure education-related expenses are met when your daughter is ready for college, the government introduced the Sukanya Samriddhi Yojana (SSY) **only for the girl child** on January 22, 2015.



Investor Expectation



Capital Protection
(Govt. backed)



Long-term savings
(21 years tenure)



Wealth Accumulation
(possibility in long run)

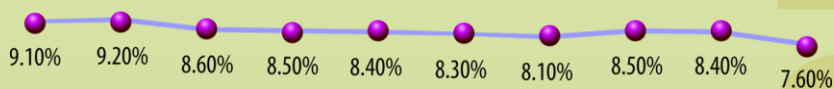


Tax Savings
(Deductible under Sec. 80C up to ₹1.5 lakh)



What is Sukanya Samriddhi Yojana?

- ❖ SSY is a government-backed small savings scheme for the girl child
- ❖ SSY earns a fixed interest on the deposit which is declared every quarter
- ❖ Savings in SSY qualify for tax deductions under Section 80C of the income tax up ₹1.5 lakh limit in a financial year



Interest rate from April 2014 to Dec 2020





SSY Features

Investment

- ❖ The account can be opened with a minimum deposit of ₹250
- ❖ Can be deposited any number of times in a year up to ₹1.5 lakh

Lock In

- ❖ The account has a tenure of 21-years (child's age)

Premature closure

- ❖ Premature withdrawal up to 50% of investment is allowed after the child attains the age of 18 years
- ❖ Premature closure is allowed if the girl is married after she turns 18 years

Interest

- ❖ Currently 7.6% compounded annually
- ❖ *Rate is announced every quarter*





Tax Benefits

- ❖ Contributions to SSY are eligible for tax deduction under Section 80C up to a maximum of Rs 1.5 lakh per year.
- ❖ On maturity, the entire amount, including the interest, is tax free.
- ❖ The scheme comes under the exempt-exempt-exempt (EEE) category – the deposit, the interest earned as well as the maturity amount are tax-free.



Eligibility

- ❖ Account can be opened only for the girl child
- ❖ The girl child should be 10 years of age or younger to open the account
- ❖ The account holder has to be an Indian citizen and resident in India
- ❖ Account can be opened by a parent or legal guardian of the girl child
- ❖ A family can open only two SSY accounts, even if they have more than 2 girl children
(A third account can only be opened in the event of twin girls as second birth or if the first birth results into three girl children, on production of certificate from competent medical authorities)

Where can you open the account?

- ❖ Post office
- ❖ Designated bank branch



Documents Needed to Open an SSY Account

- ❖ SSY account opening form.
- ❖ Birth certificate of the girl child, having the child's name on it.
- ❖ Photograph of the parent/ legal guardian of the girl child.
- ❖ Identity proof (as per RBI KYC guidelines such as Passport, driving licence, PAN, Voter ID, Aadhaar etc).
- ❖ Residence proof (as per RBI KYC guidelines such as Passport, driving licence, Voter ID, Aadhaar etc).

