

Sukanya Samriddhi Yojana

Sukanya Samriddhi Yojana (SSY) is a government-backed small savings scheme for the benefit of girl child. It is a part of the Beti Bachao, Beti Padhao Yojana and can be opened by the parents of a girl child below the age of 10. It can be opened at designated banks or post offices. A Sukanya Samriddhi Account has a tenure of 21 years or until the girl child marries after the age of 18.

Eligibility

- Only parents or legal guardians of a girl child can open an SSY account
- The girl child has to be below the age of 10 at the time of account opening
- Only one account can be opened in the name of a girl child
- Only two SSY accounts are allowed for a family i.e. one for each girl child
- If a girl child is born before the birth of twin or triplet girls or if triplets are born at first, then a third account can be opened
- If a girl child is born after the birth of twin or triplet girls, a third SSY account cannot be opened

Benefits of Investing

Sukanya Samriddhi Yojana(सुकन्या समृद्धि योजना) introduced as part of the Beti Bachao, Beti Padhao Yojana initiative, provides investors with a range of benefits. Some of the key benefits of this scheme are as follows:

- High Interest Rate- SSY offers a higher fixed rate of return (currently 7.6% per annum for Q1 FY 2020-21) as compared to other government-backed tax saving schemes such as PPF.
- Guaranteed Returns- since SSY is a government-backed scheme, it provides guaranteed returns.
- Tax Benefit- SSY provides tax deduction benefits under Section 80C up to Rs. 1.5 lakh annually.
- Flexible Investment- One can make a minimum deposit of Rs. 250 in a year and a maximum deposit of Rs. 1.5 lakh in a year. This ensures people with different financial standing can invest in the scheme.
- Benefit of Compounding- Sukanya Samriddhi Yojana (SSY) is a great long-term investment scheme as it provides the benefit of annual compounding. So, even small investments will give great returns over the long term.
- Convenient Transfer- SSY account can be freely transferred from one part of the country to another (bank/post office) in case of transfer of parent/guardian operating the Sukanya Samriddhi Account.

Deposit Limits

The minimum annual contribution to the Sukanya Samriddhi Account is Rs. 250 and the maximum contribution is Rs. 1.5 lakh in a financial year. You have to invest at least the minimum amount every year for up to 15 years from the date of account opening. Thereafter the account will continue to earn interest till maturity.

Tenure/Maturity Period

Sukanya Samriddhi Yojana has a tenure equal to the time the girl child is 21 years of age or upon her marriage after attaining the age of 18 years. However, contributions only need to be made for 15 years. Thereafter the account continues to earn interest until maturity even if no deposits are made into it.

Other Key Features

If an SSY account holder is unable to make even the minimum deposit of Rs. 250 in a financial year, his/her account will be termed as a 'Default Account'. Till the maturity date, this default account will earn the interest rate as applicable in the scheme.

A girl child can operate her own account after the age of 18 years. Once she is 18 years old, she is eligible for operating the SSY after submitting all the necessary documents to the post office/bank where the account is being held.