



## SUKANYA SAMRIDHI YOJANA AS AN INSTRUMENT FOR MAKING SUCCESS THE CAMPAIGN OF BETI BACHAO BETI PORAO: AN APPRAISAL

Malay Das

Assistant Professor , Department of Philosophy ,  
Chandernagore College , West Bengal.



### ABSTRACT

The Census in 2011 depicts that the child-sex ratio in India decreases than that of the last Census in 2001. What the most alarming is that the child-sex ratio continuously going to the south direction unabatedly since the last six decades. The Government of India taking cognizance of the situation had raised a slogan "Beti Bachao Beti Porao" and to make success the campaign the Government launched in the year 2015 an investment oriented incentive scheme for girl child of India called "Sukanya Samriddhi Yojana". It is believed that the scheme would reduce in a large extent the financial burden of the parents that they generally used to bear for their daughters and it would give the much needed financial independency to the girls. The scheme in spite of having many advantages has some lacuna. We shall study in our essay the feature of the scheme, its advantages-disadvantages and try to address those issues that might be introduced in the scheme that seems to make it more instrumental in question of the success "Beti Bachao Beti Porao" campaign.

**KEYWORDS:** Sex-ratio, Child-sex ratio, Women empowerment, Census, Gender discrimination, Small savings scheme.

**Methodology:** Analytical

**Prime source:** Census of India- 2011, Relevant articles/essays.

**Introduction:** We should know the background of launching Sukanaya Samriddhi Yojana before going to detail discussion regarding the incentive scheme.

### Background for the Launch of Sukanya Samriddhi Yojana

#### (a) 2011- Census report on Sex Ratio and Child Sex Ratio

It comes out from the census of India in 2011 that there are 940 female per 1000 male population. (1) The sex ratio has improved marginally than that of the last census in 2001. The significant fact that should be noted is that the sex ratio of total population has an *upward surge in the last two consecutive censuses*. The sex ratio has increased from 933 in 2001 to 940 in 2011. And it had previously increased from 927 in 1991 to 933 in 2001. It is the 12<sup>th</sup> census of India that was carried out in 2011. The 1<sup>st</sup> census in India was done in 1901 under the British regime. It is found in the history of census that the sex ratio in India gradually decreases except certain jump in 5<sup>th</sup> and 8<sup>th</sup> decades of the last century. Nevertheless, the certain spark did not sustain and it again turned toward the south direction. In 1901, when the 1<sup>st</sup> ever census was done in India under the supervision of British administration, the sex ratio was 972. And in 1991 at the 10<sup>th</sup> census it came down as low as 927. Now, in 12<sup>th</sup> census in 2011 the sex ratio improves marginally and it reaches to

940 but the situation is not at all healthy. **(Statistics are based on Census Report-2011)** (2) India, in comparison to the international standard of sex ratio, is lagging far behind.

It is found in census-2011 that out of Twenty-nine states and Seven Union Territories only three states, namely, Gujarat, Bihar and Jammu Kashmir have shown a decline in the sex ratio. Nevertheless, over all in India, the Sex Ratio has shown an improvement and most importantly it improves both in rural and urban areas.

- Rural Areas - From 945 in 2001 to 947 in 2011
- Urban Areas - From 900 in 2001 to 926 in 2011 (3)

It should be noted that the sex ratio in urban areas is lower than that of rural areas. Apparently, it seems from the upward trend of sex ratio that the situation is going to the right direction. The fact of the matter is that the picture is not at all rosy as it seems so. It comes out from the census - 2011 that the Child Sex Ratio (CSR) has worsened from the last census (the child sex ratio is defined in India as the number of girls per 1000 boys between 0-6 years of age). (4) It declines from 927 in 2001 to 918 in 2011. The prime concern is that the child sex ratio in India has been going south direction unabatedly since 1961. That is really alarming. The dismal result of child sex ratio in long run must put an adverse impact on the sex ratio of the country and the latter will again take a turn toward the south direction.

Researchers believe that the changes in Child Sex Ratio index reflect underlying socio-economic and cultural patterns of a society, especially its attitude towards the girl child. The healthier child sex ratio in a society is an indication of the unbiased attitude of the society to a particular gender. And the imbalance child sex ratio in a society signifies biased attitude of the society to a particular gender. In India as per the census-2011 there are just 914 girls to per 1000 boys. This is the data of all India level. It is a clear sign of imbalance child sex ratio which replicates that the gender discrimination against girls prevails in Indian society still now. The situation looks much gloomy if we go to the deeper analysis of CSR status state by state or districts wise data. It is found in census-2011 that the child sex ratio has declined in 27 states /union territories and in district wise the same has declined in 461 districts which is about three fourth of total districts in the country. (5)

#### Child Sex Ratio of last three Censuses

Census	Total	Rural	Urban
1991	945	948	935
2001	927	933	906
2011	914	919	902

(data source  
Census-2011)

The data reveals that the Child Sex Ratio has declined in both rural and urban areas. And more important fact is that the decline in rural area is more than three times as compared to drop in urban area in 2011. (6)

#### (b) Prefer Sons over daughters

The above data is a serious cause of concern for the nation. The patriarchy mindset still lies in Indian society in its every layer. It is still believed and practiced in the society that it is only the son who can perform the last rites, lineage and inheritance of a family. The succession of a family goes through the male line. It is the son who will take care of parents at their old age and it is the man who is the bread earner of a

family. Under this social outlook the birth of a son for obvious reason is considered to be much desirable than that of a girl to a family. A girl child on the other hand is considered to be a liability of a family. Daughters are considered to be a *paraya dhan* (someone else's treasure). There is a mindset in the society still now after marriage a girl would go to the *sasural* (law's house) and belongs to them, so a girl practically never belong to her parents or her paternal family. The parents and other members of the family where she is born into are just a bunch of caretakers. This societal mindset bars to make any investment on the girl child considering it is just a waste because the return of the investment would serve to the family where she marries into. This orthodox social mindset creates two types of discrimination against girls. Researchers have identified them as pre-birth and post birth discrimination. Pre-birth discrimination signifies those activities that are unethically and illegally used to sex detection and female foeticide. Post-birth discrimination signifies those activities that suppress a girl's right to equality and blocks her scope of opportunities of upbringing that a male counterpart enjoys. This social evils keeping alive the gender discrimination in India and it results a dismal child sex ratio. The discriminating mindset against girls are not just limited to lower income class, it equally spread over all sections of the society. (7)

### (c) Social Evils

This disgraceful state of mind of the society creates gender discrimination against the girl and indulges people to do social evils, like female foeticide and female infanticide. It is an undeniable fact in India that in many cases people with the help of modern technology determines the sex of foetus and if it is female, terminates the pregnancy. Many were so cruel that they tend to kill the new born girl baby mercilessly or abandon her in garbage. The shameful practice still continues. The very fact is depicted by the lower child sex ratio in census-2011. Lower child sex ratio is a serious concern for a society. It will increase girl trafficking, sexual exploitation of girls, and other social stigma. That results general vulnerability of girls and women. The situation can only be changed when the mindset of the people at large will change and they realize that the girl child is equally as good as the boy child and is an asset for a family. (8)

### Laiunch of Sukanya Samriddhi Yojana

Taking cognizance of the fact the Central Government of India since the year 2014 had carried out "Beti Bachao Beti Porao" ( save girl child and educate girl child) campaign and in order to success the movement the Government had launched a special incentive scheme for girl child of India on 22 January 2015 called "Sukanya Samriddhi Yojana". The said scheme is considered to be an important component of 'Beti Bachao, Beti Padhao' campaign. The scheme was designed in such a way that it would encourage parents to build a fund for future education and marriage expenses for their daughters. It assures the economic stability of a girl child and supports her aspiration of acquiring higher education or the expenses of marriage.

### Basic Features of the Sukanya Samriddhi Yojana (SSY)

1. SSY is a long term small savings special deposit scheme for the girl child.
2. A girl child will come under the benefit of SSY if the natural or legal guardian of her opens a Sukanya Samriddhi account in favour of the girl either at any branch of India Post Office or at any branch of a bank that has the authorization to deal with Sukanya Samriddhi accounts.
3. It is a special savings account for a girl child so the account should open before the girl attains ten years of age.
4. SSY is a *one girl one* account. It would not be permissible under the scheme that the depositor (even if depositors are different) can open more than one account in favour of the same girl child.
5. The scheme allows a person to open at most two accounts. So the scheme has a restriction in question of number of accounts that one can open. There is an exception in it. The natural or legal guardian can open three accounts if twin girls are born as 2nd birth or triplets are born in the 1st birth itself.

6. One can open a Sukanya Samriddhi account just by depositing Rs 250/- only (earlier it was Rs 1000/-). Thereafter, one can deposit an amount at that account in multiple of Rs 250/- subjected to the condition that a minimum of Rs 250/- shall be deposited and the total amount of deposit will not exceed Rs 1,50,000/- in a financial year. Rs 50/- will be levied if the minimum deposit is not made in a financial year.
7. The rate of interest of SSY is not fixed. The Ministry of Finance of Government of India regulates and determines its interest rate and declares the same in every quarter of a financial year. The interest of the account would be compounded annually.
8. SSY is a very long term investment scheme. It would be matured after completion of 21 years from the date of opening. There is a special feature of the scheme that one should continue the deposit just for first 14 years after that the account will earn applicable rate of interest up to the maturity period. After maturity no interest shall be payable on the account (earlier the interest was payable after maturity till the final closer of the account).
9. **Premature Withdrawal**
  - a. The account holder after attaining the age of 18 years may withdraw up to 50% of the balance lying in the account at the end of financial year for the purpose of her higher education or marriage duly submitting the necessary documents.
10. **Premature Closer**
  - a. The account would be closed immediately in case of unfortunate event of death of the account holder (girl child).
  - b. The account would be closed if after opening an account the account holder becomes a non-citizen or non-resident of India.
  - c. The account could be closed prematurely in case of extreme compassionate grounds such as the event of death of depositor or in cases of medical support of life-threatening diseases of the account holder or in such a case it is found that the continuation of the account will cause undue hardship to the account holder.
  - d. The account holder herself can close the account prematurely after completion of 18 years of age on the condition that she gets married.
  - e. Except the above cases it is permissible under the scheme to premature closer an account at any time but in such a case the whole amount of deposit will earn interest as per the interest rate prescribed for the post office savings.
11. The account is transferrable anywhere in India.
12. The investment in the scheme is eligible for deduction under section 80c of Income Tax Act, 1961. And the interest that will earn is also exempt from tax. (9)

It appears from the features of SSY that it is designed in lines with the module of Public Provident Fund (PPF). SSY is different from other social incentives schemes for girls in two counts: (1) in question of beneficiary class and (2) in question of the nature of benefit.

### **Beneficiary class**

Generally a social incentive scheme whether it is run by a state government or the central government has a specific targeted class of people. The beneficiary may be the people from backward class or the people of minority communities or the people belong to lower income group and like that. Sukanya Samriddhi Yojana on the other hand has no special targeted group. Any girl child of India irrespective of religion-caste-socio-economic status may come under the scheme.

### **Nature of Benefit**

It is the government or the organization itself bears all cost to run a social incentive scheme. The financier whether it is government or non-government organization extends support to its targeted group either in terms of direct monetary help or in terms of any kind (providing cycle, dresses etc). On the other

hand, under Sukanya Samriddhi Yojana, the natural or the legal guardian will secure the benefit of her girl child only if they invest certain amounts of their hard earned money by themselves for a longer period of time in a disciplined manner.

### Advantages of Sukanya Samriddhi Yojana

- 1. Relatively Higher Interest Rate:** It is the SSY which offers the highest rate of interest among all Government of India Small Savings Schemes. At present SSY offers 8.5 % per annum rate of interest, which is higher than that of other Government small savings schemes.
- 2. Financial Independency of the Girl:** After maturity of the scheme, the entire amount of the account will be paid directly to the account holder (Girl Child). It gives a financial independence to the girl. The basic aim of the scheme is to ensure that higher education and marriage of a girl should not be a burden on parents or guardians. Parents or legal guardians by investing a small amount at SSY account throughout the year for a longer period of time can easily make a significant corpus to meet the expenses of higher education or marriage for their daughters.
- 3. High Level of Security:** The investment under this scheme is highly secure. There are so many products available at present day for secure a child future. It is said in favour of those products that they will give higher return at longer period. Nevertheless, the fact of the matter is that none of those products are risk free. There are some products which are directly link with the equity market or have a significant investment in equity. Equity by its nature is a risky asset class. So such products for being link with equity are highly risky. The products which are linked with bond markets comparatively low risk but the return would be nominal. And the products which are linked with both bond and equity markets are also risky asset class. Parents for obvious reason will seek such an investment option where they can put their hard earned money for future of their daughters in a longer period which is free of risk and at the same time would give a decent amount of return. It is the Sukanya Samriddhi Yojana that is ideal for such an investment.
- 4. Tax Benefits:** The scheme just like PPF creating financial value for the account holder (girl child) and at the same time provides an opportunity for save taxes of investment amount under sec-80c of Income Tax Act, 1961 and the accumulated interest is also tax free. That means the investment in SSY not only reduces the financial burden of parents for future expenses of their daughters, at the same time it helps them to save tax.
- 5. Reducing the gender Disparity:** Financial burden is one of the prime reasons for that a girl is unwanted to a family. The dowry system is criminalised in India. Nevertheless, the fact of the matter is that still now the bride's family has to give a large sum amount of money in cash or expensive items or both to the groom or his family. It is an open secret. The larger society knows it but prefers to keep quiet. After criminalising the dowry system, its positive impacts in the society is so marginal that it unable to make any significant changes in the society. The result is that till today in a family the birth of a girl is considered to be a liability while the birth of a son is considered to be a profit. It increases the gender discrimination in the society. SSY helps the investor (parent/guardian of a girl child) to create a significant corpus for long run that will reduce the financial burden of the family for future of the girl. More importantly, after maturity of the scheme the entire amount will be credited to the account of the beneficiary (the girl) and that amount gives her much needed economic independence. In that case with that sum of money she may pursue higher education or find some other means to make herself self-independence as her will. That in long run must put a positive impact in the society regarding the question of minimising gender inequality. (10)

### DISADVANTAGES OF SUKANYA SAMRIDDHI YOJANA

- 1. Restriction of Number of Accounts:** One can open at most two accounts under SSY (there is an exception in certain cases). It in a sense discourages a couple to accept more than two girls. The fact is that where government data itself reflects that child sex ratio is not at all in good shape in the country and in



comparison with the international standard India is lagging far behind; the said restriction is questionable. It would be better if there is no any such restriction as long as the child sex ration of India has significantly improved.

**2. Variable Interest Rate:** The Interest rate of SSY like other small savings schemes fluctuates in line with the financial situation of the nation. At the time of launch the interest of the scheme is more than 9% per annum. Now the present interest rate of the scheme is 8.5% per annum. Before, it was 8.1% per annum. The high fluctuating interest rate of the scheme may discourage a person to invest in SSY for his girl child. And they may choose other risky child products or investments for their daughters that are advertised or circulated as ones that give higher return.

**3. High lock in Period:** The investment at that scheme would be locked for the period of 21 years. Among the small savings investment scheme it has the highest lock-in-period. For such a high lock-in-period the scheme may not be attractive to certain sections of people in the society.

**4. Lack of Sufficient Awareness Programme:** Success of such a scheme depends on mass scale awareness programme. The fact of the matter is that in spite of launch the scheme more than three years back a large section on people is unaware of the scheme and its benefit.

**5. Lack of in-built insurance facility:** There is no insurance facility in the scheme. Under the scheme the beneficiary would just get the maturity benefit in terms of money and that is after 21 long years. Without having any insurance facility within this high lock-in-period is a drawback of the scheme. During that very long duration many undesirable events may happen to one's life. The depositor may permanently disable or may die or it may be the case that the beneficiary herself may seriously ill or may come under irreversible illness. The question is that what would be then at that time. As per the guidelines of the scheme till date it is permissible under such circumstances to withdraw the entire amount from the account of the scheme prematurely without any penalty. However, that could not be considered as sufficient enough if we consider the prime motive of the scheme. It is launched to minimise the gender inequality in the society, to give the financial stability to a girl, to change the societal mindset that a girl is a burden of a family and more importantly to empower the girl through education. So the question arises if the beneficiary is forced to premature closer of the account during challenging situation just getting a paltry amount of money, what the significant change the scheme then brings to a girl's future. Why the marginalised people or the people works under unorganised sectors will come forward to invest their hard earn money for future of their girl in such a scheme which has a high lock-in-period but does not provide support in a challenging situation? It seems that the scheme should have an inbuilt life insurance scheme with reasonable sum-assured in favour of the depositor whose natural nomination of the beneficiary of the account and a reasonable amount of cashless health insurance in favour of the beneficiary. If so, in case of unfortunate demise of the depositor, the beneficiary of the account (the girl child) will entitle to receive a decent amount of money and if the beneficiary herself goes through an illness she will entitled to receive cashless treatment. The main problem of the Indian society is that till date girl is considered a liability to a family. A girl is considered a *parayadhan* and so the family of the girl do not want to invest on her. The introduction of insurance facilities in the scheme in many aspects reducing the liability of the girl from her parents that will attract people irrespective of their socio-economic class to open a Sukanya Samriddhi account for their girls that in long run success the intention of the scheme. And India will get the benefit of a strong rationalise society.

**6. Lack of loan facility:** There is no loan facility in the scheme that many long term investment schemes have. (11)

### Features that should be Introduced Sukanya Samriddhi Yojana

**1. Fixed Minimum rate of Interest:** The variable rate of interest is a short come of SSY. The present rate of interest of the scheme is lower than that of the scheme offers at the time of launch. From that it may play to one's mind that the rate of interest may lower further. That may keep one away from investing in the scheme. Further, for being the variable interest rate it would be difficult for one to calculate the amount that one needs to invest systematically to fulfil the goal. If a reasonable minimum rate of interest is fixed, one

may calculate on basis of the said rate the amount that he/she needs to invest systematically to fulfil the desired goal.

2. **Awareness generation programme:** The Government should take initiative to awareness generation programme regarding the benefit of the scheme among the people through mass media and social media. Moreover, with the help of *aganwadi* staff the government may start door to door campaign regarding the importance of girl child and the empowerment of girl through education. Save girl child campaign should be turned into a social movement and Government should put an emphasis on it just as it puts on the campaign "Polio mukta Bharat".

3. **Introduction of in-built life and health cover:** In order to make the scheme more effective and attractive to all sections of people a reasonable amount of health cover and life cover might be introduced in the scheme in such a way that the beneficiary of the account holder (girl child) may face the challenges in the hard phase of her life if it happens in her life.

4. **Loan facility:** SSY is a very long time investment option. It is thus helpful for the beneficiary if a loan facility is in there. The loan should be given only in emergency with refundable interest with 0% interest rate.

### CONCLUSION:

It is the fact that the continuous decline of Child Sex Ratio is a serious concern for a society. It has complex and multidimensional negative impacts. Recognizing it the Government of India had initiated the campaign "Beti Bachao Beti Porao" and addressed it as a national strategy. The campaign had three primary objectives: a) to prevent gender biased sex selective elimination, b) to ensure survival and protection of the girl child and c) to ensure education & participation of the girl child.(12) Governments (both central and states) are working to this direction and numbers of schemes are presently running in state level and national level for empowerment of girls and women. Sukanya Samridhi Yojana is one of such schemes though it has certain additional benefits. It could play an instrumental role regarding the question of protecting and fulfilling the rights of girls. And for that a continuous awareness programme is necessary among all sections of people in the nation. SSY is very attractive investment scheme for girls to the salaried persons or those people who come under higher income group level. But the true potential of SSY will come out when it will spread to marginalised people and they also consider SSY as an investment destination for their girls. It requires mass scale awareness programme among all sections of people and introduction of some additional benefits like health and life covers etc. The larger society when realize that a girl is not a liability to a family on the contrary she is *laxmi* in its true sense, the birth of a girl child would be cheered. Parents of a girl must come forward to educate their daughter and would be supportive to maximise her inner potential. That definitely put a positive impact in the child sex ratio and to eliminate the gender inequality.

### NOTES AND REFERENCES

1. Child Sex Ratio in India - Dr C Chandramouli, Registrar General & Census Commissioner, India, Census-2011 (All important graphic data will be found)
2. Ibid.
3. Ibid.
4. Whereas, Internationally, Sex ratio is defined as number of males per 100 females. *ibid*
5. Ibid.
6. Ibid.
7. An Analysis of Account Holders Acceptability And Satisfaction Towards Sukanya Samridhi Yojana (SSY) Venkatesh. R, Dr. Ravindra Kumar, Journal of Business Management & Social Sciences Research (JBM&SSR) ISSN No: 2319-5614 Volume 7, No.2, February 2018, & Role of Beti Bachao Beti Padhao in improving child sex ratio in Haryana – An analysis – Leena, ISSN: 2395-7476 IJHS 2017; 3(1): 390-394, 2017.

8. Ibid.
9. <https://www.bankbazaar.com> & <https://www.sukanyasamriddhiaccounttyojana> (a detail discussion about Sukanya Samriddhi Yojana would be found in both the web pages)
10. <https://www.bankbazaar.com> & [dailytools.in](http://dailytools.in) • SSA\_KT\_ProAnd\_Cons (a useful discussion would be found)
11. Ibid.
12. Ministry of Women and Child Development, Government of India Beti Bachao Beti Padhao