

JAIIB / CAIIB
EXAMINATION



BANKING
AWARENESS

SUKANYA SAMRIDDHI YOJANA



Presented by Abinash Kr. Mandilwar, Chief Manager, BOI, Kolkata Zone

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<http://bankingdigests.com/>

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LAUNCHING & IMPLEMENTING AGENCY

- ❖ **Launching:** Sukanya Samriddhi Yojana has been introduced vide Government of India Notification No. G.S.R.863(E) dated December 02, 2014 and circulated to Banks by Reserve Bank of India vide their letter No. RBI/2014-15/494/IDMD(DGBA) dated 11th March 2015.
- ❖ **Implementing Agency:** Facility to open accounts under the scheme is available at all Banks and Post Office in India.
- ❖ **Objective:** To promote the welfare of Girl Child.



ELIGIBILITY

- ❖ **Who can open the account:** The account may be opened by the natural or legal guardian in the name of a girl child. Every beneficiary (girl) can have single account.
- ❖ **Age of girl child:** Account can be open from the birth of the girl child till she attains the age of ten years.
- ❖ **KYC of the account:** KYC documents (6 OVDs) of girl child including Aadhaar card & PAN card should be obtained at the time of account opening.
- ❖ **Maximum number of accounts:** Up to two girl children or three in case of twin girls as second birth or the first birth itself results in three girl children.



DEPOSIT AMOUNT & TENURE OF THE ACCOUNT

- ❖ **Minimum and Maximum Amount of Deposit:** Minimum Rs. 250 of initial deposit with multiple of one hundred rupees thereafter with maximum annual ceiling of Rs.1,50,000/- in a financial year.
- ❖ **Number of Deposit:** Deposits can be made in one lump sum or in 12 installments in a financial year.
- ❖ **Tenure of the Account:** 21 years from the date of opening of the account. No interest shall be payable once the accounts completes twenty-one years from the date of opening.
- ❖ **Maximum period up to which deposits can be made:** Deposit may be made in the account till the completion of 15 years from the date of opening of a/c.

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INTEREST AMOUNT

- ❖ Interest rate notified by the Government from time to time, compounded yearly shall be credited to the account at the end of every financial year.
- ❖ Interest will be calculated on lowest balance between 10th day & last day of the month.
- ❖ No interest will be payable once the accounts completes twenty-one years from the date of opening.

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SSY or Sukanya Samriddhi Yojana Interest Rate from 2016-17, 2018-19 and 2019-20

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Srl. No	Quarter for which rate of interest would be effective	When it will be notified	Rate of interest to be based on FIMMDA month end G-Sec. rate pertaining to
1	April-June	15h March	Dec-Jan-Feb
2	July-September	15th June	Mar-April-May
3	October-December	15th September	Jun-Jul-Aug
4	January-March	15th December	Sep-Oct-Nov



ACCOUNT OPERATION

- ❖ **Operation of account:** It shall be a single account operated by guardian till the account holder attains the age of eighteen years.
- ❖ In case the account holder wishes to operate the account after attaining the age of ten years, the same may be permitted.
- ❖ However, deposit in the account may be made by the guardian.
- ❖ Otherwise, account shall be operated by the beneficiary account holder after she attains the age of eighteen years.
- ❖ **Transfer of account:** The account may be transferred anywhere in India if the girl child in whose name the account stands shifts to a place other than the city or locality where the account stands.



MATURITY, WITHDRAWAL AND CLOSURE

- ❖ **Maturity:** The account remains operative for 21 years from opening or till marriage of the girl child after reaching the age of 18, whichever is earlier.
- ❖ **Irregular Payment/ Revival of account:** By payment of penalty of Rs. 50 per year along with the minimum specified amount per year.
- ❖ **Premature Closure:** Allowed in the event of death of the depositor or in cases of extreme compassionate grounds such as medical support in life threatening diseases to be authorized by an order by the Central Government.
- ❖ **Withdrawal :** 50% of the balance lying in the account as at the end of previous financial year for the purpose of higher education, marriage after attaining the age of 18 years.



CALCULATION EXAMPLE OF SSY ACCOUNT DEPOSITS

The benefit of any investment can only be determined based on how much the investment grows over time. The following is a sample calculation showing the high returns you can get by making contributions to the Sukanya Samriddhi Yojana.

Let's assume the following:

Annual investments = **Rs. 1 lakh**

Investment Period = **15 years**

Total amount invested at the end of 15 years = **Rs. 15 lakh**

Value of Sukanya Samriddhi Investments at the end of **15 years** assuming **8.50%** per annum rate of interest = **Rs. 30.63 lakh** and after **21 years** at the time of maturity, the total amount will be **Rs. 49.98 lakh**.

Thus, you can get more than triple your money by investing in this guaranteed return investment in the long term.

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Sukanya Samriddhi Scheme - Interest & Maturity Amount Calculation

Year	A/c year	Age of Girl Child	Opening Balance	Monthly Contribution	Yearly Contribution	Interest Amount	Year end Closing Balance
2015	1	5	-	-10000	120000	6,083	126,083
2016	2	6	126083	-10000	120000	18,047	264,130
2017	3	7	264130	-10000	120000	31,147	415,276
2018	4	8	415276	-10000	120000	45,489	580,766
2019	5	9	580766	-10000	120000	61,193	761,959
2020	6	10	761959	-10000	120000	78,387	960,346
2021	7	11	960346	-10000	120000	97,213	1,177,559
2022	8	12	1177559	-10000	120000	117,825	1,415,384
2023	9	13	1415384	-10000	120000	140,393	1,675,777
2024	10	14	1675777	-10000	120000	165,102	1,960,879
2025	11	15	1960879	-10000	120000	192,156	2,273,035
2026	12	16	2273035	-10000	120000	221,778	2,614,813
2027	13	17	2614813	-10000	120000	254,210	2,989,023
2028	14	18	2989023	-10000	120000	289,720	3,398,744
2029	15	19	3398744	-	-	309,286	3,708,029
2030	16	20	3708029	-	-	337,431	4,045,460
2031	17	21	4045460	-	-	368,137	4,413,597
2032	18	22	4413597	-	-	401,637	4,815,234
2033	19	23	4815234	-	-	438,186	5,253,421
2034	20	24	5253421	-	-	478,061	5,731,482
2035	21	25	5731482	-	-	521,565	6,253,047
			Total Accumulated Interest Amount			45,73,046	

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❖ **NRI Status:**

- **NRIs are not eligible to open these accounts.**
- **A girl child is eligible for an SSY account only if she is a resident Indian citizen when the account is opened, and remains so until the maturity or the closure of account.**
- **In case the beneficiary status changes to NRI, no interest will be paid from the date of NRI status and the account shall deemed to be closed prematurely from that date.**

❖ **Tax Rebate:**

- **From a taxation perspective, SSY investments are designated as an EEE (Exempt, Exempt, Exempt) investment.**
- **This means that the principal invested, the interest earned as well as the maturity amount are tax free.**
- **Under existing taxation rules of Sukanya Samriddhi Yojana, the tax deduction benefit on the principal amount invested is up to Rs 1.5 lakh per annum under Section 80C of the Income Tax Act, 1961.**

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As this is a Govt. of India scheme, customers are advised to visit, for latest instructions / modification in the scheme.

http://www.nsiindia.gov.in/writereaddata/FileUploads/SSA_GZT.pdf



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