

Sukanya Samriddhi Savings Account

Scheme is meant for long term savings for Girl Children to meet out their Education and Marriage expenses

Sukanya Samriddhi Savings Account (Sukanya Samridhi Yojna) launched by Govt recently has received very good response as PM Mr.Narendra Modi gave personal attention to this scheme as a part of 'Beti Bachao Beti Padhao' campaign

This long term savings plan which aims to provide wealth in two stages, viz at the time of higher education of girl children and at the time of their marriage.

Sukanya Samriddhi Savings Account carries interest rate of 9.1 per cent.

It is an Exempt, Exempt, Exempt Scheme as far as Income Tax is concerned i.e *Investments in Sukanya Samriddhi Savings Account is eligible for Income Tax Exemption in the form of Deduction under Section 80C of IT Act.*

Secondly, interest earned under this scheme is fully exempt from Income Tax. And Finally, Wealth created in Sukanya Samriddhi Savings Account when it is paid at the time maturity is also fully exempted from Income Tax.

This scheme has got following positive aspects

- Higher interest rate compared to PPF,
- Income tax exemption benefits,
- Flexibility in the scheme such as deposits can be made any number of time with minimum of deposit in one time as low as Rs. 100 (Maximum limit Rs. 1.5 lakh in a year)
- Account can be transferred any where in India

Details of Sukanya Samriddhi Saving Account

- Rate of interest 9.1% Per Annum(2014-15),calculated on yearly basis ,Yearly compounded. Interest Rate will be declared annually.
- Minimum INR. 1000/- and Maximum INR. 1,50,000/- in a financial year. Subsequent deposit in multiple of INR 100/- Deposits can be made in lump-sum No limit on number of deposits either in a month or in a Financial year
- A legal Guardian/Natural Guardian who is the depositor, can open account in the name of Girl Child by producing Birth certificate of a girl child in whose name the account is opened, address proof and identity proof.
- A guardian can open only one account in the name of one girl child and maximum two accounts in the name of two different Girl children.
- **Account can be opened up to age of 10 years only from the date of birth.** For initial operations of Scheme, one year grace has been given. With the grace, Girl child who is born between 2.12.2003 &1.12.2004 can open account up to1.12.2015.
- **If minimum Rs 1000/- is not deposited** in a financial year, account will become discontinued and can be revived with a **penalty** of Rs **50/- per year** with minimum amount required for deposit for that year.
- Partial withdrawal, maximum up to 50% of balance standing at the end of the preceding financial year can be taken after Account holder's attaining age of 18 years.

Account can be closed after completion of 21 years.

- If account is not closed after maturity, balance will continue to earn interest as specified for the scheme from time to time.
- Normal Premature closer will be allowed after completion of 18 years /provided that girl is married.
- Pre-Mature Withdrawal – To meet the financial requirements of the account holder for the purpose of higher education and marriage **withdrawal up to 50%** of the balance at the credit. However, such withdrawal shall be allowed only when the account holder girl child attains the age of **eighteen years**.
- **Closure on maturity or before maturity due to Marriage of Account Holder**– On completion of twenty-one years from the date of opening account can be closed by paying the matured amount to the account holder (Femal Child). In the case of marriage of account holder prior to maturity of account and after attaing 18 years of age, this saving account will have to be closed. Matured amount in this case will be paid to account holder after production necessary age declaration.

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