



SSS - BEST SCHEME FOR DAUGHTERS BELOW 10 YEARS

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SukanyaSamriddhi Scheme is matchless scheme for female child whose is below 10 years. Broadly, it can be said that it is best scheme especially for those parents who do not have Government Provident Fund (GPF), Statutory Provident Fund Employees Provident Fund (EPF), Public Provident Fund (PPF) or Recognized Provident Fund (RPF) as amount deposited in this account qualifies for deduction U/S 80 C of the Income Tax Act, 1961. In this scheme maximum interest (0.5% more than PPF) is paid by the government. One can deposit any amount between Rs. 250 to 150000 in a financial year for 14 consecutive years and he will receive Rs.10571 (Principal amount = Rs.3500) to 6342589 (Principal Amount = 2100000) respectively as maturity value after 21 years, calculated@ 7.6% interest. Primary motive of opening this account is to create provisions for higher education or marriage of the daughter. In brief it can be said that prosperous daughter is future of the country.

Assumptions:

Present paper is based on certain assumptions as follows:

1. Interest is paid on monthly product and compounded yearly
2. Interest rate is fixed for the entire period (up to 21 years),
3. Contribution is made before 10th of April each year in yearly mode and before 10th of each month in monthly mode.
4. Contribution taken for calculation might not be in multiple of Rs.100

SukanyaSamriddhi Scheme is a Government backed scheme as part of the “BetiBachao, BetiPadhaoYojna” for the benefit of the female child. Prime Minister of India Honourable Narendra Modi’s approach is that, if daughters will be prosperous then automatically our country will be prosperous hence, it is also said happiness is there where daughter is. In order to provide security to them the government, via Notification No. G.S.R.863(E) dated December 2, 2014, has notified the SukanyaSamriddhi Account Rules, 2014, which came into force with effect from the same day which is known as SUKANYA SAMRIDDHI SCHEME.

Objective

SukanyaSamriddhi Scheme Unique Small Savings Scheme for daughters that’s why it is said Open SukanyaSamriddhi Scheme and bring happiness in your home. Main aim of the scheme is to motivate parents of female child for creating fund for future which may be useful for the higher education or marriage of daughters.



Salient Features of Account

- **Who can open this account?**

Account may be opened by the parents (Mother/father) or legal guardian, if no parents are alive till the age of 10 years of the daughter.

- **Where to open account?**

The account can be opened in Head Post Office or selection grade sub post office or in any branch of State Bank of India (Excluding offices managed by single officer or clerk) and also at specified branches of other nationalized banks.

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- **How Many accounts can be opened?**

- a. Only one account can be opened by the parent or legal guardian of female baby in the name of daughter either in Bank or in Post office in India.
- b. Another account may be opened in the name of SECOND daughter, but number of such accounts in a family should not be more than two.

There might be three accounts in following circumstances but that should be supported by medical proof:

- c. If triplets female baby born at the time of first delivery, or
- d. If twins female baby born at the time of second delivery.

Documents Required For Opening Account

1. Birth Certificate of Daughter
2. Identity Proof of Parents/ Guardian
3. Two Photograph of Parents/ Guardian & Daughter
4. Address Proof of Parents/ Guardian

Rules Regarding Deposit in the Scheme

In starting for opening SSS minimum amount required was Rs.1000 but w. e. f. 23rd of July, 2018 it slashed down to Rs.250 only but maximum ceiling remains unchanged. Contribution can be made any time during the Financial Year between Rs.250 to 150000 in the multiple of Rs.100 up to 14 years from the year of opening of the account through cash, cheque/demand draft/ RTGS/ or any electronic mode. However, no contribution is to be made from 15 years onwards but, account will earn interest and will continue up to 21 years or up to the marriage of daughter whichever is earlier.

Withdrawal

The account will remain operative for 21 years from the date of its opening or till the marriage of the girl after she turns 18. To meet the financial requirements of the account holder for the purpose of higher education (Documentary proof in the form of offer of the confirmed admission in an educational institution or a fee slip from such institution clarifying that such financial requirement, is required. Further, the withdrawal amount will be restricted



to the actual demand of fee and other charges required at the time of admission as shown in the offer of admission or the relevant fee slip issued by the institution) and marriage, withdrawal of up to 50 per cent of the balance at the credit of the account at the end of preceding financial year is allowed moreover, if marriage take place before completion of 21 years, the operation of the account will not be permitted beyond the date of her marriage. If account is closed before the completion of 21 years, the account holder will have to give an affidavit to the effect that she is not below 18 as on the date of closing of account. On maturity, the balance, including the interest outstanding in the account, will be payable to the account holder on the production of withdrawal Slip along with the passbook.

Rate of Interest

Rate of interest on this account is determined every year in the Budget. From January, 2016 Government fixes rate of interest on quarterly basis based on the yields on government securities. Interest notified by the government is compounded yearly and credited to the relevant account. Following table shows rate of interest in various quarter of the years are as follows:

Table 1
Rate of Interest since Inception

Financial Year	April - June	July - September	October - December	January - March
2014-2015	X	X	X	9.2
2015-2016	9.2	9.2	9.2	9.2
2016-2017	8.6	8.6	8.6	8.5
2017-2018	8.4	8.3	8.3	8.1
2018-2019	8.1	8.1	8.5	8.5
2019-2020	8.5	8.4	8.4	8.4
2020-2021	7.6	7.6	7.6	7.6

Source: Budget of various year

It is evident from table 1 that interest rate is continuously decreasing since its inception and decreased from 9.2% (2014-15) to 7.6% (2020-21).

Transfer

Account can be transferred from one branch of Post Office/Bank to another branch of Post office/Bank or from Bank to Post office or vice versa and non-transferrable among two daughters.

Benefits

Contribution made in the account qualifies for Deduction U/S 80C of the Income Tax Act, 1961 along with other deposits maximum up to Rs.150000. Interest credited; Withdrawal/Maturity value is also exempted. This investment is based on EEE concept.



Nomination

Nomination facility is not available under this scheme.

Account cannot be opened in the name of an NRI girl

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. no interest shall be paid from the date of citizenship or residential status changes and the account will be considered closed.

Default in Contribution

Each year contribution of Rs.250 is to be made; if it is not made in one or more years then it can be revived latter on by paying penalty of Rs.50 per year along with minimum contribution.If the penalty is not paid, the entire deposit, including those made before the date of default, will receive interest rate applicable (at that time) at post office savings bank account. In case excess interest has been paid it will be reversed.

Closer of Account

Account may be closed after completion of 21 years from the financial year in which account was opened. In the event of death of the female child, the account will be closed immediately on the production of a death certificate issued by the competent authority and the balance in the account will be paid, along with the interest till the month preceding the month of the premature closure of the account to the guardian.

In any other case, a request for the premature closure of an SSS account can be put forward after the completion of five years of the account opening and will be allowed as per rules, on extreme compassionate grounds such as is suffering from any life – threatening disease which require heavy amount for treatment or due to marriage of the daughter before 21 years, in such cases the entire deposit will get interest of Post Office Savings Bank account.

Pass Book

Depositor is given a passbook bearing the date of birth of the girl child, date of opening of the account, account number, name and address of the account holder and the amount deposited. The passbook will be presented to the post office or bank at the time of depositing money, withdrawal, final closure and on maturity of the account.For understanding the miracle of the interest properly author has prepared several tables taking various rate of interest largely due to the fact it is continuously decreasing. If any person deposits any amount regularly then it will increase rapidly.

In order to determine by a parent that how much he should deposit monthly/ yearly under this scheme in order to get desired amount at the time of marriage/ higher education of his female child following tables has been elaborated for wider understanding. As rate of interest is continuously decreasing, we have presented a couple of table with various rate of interest based on certain assumption taken in the starting of the paper.



Table 2

Statement showing maturity value of SukanyaSamriddhi Scheme
At "contribution of Rs.250 per annum" @ 7.6%.

S. No.	Year	Opening Balance	Contribution during the year	Interest for the year	Closing balance
1	2020-21	0.00	250	19.00	269.00
2	2021-22	269.00	250	39.44	558.44
3	2022-23	558.44	250	61.44	869.89
4	2024-25	869.89	250	85.11	1205.00
5	2025-26	1205.00	250	110.58	1565.58
6	2026-27	1565.58	250	137.98	1953.56
7	2027-28	1953.56	250	167.47	2371.03
8	2028-29	2371.03	250	199.20	2820.23
9	2029-30	2820.23	250	233.34	3303.57
10	2030-31	3303.57	250	270.07	3823.64
11	2031-32	3823.64	250	309.60	4383.23
12	2032-33	4383.23	250	352.13	4985.36
13	2033-34	4985.36	250	397.89	5633.25
14	2034-35	5633.25	250	447.13	6330.37
15	2035-36	6330.37	0	481.11	6811.48
16	2036-37	6811.48	0	517.67	7329.16
17	2037-38	7329.16	0	557.02	7886.17
18	2038-39	7886.17	0	599.35	8485.52
19	2039-40	8485.52	0	644.90	9130.42
20	2040-41	9130.42	0	693.91	9824.33
21	2041-42	9824.33	0	746.65	10570.98

It is evident from above table if an investor invests only Rs.250 per year which is less than one rupee per day for 14 years only, the maturity value will be Rs.10571 when daughter's age will be 21 years. It is also clear from the table that she is entitled to take withdrawal of Rs. 3943 in 18th year i.e., .F. Y 2038-2039 if required for some specific purposes. Investor will receive more than Rs.7000 as interest on the above deposit which will be fully exempted in the hands of investors at the same time he will get deduction U/S 80C of the Income Tax Act, 1961 too.



Table 3

Statement showing maturity value of SukanyaSamriddhi Scheme
At "contribution of Rs.150000 per annum" @ 7.6%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	150000	11400.00	161400.00
2	2021-22	161400.00	150000	23666.40	335066.40
3	2022-23	335066.40	150000	36865.05	521931.45
4	2024-25	521931.45	150000	51066.79	722998.24
5	2025-26	722998.24	150000	66347.87	939346.10
6	2026-27	939346.10	150000	82790.30	1172136.41
7	2027-28	1172136.41	150000	100482.37	1422618.77
8	2028-29	1422618.77	150000	119519.03	1692137.80
9	2029-30	1692137.80	150000	140002.47	1982140.27
10	2030-31	1982140.27	150000	162042.66	2294182.93
11	2031-32	2294182.93	150000	185757.90	2629940.84
12	2032-33	2629940.84	150000	211275.50	2991216.34
13	2033-34	2991216.34	150000	238732.44	3379948.78
14	2034-35	3379948.78	150000	268276.11	3798224.89
15	2035-36	3798224.89	0	288665.09	4086889.98
16	2036-37	4086889.98	0	310603.64	4397493.62
17	2037-38	4397493.62	0	334209.52	4731703.13
18	2038-39	4731703.13	0	359609.44	5091312.57
19	2039-40	5091312.57	0	386939.76	5478252.33
20	2040-41	5478252.33	0	416347.18	5894599.50
21	2041-42	5894599.50	0	447989.56	6342589.07

Table 3 transpires that if guardian of the daughter invests Rs.150000 yearly before 10th of April every year he will deposit Rs.2100000 lakh in 14 years and will get more than Rs.63 lakh which is more than 2 times of the principal deposit in 21 years @ 7.6% rate of interest. Guardian of the child can withdraw more than Rs,23lakh in 2038-39 which may be used for the medical treatment or higher education for the child. Maturity value along with interest will be fully exempted in the hands of recipient, in addition to it he is entitled to get deduction U/S 80C.



Table 4

Statement showing maturity value of SukanyaSamridhi Scheme
At "contribution of Rs.25 per month" @7.6%.

S. No.	Year	Opening Balance	Contribution during the year*	interest for the year	closing balance
1	2020-21	0.00	313	23.79	336.79
2	2021-22	336.79	313	49.38	699.17
3	2022-23	699.17	313	76.93	1089.10
4	2024-25	1089.10	313	106.56	1508.66
5	2025-26	1508.66	313	138.45	1960.10
6	2026-27	1960.10	313	172.76	2445.86
7	2027-28	2445.86	313	209.67	2968.53
8	2028-29	2968.53	313	249.40	3530.93
9	2029-30	3530.93	313	292.14	4136.07
10	2030-31	4136.07	313	338.13	4787.20
11	2031-32	4787.20	313	387.61	5487.81
12	2032-33	5487.81	313	440.86	6241.67
13	2033-34	6241.67	313	498.16	7052.83
14	2034-35	7052.83	313	559.80	7925.63
15	2035-36	7925.63	0	602.35	8527.98
16	2036-37	8527.98	0	648.13	9176.10
17	2037-38	9176.10	0	697.38	9873.49
18	2038-39	9873.49	0	750.39	10623.87
19	2039-40	10623.87	0	807.41	11431.29
20	2040-41	11431.29	0	868.78	12300.06
21	2041-42	12300.06	0	934.80	13234.87

*Represents maturity value after 12 months at the contribution of Rs.25 per month

Above table transpires that if a depositor deposits Rs.25 per month then its maturity value at the end of the 21 years will be Rs.13235 against his principal deposit of Rs.4200 $= (25 \times 12 \times 14)$, so he will get interest Rs. 9035 on his deposit which is more than 2.15 times of the principal deposit. In addition to this withdrawal of more than Rs.4900 can be taken in emergency for the use of account holder. Contribution is directly proportional to other facilities like withdrawal value, maturity value as if contribution increases, withdrawal as well as maturity increases and vice versa.



Table 5
Statement showing maturity value of SukanyaSamridhi Scheme
at "Contributing Rs.1000 per month" @7.6%.

S. No.	Year	Opening Balance	Contribution during the year*	interest for the year	closing balance
1	2020-21	0.00	12506	950.46	13456.46
2	2021-22	13456.46	12506	1973.15	27935.60
3	2022-23	27935.60	12506	3073.56	43515.16
4	2024-25	43515.16	12506	4257.61	60278.77
5	2025-26	60278.77	12506	5531.64	78316.42
6	2026-27	78316.42	12506	6902.50	97724.92
7	2027-28	97724.92	12506	8377.55	118608.47
8	2028-29	118608.47	12506	9964.70	141079.17
9	2029-30	141079.17	12506	11672.47	165257.64
10	2030-31	165257.64	12506	13510.04	191273.68
11	2031-32	191273.68	12506	15487.26	219266.93
12	2032-33	219266.93	12506	17614.74	249387.68
13	2033-34	249387.68	12506	19903.92	281797.60
14	2034-35	281797.60	12506	22367.07	316670.67
15	2035-36	316670.67	0	24066.97	340737.64
16	2036-37	340737.64	0	25896.06	366633.70
17	2037-38	366633.70	0	27864.16	394497.86
18	2038-39	394497.86	0	29981.84	424479.70
19	2039-40	424479.70	0	32260.46	456740.16
20	2040-41	456740.16	0	34712.25	491452.41
21	2041-42	491452.41	0	37350.38	528802.79

*Represents maturity value of Rs.1000 per month after 12 months

In the aforesaid table 5 it is shown if the investor is contributing Rs.1000 per month @ 7.6% then maturity value in 12 months will be Rs.12506. So, here Rs.12506 is taken in place of Rs.12000. In the above case guardian of the child will deposit more than Rs.1.75lakh during 14 years @ Rs.1000 per month and will get at maturity very close to Rs.5.29 lakh and may withdraw more than Rs.1.97 lakh in Financial Year 2038-2039 (18th Year). In addition to above he will get deduction U/S 80C of the Income Tax Act, 1961.



Table 6

Statement showing maturity value of SukanyaSamridhi Scheme
at "contribution of Rs.250 per annum" @ 6.5%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	250	16.25	266.25
2	2021-22	266.25	250	33.56	549.81
3	2022-23	549.81	250	51.99	851.79
4	2024-25	851.79	250	71.62	1173.41
5	2025-26	1173.41	250	92.52	1515.93
6	2026-27	1515.93	250	114.79	1880.72
7	2027-28	1880.72	250	138.50	2269.21
8	2028-29	2269.21	250	163.75	2682.96
9	2029-30	2682.96	250	190.64	3123.61
10	2030-31	3123.61	250	219.28	3592.89
11	2031-32	3592.89	250	249.79	4092.68
12	2032-33	4092.68	250	282.27	4624.95
13	2033-34	4624.95	250	316.87	5191.82
14	2034-35	5191.82	250	353.72	5795.54
15	2035-36	5795.54	0	376.71	6172.25
16	2036-37	6172.25	0	401.20	6573.45
17	2037-38	6573.45	0	427.27	7000.72
18	2038-39	7000.72	0	455.05	7455.77
19	2039-40	7455.77	0	484.63	7940.40
20	2040-41	7940.40	0	516.13	8456.52
21	2041-42	8456.52	0	549.67	9006.19

It is evident from above table if an investor invests only Rs.250 per year which is less than one rupee per day for 14 years only, the maturity value will be Rs.9006 when daughter's age will be 21 years. It is also clear from the table that she is entitled to take withdrawal of more than Rs.3500 in 18th year i.e., 2038-2039 if required for some specific purposes. Investor will receive more than Rs.6500 (i.e., 9006.19 – 3500) as interest on the above deposit which will be fully exempted in the hands of investors at the same time he will get deduction U/S 80C of the Income Tax Act, 1961 too.



Table 7

Statement showing maturity value of SukanyaSamridhi Scheme
At "contribution of Rs.150000 per annum" @ 6.5%

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	150000	9750.00	159750.00
2	2021-22	159750.00	150000	20133.75	329883.75
3	2022-23	329883.75	150000	31192.44	511076.19
4	2024-25	511076.19	150000	42969.95	704046.15
5	2025-26	704046.15	150000	55513.00	909559.15
6	2026-27	909559.15	150000	68871.34	1128430.49
7	2027-28	1128430.49	150000	83097.98	1361528.47
8	2028-29	1361528.47	150000	98249.35	1609777.82
9	2029-30	1609777.82	150000	114385.56	1874163.38
10	2030-31	1874163.38	150000	131570.62	2155734.00
11	2031-32	2155734.00	150000	149872.71	2455606.71
12	2032-33	2455606.71	150000	169364.44	2774971.15
13	2033-34	2774971.15	150000	190123.12	3115094.27
14	2034-35	3115094.27	150000	212231.13	3477325.40
15	2035-36	3477325.40	0	226026.15	3703351.55
16	2036-37	3703351.55	0	240717.85	3944069.40
17	2037-38	3944069.40	0	256364.51	4200433.91
18	2038-39	4200433.91	0	273028.20	4473462.12
19	2039-40	4473462.12	0	290775.04	4764237.15
20	2040-41	4764237.15	0	309675.42	5073912.57
21	2041-42	5073912.57	0	329804.32	5403716.89

Table 7 transpires that if guardian of the daughter invests Rs.150000 yearly before 10th of April every year he will deposit Rs.21 lakh in 14 years and will get more than Rs.54 lakh which becomes more than 2.57 times of the principal deposit in 21 years when the interest rate is @ 6.5%. Guardian of the child can withdraw more than Rs.21 lakh in 2038-39 which may be used for the medical treatment or higher education for the child. Maturity value along with interest will be fully exempted in the hands of recipient, in addition to it he is entitled to get deduction U/S 80C.



Table 8

Statement showing maturity value of SukanyaSamridhi Scheme
At "contribution of Rs.25 per month" @ 6.5%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	311*	20.22	331.22
2	2021-22	331.22	311	41.74	683.96
3	2022-23	683.96	311	64.67	1059.63
4	2024-25	1059.63	311	89.09	1459.72
5	2025-26	1459.72	311	115.10	1885.82
6	2026-27	1885.82	311	142.79	2339.61
7	2027-28	2339.61	311	172.29	2822.90
8	2028-29	2822.90	311	203.70	3337.61
9	2029-30	3337.61	311	237.16	3885.77
10	2030-31	3885.77	311	272.79	4469.56
11	2031-32	4469.56	311	310.74	5091.29
12	2032-33	5091.29	311	351.15	5753.44
13	2033-34	5753.44	311	394.19	6458.63
14	2034-35	6458.63	311	440.03	7209.65
15	2035-36	7209.65	0	468.63	7678.28
16	2036-37	7678.28	0	499.09	8177.37
17	2037-38	8177.37	0	531.53	8708.90
18	2038-39	8708.90	0	566.08	9274.98
19	2039-40	9274.98	0	602.87	9877.85
20	2040-41	9877.85	0	642.06	10519.91
21	2041-42	10519.91	0	683.79	11203.71

*Represents maturity value after 12 months if contribution is of Rs.25 per month.

Above table transpires that if a depositor deposits Rs.25 per month then its maturity value at the end of the 21 years will be Rs.11203.71 against his principal deposit of Rs.4200 $= (25 \times 12 \times 14)$, so he will get interest more than Rs.7000 on his deposit and principal deposit becomes more than 2.6 times at the end of 21 years. In addition to this withdrawal of more than Rs.4300 can be taken in emergency for the use of account holder. If the contribution per month will be increased other facilities like withdrawal value, maturity value will also increase.



Table 9

Statement showing maturity value of SukanyaSamriddhi Scheme
at "contribution of Rs.1000 per month" @ 6.5%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	12431	808.02	13239.02
2	2021-22	13239.02	12431	1668.55	27338.57
3	2022-23	27338.57	12431	2585.02	42354.59
4	2024-25	42354.59	12431	3561.06	58346.65
5	2025-26	58346.65	12431	4600.55	75378.20
6	2026-27	75378.20	12431	5707.60	93516.80
7	2027-28	93516.80	12431	6886.61	112834.40
8	2028-29	112834.40	12431	8142.25	133407.65
9	2029-30	133407.65	12431	9479.51	155318.17
10	2030-31	155318.17	12431	10903.70	178652.86
11	2031-32	178652.86	12431	12420.45	203504.31
12	2032-33	203504.31	12431	14035.80	229971.11
13	2033-34	229971.11	12431	15756.14	258158.25
14	2034-35	258158.25	12431	17588.30	288177.55
15	2035-36	288177.55	0	18731.54	306909.09
16	2036-37	306909.09	0	19949.09	326858.18
17	2037-38	326858.18	0	21245.78	348103.96
18	2038-39	348103.96	0	22626.76	370730.72
19	2039-40	370730.72	0	24097.50	394828.21
20	2040-41	394828.21	0	25663.83	420492.05
21	2041-42	420492.05	0	27331.98	447824.03

*Represents maturity value after 12 months if contribution is of Rs.1000 per month

In the aforesaid table 9 it is shown if the investor is contributing Rs.1000 per month @ 6.5% then maturity value in 12 months will be Rs.12431. So, here Rs.12431 is taken in place of Rs.12000. In the above case guardian of the child will deposit more than Rs.1.75lakh during 14 years @ Rs.1000 per month and will get at maturity value more than Rs.4.47 lakh and may withdraw more than Rs.1.74 lakh in Financial Year 2038-2039 (18th Year). In addition to above he will get deduction U/S 80C of the Income Tax Act, 1961.



Table 10

Statement showing maturity value of SukanyaSamridhi Scheme
At "contribution of Rs.250 per annum" @ 6%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	250	15.00	265.00
2	2021-22	265.00	250	30.90	545.90
3	2022-23	545.90	250	47.75	843.65
4	2024-25	843.65	250	65.62	1159.27
5	2025-26	1159.27	250	84.56	1493.83
6	2026-27	1493.83	250	104.63	1848.46
7	2027-28	1848.46	250	125.91	2224.37
8	2028-29	2224.37	250	148.46	2622.83
9	2029-30	2622.83	250	172.37	3045.20
10	2030-31	3045.20	250	197.71	3492.91
11	2031-32	3492.91	250	224.57	3967.49
12	2032-33	3967.49	250	253.05	4470.53
13	2033-34	4470.53	250	283.23	5003.77
14	2034-35	5003.77	250	315.23	5568.99
15	2035-36	5568.99	0	334.14	5903.13
16	2036-37	5903.13	0	354.19	6257.32
17	2037-38	6257.32	0	375.44	6632.76
18	2038-39	6632.76	0	397.97	7030.72
19	2039-40	7030.72	0	421.84	7452.57
20	2040-41	7452.57	0	447.15	7899.72
21	2041-42	7899.72	0	473.98	8373.71

It is evident from above table if an investor invests only Rs.250 per year which is less than one rupee per day for 14 years, the maturity value will be Rs.8373.71 when daughter' age will be 21 years. It is also clear from the table that she is entitled to take withdrawal of more than Rs.3300 in 18th year i.e., 2038-2039 if required for some specific purposes. Investor will receive more than Rs.4873 as interest on the above deposit which will be fully exempted in the hands of investors at the same time he will get deduction U/S 80C of the Income Tax Act, 1961.



Table 11

Statement showing maturity value of SukanyaSamriddhi Scheme at "contribution of Rs.150000 per annum" @ 6%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	150000	9000.00	159000.00
2	2021-22	159000.00	150000	18540.00	327540.00
3	2022-23	327540.00	150000	28652.40	506192.40
4	2024-25	506192.40	150000	39371.54	695563.94
5	2025-26	695563.94	150000	50733.84	896297.78
6	2026-27	896297.78	150000	62777.87	1109075.65
7	2027-28	1109075.65	150000	75544.54	1334620.19
8	2028-29	1334620.19	150000	89077.21	1573697.40
9	2029-30	1573697.40	150000	103421.84	1827119.24
10	2030-31	1827119.24	150000	118627.15	2095746.40
11	2031-32	2095746.40	150000	134744.78	2380491.18
12	2032-33	2380491.18	150000	151829.47	2682320.65
13	2033-34	2682320.65	150000	169939.24	3002259.89
14	2034-35	3002259.89	150000	189135.59	3341395.48
15	2035-36	3341395.48	0	200483.73	3541879.21
16	2036-37	3541879.21	0	212512.75	3754391.96
17	2037-38	3754391.96	0	225263.52	3979655.48
18	2038-39	3979655.48	0	238779.33	4218434.81
19	2039-40	4218434.81	0	253106.09	4471540.90
20	2040-41	4471540.90	0	268292.45	4739833.35
21	2041-42	4739833.35	0	284390.00	5024223.36

Table 11 transpires that if guardian of the daughter invests Rs.150000 yearly before 10th of April every year he will deposit Rs.2100000 lakh in 14 years and will get more than Rs.50 lakh which becomes very close to 2.4 times of the principal deposit in 21 years when the interest rate is @ 6%. Guardian of the child can withdraw more than Rs.19.89 lakh in 2038-39 which may be used for the medical treatment or higher education for the child. Maturity value along with interest will be fully exempted in the hands of recipient, in addition to it he is entitled to get deduction U/S 80C.



Table 12

Statement showing maturity value of SukanyaSamridhi Scheme
At "contribution of Rs.25 per month" @ 6%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	310*	18.60	328.60
2	2021-22	328.60	310	38.32	676.92
3	2022-23	676.92	310	59.21	1046.13
4	2024-25	1046.13	310	81.37	1437.50
5	2025-26	1437.50	310	104.85	1852.35
6	2026-27	1852.35	310	129.74	2292.09
7	2027-28	2292.09	310	156.13	2758.22
8	2028-29	2758.22	310	184.09	3252.31
9	2029-30	3252.31	310	213.74	3776.05
10	2030-31	3776.05	310	245.16	4331.21
11	2031-32	4331.21	310	278.47	4919.68
12	2032-33	4919.68	310	313.78	5543.46
13	2033-34	5543.46	310	351.21	6204.67
14	2034-35	6204.67	310	390.88	6905.55
15	2035-36	6905.55	0	414.33	7319.88
16	2036-37	7319.88	0	439.19	7759.08
17	2037-38	7759.08	0	465.54	8224.62
18	2038-39	8224.62	0	493.48	8718.10
19	2039-40	8718.10	0	523.09	9241.18
20	2040-41	9241.18	0	554.47	9795.66
21	2041-42	9795.66	0	587.74	10383.39

*Represents maturity value after 12 months if contribution is of Rs.25 per month

Above table transpires that if a depositor deposits Rs.25 per month then its maturity value at the end of the 21 years will be Rs.10383 against his principal deposit of Rs.4200 $= (25 \times 12 \times 14)$, so he will get interest Rs.6183 on his deposit which is more than 1.47 times of the principal deposit. In addition to this withdrawal of more than Rs.4100 can be taken in emergency for the use of accountholder. If the contribution per month will be increased other facilities like withdrawal value, maturity value will also increase.



Table 13

Statement showing maturity value of SukanyaSamridhi Scheme
at "contribution of Rs.1000 per month" @ 6%.

S. No.	Year	Opening Balance	Contribution during the year	interest for the year	closing balance
1	2020-21	0.00	12397*	743.82	13140.82
2	2021-22	13140.82	12397	1532.27	27070.09
3	2022-23	27070.09	12397	2368.03	41835.11
4	2024-25	41835.11	12397	3253.93	57486.04
5	2025-26	57486.04	12397	4192.98	74076.02
6	2026-27	74076.02	12397	5188.38	91661.41
7	2027-28	91661.41	12397	6243.50	110301.91
8	2028-29	110301.91	12397	7361.93	130060.84
9	2029-30	130060.84	12397	8547.47	151005.31
10	2030-31	151005.31	12397	9804.14	173206.45
11	2031-32	173206.45	12397	11136.21	196739.66
12	2032-33	196739.66	12397	12548.20	221684.86
13	2033-34	221684.86	12397	14044.91	248126.77
14	2034-35	248126.77	12397	15631.43	276155.20
15	2035-36	276155.20	0	16569.31	292724.51
16	2036-37	292724.51	0	17563.47	310287.98
17	2037-38	310287.98	0	18617.28	328905.26
18	2038-39	328905.26	0	19734.32	348639.58
19	2039-40	348639.58	0	20918.37	369557.95
20	2040-41	369557.95	0	22173.48	391731.43
21	2041-42	391731.43	0	23503.89	415235.31

*Represents maturity value after 12 months if contribution is of Rs.1000 per month

In the aforesaid table 13 it is shown if the investor is contributing Rs.1000 per month @ 6% then maturity value in 12 months will be Rs.12397. So, here Rs.12397 is taken in place of Rs.12000. In the above case guardian of the child will deposit total in all Rs.1.68lakh during 14 years @ Rs.1000 per month and will get at maturity value more than Rs.4.1 lakh and may withdraw more than Rs.1.64 lakh in Financial Year 2038-2039 (18th Year). In addition to above he will get deduction U/S 80C of the Income Tax Act, 1961.

Conclusion

So, it may be concluded that (SPF), SukanyaSamridhi Scheme is matchless scheme for female child whose is below 10 years. Broadly, it can be said that it is best scheme especially for those parents who do not have Government Provident Fund (GPF), Statutory Provident Fund Employees Provident Fund (EPF), Public Provident Fund (PPF) or Recognized Provident Fund (RPF) as amount deposited in this account qualifies for deduction U/S 80 C of the Income Tax Act, 1961,in addition to benefits mention above. It is also pertinent to



mention here that as per previous records rate of interest in this scheme use to be 0.5% more than PPF. For a person having conservative to moderate approach it is best scheme. Of course rate of return like mutual funds and shares is not lucrative, but considering safety, profitability & taxation it is best scheme. Even if, you are not interested in fixed interest bearing securities, it may be suggested that have diversification in your investment and certainly open SukanyaSamridhi Account if you are a parent of a female child of age below 10 years.

References:

Sukanya Samridhi Account Rules, 2014 as amended time to time