

INDULGENCE OF SAVING FOR GIRL CHILD

(A Study of Udaipur City with reference to Sukanya Samriddhi Accounts)

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ABSTRACT

To save future generation, saving a girl child and saving for a girl child both plays an important role. In order to reverse the falling sex ratio at birth (SRB) and Child sex ratio (CSR) in India, national and state governments launched special schemes that aim to provide financial incentives to the girl child at different stages of her life cycle. To study parent's indulgence to save for their girl child a well structured questionnaire with 5 point likert scale has been used to collect the entire data. Sample size of the study includes 123 valid respondents of Udaipur city having at least a girl child. Results of the study conclude that parents of Udaipur city are well aware about SSY and its benefits for the future of their child. They are interested in more such saving schemes if it specially meant for girl's marriage and higher education needs.

KEYWORDS: POSB, SSY, CSA , CSR

INTRODUCTION

Having a baby girl is a joy into itself, and as parent's there are various aspects we need to keep in mind while raising a girl. One of the most important factors will include savings for her. As we all know, girls are performing their best in every sort of life, still according to census 2011 in Udaipur district only 62.74 % girls are literate and female sex ratio of district is 958 females per 1000 males. There may be two reasons behind this; one is lack of income of parents and other lack of knowledge of good investment avenues. Even parents doesn't have proper know how of what to invest and how to invest for their daughters future.

To overcome with the problem of avenues for good investment, Post office Savings Bank (POSB) of India had launched a great scheme Sukanya Samriddhi Yojna. So, that if parents have an indulgence to save for their girl child, they invest here for her future. Children's Savings Accounts (CSAs) have the potential to expand educational and economic opportunity for low- and moderate-income families. Moreover, family ownership of assets can give children a transformative sense of possibility and hope for the future.

SUKANYA SAMRIDDHI YOJNA

Sukanya Samriddhi Account/ Yojana is a small savings special deposit scheme for girl child. This scheme is especially meant for Indian parents and guardians to design for girl's higher education or marriage needs. She would no more consider a financial burden on the family. Best part of this scheme is, anyone can open Sukanya Samriddhi account Yojana in post office, having a girl child less than 10 years.

Prime Minister Narendra Modi has launched 'Sukanya Samrudhi Yojana' as a part of 'Beti Bacho-Beti Padhao' campaign through Post offices in India, with effect from 1st February 2015. India post has a vast network of Post offices in India. There are 154,822 Post offices of which 139,886 i.e. 89.84% are in rural areas & 15726 i.e. 10.16% in urban areas. Total 57.43 lakh accounts were opened during F.Y.2015-16 with total deposit of 4553.09 Crores and 999610 accounts were opened during 2016-17 with total deposit of 3756.42 Crores up to Dec. 2016. (India Post, 2015-16)

- A legal Guardian/Natural Guardian can open account in the name of Girl Child.
- 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 of child. For initial operations of Scheme, one year grace has been given. With the grace, Girl child who is born between 2.12.2006 & 1.12.2008 can open account up to 1.12.2018.
- Account can be closed after completion of 21 years.
- Normal Premature closure will be allowed after completion of 18 years provided that girl is married.
- Rate of interest 8.1% Per Annum (with effect from 1-10-2017), calculated on yearly basis, yearly compounded.
- 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
- If minimum Rs 250/- 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.

SUKANYA SAMRIDHI YOJNA

Investment scheme	Rate of interest in %	Minimum/ Maximum deposit in Rs.	Returns in Rs. (approximately)	Remarks
Sukanya samridhi account (21 years) for	8.1%	<ul style="list-style-type: none"> • Minimum Rs. 250/- deposit multiples 	<ul style="list-style-type: none"> • If monthly contribution is Rs. 1000 for 14 years then total 	<ul style="list-style-type: none"> • Depositing period 14 years. Maturity 21 years or else after

girl child below 10 years of age		of Rs. 100. • Maximum Rs. 1.5 lakh for the financial year	contribution is 1,68,000/- • Maturity value would be Rs. 5,62,355/- for 8.1% interest after 21 years period	marriage. • Can withdraw 50% amount after 18 years of girl child for her studies. • Can claim IT exemption under 80 C
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NEED FOR STUDY

During the last decade, there has been a substantial decline in the Sex Ratio at Birth (SRB) as well as the Child Sex Ratio (CSR). The 2001 Census data and the different rounds of Sample Registration Surveys have shown that the problem is acute in the economically progressive. Examination of child sex ratio at the district-level indicated that in 1991, not a single district in India had recorded a CSR of less than 800. However, in the 2001 census 14 districts came under this category. Likewise, in 1991 there was only one district with CSR in the range of 800–849. This number increased to 31 in the 2001 Census. Nearly 70 districts in 16 States and Union Territories had recorded a decline of more than 50 points in the child sex ratio during 1991-2001. Strong son preference along with existing socio-cultural practices has resulted in gender discriminatory practices. In order to reverse the falling SRB and CSR in India, the National and State Governments have launched special schemes that aim to provide financial incentives to the girl child at different stages of her life-cycle. These schemes work on the premise that financial incentives would trigger behavioral changes among communities, more specifically among newly-weds and young parents to value a girl child. This could be more specifically measured through improved SRB and CSR, increased school enrolment and attendance in primary, middle and high schools, and an enhanced age of marriage.

LITERATURE REVIEW

S.NO	AUTHOR	YEAR OF PUBLICATION	RESEARCH TOPIC	RESEARCH METHODOLOGY	FINDINGS AND CONCLUSION
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1.	Venkatesh. R, Dr. Ravindra Kumar	2018	An Analysis of Account Holders Acceptability And Satisfaction Towards Sukanya Samriddhi Yojana (SSY)	Primary and secondary both data used for research Sample size includes 50 respondents Chi-square test and weighted average method were used to test the hypothesis.	Respondents are satisfied with scheme They adopted scheme on large scale
2.	V. Venkatachalam , Dr. G. Ravindran	2016	Account holder's satisfaction towards sukanya samriddhi account (SSA) of postal department with special reference to Coimbatore city	Data collected through interview 100 account holders were selected Random sampling used Percentage, chi square and weighted average used for analysis. SWOT analysis has been done	Advertisement strategy should be adopted to increase awareness Scheme provide financial independence to the girl child
3.	V.Kameswari Harini1 , Prachi Rampal2	2014	Financial Inclusion—A Study on Sukanya Samriddhi Yojana	Secondary data was used for study Objective of paper is to study the concepts and benefits of scheme	Good and beneficial scheme to provide financial support to every girl child
4.	Dr. Rashmi Rani Agnihotri, H.R. and Prof. Dr. Malipatil, K.S.	2018	A Study On Brief Information About Beti Bachao Beti Padhao Scheme	Secondary data has been used for analysis To ensure the survival, protection and higher education of the girl	This scheme provides complete financial security to the girl child.

5.	venkatesh R. Dr. RAvintra kumar	2018	An analysis of account holders acceptability and satisfaction towards Sukanya Samriddhi Yojna (SSY)	Primary & secondary data used. Descriptive method used. Chi- Square test & Weighted average method.	Respondents were satisfied with the features offerings of programme.
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RESEARCH GAP

After reviewing various researches which are specially focusing on girls savings, researcher finds that none of the study in Udaipur city has been done to gain an in-depth knowledge regarding indulgence of parents for their child savings that whether they possess a positive attitude towards their part of income to save for their daughter or not. This research will fill the entire gap.

RESEARCH OBJECTIVES

- To ascertain indulgence of parents to save for their girl child.
- To access knowledge of parents regarding Sukanya Samriddhi Yojna.
- To identify the factors that encourages savings for girl child.

HYPOTHESIS

H₀₁ All parents have positive attitude for their girl child.

RESEARCH METHODOLOGY

- **Research design & procedure-**

A descriptive research design was used to gain an insight into Investors' perception about indulgence to save for their daughter's future of Udaipur city.

- **Tools for data collection-**

For collection of primary data, a structured questionnaire was used based on likert scale.

- **Sampling unit & Sample size-**

The sampling unit under this study included the parents of the girl child of Udaipur city. Sample size used was 150 parents of Udaipur city out of which 123 found valid for the study.

- **Sampling techniques-**

The sampling technique used under the study was convenient sampling by distributing questionnaires to parents having at least one girl child.

- **Data analysis and interpretation-**

Once the data is collected, it needs to be analyzed and interpreted on the basis of questionnaire collected from various respondents. Primary data was analyzed using mean average.

FINDINGS AND INTERPRETATION

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

(TABLE-1)

S. No.	Demographic Factor	Frequency	Percent
GENDER			
1	Male	74	60.16%
2	Female	49	39.84%
AGE			
1	20-30 years	41	33.33%
2	30-40 years	53	43.09%
3	40-50 years	29	23.58%
NUMBER OF GIRL CHILD			
1	Single child	57	46.34%
2	Two	26	21.13%
3	More than two	40	32.52%
AGE OF GIRL CHILD LIES BETWEEN			
1	Less than 1 year	09	7.31%
2	1-5 years	23	18.69%

3	5-10 years	49	39.83%
4	More than 10 years	42	34.14%
LITERACY LEVEL			
1	Secondary or less	17	13.12%
2	Higher secondary	23	18.69%
3	Graduate	34	27.64%
4	Post graduate & Higher	22	17.88%
5	Professional	27	21.95%
OCCUPATIONAL STATUS			
1	Businessman	58	47.15%
2	Professional	21	17.07%
3	Service	36	29.26%
4	Any other	08	6.50%
MONTHLY INCOME (Husband + Wife)			
1	< 15000 Rs	18	14.63%
2	15000-30000 Rs	21	17.07%
3	30000-45000 Rs	37	30.08%
4	45000-60000 RS	31	25.20%
5	>60000 RS	16	13.00%

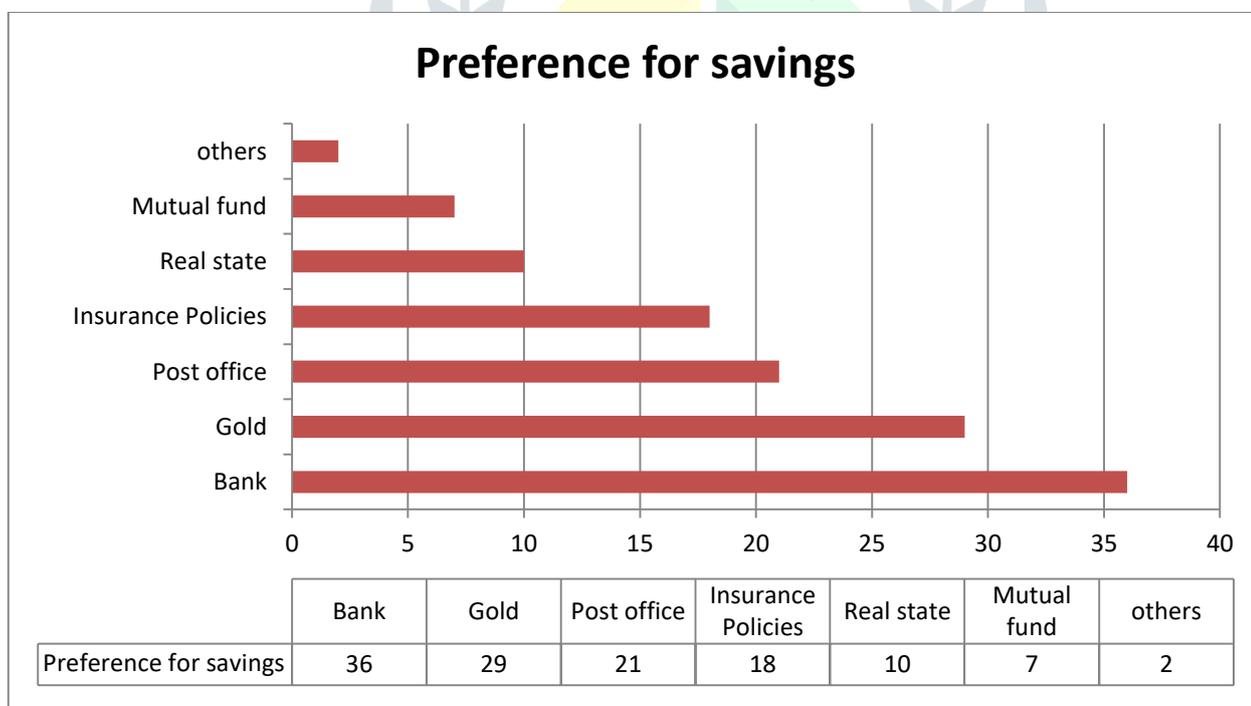
Table 1 describes demographic profile of respondents. It has further classified into 7 sections. The above table shows that out of 123 respondent's 33.33% belong to the age group of 20-30 years, 43.08% belongs to the age group of 30-40 years, and only 23.57% belongs to the age group of 40-50years. Approx 60% of respondents were male and 40% are female. 28% were qualified up to college level, 22% were professionally qualified, 13% was qualified up to school level and 18% of the respondents had higher secondary education. 17% were employed in government or private organization, 47% of the respondents belong to business and professionals were 29%, only 6.50% belongs to other category such as retired persons, housewives, etc. 8% belongs to a monthly income group of below Rs. 5000, 15% belongs to monthly income group of less than 15000, 17% of them belongs to Rs.15000-30000, 30% of them belongs to Rs.30000-45000, 25% of them belongs to Rs.45000-60000, 30% of them belongs to Rs.30000-45000 and only 13% have a fixed monthly income more than Rs.60000. 46% of respondents have single girl child

in their family, 21% have two and 32% have more than two girl child. Among which only 7% of girl’s lies between age of less than 1 year, 19% of them are under the age group of 1 to 5 years, 40% belongs to 5- 10 years and approx 34% belongs to the age group of more than10 years.

Conclusion:

- Out of 123 respondents 66 have two or more than two girl child, which clearly shows an immense need of fund in these families that means SSY scheme is beneficial to them in many ways to upgrade their child.
- Mostly parents belong to the income group of 30-40, i.e. approx 50% of the overall respondents which concludes that they are young enough to take a step ahead for saving for their daughter through SSY.
- Occupation of parents generally consist of business group, and business generally faces up and downs. This is a negative aspect for a monthly saving scheme like SSY at the time of downfall.

RESPONDENTS PREFERENCE TO VARIOUS AVENUES OF INVESTMENT (CHART- 1)



It is clear from the above graph that Bank deposits were the most likely investment avenue. Gold was ranked 2nd, , post office schemes were ranked 3rd, life insurance schemes were ranked 4th, Real estate was

given 5th , Mutual funds, realty sector and shares, debentures and commodity markets ranked 6th and the least ranking i.e. 7th rank to others.

Conclusion: It depicts that the investors were more concerned about the safety of their investments and obtaining high returns from investments.

PURPOSE TO SAVE FOR CHILD'S FUTURE

(TABLE-2)

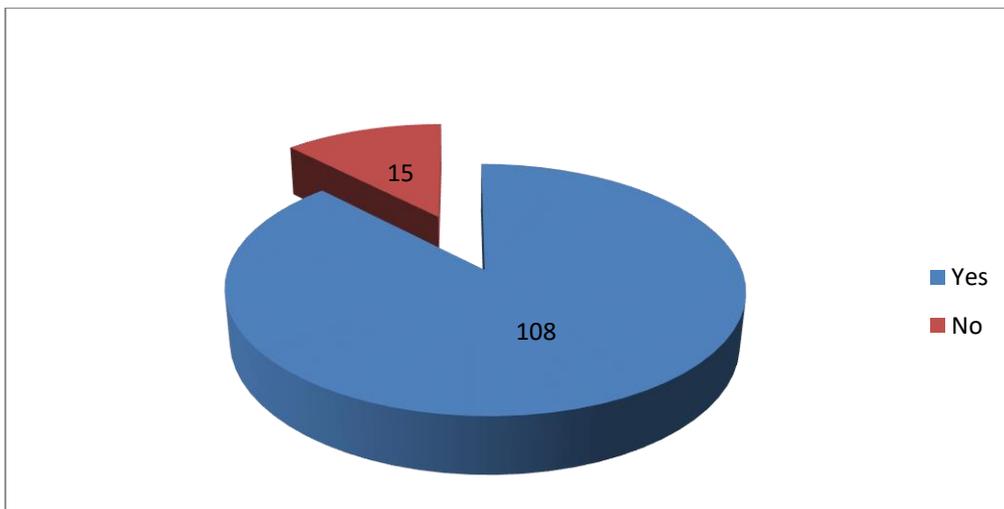
S.No.	Purpose	Strongly Agree	Agree	Disagree	Strongly Disagree	Total
						Frequency
1	Marriage	79	44	00	00	123
		64.22%	35.78%	0%	0%	100%
2	Higher Education	56	59	07	01	123
		45.52%	47.96%	5.69%	0.81%	100%
3	Future security	41	52	23	07	123
		33.33%	42.27%	18.69%	5.69%	100%
4	Uncertainties	12	19	64	28	123
		9.75%	15.44%	52.03%	22.76%	100%
5	Risk Cover	03	11	26	83	123
		2.43%	8.94%	21.13%	67.47%	100%

Above table describes that marriage and higher education is the biggest purpose for which parents want to save for their daughter, less of parents are worried about their daughters risk coverage or any other future uncertainty.

Conclusion: Financial institutions should focus on more schemes specially meant for girl's marriage or higher education. There is a great scope for such a scheme in Udaipur.

KNOWLEDGE REGARDING TAX BENEFITS FROM SSI

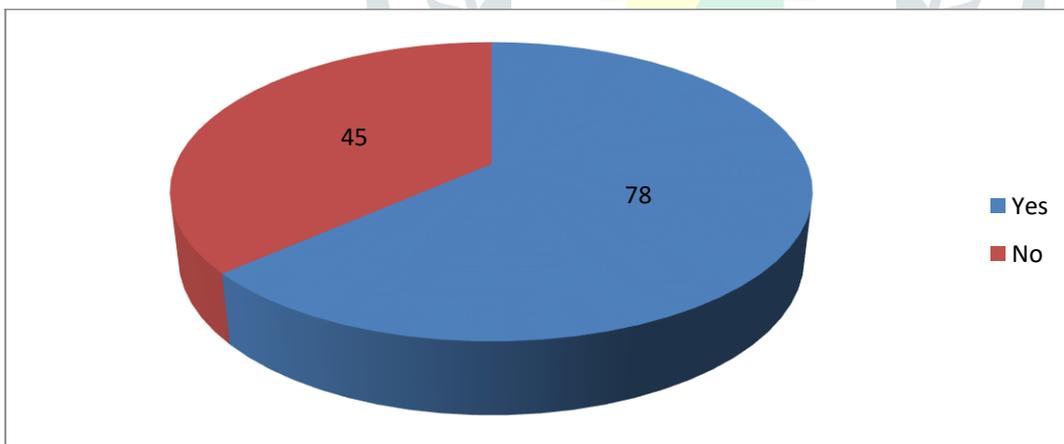
(CHART-2)



It is clearly stated from the above table that out of 123 respondents 108 are aware of tax deductions from Sukanya Scheme which compose appx. 87.80% of total responses, only 15 i.e. 12.20% are not aware regarding these deductions.

Conclusion: Parents of Udaipur city are aware about deductions on SSY.

HAD YOU INVESTED IN SSY (TABLE-3)



It has been stated from the chart that approx 63% i.e. 78 respondents out of 123 have been their account in SSY, only 45 respondents doesn't have which consist only 37% of the entire population.

Conclusion: Parents between age group of 20 to 50 years are investing their part of income for their daughter, it is a positivity shown here for their girl child.

FACTORS THAT MOTIVATES TO SAVE / MOTIVATIONAL FACTORS (TABLE-3)

S.No.	Factors of Motivation	Strongly Agree	Agree	Disagree	Strongly Disagree	Total
						Frequency
1	Promotional Tools	32	71	17	03	123
		26.01%	57.72%	13.82%	2.43%	100%
2	Government Campaign	07	23	36	57	123
		5.69%	18.69%	29.26%	46.34%	100%
3	Tax Deductions	84	16	19	04	123
		68.30%	13.00%	15.44%	3.25%	100%
4	Attraction in Premium	43	62	11	07	123
		34.95%	50.40%	8.94%	5.70%	100%
5	Attractive Risk/ Return	18	96	08	01	123
		14.63%	78.04%	6.50%	0.81%	100%

Above table describes that tax deduction and attraction in premium of saving schemes are highly motivated factors that motivates investors to invest.

Conclusion: SSY in Udaipur district can be highly adoptable as an investment option because results indicates that target population is highly motivated by the factors like tax deductions and premium attraction, SSY scheme possess both the qualities of motivation.

CONCLUSIONS OF THE STUDY

- Out of 123 respondents 66 have two or more than two girl child, which clearly shows an immense need of fund in these families, which means SSY scheme, is beneficial to them in many ways to upgrade their child.
- Mostly parents belong to the income group of 30-40, i.e. approx 50% of the overall respondents concludes that they are young enough to take a step ahead for saving for their daughter through SSY.
- Occupation of parents generally consist of business group, and business generally faces up and downs. This is a negative aspect for a monthly saving scheme like SSY at the time of downfall.
- It depicts that the investors were more concerned about the safety of their investments and obtaining high returns from investments.

- Financial institutions should focus on more schemes specially meant for girl's marriage or higher education. There is a great scope for such a scheme in Udaipur.
- Parents of Udaipur city are aware about deductions on SSY.
- Parents between age group of 20 to 50 years are investing their part of income for their daughter, it is a positivity shown here for their girl child.
- SSY in Udaipur district can be highly adoptable as an investment option because results indicates that target population is highly motivated by the factors like tax deductions and premium attraction, SSY scheme possess both the qualities of motivation.

RECOMMENDATIONS AND SUGGESTIONS

- Financial institutions should focus on more schemes specially meant for girl's marriage or higher education. There is a great scope for such a scheme in Udaipur.
- Some more tax deduction schemes should be made by POSB to increase savings of individuals.
- POSB should focus on such a scheme for boy child in Udaipur as "Pongman Podhuvaippu Nidhi" in Tamil Nadu.

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