

Sukanya Samriddhi Account Scheme.

Prime Minister Narendra Modi in January this year launched a small deposit scheme for the girl child, as part of the 'Beti Bachao Beti Padhao' campaign. This scheme is specially designed for girls' higher education or marriage needs.

Opening of account: The account may be opened by the guardian in the name of a girl child till she attains the age of ten years. Only one account is allowed per girl child. Parents can open this account for a maximum of two children. In case of twins or triplets, this facility will be extended to the third child. Account can be opened in post offices or authorized bank branches.

Age: The maximum age limit of the girl child for opening this account is 10 years. This year, a one-year relaxation has also been given.

Interest rate: The government will every year declare the interest rate of the scheme. For 2014-15, the government would be paying 9.1 per cent interest.

Transferability: 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.

Deposits: The account may be opened with an initial deposit of Rs 1,000 and thereafter any amount in multiple of Rs 100 can be deposited. The minimum deposit for a financial year is Rs 1,000 and maximum Rs 1.5 lakh. Deposits in an account may be made till completion of fourteen years, from the date of opening of the account.

Penalty: An account where minimum amount has not been deposited in a particular year will attract a fine of Rs 50 per year.

Operation of account: The account will be opened and operated by the guardian of a girl child till the girl child, in whose name the account has been opened, attains the age of 10 years. On attaining age of 10 years, the girl child may herself operate the account.

Maturity: The account shall mature on completion of 21 years from the date of opening of the account or the date of marriage of the girl child, whichever is earlier.

Withdrawal: After the girl child attains the age of 18 years, 50 per cent of the money can be withdrawn for the higher studies.

Taxation: Investments under Sukanya Samriddhi give you tax benefit under Section 80C of the Income Tax Act.