

## An Assessment of Parent's Preference towards Sukanya Samriddhi Yojana

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### ABSTRACT

Gender inequality always has been the most common issue throughout Indian society. Central and state governments initiated many financial schemes and programmes to eliminate gender inequality in the society. Sukanya Samriddhi Yojana assists girls to achieve financial stability and independence in the long-run. It is a government backed savings scheme and fetch good rate of interest for the benefit of girl child. It attracts the parents with a range of benefits. This study examines the investor's perception about the scheme. A structured questionnaire is used to collect primary data and the study area is restricted to five Taluks of Dakshina Kannada district. The results of the study reveal that the respondents are highly satisfied with the wide range of benefits offered by the schemes. However, it is also observed that there is a need for the enhancement of the services of SSY scheme implementing organizations. The wide acceptance of scheme and its popularity among the below poverty line sections of society indicate that this kind of the scheme is the need of our society.

**Keywords:** Education, Empowerment, Financial Stability, Gender Inequality, Poverty.

### 1. Introduction

The role of education is vital and goes a long way in empowering women. More and more girl children need to be educated, through quality and holistic schooling system. Numerous programmes and schemes were introduced to educate and empower girls. Educated girls are able to take the factual decisions in their life and they become the backbone of the family and society. Further, it is assumed that a society in which girls are educated will see less child marriages, decreased levels of poverty and enhanced participation of women in socio-economic processes. There is no doubt educating a girl has far-reaching impacts on the society and economy. It is rightly said that when a woman is educated, an entire generation benefits from it. Even today, there are several sections of the Indian society where the girl child is treated as a burden. While several privileges are given to the boys; girls are often restricted to the house and given very little opportunities to learn and grow in life. It is a matter of great shame that cases of female infanticide are reported in so-called civilised society. As per the figures of 2011 census, there are just 918 girls in India for 1000 boys (Census, 2011)<sup>1</sup>. In such a scenario, the role of the government and the society becomes more vital in order to ensure that girls are allowed to be born and flourish in life. Governments and NGOs initiated programmes to create awareness to save girl child in our nation. In order to achieve true women empowerment and to reduce the gender gap it is important to spread the awareness about government schemes and programmes. The role of society and social organizations is critical because it is not

possible for the government to reach every nook and corner of the country. Therefore, support of organizations which work for the eradication of female infanticide and gender discrimination. In this regard, central and state governments across the nation implemented many programmes and schemes. Sukanya Samridhi Yojana is one such programme with the purposes of driving change in the society, providing financial security and tax benefits to the donor. This paper examines the investor's perception about the Sukanya Samridhi Yojana implemented by the central government. The remainder of the paper is categorised into review of literature, conceptual framework, analysis and interpretation of data and implications of the study in framing policies.

## 2. Need and Objectives for the Study

Sukanya Samridhi Yojana is a most popular Government scheme for the betterment of girl child in India. Gender inequality always has been the most notorious issue in the Country. This Scheme is a good step to eliminate gender inequality in our society. Sukanya Samridhi Yojana assists girls to achieve financial stability and independence. One of the problems is awareness level of account holder and parents about this scheme, such as the rate of interest other benefits. Further, as per some local newspapers, an unauthorized agents are collecting money from the members of SSY for forwarding SSY account holder's application and reimbursement of amount from the government. Therefore, there is a need to assess the awareness about SSY and to find out the gap between the expectations and the reality of SSY. This study examines the awareness about the Sukanya Samridhi Yojana among the people of Dhakshina Kannada district. It is also intended to examine the aim, organisational preference to open the account and account holder's satisfaction level.

## 3. Methodology

This exploratory study aims to explore the various benefits and investors preference and satisfaction level. A structured questionnaire was used to collect the data from 176 respondents. Further, the researcher used convenience sampling under non-probability sampling technique to select the respondents from the sample. The respondent's considered in the study belongs to below poverty line and restricted to five taluks viz., Puttur, Sullya, Bantwala, Belthangady and Kadaba of Dakshina Kannada district. Present study consists of daily wage workers (42.61 percent), beedi rollers (31.82 percent), self-employed (15.34 percent) and agriculturist (10.23 percent).

## 4. Review of Literature

Researchers from various disciplines have conducted research study on the Sukanya Samridhi Yojana and analysed this scheme in various angles.

Sharma (2015)<sup>2</sup> analysed the Sukanya Samridhi Account scheme with reference to the strengths, weaknesses, opportunities and threats. He observes that it will provide girl child financial independence and will not provide adequate returns like the equity market or mutual funds. He states that it is a less or no risk investment avenue as it is backed by the government and the current interest rate is also satisfactory. He opines that saving only in this

scheme may not be sufficient for marriage and education considering inflation but can be a part of investor's portfolio. According to Vidhate and Ritesh (2016)<sup>3</sup>, utilization of social security schemes by the rural population has never been assessed in India. They conducted a survey to examine the awareness level of recently launched social security scheme, including SukanyaSamridhiYojana. Their result reveals that 76 percent were aware of any one of the recently launched social security schemes and 44percent registered for any one of these schemes. They also state that the awareness level of the rural people about the newly launched social security schemes was high and is affected by the age, gender, literacy status and socioeconomic class. They also state that the enrolment of the rural population in these schemes remains considerably low.

Deb (2016)<sup>4</sup> opines that the financial inclusion models that has been implemented successfully in various parts of India and has not gained momentum in North East India. Further, he opines that the inherent characteristics of the states in this region and the existence of several informal financial systems are some of the reasons for the failure of the formal financial inclusion models. His study made an attempt to examine the determinants of savings under the SukanyaSamriddhi Account. His survey results show that the crucial catalysts determining the decisions to invest in SSA scheme were: gender, age, level of income, family size and income, financial literacy, uncertainty of income and planning for child's education, marriage and house.

Venkatachalam and Ravindran (2016)<sup>5</sup> analysed the SukanyaSamriddhi Account of postal department and state that 93 percents of the respondents are aware about the SSA. They state that females are interested in this scheme and they are the account holders. They observe that it is especially designed to Indian parents and guardians for girl's higher education or marriage needs. They opine that girl would not be considered as a financial burden on the family. Angamuthu(2016)<sup>6</sup> compared the perception of rural and urban areas towards SukanyaSamriddhi Account Yojana and opines that it is an excellent way to secure the future of a girl child. He state that the awareness level in rural and urban area depends on educational qualification, occupational status and family income of the parents. He reports that there is no bigger difference in the awareness level and a little more than 50 percent of both rural and urban people aware of the scheme. He suggests to create more awareness among the people through banks, post offices, NGOs and self-help groups. Harini and Prachi (2017)<sup>7</sup> opine that the idea behind the scheme is to ensure a bright future to girl child in India by providing financial support for their education and marriage. They place on record that this scheme supports the economic development of the country by supporting the girl education. They state that this scheme helps to increases the literacy rate of females, which helps in increase of the incomes and standard of living of people. Bhatnagar (2017)<sup>8</sup> examines the reduction in the interest rates for small savings and consequently their impact on the returns for the middle class investor's portfolio. He suggests that the Government should not reduce interest rate of the SSY Account because this scheme was designed to help the poor man for the financial supports for the need of their daughter.

Kapri et al (2018)<sup>9</sup> states that the awareness level of urban investors (68) percent are more compare to the rural investors (58 percent) with reference to SSY offered by the banks and post office. Agnihotri and Malipatil (2018)<sup>10</sup> opine that BetiBachaoBetiPadhao(BBBP)programme is to remove the social biases favouring the male

child in society as well as improving the status of girl child through safety and education. They state that this campaign was basically started to promote the safety of girl child. Further they opine that to make the mission BBBP successful, we must first teach the girls how to be strong and self-willed and more importantly determined in order to take decisions of their own lives. Nagaraju(2018)<sup>11</sup> shows that the pivotal catalysts determining the decisions whether to invest in the SSY were: gender, age, level of income, family size and income, financial literacy, uncertainty of income and planning for child's education, marriage and house. Vani and Ramya (2019)<sup>12</sup>, identified various factors influencing customers to prefer the SukanyaSamrdhi Scheme. Most of the respondents of this study have given top priority to minimum and maximum contribution, tax savings, easy operation, initial deposits, and flexibility offered by the scheme. They also reveal that the respondents have high-level agreeability towards interest rates and payment flexibility, compared to the other factors relating to the satisfaction towards the scheme.

### 5. Parent's Preference Towards SukanyaSamriddhiYojana

The survey result reveals that 42.61 of the daily wage workers and 31.82 percent beedi rollers invested in SukanyaSamriddhiYojana. Self-employed (15.34 percent) and agriculturist (10.23 percent) are other section of society who invested in this scheme. This result reveals that the below poverty level prefer this scheme as an investment and social security program. Most of the respondent got the scheme information through post offices, mobile phone messages and NGO/SHG's. Banks, televisions and newspapers provide little information to the parents.

An attempt is made to understand the priority of the rural people about their girl child's future. The purpose of the SSY is specifically mentioned in the scheme. 60.80 percent of the respondents' open AAY account to educate their girl child and only 14.77 percent opened it for marriage purpose. The remaining 24.43 percent parents opened this account to fulfil the dual objectives of education and marriage. People in the rural area are having limited options to open SSY account due to lack knowledge and non-accessibility of service providers. The response of the parent indicates that they prefer post offices and public sector banks to open SSY account, and 69.20 percent of the parents prefer post office. Unlike any other deposit scheme, SSY is a long term plan and the benefits are transferred to the beneficiaries in the future or after a specific period of time. Therefore, we examine the satisfaction level of the parents about the investment in this scheme.

**Table No. 1**

#### **Satisfaction Level of Parents**

<b>Perception</b>	<b>Percentage</b>
Highly Satisfied	74.63
Satisfied	21.23
Neutral	4.14
Dissatisfied	0

Highly Dissatisfied	0
Total	100.0

Source: Primary data

Our survey result indicates that majority of the respondents (74.63) are highly satisfied and 21.23 percent of the account holders are satisfied. Only a few account holders are neutral about the scheme. However, no account holders are dissatisfied with reference to the return, time to maturity and withdrawal.

There is no doubt, the success of any government plan depends upon the institution through which it is implemented. The depositor friendly approach implementing agencies will help them to reach wide spectrum of the society. We also examined the beneficiaries' level of satisfaction on the services offered by the implementing agencies.

**Table 2**

**Satisfaction Level towards the Services Provider**

Level of Satisfaction	Public Sector Bank	Other Banks	Post Office
Highly Satisfied	18.04	12.90	69.06
Satisfied	77.32	73.43	25.52
Neutral	4.64	13.67	5.42
Dissatisfied	--	--	--
Highly Dissatisfied	--	--	--
Total	100.00	100.00	100.00

Source: Primary Data

Majority of the account holders are satisfied with the approach and services offered by commercial banks and post offices. However, most of the people are highly satisfied with the approach and service provide by post offices. This may be a reason why more people prefer to open account with post offices. Further, no parents are dissatisfied with services provided by the commercial banks and post offices.

## 6. Conclusion

Policy makers and researchers states that the SSY scheme has transformed the traditional thought - girl is a liability to girl is an asset. The intention of this scheme is to provide financial independence to the parents and guardians of a girl child. This study examines the parents' approach and satisfaction level towards the SSY scheme introduced by the central government. The analysis of the survey data reveals that majority of the depositor/parents are satisfied with the features of the scheme. More interestingly, this scheme attracts more number of below poverty level parents, which helps the governments' financial inclusion plan. One of the prominent reasons to open SSY account is to meet the increasing cost of education. The study result indicates that the post offices as a centre, where the rural and urban people are more convenient to access the

services. Since the post office being an oldest communication department, it has developed a trust between the department and the account holders. Easy accessibility and wide presence of post offices become a common reason to prefer to open a SSY account. Majority of the account holders are satisfied with the approach and services offered by commercial banks and post offices. The wide acceptance of scheme and its popularity among the below poverty line sections of society indicate that this kind of the scheme is the need of our society.

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