Indian Economy · GS - III

Discuss the role of the Sukanya Samriddhi Yojana in promoting financial security for the girl child. Explain how small, long-term savings and tax incentives can support household financial planning.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 03/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Financial inclusion; savings for the girl child; long-term compounding; tax incentives; household financial planning; financial literacy and awareness

Model Answer

Introduction

The Sukanya Samriddhi Yojana (SSY) is a small-savings scheme designed to encourage families to build long-term savings for girl children. It can support financial planning for future educational and other eligible needs.

Role in Financial Security

Regular contributions help households develop a disciplined savings habit. As the supplied article illustrates, investing ₹2,000 per month amounts to ₹24,000 annually. Over 15 years, the total contribution would be ₹3.60 lakh. Interest accumulated over time can substantially increase the maturity corpus, although the final amount depends on applicable interest rates and scheme rules.

Importance of Tax Incentives

Tax benefits can improve the attractiveness of long-term savings. The article highlights Section 80C deductions, subject to applicable provisions, and tax advantages associated with scheme proceeds. Such incentives can

encourage households to plan ahead rather than rely entirely on future income.

Way Forward

Public awareness should explain eligibility, contribution requirements, withdrawal rules and tax treatment. Families should also assess their financial capacity and diversify savings according to their goals.

Conclusion

SSY can strengthen long-term financial preparedness for the girl child. Its effectiveness depends on regular contributions, informed participation and clear understanding of the scheme’s rules.

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