

# BENEFICIARY AND SATISFACTORY LEVEL OF SENIOR CITIZEN SAVINGS SCHEME

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## ABSTRACT

The Senior Citizen Savings Scheme (SCSS) is a government-backed savings instrument aimed at providing a secure and steady income to senior citizens in India. This study investigates the profile of beneficiaries and evaluates their satisfaction level with various aspects of the scheme, including interest rates, accessibility, service quality, and overall financial security. The research is based on primary data collected through structured questionnaires from senior citizens enrolled in the SCSS. Findings suggest that while the scheme is highly appreciated for its attractive interest rates and safety, there are concerns regarding procedural formalities and service delivery at post offices and banks. The study emphasizes the importance of enhancing service efficiency and raising awareness to improve beneficiary satisfaction and maximize the scheme's impact on the financial well-being of the elderly population

**Keywords:** Senior citizen savings scheme(SCSS), Beneficiary satisfaction, financial security, government schemes, post retirement income, public savings scheme, service quality, pension alternatives.

## INTRODUCTION

In recent decades, the financial security of senior citizens has become an important area of focus in public policy, especially in countries like India where a growing aging population depends on limited post-retirement income sources. The decline of traditional joint family systems and rising costs of living have made it essential for elderly individuals to have access to reliable financial instruments that ensure a steady income during their retirement years. To address these concerns, the Government of India introduced the Senior Citizen Savings Scheme (SCSS) in 2004. It is a government-backed savings instrument tailored exclusively for individuals aged 60 years and above. The scheme is known for its safety, attractive interest rates, assured returns, and tax benefits under Section 80C of the Income Tax Act. Operated through both post offices and banks, the SCSS is one of the most preferred investment choices among retired citizens. While the financial aspects of the scheme have been widely recognized, it is equally important to assess the satisfaction level of the beneficiaries who rely on this scheme for their day-to-day needs. Satisfaction not only depends on the interest rate but also on factors such as ease of access, service quality, procedural simplicity, and customer support offered by the institutions managing the scheme. This study aims to analyze the profile of SCSS beneficiaries and evaluate their satisfaction levels based on multiple parameters. The research also seeks to identify any challenges or gaps in the scheme's implementation from the perspective of the users. By gathering insights directly from the senior citizens enrolled in the SCSS, the study will provide a clearer understanding of the effectiveness and impact of the scheme in enhancing financial well-being during old age.

## OBJECTIVE OF THE STUDY

1. To examine demographic profile of SCSS beneficiaries and their investment behaviour.
2. To assess the satisfaction level of beneficiaries regarding various features of SCSS, including interest rates, tenure, withdrawal flexibility, and tax benefits.
3. To identify the challenges faced by senior citizens in accessing SCSS benefits.
4. To provide recommendations for improving SCSS to better serve the financial needs of retirees.

## RESEARCH METHODOLOGY

The study will adopt a descriptive research design to assess the satisfaction level of SCSS beneficiaries. Data collection methods include survey methods where a structured questionnaire will be administered to SCSS account holders to collect their opinions on various scheme attributes. The interview method will involve face-to-face interactions with senior citizens to gather qualitative insights. Secondary research will involve analysing data from government records, financial reports, and previous research papers to supplement primary findings. Statistical analysis will be carried out using appropriate statistical tools such as frequency distribution, mean score analysis, and correlation studies to identify satisfaction trends and key influencing factors.

## SCOPE OF THE STUDY

The study focuses on analysing the beneficiary and satisfaction levels of senior citizens towards the Senior Citizens Savings Scheme (SCSS) in Tirupur City. The population for this study consists of senior citizens who have invested in the SCSS scheme through various post offices in Tirupur. For this study, data was collected from 122 respondents who are beneficiaries of the SCSS, visits were made to different post offices in Tirupur, and the respondents were selected from the list of applicants who have availed the SCSS scheme. Only those senior citizens who are active beneficiaries of the scheme were considered for the study.

## REVIEW OF LITERATURE

**Sharma and Verma (2010)**<sup>1</sup> analyse the role of Senior Citizens Savings Scheme (SCSS) in providing financial security to elderly individuals. Find that SCSS offers better returns compared to traditional fixed deposits, making it a preferred choice among retirees. Highlight concerns regarding limited liquidity and premature withdrawal restrictions, which impact the flexibility of the scheme. Emphasize that many senior citizens rely on SCSS as a steady income source, particularly those without pension benefits. Suggest that introducing partial withdrawal options or reducing penalty charges could improve investor satisfaction. Identify that SCSS remains popular due to its government backing and tax benefits, despite some limitations.

**Kumar (2011)**<sup>2</sup> Examines the awareness levels of senior citizens regarding post office savings schemes, including SCSS. Reveals that while many retirees know about SCSS, a significant portion still depends on traditional bank savings due to a lack of financial literacy. Finds that financial education and promotional campaigns play a crucial role in influencing investment decisions. Notes that urban retirees are more likely to invest in SCSS than rural counterparts due to better access to information. Suggests that targeted financial literacy programs and simplified enrollment procedures could increase SCSS participation. Highlights the need for post offices to offer better advisory services to assist senior citizens in making informed investment choices.

## DATA ANALYSIS AND INTERPRETATION

### Percentage Analysis Table-1 (Duration of investment )

Duration	No. of respondents	Percentage (%)
Less than 6 months	17	14
6 months to 1 year	44	37
1-3 years	38	32
More than 3 years	21	18
<b>Total</b>	<b>122</b>	<b>100</b>

Source: Primary Data

### INFERENCE:

From the Above table, it is inferred that most 37% of respondents have invested for 6 months to 1 year, 32% of respondents for 1-3 years, 18% of respondents for more than 3 years, 14% of respondents for less than 6 months.

Aspects	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied	Total
Withdrawal Options	88 (72.1%)	17 (13.9%)	9 (7.4%)	6 (4.9%)	2 (1.6%)	122

Investment Limits in SCSS	13 (10.7%)	89 (73.0%)	13 (10.7%)	6 (4.9%)	1 (0.8%)	122
Tax Benefits	15 (12.3%)	33 (27.0%)	63 (51.6%)	10 (8.2%)	1 (0.8%)	122
Interest Rates	21 (17.2%)	33 (27.0%)	37 (30.3%)	29 (23.8%)	2 (1.6%)	122
Penalties	16 (13.1%)	29 (23.8)	33 (27.0)	33 (27.0)	11 (9.0)	122

**Likert Scale Table – 1 (work motivation after customer rejection)**

#### INFERENCE:

The above table shows that majority of the respondents 72.1% are very satisfied with Withdrawal Options and 13.9% of the respondents are feeling neutral, 7.4% of the respondents agree, 4.9% of the respondents are disagree and only 1.6% of the respondents strongly disagree

The above table shows that majority of respondents 73% of the respondents agree with the Interest not compounding, followed by 10.7% of the respondents neutral, 10.7% of the respondents strongly agree, 4.9% of the respondents disagree and only 0.8% of the respondents strongly disagree.

The above table shows that majority 51.6% of the respondents are feeling neutral with Taxability of interest income, followed 27% of the respondents agree, 12% of the respondents disagree, 8.2% of the respondents strongly agree and only 0.8% of the respondents strongly disagree.

The above table shows that 30.3% of the respondents agree with the Maximum investment limit, followed by 27% of the respondents strongly agree, 23.1% of the respondents disagree, 1.6% of the respondents strongly disagree.

The above table shows that 27% of the respondents agree with Penalties, followed by 27% of the respondents feeling neutral, 23.8% of the respondents strongly disagree, 13.9% of the respondents disagree and 9.0% of the respondents disagree.

#### HENRY GARRET RANKING ANALYSIS – I (Stress relieving activity)

S.NO	100(RIJ – 0.5)/NJ	CALCULATED VALUE	GARRET VALUE
1	100 (1-0.5)/5	10	75
2	100 (2-0.5)/5	30	60
3	100 (3-0.5)/5	50	45
4	100 (4-0.5)/5	70	39
5	100 (5-0.5)/5	90	25

**TABLE SHOWING PERCENTILE POSITION AND GARRET VALUE**

#### TABLE SHOWING THE REASON FOR CHOOSING SCSS OVER OTHR INVESTMENT OPTIONS

Support	1	2	3	4	5	Total	Rank
Higher interest rates than other similar schemes	4964	1387	1898	438	146	8833	1

Simplicity of the scheme and documentation	684	4503	1368	285	57	6897	2
Government guarantee and security	1144	1804	1760	528	88	5324	3
Tax-saving advantages	990	1470	750	300	120	3630	4
Convenience and ease of use	0	0	0	0	0	0	5

Source: Primary Data

#### INFERENCE:

The above table shows that Garret table score value ranking. Firstly, the Garret rank is calculated by using appropriate Garret ranking formula. Then based on the Garret ranks the Garret table value is ascertained. The Garret value given in which are multiplied to record Garret score in table. Finally, by adding each row the total garret score is obtained. Then the garret scored are according to their values

1. The first rank is given to "Higher interest rates than other similar schemes"
2. The second rank is given to "Simplicity of the scheme and documentation"
3. The third rank is given to "Government guarantee and security"
4. The fourth rank is given to "Tax-saving advantages"
5. The fifth rank is given to "Convenience and ease of use"

#### CHI-SQUARE – I RELATIONSHIP BETWEEN TYPE OF INSURANCE SOLD AND FACTORS THAT IS MOST DIFFICULT TO ACHIEVE SALES TARGET

Observed value	Expexcted value	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
3	6.5	-3.5	12.25	1.885
3	2.3	0.7	0.49	0.213
8	5.1	2.9	8.41	1.649
9	9	-0.1	0.01	0.001
15	12.46	2.54	6.4516	0.518
3	4.4	-1.4	1.96	0.445
7	9.9	-2.9	8.41	0.849
19	17.2	1.8	3.24	0.188
14	11.6	2.4	5.76	0.497
5	4.1	0.9	0.81	0.198
7	9.2	-2.2	4.84	0.526
15	16.05	-1.05	1.1025	0.069
2	3.4	-1.4	1.96	0.576
1	1.2	-0.2	0.04	0.033
5	2.7	2.3	5.29	1.959
4	4.7	-0.7	0.49	0.104
Total				9.711

**INFERENCE:****Degree of freedom:**

$$\begin{aligned}V &= (r - 1) * (c - 1) \\ &= (4 - 1) * (4 - 1) \\ &= 3 * 3 \\ &= 9\end{aligned}$$

Tabulated chi - square at 5% for 9df = 9.711

Since, the calculated value of chi – square is greater than the tabulated value of chi – square at 5% level of significance and null hypothesis is accepted.

Hence the study calculated that there is significant relationship between Type of senior citizen scheme and reason for choosing.

**CONCLUSION**

The study concludes that the Senior Citizen Savings Scheme (SCSS) serves as a reliable and secure investment option for senior citizens, offering financial stability through attractive interest rates and government backing. Most beneficiaries expressed satisfaction with the scheme's benefits, especially the regular income support it provides during their retirement years. However, challenges such as lack of awareness, complex procedures, and limited digital access were identified as areas for improvement. By enhancing awareness, simplifying processes, and introducing digital facilities, the scheme can reach a wider population and ensure greater satisfaction among senior citizens, thereby promoting their financial independence and well-being.

**REFERENCES**

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