



Insurance Coverage and Financial Empowerment of the Girl Child in India

Dr. Mohan B. Biradar

Associate Professor, Department of Commerce,

Siddharth College Jafrabad, Dist- Jalna 431206

Mobile: 9423459267

mohanbiradar5@gmail.com

Abstract:

This paper examines the landscape of financial protection and insurance for the girl child in India using only secondary sources (government reports, regulatory publications, published empirical studies and official scheme data). It reviews demographic context (sex ratio and child welfare indicators), describes government and market instruments aimed at girls (savings and insurance-tinged schemes such as Sukanya Samriddhi Yojana and public/private child-life/health insurance offerings), synthesises empirical findings on determinants of insurance coverage for girls, and analyses trends and gaps. Using NFHS, Census, IRDAI and scheme datasets, we find that while broad policy initiatives (SSY, conditional cash transfers, expanded health insurance) and a growing number of girl-specific savings accounts (over 4 crore SSY accounts by late 2024) indicate improved institutional support, large gaps remain in insurance coverage for girls caused by socio-cultural son preference, low awareness, affordability, and limited tailoring of insurer products to girls' needs. The paper proposes targeted policy and regulatory measures to improve uptake and effectiveness.

Key words: Insurance, Girl Child, India

Introduction:

The financial security and empowerment of the girl child in India have been prioritized through multiple dedicated insurance plans and government schemes, especially in the context of historic gender disparities in health, education, and social opportunities. These instruments aim to promote inclusive growth and combat negative social outcomes such as female infanticide, underage marriage, and school dropouts.

Literature Review:

There is a dearth of relevant literature with respect to Insurance of the girl child. However, Cox, Graham (2010) have found that important life events such as marriage, the birth of a child, and home ownership can lead women to realize that their financial needs may increase as their lives change. Unfortunately, these concerns do not always translate into action to obtain adequate life insurance.

Similar studies were conducted by ackerman (2010) who found that during their lifetime, women tend to make less money than men and in turn, save less for retirement. This leaves them more vulnerable in their later years and with fewer options. The financial crisis only served to compound women's concerns about not having enough money to last throughout their lifetimes.



Greenwald, Judy (2006) has reported the challenges facing women in the insurance industry and results indicate that the earnings' gap between men and women was the largest in the insurance and finance sectors. Bell, Allisin (2004) have focused on the under penetration of disability insurance in the female consumers in the U.S. and found that the major factors affecting the neglect of female prospecting is the effect of male dominance in the insurance industry on women insurance demand.

Goldhammer, Colleen (2008) have concluded that women are an important market segment in long term care insurance, and they could be major targeted audience for your signature product, since they play a key role in making health and financial decisions for themselves and their families.

Objectives of the Study

1. To map the current secondary-data evidence on insurance and formal savings targeted at the girl child in India.
2. To analyze trends and scale of girl-focused financial instruments (notably SSY) and relate them to demographic indicators.
3. To synthesize determinants and barriers to insurance coverage for girl children from published studies and regulatory reports.
4. To propose evidence-based policy and regulatory recommendations to improve coverage and outcomes.

Research Methodology

This study is based on secondary data collected from government publications, peer-reviewed journal articles, official websites of insurance providers, and credible financial advisory portals. Descriptive statistics and comparative analyses are synthesized from multiple sources such as the Ministry of Women and Child Development reports, National Sample Surveys, and studies published in reputed journals to present a comprehensive analysis of girl child insurance in India.

Major Insurance Schemes for the Girl Child

- A. **Sukanya Samriddhi Yojana (SSY):** A government-backed small savings scheme for girls under 10 years, offering 8.2% annual interest, with maturity at age 21 or marriage after 18. Provides triple tax benefits and can be availed for up to two daughters per family.
- B. **Dhanalakshmi Scheme:** Focused on birth registration, immunization, school enrolment, and retention in school, using conditional cash transfers to incentivize positive outcomes.
- C. **State Schemes (Ladli, Bhagyalakshmi, Balika Samriddhi etc.):** State-specific initiatives offering lump sum insurance coverage paid at key milestones such as birth, school admissions, and attaining adulthood.
- D. **LIC and Other Insurer Plans:** Private and public insurance companies offer child-specific plans with premium waivers, guaranteed money-back, and special rates for female policyholders.



Data Analysis and Interpretation

Secondary data reveals that approximately 65% of families aware of government schemes such as SSY have enrolled their girl children, with urban households leading in participation (Government of India, 2023; Policybazaar.com, 2025). Coverage under private life insurance products remains below 30%, attributed to lower awareness and affordability issues (Indian Journal of Finance, 2024). Correlation between parental education and insurance coverage is strong, with households having at least one educated parent showing higher insurance uptake. Economic status is a significant determinant; low-income families show limited participation due to premium payment constraints. Regional variation analysis demonstrates that states with proactive awareness campaigns and higher female literacy rates report the greatest enrollment figures (Ministry of Women and Child Development, 2023).

Empirical Analysis: Effectiveness & Impact

Empirical studies indicate:

1. Increased school enrolment and rising literacy rates among girls in regions with active insurance schemes.
2. Measurable declines in child marriage rates attributed to scheme-based financial incentives.
3. Higher impact in rural and economically deprived areas, supporting both education and health outcomes.
4. Persistent operational challenges such as awareness, timely fund release, and coverage limitations remain evident.

Factors Influencing Insurance Coverage

Research identifies key drivers for insurance uptake:

1. Parental financial literacy and awareness of available schemes
2. Social attitudes toward daughters
3. Availability and transparency of scheme operations
4. Economic status of target families
5. Conditionality related to education and health milestones.

Surveys report working women favor term insurance for securing children's future over other financial products.

Findings:

1. **High demand for girl-targeted savings but limited insurance product penetration:** SSY's success (4.1–4.2 crore accounts by late 2024) shows that parents will adopt well-designed, government-backed financial instruments for daughters. However, dedicated insurance coverage for health/life/education risks for girl children shows patchy penetration across regions and socio-economic groups.
2. **Socio-economic and cultural factors remain major barriers:** Evidence from empirical studies shows that parental education, household income, urban/rural status and awareness are major predictors of whether a girl receives formal financial protection. Son preference and gendered expectations reduce



investment in girls in some contexts, which can translate into lower insurance uptake.

3. **Regulatory attention but product gaps:** IRDAI's reports indicate regulatory interest in expanding health insurance and microinsurance, but there remains scope for tailored child insurance products (affordable premiums, simple benefits, distribution via post offices/SHGs) designed specifically for girls.
4. **Data and measurement gaps hinder targeted policy:** While scheme-level counts (SSY) are available, systematic public data on child-specific insurance coverage disaggregated by gender, region and income is limited—making it difficult to precisely track insurance coverage for girls nationwide using secondary sources alone. (This limitation constrains empirical depth.)

Policy Recommendations

1. **Integrate savings with insurance cover:** Build hybrid instruments—combine guaranteed savings (SSY-type) with low-cost life/education/health riders for girls. Government co-contribution or premium subsidies (for low-income households) could improve uptake.
2. **Product design for affordability and simplicity:** Insurers should design child-specific micro insurance products with minimal documentation, vernacular materials, simple benefit structures and easy claim processes; distribution through Post Offices, Anganwadi centres, SHGs and schools can widen reach.
3. **Awareness and behavior change:** Scale up information campaigns (tied to Beti Bachao Beti Padhao) that emphasise both daughters' rights and the practical value of financial protection, using local influencers and community workers.
4. **Data collection & monitoring:** Mandate gender-disaggregated reporting on child insurance coverage in national surveys and IRDAI market reports to monitor equity in coverage and inform policy targeting.
5. **Leverage existing social programs:** Link girl-focused conditional cash transfers (education stipend schemes) to automatic eligibility or discounted premiums for child insurance to lower transaction costs and encourage enrolment.
6. **Consumer protection & financial literacy:** IRDAI and state governments should ensure standardised disclosure for child products, grievance redressal, and targeted financial literacy modules in schools and anganwadis.

Challenges and Recommendations

1. Improve awareness campaigns targeting parents and communities.
2. Strengthen monitoring and evaluation of scheme implementation.
3. Address socio-cultural barriers through community engagement and education.
4. Increase collaboration between government and private insurers to design affordable, accessible insurance products.
5. Encourage financial literacy to empower families to make informed insurance decisions.

**Conclusion:**

Insurance of the girl child in India is a critical lever for promoting gender equality and securing the welfare of future generations. Empirical evidence suggests that while progress has been made through government and private initiatives, sustained efforts are required to overcome persistent barriers. Increasing insurance coverage for girl children can enhance their health, education, and financial security, contributing to broader social and economic development. Secondary sources indicate a mixed picture: India has taken important policy steps that create the supply of girl-targeted financial instruments and the regulatory framework for broader insurance access; the Sukanya Samriddhi Yojana stands out as a widely adopted girl-focused savings vehicle (over 4 crore accounts). Yet insurance coverage that directly protects girls from health, mortality and education risks remains uneven and under-documented. Socio-economic disparities and cultural son preference continue to influence parental investment choices. To translate the promise of financial protection into equitable outcomes for girls, policymakers and insurers must focus on tailored products, integration of savings and insurance, intensified awareness campaigns, gender-disaggregated data collection, and mechanisms to subsidise or support low-income households. If these steps are taken, India can better ensure that the girl child not only survives but is financially protected and empowered.

References:

1. Teena Jain (2009), "Insurance ratio tilted against India's women", Tue, Jun 30, 2009 11:43 PM IST, livemint.com
2. Ackerman, Ruthie (2010), "Women flex purchasing power", Employee Benefits News, Jun 2010, Vol 24 Issue 8, P34-35, 2p (An 51779160)
3. Greenwald, Judy (2006), "Women make strides in industry, but still face challenges, Business Insurance, 10/9/2006, Vol. 40 Issue 41, P2, PP12-14.
4. <https://www.ijcrt.org/papers/IJCRT2503202.pdf>
5. <https://india.unfpa.org/sites/default/files/pubpdf/SPECIALFINANCIALINCENTIVESCHEMES.pdf>
6. <https://www.indianjournaloffinance.co.in/index.php/ijom/article/view/37731/66448>
7. <https://www.hdfclife.com/children-insurance-plans>
8. <https://www.oneassure.in/insurance/health-insurance-schemes/central-government-schemes-for-girl-child-oneassure>
9. <https://www.policybazaar.com/life-insurance/child-plans/>
10. <https://www.icicprulife.com/child-insurance/child-insurance-plans.html>
11. <https://www.bajajfinserv.in/insurance/vahli-dikri-yojana>
12. <https://pmcaresforchildren.in>
13. <https://www.indianjournalofcapitalmarkets.com/index.php/ijom/article/view/37731>
14. <https://www.tataaia.com/blogs/financial-planning/child-investment-plans.html>