

Perspicacity of the Civic towards Demonetisation

By

Rajalakshmi. S

(15PIR010)

**A thesis submitted to the
Avinashilingam Institute for Home Science
and Higher Education for Women,
Coimbatore - 641 043.**

***In partial fulfilment of the requirements for the Degree of
Master of Science in Interior Design and
Resource Management***

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Certified as a Bonafide Research work

**Signature of the
Guide**

**Signature of the
Head of the Department**

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Gratitude is the inward feeling of kindness received. Thankfulness is the natural impulse that feeling.

-Henry Van Dyke

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-William Shakespeare

CONTENTS

CHAPTER NO.	TITLE	PAGE NO.
	LIST OF TABLES	
	LIST OF FIGURES	
	LIST OF PLATES	
	LIST OF APPENDICES	
I	INTRODUCTION	1
II	REVIEW OF LITERATURE	9
	A. Meaning of demonetisation	9
	B. History of demonetisation	11
	C. Effects of demonetisation on national development	17
	D. Advantage and limitations of demonetisation	22
	E. Steps taken by the government	25
	F. Views and allegation of demonetisation	27
III	METHODOLOGY	30
	Phase1: Students Survey	30
	Phase 2: Household Survey	35
	Phase 3: Shop Survey	39
IV	RESULTS AND DISCUSSION	46
	A. Results of the Survey Conducted among the Student Community	46
	B. Results of the Survey Conducted among the Home Makers	50
	C. Results of the Survey Conducted among the Shops Owners	53
	D. Difficulty Experienced by all the Selected Respondents Due to Cash Crunch	56
V	SUMMARY AND CONCLUSION	71
	BIBLIOGRAPHY	77
	APPENDICES	83

LIST OF TABLES

TABLE NO.	TITLE	PAGE NO.
1	Background information of the selected students	47
2	General information of selected homemakers	51
3	General information of the shop owners	54
4	Specific information of the selected respondents	57
5	Mode of withdraw and reasons for not using other mode of transaction	59
6	Opinion of the respondent on cashless India Moment	61
7	Extent of appreciation of the selected respondents on the positive effects of demonetisation	62
8	Difficulties faced by the selected respondents due to demonetisation	65
9	Positive Perception of the Civic towards Demonetisation	66
10	Measure taken by the respondents to overcome the problems	68
11	Suggestions about demonetisation	69

LIST OF FIGURES

FIGURE NO.	TITLE	PAGE NO.
1	Procedure followed in the conduct of the study	45
2	Contribution rendered by students	48
3	Frequency of receiving pocket money by the selected status	49
4	Problems experienced due to demonetisation	50
5	Educational back group for selected homemakers	52
6	Employment status of home makers	52
7	Income group of the home makers	53
8	Nature of shop	54
9	Types of shops	55
10	Attitude of the shop owners towards demonetisation	56
11	Specific information of the selected respondents	58
12	Mode of withdrawal	60
13	Reasons for not using modes of withdrawal	60
14	Opinion about cashless India	61
15	Extent of appreciation of the selected respondents on the positive effects of demonetisation	63
16	Difficulty experience by the selected respondents due to demonetisation	66
17	Positive perspicacity of selected respondents	67
18	Problems of demonetisation	69
19	Suggestion of demonetisation	70

LIST OF PLATES

PLATE NO.	TITLE	PAGE NO.
I	Student survey	34
II	Household survey	36
III	Shop survey	40

LIST OF APPENDICES

APPENDIX NO.	TITLE	PAGE NO.
I	Ethical Committee Clearance Certificate	83
II	Survey to find out the perspicacity of students towards demonetisation	84
III	Survey to find out the perspicacity of home makers towards demonetisation	89
IV	Survey to find out the perspicacity of owners of petty shops towards demonetisation	93

INTRODUCTION

India experienced unprecedented prosperity in history. The gross domestic product of India in the 16th century was estimated at about 25.1% of the world economy. Between 1st and 17th centuries AD, India is estimated to have had the largest economy of the ancient and medieval world, controlling between one third and one fourth of the world's wealth. The ruthless exploitation under British colonial rule completely devastated India's economy.

After India got independence from colonial rule in 1947, the process of rebuilding the economy started. India went for centralized planning. However, despite all efforts on economic front, the country did not develop at rapid pace largely due to lack of capital formation, cold war politics, defence expenditure, and rise in population and inadequate infrastructure.

Today the Indian economy is one of the fastest growing economies in the world. The rising income and savings levels, investment opportunities, huge domestic consumption and younger population ensure growth for decades to come.

Since 1991 the economy had progressed immensely with GDP progressing at the rate of 6-8% per annum. , India had made significant progress in various spheres of science and technology over the years and can now take pride in having a strong network of science and technology institutions, trained manpower and an innovative knowledge base.(www.History-of-Indian-Economy.pdf.com)

First, India's currency to GDP ratio had evolved in two broad phases. It declined fairly steadily for the first decade and a half after Independence, falling from around 12 percent in 1952-53 to about 9 percent in 1967-68. Thereafter, the ratio appears to have responded to the growth of the economy. It began its upward trend in the late 1970s when growth increased, and then accelerated further during the growth boom of the 2000s. This ratio declined during the period of high inflation in the late 2000s and early 2010s but it rebounded after 2014-15 to 12 percent when inflation declined again.

The value of high denomination notes (INR 500 and INR 1000) relative to GDP had also increased in line with rising living.

Second, India's economy is relatively cash-dependent, even taking account of the fact that it is a relatively poor country. The cash to GDP ratio against country per capita GDP, showing that on average the use of cash does indeed decline with development (yellow line). India's level is somewhat higher than other countries in its income group (central panel). This might seem to suggest that some of the cash holdings were not being used for legitimate transactions, but perhaps for other activities such as corruption.

But even if high levels of cash are needed this doesn't mean high denominations are needed. It is usually the case that high value notes are associated with corruption because they are easier to store and carry, compared to smaller denominations or other stores of value such as gold (Sands, 2016; Henry, 1980; Summers, 2016; Rogoff, 2016).

In order to control the inflation, corruption, black money, fake currency and cash with terrorism, our prime minister of India announced demonetisation of higher value currency notes.

Rai (2016) also stress that on November 8, 2016, the government announced a historic measure, with profound implications for the economy. The two largest denomination notes, Rs 500 and Rs 1000, were "demonetized" with immediate effect, ceasing to be legal tender except for a few specified purposes.

India's demonetisation is unprecedented in international economic history, in that it combined secrecy and suddenness amidst normal economic and political conditions.

All other sudden demonetisations have occurred in the context of hyperinflation, wars, political upheavals, or other extreme circumstances. But the Indian economy had been growing at the fastest clip in the world on the back of stable macroeconomics and an impressive set of reforms.

India's action is not unprecedented in its own economic history: there were two previous instances of demonetisation, in 1946 and 1978, the latter not having any significant effect on cash (Rai, 2016).

On 8th November 2016, the Government of India announced the demonetisation of all ₹500 (US\$7.40) and ₹1,000 (US\$15) banknotes of the Mahatma Gandhi Series. The government claimed that the action would curtail the shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism. The sudden nature of the announcement—and the prolonged cash shortages in the weeks that followed—created significant disruption throughout the economy, threatening economic output. The move was heavily criticized as poorly planned and unfair, and was met with protests, litigation, and strikes. (http://www.economic_times_2016.org/)

November 8, 2016 a day the Indian Government launched a “surprise attack”/ “Surgical strike”/ “Surgery against black money in the economy. The Hon'ble Prime Minister of India, in an unscheduled live televised address to the nation on November 8, 2016 at 20:15 Indian Standard Time (IST) declared circulation of all INR 500 and INR 1000 banknotes of the Mahatma Gandhi Series as invalid with immediate effect. Issuance of new INR 500 and INR 2000 banknotes of the Mahatma Gandhi New Series in exchange for the old banknotes was announced. With the exchange of new denomination notes of INR 2000 and not INR 1000, the conversion of black money would be curbed. Demonetisation had been done in an effort to: – stop counterfeiting of the current banknotes allegedly used for funding terrorism – crack down on black money in the country (<https://www.slideshare.net/SandeepJ99/demonetisation-2016-sandeep-jhunjhunwala>).

The government had implemented a major change in the economic environment by demonetising the high value currency notes – of Rs 500 and Rs 1000 denomination. These ceased to be legal tender from the midnight of 8th of November 2016. People have been given up to December 30, 2016 to exchange the notes. The proposal by the government involved the elimination of these existing notes from circulation and a gradual replacement with a new set of notes. In the short term, it is intended that the cash in circulation would be substantially squeezed since there are limits placed on the amount that individuals can withdraw. In the months to come, this squeeze may be relaxed somewhat. The reasons offered for demonetisation are two-fold: one,

to control counterfeit notes that could be contributing to terrorism, in other words a national security concern and second, to undermine or eliminate the “black economy” ([www. 2016_Indian_banknote_demonetisation](http://www.2016_Indian_banknote_demonetisation)).

Demonetisation is the process of removing currency from general usage or circulation. In India’s case Government completely withdrawn the currency with the denomination of Rs.1000. Along with Rs.1000 currency notes Rs.500 notes were also withdrawn from circulation. For the old 500 currency notes new 500 rupee notes was issued and a new currency note of 2000 denomination was also introduced in the economy. New currency notes issued to the public through commercial banks and post offices across India by depositing the demonetised currency notes by the people (Rao, et al., 2016).

Demonetisation can also be interpreted as a regime shift on the part of the government. It is a demonstration of the state’s resolve to crack down on black money, showing that tax evasion will no longer be tolerated or accepted as an inevitable part of life. Since this action had commanded support amongst the population, demonetisation shows that black money will no longer be tolerated by the wider public, either.

Due to the effort taken by the government up to 97% of the demonetised bank notes have been deposited into banks which have received a total of Rs. 14.97 trillion (\$220 billion) as of December 30 out of the Rs. 15.4 trillion that was demonetised. This is against the government's initial estimate that Rs.3 trillion would not return to the banking system. Of the Rs.15.4 trillion demonetised in the form of Rs.500 and Rs.1000 bank notes of the Mahatma Gandhi Series, Rs.9.2 trillion in the form of Rs.500 and Rs.2000 bank notes of the Mahatma Gandhi New Series had been recirculated as of 10 January 2017, two months after the demonetisation (Kenneth 2016).

According to the information given in (www.hdfcbank.com/assets/pdf/EventUpdateDemonetisation_and_its_impact.pdf). The total value of old Rs.500 and Rs.1000 notes in the circulation is to the tune of Rs.14.2 trillion, which is about 85% of the total value of currency in circulation. This means that the total cash had to now pass through the formal banking channels to get

legitimacy. The World Bank in July, 2010 estimated the size of the shadow economy for India at 20.7% of the Gross Domestic Product (GDP) in 1999 was increased to 23.2% in 2007. Assuming that this figure had not risen since then (quite unlikely though) and that the cash component of the shadow economy is also proportional (it could be higher), to the estimated unaccounted value of the currency and it could be to the tune of Rs.3.3 trillion.

At one fell stroke, 86 percent of the cash in circulation was thereby rendered invalid. These notes were to be deposited in the banks by December 30, 2016, while restrictions were placed on cash withdrawals. In other words, restrictions were placed on the convertibility of domestic money and bank deposits. The aim of the action was fourfold: to curb corruption; counterfeiting; the use of high denomination notes for terrorist activities; and especially the accumulation of “black money”, generated by income that had not been declared to the tax authorities.

It followed a series of earlier efforts to curb such illicit activities, including the creation of the Special Investigative Team (SIT) in the 2014 budget; the Black Money and Imposition of Tax Act 2015; Benami Transactions Act 2016; the information exchange agreement with Switzerland; changes in the tax treaties with Mauritius, Cyprus and Singapore; and the Income Disclosure Scheme. Demonetisation was aimed at signalling a regime change, emphasizing the government’s determination to penalize illicit activities and the associated wealth. In effect, the tax on all illicit activities, as well as legal activities that were not disclosed to the tax authorities, was sought to be permanently and punitively increased.

One intermediate objective of demonetisation is to create a less-cash or cashless economy, as this is key to channelling more saving channelled through the formal financial system and improving tax compliance. Currently, India is far away from this objective: the Watal Committee had recently estimated that cash accounts for about 78 percent of all consumer payments.

In contrast, digital transactions face significant impediments. They require special equipment, cell phones for customers and Point-of-Sale (POS)

machines for merchants, which will only work if there is internet connectivity. They are also costly to users, since e-payment firms need to recoup their costs by imposing charges on customers, merchants, or both. At the same time, these disadvantages are counterbalanced by two cardinal virtues. Digital transactions help bring people into the modern “wired” era. And they bring people into the formal economy, thereby increasing financial saving, reducing tax evasion, and levelling the playing field between tax-compliant and tax-evading firms (and individuals).

Digitalisation can broadly impact three sections of society: the poor, who are largely outside the digital economy; the less affluent, who are becoming part of the digital economy having acquired Jan Dhan accounts and RuPay cards; and the affluent, who are fully digitally integrated via credit cards. One simple measure that illustrates the size of these three categories is cell phone ownership. There are approximately 350 million people without cellphones (the digitally excluded); 350 million with regular “feature” phones, and 250 million with smartphones.

In the wake of the demonetisation, the government had taken a number of steps to facilitate and incentivize the move to a digital economy. These include:

- Launch of the BHIM (Bharat Interface For Money) app for smartphones. This is based on the new Unified Payments Interface (UPI) which had created inter-operability of digital transactions. As of January 10, there had been 10 million downloads, and over 1 million transactions had been conducted. The 250 million digital-haves can use their smartphone to make simple and quick payments.
- Launch of BHIM USSD 2.0, a product that allows the 350 million feature phone users to take advantage of the UPI.
- Launch of Aadhaar Merchant Pay, aimed at the 350 million who do not have phones. This enables anyone with just an Aadhar number and a bank account to make a merchant payment using his biometric identification. Aadhar Merchant Pay will soon be integrated into BHIM and the necessary POS devices will soon be rolled out.

- Reductions in fees (Merchant Discount Rate) paid on digital transactions and transactions that use the UPI. There have also been relaxations of limits on the use of payment wallets. Tax benefits have also been provided for to incentivize digital transactions.
- Encouraging the adoption of POS devices beyond the current 1.5 million, through tariff reductions.

So far, facilities such as RuPay and payment wallets still make up only a tiny proportion of digital transactions, much less overall financial transaction. For example, RBI survey data indicates that during December 2016 digital wallets accounted for just Rs.95 billion in transactions and UPI only Rs.7 billion, compared to Rs.314 billion for debit (excluding RuPay and ATM transactions) and Rs.270 billion for credit cards. Still, they are growing rapidly.

As people have started to use such e-payment systems, they have discovered that it is more convenient to conduct financial activities electronically. And they are finding that such transactions are feasible in many more places, because demonetisation is creating network effects: as first movers embrace e-payments, others find it worthwhile joining them; and as more households participate, more firms are participating as well. That said, the security features of these e-payment systems will need to inspire trust, to ensure this trend continues.

Real estate demonetisation could have particularly profound impact on the real estate sector. In the past, much of the black money accumulated was ultimately used to evade taxes on property sales. To the extent that black money is reduced and financial transactions increasingly take place through electronic means, this type of tax evasion will also diminish. While it is too early to assess whether there will be permanent effects. Indian economy (Ratnesh et al., 2008).

The biggest problem of demonetisation is that once people in the country gets to know about it than initially for few days there is chaos and frenzy among public as everybody wanted to get rid of demonetized notes

which in turn sometimes led to law and order problem and chaotic situation especially in banks and ATMs which were the only medium to change the old currency units to new currency units. Where the common problems faced in standing long time in queues, over herd in banks and ATM's, no amount in ATM's, and also time consuming these problems are stricken by the public.

Another disadvantage is printing of new units involve cost which had to be borne by the government. People who are being targeted for their black money had invested their money in other assets like real estate, gold and so on. Serpentine line sketched outside the ATM's and banks. Stood for hours to revalidate their wealth.

Even the strict regulation put in people to adult large deposits and limit the amount of bank notes that could be exchanged at one time, people were able to get new notes by illicitly exchange money with corrupt bankers and by threatening bank employees, small business and household struggled to find cash for daily expenditure.

With both positive and negative effects on the civic the investigator felt the need to find out the real impact of demonetisation on the public. Hence the study on "Perspicacity of the Civic towards Demonetisation" was under taken with the following objectives.

- To find out the impact of demonetisation on the public
- To find out the attitude of the adolescence students on demonetisation.
- To gather information on the inconveniences faced by selected homemakers due to demonetisation.
- To understand the problems faced by shop owners due to demonetisation.

It hoped that the study will bring out the real picture of the situation the public faced in the initial period of demonetisation.

II REVIEW OF LITERATURE

To find out the impact of demonetisation on the public, mainly on the adolescents students the inconvenience faced by the homemakers shop owners due to demonetisation, the study on “**Perspicacity of the Civic towards Demonetisation**” was conducted.

The literature pertaining to the study on are reviewed under the following topics:

- A. Meaning of demonetisation
- B. History of demonetisation
- C. Effects of demonetisation on national development
- D. Advantage and limitations of demonetisation
- E. Steps taken by the government
- F. Views and allegation of demonetisation

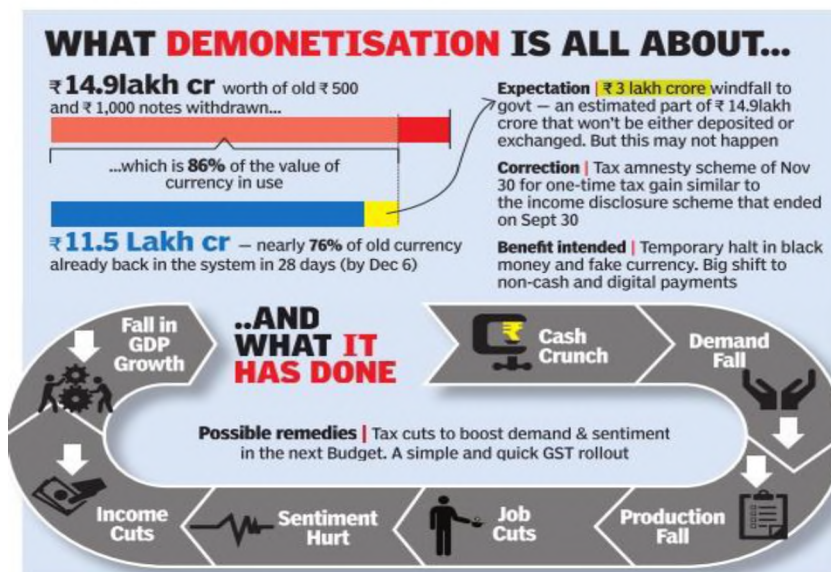
A. Meaning of Demonetisation



Demonetisation is the act of stripping a currency unit of its status as legal tender. It occurs whenever there is a change of national currency: The current form or forms of money is pulled from circulation and retired, often to be replaced with new notes or coins. Sometimes, a country completely replaces the old currency with new currency. The opposite of demonetisation is remonetisation, in which a form of payment is restored as legal tender (www.defandmeaningofdemonetisation.com/).

Most non-credit money in the world today is what is called ‘fiat money’; that is to say, it is not backed by any real commodity such as gold, but is only backed by the legal power invested in the issuing authority by the government. Currency in the form of bank notes, is therefore ‘legal tender’ whereby the issuing authority (usually the central bank, in India’s case the Reserve Bank of India, RBI) promises to accept that note at its face value. Demonetisation is the

removal of the backing –it is the process by which particular currency notes are no longer legal tender (demonetisation decoded (Jayathighosh et al., 2017).



Demonetisation assumes that all black incomes are held in the form of cash balances, but the fact of the matter is that it is only a small part of the total black incomes which is held in liquid form. The rest are in circulation. Secondly, businessmen invent a number of clandestine ways to circumvent demonetisation. So the net effect of this limited and partial measure to destroy black incomes is too insignificant (encyclopaedia of Indian economy (Ratnesh et al., 2008).



(iasbaba.com/wp-content/uploads/2016/11/DNA-9-nov.jpg)

Our prime minister- Narendara Modi's demonetisation manoeuvre was a "shock doctrine" tactic to dismantle the cash-centric black market, to cleanse the country of counterfeit notes, to further digitize the economy, and to get more of the population onto the formal, taxable economic grid (demonetisation decoded, (Jayathighosh et al., 2017).

B. History Of Demonetisation

The Indian government had demonetised bank notes on two prior occasions—once in 1946 and then again in 1978—and in both cases, the goal was to combat tax evasion by "black money" held outside the formal economic system. The old notes were being sold at 60 and 70 per cent of their price. The move was called a 'death blow' to black marketers. A rumour also went around that Rs 100 notes were being demonetised too, leading to panic and people discarding their Rs 100 notes as well.

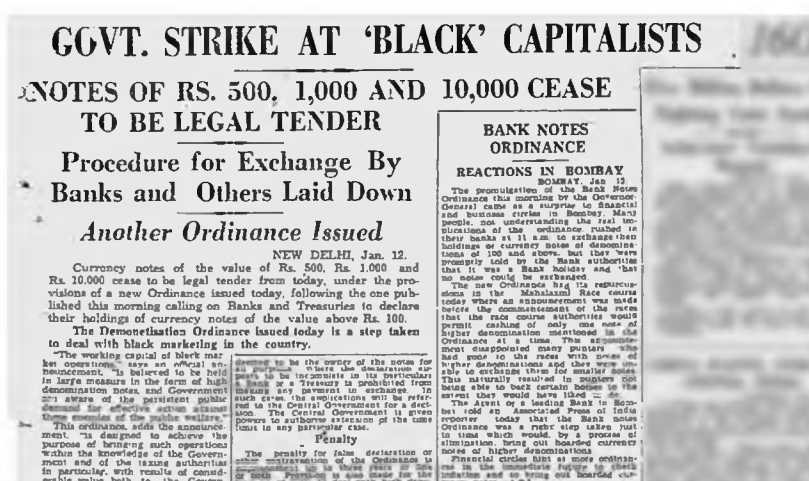
The first was when Rs.1,000, Rs5,000, and Rs.10,000 notes were taken out of circulation in January 1946, a year and a half before the country won independence from the British. The Rs.10,000 notes were the largest currency denomination ever printed by the Reserve Bank of India, introduced for the first time in 1938. All three notes were reintroduced in 1954.

In 1946, the pre-independence government hoped demonetisation would penalize Indian businesses that were concealing the fortunes amassed supplying the Allies in World War II. The front page of Indian Express from that day reads that the move was made with an aim to curb black marketing. The repercussions were similar with people dying of shock, exceptionally long lines at the bank and the middle classes being hit.



In the early '70s, the Wanchoo committee, a direct tax inquiry committee set up by the government, suggested demonetisation as a measure to unearth and counter the spread of black money. However, the public nature of the recommendation sparked black money hoarders to act fast and rid themselves of high denominations before the government was able to clamp down on them (*The Indian Express*. Nov 11, 2016).

Then, in 1977, the Janata Party coalition government came into power. A year into the government's term, party leader Morarji Desai was more bullish about cracking down on counterfeits and black money. The High Denomination Bank Notes (Demonetisation) Act, instated by the ruling party on Jan. 16, 1978, deemed the Rs.1,000, Rs.5,000 and Rs10,000 notes illegal for the second time.



At the time, then-RBI governor I.G. Patel disagreed with the measure and accused the Janata coalition government of trying to cripple the corrupt predecessor governments instead of simply eradicating black money.

In 1946, demonetisation was resorted to but the Direct Taxes Enquiry Committee in its interim report admitted: "Demonetisation was not successful then, because only a very small proportion of total notes in circulation was demonetised. Notes demonetised in 1946 were of the value of Rs.143.97 crores as against the total notes issued of the value of Rs. 1, 235, 93 crores" (Ratnesh et al., 2008).

In a second such historic move, again with a view to curb black money transactions was termed as "an Act to provide in the public interest for the demonetisation of certain high denomination bank notes and for matters connected therewith or incidental thereto."



The high demonetisation notes as on that date aggregated to Rs. 146 crores. Notes tendered to the reserve bank of India amounted to Rs. 125 crores as per data available till August 1981. Obviously, demonetisation failed to make a serious dent on unearthing black money. (Ratnesh et al., 2008) People who possessed these notes were given till January 24 the same year — a week's time — to exchange any high denomination bank notes. The one big difference with the announcement Tuesday is that Rs.1,000 and higher value notes were almost impossible to possess then for the common man given the value of these amounts then. Even then the move was aimed tackling the issue of the black money economy which was quite substantial at that point of time.

Under the law all “high denomination bank notes” ceased to be legal tender after January 16, 1978. There was a prohibition of transfer and receipt of high denomination bank notes. Plus, all banks and government treasuries had to send to the Reserve Bank the total value of high denomination bank notes held by it at the close of business on the January 16.



The **TOI** front page on January 17, 1978, a day after the Morarji Desai government demonetised currency notes of Rs 1,000 and above

Newspaper and magazine archives of the 1946 decision do not seem to be available online. It was on 16 January 1978 that the country was told that the Janata Party coalition, which had assumed office a year earlier, has decided to scrap Rs.1,000, Rs.5,000 and Rs.10,000 notes. The Reserve Bank of India's (RBI) history (third volume) details how things happened. On 14 January, Janaki Raman, a senior official from chief accountant's office in RBI, was informed about the government's decision to demonetise high-denomination notes and told to draft the ordinance.

After the ordinance was drafted, it was sent to President N Sanjiva Reddy for assent. It was through the All India Radio's (AIR) 9 am news bulletin that people were informed about the policy decision. It added that all banks and treasuries would be closed the next day, on 17 January. (Times of India 11th December 2016).

The Coinage Act of 1873 demonetized silver as the legal tender of the United States, in favor of fully adopting the gold standard. Several coins, including two-cent piece, three-cent piece, and half dime were discontinued. The withdrawal of silver from the economy resulted in a contraction of the money supply, which subsequently led to a five-year economic depression throughout the country ([//iasbaba.com/wpcontent/uploads/2016/11/DNA-9-nov.jpg](http://iasbaba.com/wpcontent/uploads/2016/11/DNA-9-nov.jpg))

An example of demonetisation for trade purposes occurred when the nations of the European Union officially began to use the euro as their everyday currencies in 2002. When the physical euro bills and coins were introduced, the old national currencies, such as the German mark, the French franc and the Italian lira were demonetized. However, these varied currencies remained convertible into Euros at fixed exchange rates for a while to assure a smooth transition. In 2015, the Zimbabwean government demonetized its dollar as a way to combat the country's hyperinflation.

The Prime Minister Narendra Modi government shook the country on November 8 2016 by announcing the demonetisation policy and turning notes of Rs.500 and Rs.1000 into paper. While people were allowed to exchange their old notes for valid currency, deposit the money, or withdraw a certain amount

from the ATM, the move saw unprecedented lines outside banks and ATMs with bank employees working overtime to make up for the cash crunch in the common man's life (Government of India 2016, "Committee on Digital Payments").

For the most part, Modi's measure mirrors Desai's—except this time, he has the backing of his RBI governor, Urjit Patel, who applauded Modi's "very bold step" addressing concerns about the "growing menace of fake Indian currency notes." But that doesn't mean all the sceptics are off his back. Economists doubt the impact of his decision.

"That's because people don't stack black money in cash. Rather, they stash it in undisclosed accounts in Swiss Banks," said Abhiroop Sarkar, a professor at the Indian Statistical Institute. "So the demonetisation won't affect the biggest fish (["qz.com/831674/rupee-currency-demonetisation-a-brief-history-of-india-pulling-bank-notes-from-circulation/](http://qz.com/831674/rupee-currency-demonetisation-a-brief-history-of-india-pulling-bank-notes-from-circulation/))

The plan to demonetise the Rs.500 and Rs.1000 bank notes began six to ten months prior, and was kept highly confidential with only about ten people aware of it completely. The logistical processes and preparations for printing the new Rs.500 and Rs.2000 bank notes began in early-May. The cabinet was informed about the demonetisation on 8 November 2016 in a meeting called by the Prime Minister of India Narendra Modi which was followed by Modi's public announcement about the demonetisation in a televised address.

On 8 November 2016, Prime Minister of India Narendra Modi announced the demonetisation in an unscheduled live televised address to the nation at 20:15 IST. In the announcement, Modi declared circulation of all Rs.500 and Rs.1,000 banknotes of the Mahatma Gandhi Series as invalid effective from the midnight of the same day, and announced the issuance of new Rs.500 and Rs.2,000 banknotes of the Mahatma Gandhi New Series in exchange for the old banknotes.

After Modi's announcement, the Governor of the Reserve Bank of India, Urjit Patel, and Economic Affairs secretary, Shaktikanta Das explained in a press conference that one purpose of the action was to fight terrorism funded by counterfeit notes. While the supply of notes of all denominations had

increased by 40 percent between 2011 and 2016, the Rs.500 and Rs.1,000 banknotes increased by 76 percent and 109 percent, respectively, owing to forgery. They said that forged cash was used to fund terrorist activities against India and that the demonetisation had a counter-terrorism purpose.

Patel also informed that the decision had been made about six months ago, and the printing of new banknotes of denomination Rs.500 and Rs.2,000 had already started. However, only the top members of the government, security agencies and the central bank were aware of the move. But media had reported in October 2016 about the introduction of Rs.2,000 denomination well before the official announcement by RBI. This statement has led to much debate, because the Reserve Bank governor six months before the announcement was Raghuram Rajan, while the new banknotes have the signature of the newly appointed governor, Urjit Patel, Nov 09, 2016)

Modi announced that the notes of Rs.500 and Rs.1000 "will not be legal tender from midnight tonight" and these will be "just worthless pieces of paper. PM also urged people to 'join this mahayajna against the ills of corruption. He appealed the people to deposit all those old notes of the denomination 500 and 1000 rupees in banks or post office accounts till 30th December. He said that there is no limit on the amount of money that can be deposited. But income tax notices will be sent to those who deposit cash more than Rupees 2.5 lakhs. However, if anybody is unable to deposit the cash before the deadline, they could declare the same at RBI offices till 31st March 2017. Initial limit of withdrawal was set to Rs.10,000 per day and Rs.20,000 per week. The limit slowly increased going forward. He also informed that one can also exchange the money they have at any bank, head post office or sub post office. The only have to produce their valid ID proof while getting their old currency notes exchanged. A maximum of Rs.4000 could be exchanged in a day up to 24th-November.

The withdrawal limit of ATMs has been set to 2500 per day per card, which will be slowly changed to Rs.4000. For bigger transactions, sticking to card payments (credit cards/ debit cards) is advisable.

If third time's the charm, the ban on Rs500 and Rs.1,000 notes could finally wipe off corruption in India. (The Hindu 1st December 2016).

C. Effects of Demonetisation

The BSE SENSEX and NIFTY 50 stock indices fell over 6 percent on the very next day. In the days following the demonetisation, the country faced severe cash shortages with severe detrimental effects across the economy. People seeking to exchange their bank notes had to stand in lengthy queues, and several deaths were linked to the inconveniences caused due to the rush to exchange cash.

Initially, the move received support from several bankers as well as from some international commentators. It was heavily criticised by members of the opposition parties, leading to debates in both houses of parliament and triggering organised protests against the government in several places across India. The move is considered to have reduced the country's GDP and industrial production. As the cash shortages grew in the weeks following the move, the demonetisation was heavily criticised by prominent economists and by world media.

Modi's plan called for the cancelled notes to be replaced by new 500 and 2,000 denomination notes, but these were slow to be circulated, and India — the most cash-dependent country in the world — suddenly found itself without enough cash to run its economy.

As the clock ticked down to midnight on November 8th, a huge portion of Indian society instantaneously found themselves stripped of the ability to interact economically. Up to that point, upwards of 95% of all transactions in India were conducted in cash and 90% of vendors didn't have the means to accept anything but. On top of this, 85% of workers were paid exclusively in cash and almost half of the population didn't even have bank accounts. Even Uber accepted cash payments.



Due to this cash crunch, India ground to a halt. Businesses shut down, farmers couldn't buy seeds, taxi and rickshaw drivers didn't have any way to receive payments, employers had no way to pay their employees, hospitals were refusing patients who only had old banknotes, fishermen watched their catch wither up and rot, some families had difficulty buying food, and weddings throughout the country were cancelled.

The people of India were given 50 days to redeem their cancelled banknotes, after which they would become as worthless as the paper they're printed on, which caused hundreds of millions of people to rush to banks, jewellery shops, foreign-exchange counters, and ATMs. Serpentine lines often sketched outside of such enterprises for blocks, where people would stand for hours just to re-validate their wealth (James S 1980).

This redemption period for the old notes came to an end on Friday December 30th — and, surprisingly, nearly the entire stock of 500 and 1,000 rupee notes were recovered by the central bank. But India's demonetisation transition is far from being over. While the currency supply is still not completely restored and cash is still being rationed (there are strict bank withdrawal limits of 24,000 rupees a week(\$350) or 2,500 rupees(\$36) per day from ATMs), India is moving through the demonetisation transition (Jayathi Ghosh et al., 2017).

Fighting Corruption

Initially, demonetisation was sold by Modi as a campaign to fight corruption. It was thought that the country's black market wouldn't be able to exchange or deposit their gluts of illicitly obtained wealth, and the central bank could have been in for a payday that was estimated to be as high as \$45 billion. But this simply didn't happen. Even with strict regulations put in place to audit large deposits and limit the amount of banknotes that could be exchanged at one time, India's shadow economy was able to unload their black money, often laundering it sparkling white in the process.

How the black market was able to do this is still being investigated, but reports have been surfacing that document an array of tactics — which included everything from using phony bank accounts to illicitly exchanging money with corrupt bankers to even threatening bank employees with physical violence if they don't do extra-curricular exchanges (Kenneth, 2016).

Fighting Counterfeiting

Another stated goal of Modi's demonetisation campaign was to curb counterfeiting. It was reported that prior to this initiative, 250 out of every million Indian banknotes were fake — the blame mostly being placed on Pakistan, where there are rumored to be government-directed printing presses churning out Indian rupees to fuel terrorism. The new 500 and 2,000 rupee banknotes which are currently being issued have different designs and are of different sizes than the previous notes, so all old fakes were instantly washed from the economy (Wade Shepard, 2017).

Long Queue In Front of ATM's

Chaos ensued in the cash-dependent economy (some 78% of all Indian customer transactions are in cash), as long, snaking lines formed outside ATMs and banks, which had to shut down for a day. The new rupee notes have different specifications, including size and thickness, requiring re-calibration of ATMs: only 60% of the country's 200,000 ATMs were operational. Even those dispensing bills of lower denominations faced shortages. The government's restriction on daily withdrawal amounts added to the misery, though a waiver on transaction fees did help a bit.



Small businesses and households struggled to find cash and reports of daily wage workers not receiving their dues surfaced (jayathighosh etc., 2017).

Shift to Alternative Funds

Soon after the announcement, people rushed to buy gold, a demand that drove prices up, in some cases even to a 60% premium, prompting the tax authorities to conduct surveys, according to the Business Standard newspaper. The government emphasized the need to furnish PAN (Indian Permanent Account Number) card details on purchases for accountability purposes, and many jewelry shops that were flouting the norms came under crackdowns. Simultaneously, rumors of a gold ban started to float, which led to agencies ramping up the volume of gold imports – to around 100 metric tons during November, the highest since 2015, as reported by Reuters.

Many Indians switched to alternative payment avenues – a big deal in a country of 1.2 billion with only 25.9 million credit cards and 697 million ATM cards as of July 2016. The biggest gainers were mobile wallet companies that offer ease of transactions through a large network of partners. Alibaba (NYSE:BABA)-backed Paytm saw a sevenfold increase in overall traffic and a 10-fold jump in money added to Paytm accounts. It also saw the number of transactions double to five million a day.



App downloads for Paytm increased by 300%. Paytm rival MobiKwik also saw its app downloads quadruple and a 20-fold increase in money added to the wallets, MobiKwik Founder & CEO Bipin Preet Singh, told CNBC-TV18 on November 13.



Prepaid cash cards were another option that customers found useful, and that meant good news for companies like ItzCash. Other alternatives include mobile payments systems linked to e-commerce businesses like Ola Money, FreeCharge, Flipkart Wallet. Ola Money, the payment portal for popular transportation app Ola Cabs, reported a 1500% jump in money added to the accounts in less than four hours (www.Current-scenario-demonetisation.com/)

Long-Term Effects

Over 3 trillion rupees, or over \$44 billion in old currency, was deposited with Indian banks in just the first week after the demonetisation. There was concern that the uncertainty and short-term liquidity squeeze would take some momentum off the Indian economy, the fastest-growing in the world; in

particular, sectors like real estate, notorious as a harbour for cash dealings and black money, were expected to take a hit, with "luxury property prices dipping by as much as 25-30%," said Ashwinder Raj Singh, Ceo of Residential Services, JLL India (Jayathi Ghosh et al., 2017).

Sensex and Nifty Slump Over 1% as Trump Win, Note Ban Spooks Markets

The Indian equity markets remained deep in the red during most of the trading hours on Wednesday, but finally recovered towards the fag-end to close lower by slightly more than a percent.

Following global cues, as also domestic developments, key Indian indices had reacted adversely to the victory of Republican candidate Donald Trump in the US presidential election and the government's decision on Tuesday evening to demonetise Rs.500 and Rs.1,000 currency notes.

After crashing 1,688 points, or 6.12 percent, in early trade on Wednesday, the Sensex regained a large part of the losses to close lower by around 338.61 points, or 1.23 percent, at 27,252.53 points against the previous close of 27,591.14 points.

At the National Stock Exchange, the Nifty closed at 8,432 points, down 111.55 points, or 1.31 percent (The Hindu 24th December 2016).

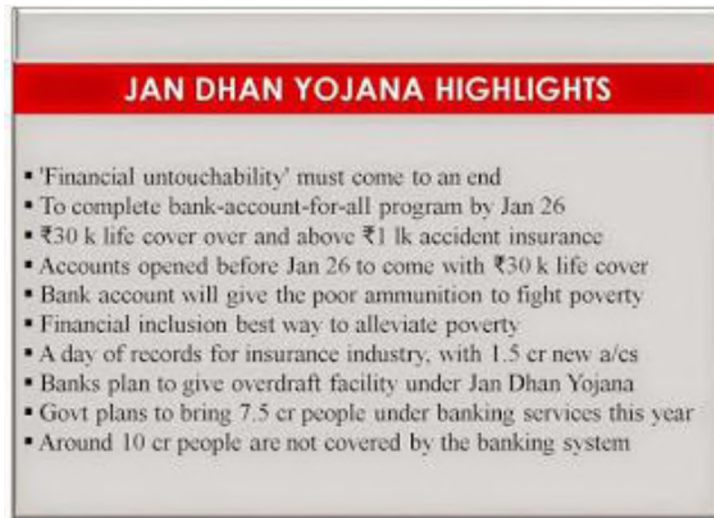
D. Advantages And Limitation of the Demonetisation

Demonetisation refers to discontinuing of current currency units and replacing those currency units with new currency units. It is a major decision and it impacts all the citizens of the country because overnight all the money one had become a piece of paper which has no value if it is not exchanged it with new currency units or deposited it in the banks. Advantages and disadvantages of demonetisation is given below

Advantages:

1. The biggest advantage of demonetisation is that it helps the government to track people who are having large sums of unaccounted cash or cash on which no income tax has been paid because many people who earn black money keep that money as cash in their houses or in some secret place

which is very difficult to find and when demonetisation happens all that cash is of no value and such people have two options one is to deposit the money in bank accounts and pay taxes on such amount and second option is to let the value of that cash reduced to zero.



2. Since black money is used for illegal activities like terrorism funding, gambling, money laundering and also inflating the price of major assets classes like real estate, gold and due to demonetisation all such activities will get reduced for some time and also it will take years for people to generate that amount of black money again and hence in a way it helps in putting an end this circle of people doing illegal activities to earn black money and using that black money to do more illegal activities.
3. Another benefit is that due to people disclosing their income by depositing money in their bank accounts government gets a good amount of tax revenue which can be used by the government towards the betterment of society by providing good infrastructure, hospitals, educational institutions, roads and many facilities for poor and needy sections of society.
4. The major decision which is made by the government will help us to eradicate black money, corruption to some extent.
5. Due to lack of funding there will be no arms smuggling and all the terrorist activities will also be choked.
6. The government has proposed the new limits on ATM withdrawals being restricted to Rs.2000 per day, withdrawal from bank account is

Rs.10000 a day and Rs.20000 a week. It indicates that card transactions will slowly replace the cash transactions in our daily prone activities.

7. Exchange of money in banks can only be done producing a valid identity cards like PAN, aadhar card and electoral card with a daily limit of Rs.4000. By doing so it will be easy for the government to track the money which is being exchanged in banks. There is no limit if the amount which we are exchanging is legal amount.



8. Financial Intelligence Unit will track all details of the transactions from the banks. So now it is really difficult to get rid of the black money.
9. Real estate industry is totally corrupted and now by this stringent decision the real estate sector will bring in more transparency. By doing it in this way we will have more credibility, making it more attractive to the foreign investors as well as domestic investors.

Limitations:

1. The biggest disadvantage of demonetisation is that once people in the country gets to know about it than initially for few days there is chaos and frenzy among public as everybody wants to get rid of demonetized notes which in turn sometimes can lead to law and order problem and chaotic situation especially in banks and ATMs which are the only medium to change the old currency units to new currency units.
2. Another disadvantage is that destruction of old currency units and printing of new currency new units involve cost which has to be borne by the government and if the costs are higher than benefits then there is no use of demonetisation.

3. Another problem is that majority of times this move is targeted towards black money but if people have not kept cash as their black money and rotated or used that money in other asset classes like real estate, gold and so on then there is no guarantee that demonetisation will help in catching corrupt people.



As one can see from the above that demonetisation has both advantages and disadvantages and it is up to the government to see and analyse all the pros and cons and then decide whether it is beneficial to go ahead with demonetisation or not (<http://indianexpress.com/article/india/india-news-india/india-has-demonetised-high-value-currency-in-benefit-limitation/>).

E. Steps Taken by the Government to Resolve the Problems Faced by the Civic

- Fuel stations, government hospitals to accept the notes till 11 November
- Deadline to deposit all Rs.500 and Rs.1,000 notes at banks is 30 December. The notes can also be exchanged at all banks between 10-24 November
- RBI to introduce new Rs.500, Rs.2,000 notes
- All banks to be closed on 9 November
- New high-security Rs.500 and Rs.2,000 currency notes are going to be available in ATMs from 11 November
- All banks will remain open for public on 12 November (Saturday) and 13 November (Sunday)

STEPS TAKEN BY THE NARENDRA MODI GOVT SO FAR TO CURB BLACK MONEY

<ul style="list-style-type: none"> • The government sets up a special investigation team on black money on Supreme Court's orders. 	<ul style="list-style-type: none"> • Government announces one-time window for domestic tax evaders to come forward, declare their funds and pay a tax and penalty; the window sees declarations of almost Rs70,000 crore. 	<ul style="list-style-type: none"> • Seeding of Aadhaar number with PAN to weed out duplicate PANs.
<ul style="list-style-type: none"> • Government enacts the stringent Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 to curb illicit wealth abroad. 	<ul style="list-style-type: none"> • Quoting of Permanent Account Number (PAN) made mandatory for all transactions above Rs2 lakh irrespective of the mode of payment 	<ul style="list-style-type: none"> • Tightens income-tax return forms seeking more details from taxpayers earning more than Rs50 lakh a year.
<ul style="list-style-type: none"> • Government enacts the Benami Transactions (Prohibition) Amendment Act, 2016 to curb black money within the country. 		<ul style="list-style-type: none"> • Rs500 and Rs1000 notes withdrawn from circulation. New Rs500 and Rs2,000 denomination notes to be issued at a later date.

- Toll collection across all National Highways will be suspended till midnight of 11 November.
- The toll plazas had earlier been asked by the NHAI to accept Rs.500 and Rs.1000 notes till the 11 November to facilitate smooth flow of traffic.
- High denomination currency were given for expenditure during marriage season,
- Police has been asked to keep vigil near banks to maintain law and order.
- Centre ensured that the decision did not have any adverse impact on the poor, farmers and villagers.
- Special camps were conducted in villages for exchanging existing currency notes saying banks were not easily accessible in the rural areas.
- Under the revised guidelines issued on 17 November 2016, families were allowed to withdraw Rs.250,000 for wedding expenses from one account provided it was KYC compliant. The rules were also changed for farmers who are permitted to withdraw Rs.25,000 per week from their accounts against crop loans.
- The Specified Bank Notes (Cessation of Liabilities) Ordinance, 2016 was issued by the Government of India on 28 December 2016 ceasing the liability of the government for the banned bank notes, and also imposing a fine upto 10,000 or five times the amount of the face value of the bank

notes, whichever is higher, for people transacting with them after 8 November 2016; or holding more than ten of them after 30 December 2016.

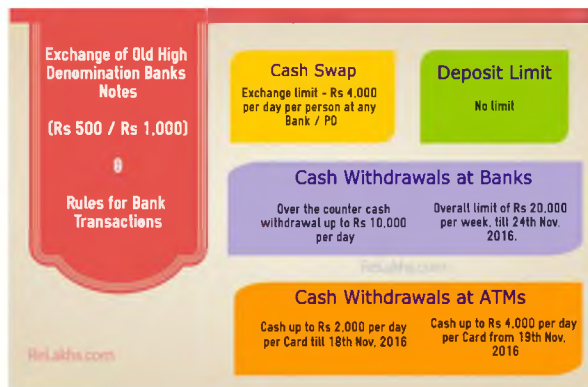
- However, Petrol, CNG and gas stations, government hospitals, railway and airline booking counters, state-government recognised dairies and ration stores, and crematoriums were allowed to accept the banned Rs.500 and Rs.1,000 bank notes until December 2, 2017.
- The Reserve Bank of India stipulated a window of fifty days until 30 December 2016 to deposit the demonetised banknotes as credit in bank accounts. The banknotes could also be exchanged over the counter of bank branches up to a limit that varied over the days.
- International airports were also instructed to facilitate an exchange of notes amounting to a total value of Rs.5,000 for foreign tourists and out-bound passengers
- Banks have been advised to arrange separate queues in their branches for senior citizens and divvying persons; customers for transactions against accounts held with the Bank; and exchange of notes.

F. Views and Allegation towards Demonetisation

In 2012, the Central Board of Direct Taxes had recommended against demonetisation, saying in a report that "demonetisation may not be a solution for tackling black money or economy, which is largely held in the form of benami properties, bullion and jewellery. "According to data from income tax probes, black money holders kept only 6% or less of their wealth as cash, suggesting that targeting this cash would not be a successful strategy.

Finance Minister ArunJaitley said that demonetisation would clean the complete economic system, increase the size of economy and revenue base. He mentioned the demonetisation along with the upcoming Goods and Services Tax (GST) as "an attempt to change the spending habit and lifestyle."

The Indian National Congress spokesperson Randeep



Surjewala welcomed the move but remained sceptical on the consequences that would follow. Chief Minister of Bihar Nitish Kumar supported the move. The demonetisation also got support from Chief Minister of Andhra Pradesh Nara

Chandrababu Naidu. Former Chief Election Commissioner of India Quraishi said demonetisation could lead to long term electoral reforms. Indian social activist Anna Hazare hailed demonetisation as a revolutionary step. The President of India Pranab Mukherjee welcomed the demonetisation move by calling it bold step. The opinion of the masses varied both ways on micro-blogs and social media sites like Twitter.

By and large, international response was positive which saw the move as a bold crackdown on corruption. International Monetary Fund (IMF) issued a statement supporting Modi's efforts to fight corruption by the demonetisation policy.

Chinese state media *Global Times* praised the move and termed it as "fierce fight against black money and corruption." Former Prime Minister of Finland and Vice-President of European Commission Jyrki Katainen welcomed the demonetisation move stressing that bringing transparency will strengthen Indian economy. BBC's South Asia Correspondent Justin Rowlatt in his article praised the move for its secrecy and success and elaborated on reason behind demonetisation. Tim Worstall termed the demonetisation as welcome macroeconomic effect in his article in Forbes magazine. Swedish Minister of Enterprise Mikael Damberg supported the move by calling it bold decision.

On 24 November 2016, in the demonetisation debate, the former prime minister of India Manmohan Singh said "this scheme will hurt small industries, the farming sector. The GDP can decline by about 3 per cent due to this move", while he also questioned "I would like to ask the Prime Minister examples of countries where people have deposited their money in the banks and not

allowed to withdraw their own money." and later also said "It is no good that on each day banks bring out new notifications. It doesn't reflect properly on Prime Minister's Office, Finance Minister and the Reserve Bank of India. Cooperative banking system has been prevented from handling cash". Singh at last termed the demonetisation move as an "organised loot, legalised plunder of the common people" (indianexpress.com/article/india/india-news-india/india-has-demonetised-effects-of-currency-before/).

Allegation of demonetisation

They have been advanced knowledge about the impending announcement and maximum had deposited money just before the announcement. People made large purchases of land in Bihar ahead of the demonetisation because they had prior information. More than 30 politicians belonging to the BJP were arrested and investigated for having unaccounted money in the new 2000 rupee denomination.

Various courts, observed that it "appears to be carpet bombing and not surgical strike" which government repeatedly claims it to be. Demonetisation move was referred as "despotic action" among other things by economists. It is called as 'major mistake' and said that the 'damage' is likely to be much greater than any possible benefits. It has been called as a "hollow move" since it did not really address any of the purported goals of tackling black money or fake currency.

Through it is a the simple way in which black money was assumed as "a hoard of cash", saying that it would have little effect in eliminating "black activities" while "causing much hardship to common people". The move had derailed the economy, and expressed skepticism about its outcome. Several government ministers had declared before the demonetisation that they were holding large amounts of cash. It has been described as 'Sickening and Immoral'. A sharp criticism from media outside India, as an "atrociously planned" and that it did not appear to have combatted black money, it was addressed as "a case study in poor policy and even poorer execution" (Jayathi Ghosh, et al., 2017).

III METHODOLOGY

Methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge. A methodology does not set out to provide solutions - it is, therefore, not the same as a method. Instead, a methodology offers the theoretical underpinning for understanding which method, set of methods, or best practices can be applied to specific case, for example, to calculate a specific result.

Demonetization of currency means discontinuity of the particular currency from circulation and replacing it with a new currency. In the current context it is the banning of the Rs500 and Rs1000 denomination currency notes as a legal tender. Due to demonetisation the civic faced lots of problem in handling their money. Hence the research study entitled on “**Perspicacity of the Civic towards Demonetisation**” was undertaken to find out the impact of Demonetisation on the public. The methodology involved in the conduct of the research study are as follows:

Phase1:Conduct of Survey among Selected StudentCommunity

Phase2:Conduct of Survey among Selected Home Makers

Phase3:Conduct of Survey among Selected Shop Owners

The approval number given by the ethical committee to conduct the study is No. AUW/IHEC/IDRM-03 (Appendix I).

Phase 1: Conductof Surveyamong Selected Student Community

The word “Survey “means ‘to collect the information about how people think and act’Guthrie (2010). The investigator found that a survey was essential to find out the wisdom of adolescent students (boys and girls) regarding demonetisation, since they are considered to be the future citizen of India. Besides the present young generation show greater interest towards the present day affair and politics. Hence the investigator considered it essential to conduct a survey among the young adults regarding their perspicacity towards demonetisation.

The survey included the following aspects:

- 1) Selection of locale
- 2) Selection of institution
- 3) Selection of sample
- 4) Selection of research method
- 5) Collection of data and
- 6) Consolidation of the collected data

1. Selection of Locale:

Coimbatore, also known as **Kovai**, is a major city in the Indian state of Tamil Nadu. Located on the banks of the Noyyal River surrounded by the Western Ghats. It is the second largest city in the state after Chennai and 16th largest urban agglomeration in India.(www.coimbatore.com/general).It is often referred to as the "Manchester of South India". Coimbatore is also referred to as the "Pump City". (www.kovai.com/index). There are more than 30,000 tiny small, medium and large industries and textile mills. The city is known for its entrepreneurship of its residents (www.coimbatore.tn.nic.in/distglance).Next to Chennai Coimbatore has lots of shopping complexes (www.coimbatore.com). Hence the investigator selected Coimbatorecity for the study.

2. Selection of Institution

There are more than 45 Arts and Science Colleges and more than 36 Professional colleges are situated in and around Coimbatore. The investigator located five Institution from Arts and Science Colleges located in different corner of the city such as Sankara College, VLBJ College, KovaiKalaimagal College, Krishnamal College, and Avinashilingam University.

Approachability, willingness of the students to respond, ease of contact by the investigator, made her to locate the arts and science for conduct of her study.

3. Selection of Sample

Hundred adolescent girls and boys specialising in various field of Arts and Science were selected by the investigator through convenience sampling from the above mentioned educational institutions. Serkin (2006) points out convenience sampling refers to the collection of information from members of population who are conveniently available to provide it and is perhaps the best way of getting some basic information quickly and efficiently. Gupta (2010) informs that sampling is simply the process of learning about population on the basis of a sample drawn from it. Kumar (2011), states that sampling is the process of selecting a sample from a bigger group of the sampling population to become the basis for estimating or predicting the prevalence of an unknown piece of information, situation or outcome regarding the institution.

Sample design is determined before data are collected, it refers to the technique or the procedure the researcher would adopt in selecting items for the sample (Kothari.2014). Since adolescent girls and boys are the future citizens the investigator felt that the students will have adequate knowledge on demonetisation. The students belonging to the age group of 18 to 23 years who were pursuing their under graduate courses were selected for the study. The investigator took care that there in an equal distribution of both boys and girls from each institution 10 boys and 10 girls from each institutions thus making a total of 100 students were selected from the five institutions.

4. Selection of Research Method

In order to gather information from the students, survey was found essential by the investigator. Survey is the process of collection of data and this is the first step for any statistical enquiry opines Kumar (2006). Ranjithkumar (2011) points out that survey research is the method of collecting data by asking a set of preformatted questions in a predetermined sequence in structured questionnaire to a sample of individuals drawn so as to be purposive of a defined population. Thakur (2006) state that interview is the oral version of questionnaire or schedule in which the subject supplies the needed information through a face to face relation.

Interview method was chosen for collecting information from homemakers. Gupta (2013) Inform that, an interview is a two- way method, which permits exchange of ideas and information. It is a unique method in that involves the collection of data through direct verbal information between the interviewee and the interviewer. Interview is defined as a face- to- face contact with the person from whom the information is to be obtained .The investigator picked the survey and interview as the research method in order to get the relevant and full details required for of the research study.

5. Formulation of Research Tool

Interview schedule was framed to collect the information through students. Schedule is the name usually applied to a set of question which are asked and filled in a face to face situation with another person, opines Gupta (2013). The investigator prepared a schedule to obtain the data on general information of the institution, details in wisdom of demonetisation, information on students and details on demonetisation of the problems faced during the period in handling money and the extent of satisfaction derived. The schedule was pre tested among five students. Based on the response from the students, necessary modifications were made and the schedule was finalised (Appendix II).

6. Collection of Data

The investigator approached the students from selected institutions to get an in depth information for the study with regard to wisdom of demonetisation among students. The investigator contacted the students in person and explained about the purposes of the study. A good rapport was established between the interviewer and interviewee. The investigator went from the institution to institution and interviewed the individual personally by putting forth the questions one by one and filled up the schedule on the basis of the information supplied by the individual. Thus the questions were asked informally and necessary information was gathered for the study. Plate 1 shows the investigator conducting the survey among college students.

In addition, observation was also made by the investigator. Observation means viewing or seeing. Observation may be defined as a



Plate 1: Survey Conducted among Girls and Boys

systematic viewing of a specific phenomenon in its proper setting for the specific purpose of gathering data for a particular study. Observation is a method which includes both 'seeing' and 'hearing'. Thus the information were sought by way of investigator's own direct observation from the respondent as put forth by Kothari (2014).

7. Consolidation of the Collected Data

The collected data were consolidated and tabulated. Mohan and Elangovan (2007) inform that analysis of data involves a number of related operation that are performed with the purpose of summarizing the collected data and organizing them in such a manner that will yield answer to the research question. After the transcription of data is over, the data were summarized and arranged in compact form for further analysis. This process is called tabulation. Thus tabulation is process of summarizing raw data and displaying them on compact tables for further analysis. The result of the data analysed is presented in Chapter IV.

Phase 2: Survey Conducted among Selected Home Makers

For the research study, the investigator conducted a household survey in order to obtain details of the study regarding wisdom of the home makers towards demonetisation (Plate 2). She felt it is necessary to gather information from the home makers regarding demonetisation and the problem faced by them in the process. A survey collects comprehensive and diverse socio-demographic data pertaining to conditions under which people live-their welfare, demographic characteristic and cultural factors which influence behaviour, as well as social and economic change. Household survey is one of the most important sources of social and demographic (sogosurvey.com). The survey was conducted following the steps presented below:

- 1) Area adopted for survey
- 2) Selection of sample
- 3) Research method applied
- 4) Formulation of the schedule
- 5) Data collection
- 6) Interpretation of the collected data



Plate 2: Survey Conducted among Selected Home Makers

1. Area Adopted for Survey

Households located in Vedapatti, RSpuram, Vadavalli, Gandhipark, and Thondamuthur, areas of Coimbatore were adopted for household survey by the investigator due to convenience and easy accessibility for obtaining the desired information.

2. Selection Of Sample

For the study seventy five families residing in the above said areas in Coimbatore were selected by “purposive sampling” method. Purposive sampling represents a group of different non-probability sampling techniques also known as judgmental, selective or subjective sampling. Purposive sampling relies on the judgement of the researcher when it comes to selecting the units (e.g., people, casas/organisations, events, pieces of data) that are to be studied (Bordens,2007). Ramamurthy(2012) reveals that in purposing sampling usually, the sample being investigated is quite small, especially when compared with probability sampling techniques. The main goal of purposive sampling is to focus on particular characteristics of a population that are of interest, which enables to answer research questions. Purposive sampling is a sample method where the samples are chosen with a purpose in mind.

The sampling may provide good estimate of mean but the estimate of the variance is likely to be wide off the mark since it was essential for the investigator to choose her samples from the available and existing samples through purposive sampling method. For the research study, seventy five homemakers who had knowledge on demonetisation were selected for the household survey(Gupta, 2010). Purposive sampling denotes the method of selecting a number or groups of units in such a way that the selected groups together yield as nearly as possible the same averages or proportion as the totality with respect to these characteristics, which are already a matter of statistical knowledge.

The home makers were selected from the above said area and by adopting purposive sampling method, since only few possessed wisdom of

demonetisation. Hence the study involved purposive or deliberate selection of certain units of the universe for a sample, which represents the universe.

Serkin (2006) feel that this method is suitable for a homogeneous population. It is also known as probable sample as it refers to a definite method of selection of individual items under such a condition that each items has equal opportunity or probability or chance of being selected. The investigator visited the house to get the desired information at their convenient time. The need for the study was explained and the question from the schedule was administered and the information recorded instantly from the homemakers

3. Research Method Applied

Personal interview come observation method was applied by the investigator for the survey. Face to face interview between an interviewer and respondent at home referred to personal interview (www.learnmarketing.net/primary research). The investigator selected the interview method due to various advantage of collecting data as given below:

- In-depth answers possible (www.learnmarketing.net/primary research).
- The sincerity, frankness, truthfulness and insight of the interviewee can be better judged through across question.
- Interviewers have the flexibility to use their knowledge, expertise, and interpersonal skills to explore interesting or unexpected ideas or themes raised by participants(<http://ag.arizona.edu/fcs/cyfernet/cyfar/intervu>)
- Interviewer can also obtain supplementary information(www.hrguide.com/data)

Reddy (2004) views observation as a method under which the investigator is personally required to go to the field and also personally observe the situation and object with his or her own eyes.

4. Formulation of the Schedule

In order to fulfil the main objectives of study it was essential to formulate a questionnaire containing a series of questions on the general information of the demonetisation like awareness, effects of demonetisation, challenges faced by the homemakers and their suggestions for demonetisation. The finalised schedule is given in Appendix III. According to Gupta (2013) an interview contains a set of questions pertaining to the field of inquiry and provides space for answers. It may be defined as an instrument for collecting information from a number of persons supposed to possess it by making them record their answers to a number of questions.

5. Data Collection

Data are the basic input in any decision making process. For household survey the needed data were collected from the selected home makers by the investigator. She visited the households and explained the purpose of the study to the selected homemakers and gathered the information through personal interview. The investigator created a right type of friendly atmosphere with the selected homemakers which is very conducive for obtaining desired data. Even she encouraged the respondent to reveal the information and motivated her to keep presenting useful information for the study. The image of the investigator gathering required data using the schedule is represented in Plate-3

6. Interpretation of the Collected Data

Interpretation is not only necessary but unavoidable as far as research is concerned. The data thus collected were consolidated and tabulated. The tabulated data is presented and discussed under Chapter IV Results and Discussion.

Phase 3: Conduct of Survey among Selected Shop Owners

A group that is most affected by demonetisation is the shop owners. The business of various shops were affected due to inadequate money for transaction from the part of shop owners and shortage of customers who are willing to pay for the goods purchased. Hence it was felt necessary by the investigator to conduct a survey among shop owners (Plate 3).



Plate 3: Conduct of Survey among Selected Shop Owners

Surveys are undertaken with a view towards making inferences about the population being studied, and this depends strongly on the survey questions used. Polls about public opinion, public health surveys, market research surveys, government surveys and censuses are all examples of quantitative research that use contemporary survey methodology to answer questions about a population.

Market research describes the gathering and analysis of market data, such as consumer preferences, trends in market prices and the presence of competing products. The purpose of a market survey is to provide business managers with insight about their target customers, such as how much money they spend on certain types of products, whether they use competing products and the interest level for new products. Determining what consumers want and designing products and services that fulfil those wants is essential to the success of a business. Businesses use market surveys to gather information that aids in market research (<http://smallbusiness.chron.com/definition-market-survey>). The survey included the following aspects:

- 1) Selection of area
- 2) Selection of sample
- 3) Selection of research method
- 4) Collection of data
- 5) Consolidation of collected data

The procedure followed in the conduct of the study is represented diagrammatical and given in Plate 4.

1. Selection of Area

The survey was done among twenty five shops located in Vadavalli, R.SPuram, Vedapatti and Thondamuthur. A survey is often used to assess thoughts, opinions and feelings. Survey research can be specific and limited or it can have more global, widespread goals. According to Agarwal (2009), a survey is a process of collecting data from the existing source about a problem under study with no particular control over the factor that affected the characteristics of interest in the study. Today, survey research is used by a variety of different groups. It is a method of sociological investigation that

uses question based or statistical survey to collect information about how people think and act (<http://www.businessdictionary.com>).

A survey consists of a predetermined set of questions that is administered to a sample. With a representative sample, that is, one that is representative of the larger population of interest, one can describe the attitude of the population of interest, the population from which the sample was drawn. Further, one can compare the attitudes of different populations as well as look for changes in attitudes over time. A good sample selection is key as it allows one to generalise the finding from the sample to the population, which is the whole purpose of survey research. Major function of survey is to dispel myths. Survey is a method for collecting data or information as reported by the individuals. This type of data collection is known as self-report data which means that individuals complete survey or provide the information by themselves (www.wikipedia.com).

2. Selection of Sample

For the study twenty five shops located from nearby areas of the investigator's residence were selected by "random sampling" method. Each individual unit of the shop was selected at random. This randomly selected sample unit is representative of population Imam (2015). Kothari (2014) inform that probability sampling is also known as the 'random sampling'. The results obtained from random sampling can be assured in terms of probability and the superiority of random sampling design over the deliberate sampling design. The investigator visited the shops and contacted the shops owners to get the desired information at their convenient time.

Simple random sampling (also referred to as random sampling) is the purest and the most straightforward probability sampling strategy. It is also the most popular method for choosing a sample among the population for a wide range of purposes. In simple random sampling each member of population is likely to be chosen as part of the sample. It has been stated that "the logic behind simple random sampling is that it removes bias from the selection procedure and should result in representative samples". (<http://research-methodology.net/sampling-in-primary-data-collection/random-sampling/>)

3. Selection Of Research Method

Interview method was chosen for collecting information from selected shops. An interview is a two- way method, which permits exchange of ideas and information. It is a unique method in that involves the collection of data through direct verbal information between the interviewee and the interviewer. Interview is defined as a face- to- face contact with the person from whom the information is to be obtained (Gupta 2013). Hence interview method was adopted to gather the required information from the shop owners.

Personal interview cum observation method was applied by the investigator for this survey. Face to face interview between the investigator and respondent at shops referred to personal interview (www.learnmarketing.net/primary_research). Interview is the oral version of questionnaire or schedule in which the subject supplies the needed information through a face to face relation says Thakur(2006).

Interview schedule was framed to collect the information from the selected shops, the investigator framed the schedule for the survey to be conducted among the people who own the various shops. She prepared a schedule to obtain the data on general information of the shops, details of sale before and after demonetisation, information on customers and details on wisdom towards demonetisation. The schedule was pre tested among two shops. Based on the response from the shop owners, necessary modification were made and the schedule was finalised. The schedule where was finalised is given in Appendix IV.

4. Collections of data

The investigator approached the shops owners to get the required information for the study with regard to wisdom of demonetisation by the shop owners. She approached the shop owners at their convenience, explained the purpose of the study and administered the question one by one filled up the schedule on the basis of information supplied by individual. Since it required few personal and sensitive questions she had to develop a good rapport before administering the schedule. In addition, observation was

also made by the investigator. Plate-4 shows the investigator collecting information from the shop owners.

5. Consolidation of collected data

Consolidation is not only necessary but unavoidable as research is concerned. The data thus collected were consolidated and tabulated. Data consolidation refers to the collection and integration of data from multiple source into a single destination. During this process, different data source are put together or consolidated, into a single data store. Thus with the help of consolidated data the investigator tabulated and interpreted the data under Chapter IV Results and Discussion.

The procedure followed in the conduct of the study is represented diagrammatical and given in Figure 1.

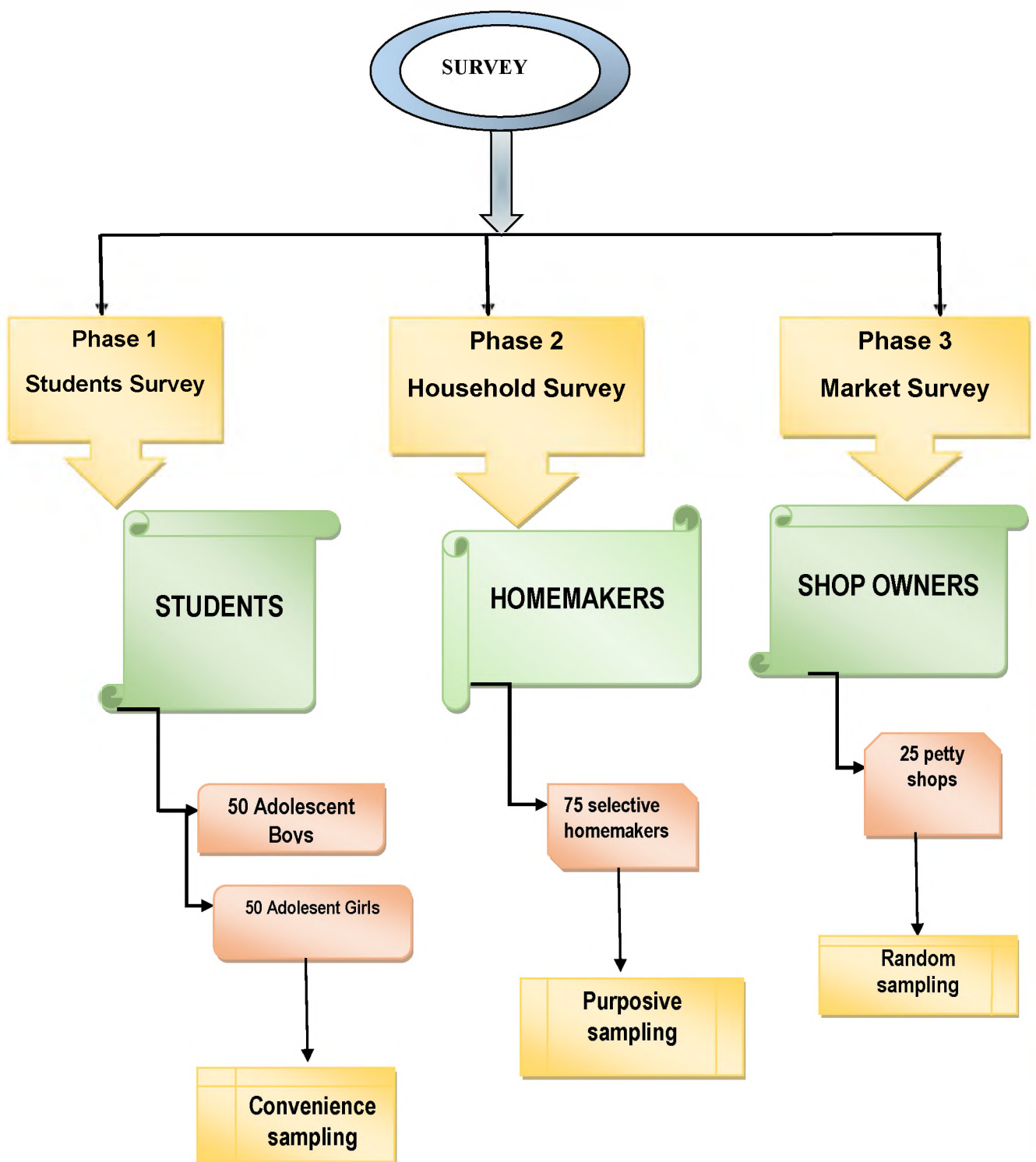


Figure 1: Research Design

III RESULTS AND DISCUSSION

The findings of the study on “**Perspicacity of the Civic towards Demonetisation**” are discussed under the following headings:

- A. Results of the Survey Conducted among the Student Community
- B. Results of the Survey Conducted among the Home Makers
- C. Results of the Survey Conducted among the Shops Owners
- D. Difficulty Experienced by all the Selected Respondents Due to Cash Crunch

A. Results of the Survey Conducted Among the Student Community

This part of the results are discussed under the following aspects

- a) Background Information of the Selected Student Community
- b) Specific Information of the Students
- c) Attitude of the Students on Demonetisation

a) Background Information of the Selected Student Community

Background information of the selected students included information on age, type and size of the family, total family income, individual contributions towards their family, frequency of receiving pocket money and problem experienced due to demonetisation. These information's are discussed under this part of study. Table 1 presents details on these aspects.

Table 1:Background Information of the Selected Students

Background Information	Percentage of Students N=100
Age	
16-18	48
19-21	24
22-24	28
Type of family	
Nuclear family	67
Joint family	33
Total family income	
< 5000	23
5000-10000	36
10000-15000	24
15000-20000	10
>20000	7
Contributions rendered by students*	
Contribute money to the family	82
Marketing	75
Helping in domestic work	52
Frequency of receiving pocket money	
Daily	37
Weekly	24
Monthly	39
Problems experienced due to demonetisation*	
Demand for pocket money	79
Unable to get change for higher denomination	68
Unable to purchase	57
Stringent use of money	46

*Multiple Responses

The Table indicates that, among the selected students with regard to their age group, maximum 48 per cent of them belonged to the age group of 16-18 years followed by 24 per cent and 28 per cent of the students who were categorized under the age group of 19-21 years and 22-24 years respectively.

Though equal number of boys and girls were selected for the survey maximum 52 per cent were day scholars and 48 per cent were hostel students. All the hostel students were hailing from sub urban and rural areas.

Majority of 67 per cent of the students belonged to nuclear family. It is worthy to note that 35 per cent and 27 per cent of the students surveyed belonged to small and medium sized family respectively.

Surprisingly 59 per cent of the students surveyed were the only child in the family. This reflects the trend followed in maintaining minimum family size among the families.

With regard to the family income of the students maximum 36 per cent expressed that their monthly family income ranged between Rs.5000-10000, while 24 per cent informed that their family income varied between Rs.10000-15000. Thus it reveals the fact that majority of the students belonged to low and middle income families. These students would have faced the real cash crunch due to shortage of money during demonetisation.

Generally it is a notion that the adolescent girls and boys do not take up responsibility. But the study indicates the fact that the students took up the responsibility when need aroused. Majority of 82 per cent of the surveyed students had contributed money to their family by taking up part time jobs, by contributing their scholarships and any monetary benefits they received were given to their family so as to support their family to some extent. Seventy five per cent extended their helping hand to their parents in marketing while 52 per cent were helping their family by performing some household chores which helped their parents. This fact is represented in Figure 2.

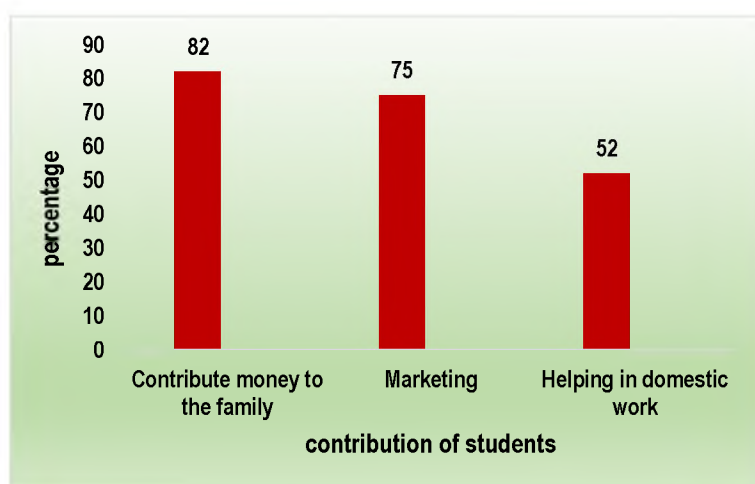


Figure 2: Contributions Rendered By Students

Generally the students, for their day to day expenditure get money from their parents or guardian as pocket money. Maximum of 39 per cent received their pocket money on monthly basis, while 37 per cent informed that they used to collect money from their parents or guardian every day for their daily needs such as food, snacks, transportation, etc. This information is given in Figure 3.

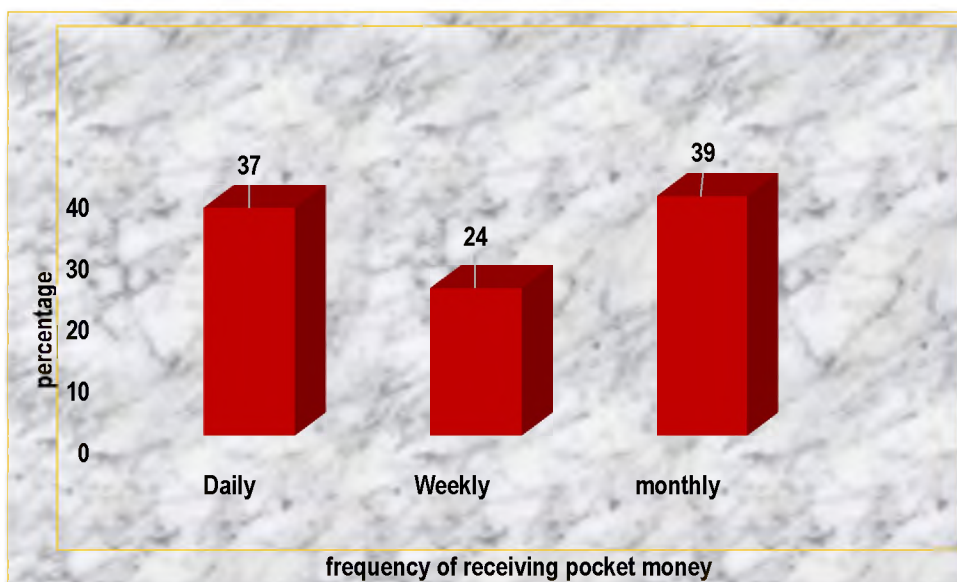


Figure 3: Frequency of Receiving Pocket Money by the Selected Students

During demonetisation each individual in their own way experienced problems in handling money. Maximum 79 per cent of the students expressed that getting change of lower denomination for new Rs.2000 was a great problem they faced.

Due to demand for money 68 per cent did not get their regular pocket money from their parents or guardian in the initial period of demonetisation. Because of the demand for money 57 per cent were unable to purchase even their basic needs. Hence 46 per cent mentioned that they had to use the money available stringently. This fact is represented in Figure 4.

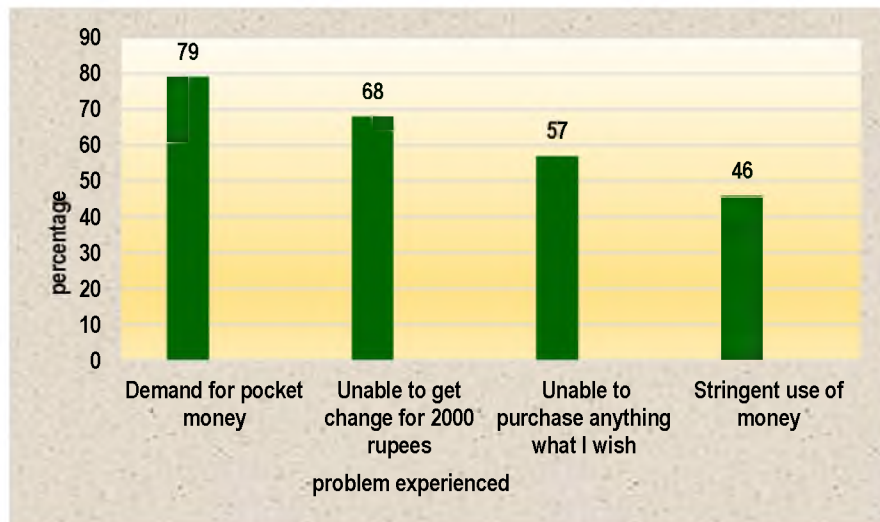


Figure 4: Problems Experienced Due to Demonetisation

B. Results of the Survey Conducted Among the Homemakers

A household survey was found essential by the investigator to find out from the Homemakers to gather their background information and certain specific information. The results of the initial part of the survey are given under the headings given below.

a) General and Specific Information of the Selected Homemakers

a) General Family Background of the Selected Homemakers

Information on educational background, age of the respondents, employment status, family size and income, number of earning members in the family were discussed under this heading.

Table 2:General Information of the Selected Homemakers

Background Information	Percentage of Homemakers (N=75)
Educational background	
UG Level	33
Up to school level	26
Professional course	18
PG Level	13
Diploma	10
Age	
25-30	9
30-35	31
35-40	24
40-45	6
Employment status	
Full time homemakers	60
Employed	32
Entrepreneurs	8
Number of members in family	
	57
2-4	33
4-6	6
6-10	4
10above	
Income group	
High income	38
Upper middle income	46
Middle income	16

From the Table above one could infer that the home makers surveyed by the investigator showed a good educational background. Thirty three per cent had education up to college level while 26 per cent were educated up to school level. Professional education, diploma and PG course were completed by 18 per cent, 10 per cent and 13 per cent of the selected home makers respectively. This information is shown in Figure 5.

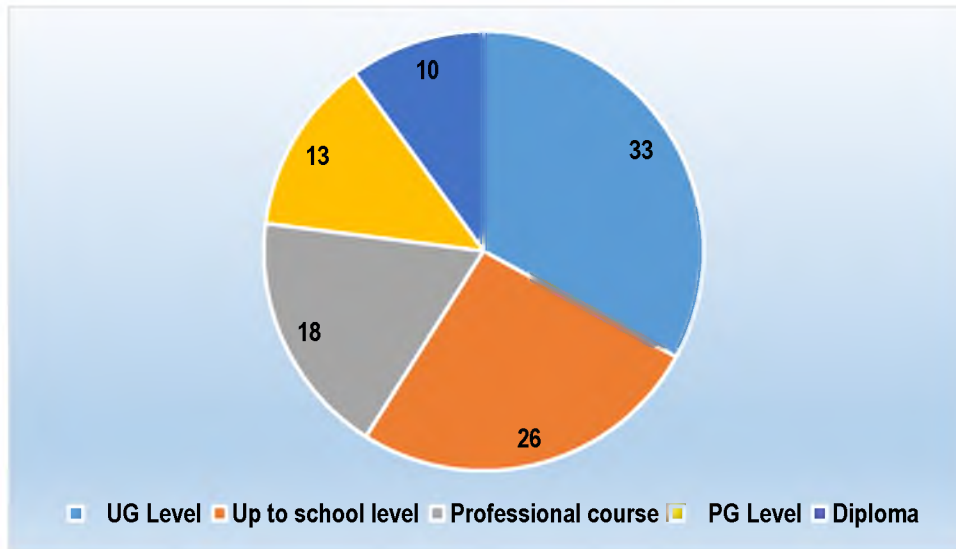


Figure 5: Educational Background for Selected Homemakers

Among the surveyed respondents, maximum 39 per cent belonged to the age group of 25-30 years and 31 per cent were in the category of 30-35 years.

Regarding the employment status 32 per cent of them were employed as teachers, clerks, engineers, doctors, etc. while 60 per cent of them informed that they are full time home makers. It is surprising to note that eight per cent were entrepreneurs. This represents that there is a slow shift in the concept of taking up entrepreneurship among women. This data is shown on Figure 6.

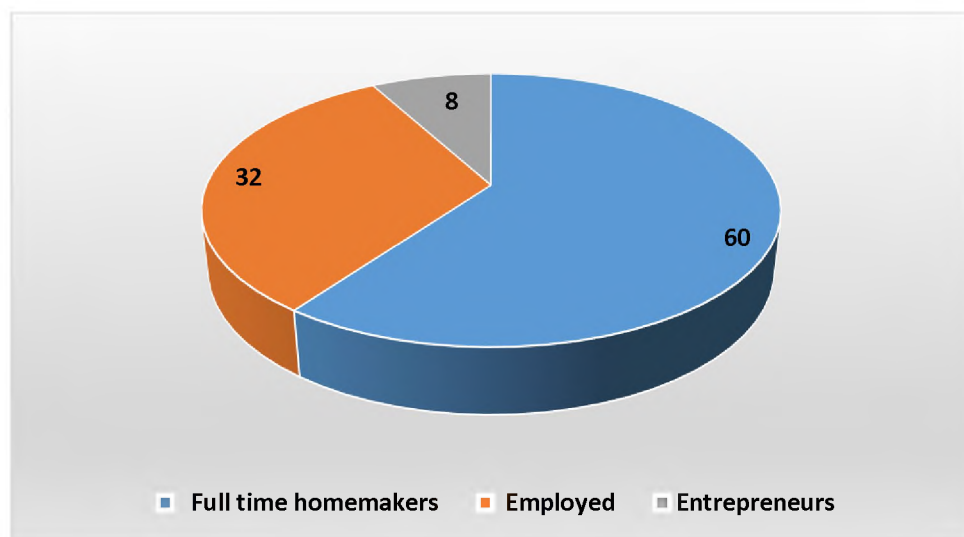


Figure 6: Employment Status of Homemakers

With regard to type and size of the family 12 per cent of them were living in joint family, while the rest of them were living in nuclear family system. The size of the family of 57 percent of the home makers ranged between 1-3 (small family).

The family income is one of the indicators of social status. Among the home makers surveyed 38 percent belonged to high income family group, while 46 per cent were classified under upper middle income and the rest 16 per cent were categorised under middle income group. Figure 7 below shows the income group to which the homemakers belonged to.

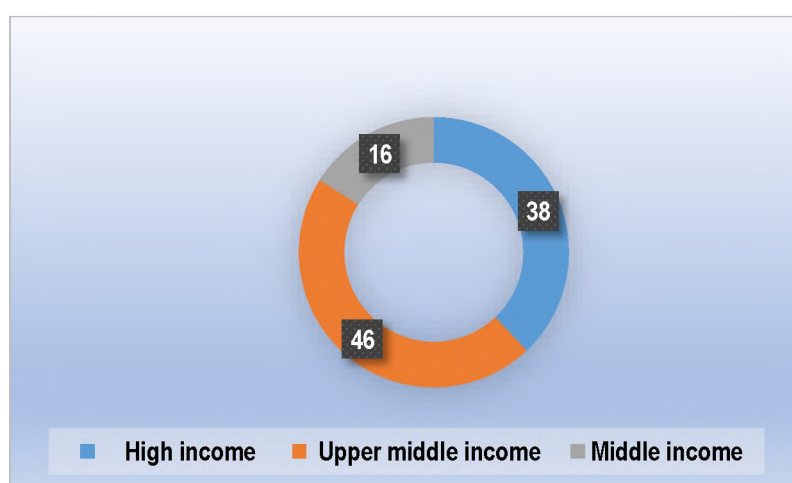


Figure 7: Income Group of the Homemakers

C. Results of the Survey Conducted Among the Shop Owners

A market survey was conducted among twenty five shops to find out the Perspicacity of the Shop Owners on Demonetisation and the Problems Faced by them due to Demonetisation.

The results of the survey are discussed under the following topics

- a) General Information of the Shop Owners
- b) Specific Information of the Shop Owners
- c) Attitude of the Shop Owners towards Demonetisation

a) General Information of the Shop Owners Surveyed

Information on nature of business, their attitude towards demonetisation, the problems faced by them in their trade, the steps taken by them to solve the

situation were discussed under this aspect. The general information of the shop owners namely the nature of the shop and type of shop is represented in Table 3 and Figure 8.

Table3: General Information of the Shop Owners

General Information	Percentage of shop owners (N=25)
Nature of shop	
Retail	24
Wholesale	28
Both	48
Types of shop	
Pharmacy	32
Grocery stores	28
Traders	20
Bookstall	12
Departmental store	8

Among the shops selected 24 per cent were doing retail business while 28 per cent were involved in wholesale business. However 48 per cent of the shop owners expressed that they deal with both retail and wholesale business.



Figure 8: Nature of Shop Surveyed

Regarding the type of shop selected for the survey, it was observed that maximum 32 percent were pharmacy shops followed by the book stall (29 per cent), grocery store (28 per cent), general traders (20 per cent) and departmental stores (8 per cent). This fact is shown on Figure 9.



Figure 9: Types of Shops Surveyed

With respect to their view towards demonetisation 68 per cent of them expressed that demonetisation had not helped the public in any way. However the rest felt that it is for a good cause.

Seventy two per cent of the surveyed shop owners revealed that demonetisation had affected their business since people did not have adequate money to purchase the goods required by them. They informed that 76 per cent of the public had come to them without adequate money to purchase the products they required. In such cases due to familiarity and being regular customers to the owner's shop, the customers had asked for credit (64 per cent) or requested the owners to accept credit card (36 per cent).

During the initial period of demonetisation the shop owners did not have adequate money to give them as change. In such cases 32 per cent had sent back their customers due to inadequate funds. However 65 per cent of the shop owners expressed that they did not send their customers back empty handed. Instead 72 per cent tried to manage the situation by getting change on commission basis and paid their customers, while 28 per cent gave their goods to their regular customers on credit basis.

The shop owners considered these move on demonetisation as an effort to bring out black money. This was informed by 60 per cent of the shop owners. Forty eight per cent of the shop owners surveyed revealed that the action of demonetisation has brought down the value of money. Thirty two per cent of the shop owners had a hope that the problem faced by the public may get solved on its own in due course of time. This information is shown on Figure 10.

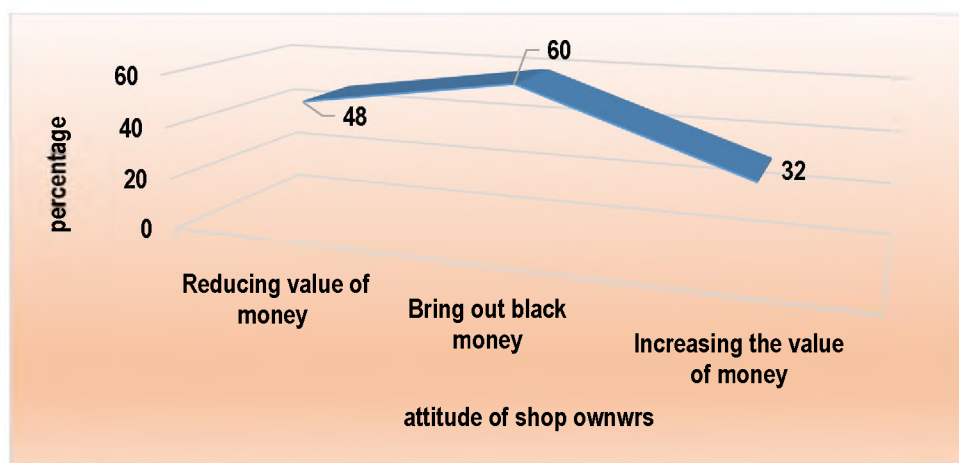


Figure 10: Attitude of the Shop Owners towards Demonetisation

D. Difficulty Experienced By All The Selected Respondents Due To Cash Crunch

In order to gain knowledge on difficulty experienced by the respondents due to demonetisation, awareness on demonetisation, mode of operating their account, their opinion on cashless India, extent of appreciation on positive effects of demonetisation, difficulty experienced and their suggestion regarding the act is collected and presented under this part of the study.

1. Specific Information of the respondents

Specific information of the respondents such as types of bank account maintained, frequency of operating the account, owning of vehicle, and cash deposited are presented in Table 4 and Figure 11.

Table 4: Specific Information of the Selected Respondents

Specific Information	Percentage of selected respondents		
	Students N=100	Homemakers N=75	Shop owners N=25
Possession of ID cards*			
Aadhar cards	100	100	100
Pan cards	75	43	92
Types of account*			
Personal account	94	47	80
Joint account	32	69	36
Frequency of operating*			
Weekly	32	34	16
Monthly	56	26	20
Whenever need arises	89	40	64
Owning of vehicle*			
Two wheeler	65	54	84
Three wheeler	-	-	28
Four wheeler	5	32	20
Nil	30	14	-
Cash deposited			
After demonetisation	40	31	62
Before demonetisation	20	14	20
Both	30	35	13
Did not deposit	10	20	5

*Multiple responses

The government has decided to link all savings bank account with customer's aadhar number to enable for digital transaction (Times of India December 16). The people also have realised its importance. This is evident from the survey where all the respondents have aadhar cards. However only 75 per cent of the students 43 per cent of homemakers and 92 per cent of the shop owners had owned pan cards. May be in due course of time PAN card also may be declared as a must for identifying an individual. Then the rest may also try and get PAN Card.

Owning of a vehicle either a two wheeler, four wheeler or three wheeler have become a comfort today among the public. Among the selected respondents two wheelers were owned by 65 per cent, of the students surveyed, 54 per cent of the homemakers and 84 per cent of the owners of the shops surveyed.

Depositing their money as an act of savings is a common affair among the public. The Table shows the number of selected respondents who

deposited their money before and after the announcement of demonetisation. Though 10 per cent of the students 20 per cent of the homemakers and five per cent of shop owners did not deposit money before or after announcement of demonetisation, it was observed that more number of the selected respondents had deposited their money after demonetisation. This act may be due to the availability of currency of higher denomination in hand. Maximum 30 per cent, 35 per cent, 13 per cent of students, homemakers, and shop owners respectively had deposited both before and after the announcement of demonetisation as a regular process. It shows that demonetisation had not influenced many of the students and homemakers to deposit money.

Irrespective of respondents maximum 89 per cent, 40 per cent and 64 per cent of students, homemakers, and shops owners respectively were drawing money only when need aroused.

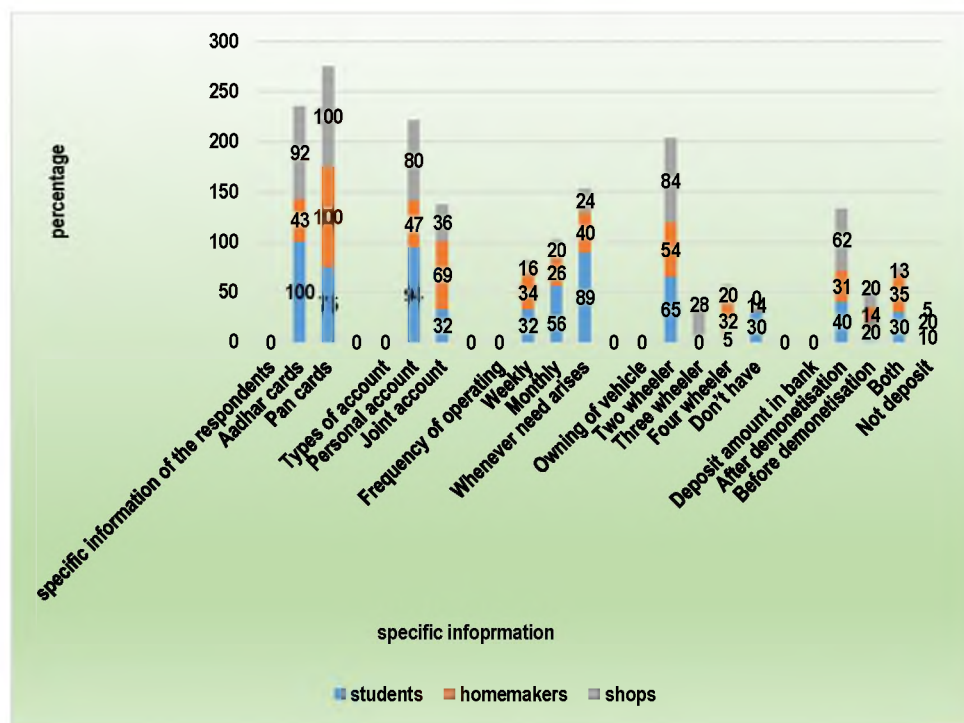


Figure 11: Specific Information of the Selected Respondents

Regarding the awareness on demonetisation all of them were well aware of all the process involved in it, such as the person who declared and the day it was announced. This shows the impact of social media which had created the awareness among the people. Besides demonetisation had

affected each individual. Hence people would have been interested to know the day to day changes in this context.

Details on mode of withdrawal of money and reasons for not using other latest mode of withdrawal are presented in Table 5.

Table 5: Mode of Withdrawal and Reasons for Not Using Other Mode of Transaction

Mode of withdrawal and reasons for not using other mode of transaction*	Percentage of selected respondents		
	Students N=100	Homemakers N=75	Shops N=25
ATM	82	64	68
Mobile Banking	63	29	60
Paytm	43	12	68
Net Banking	48	42	77
Normal mode of transaction	46	77	82
Reasons for not using other modes*			
Fear	19	21	12
Inability	47	25	32
Lack of knowledge	54	62	46
Lack of guidance	68	73	56

*Multiple Responses

From the Table we could infer that since regular withdrawal of money is time consuming, ATM was maximum used for withdrawal of money by 82 per cent, 64 per cent and 68 per cent of students, homemakers and shop owners respectively. Normal mode of transaction was used by maximum 77 per cent of the home makers and 82 per cent of the shop owners respectively while only 46 percent of the students were sticking on to normal mode of transaction. This is represented in Figure 12. Due to lack of guidance 68 per cent, 73 per cent and 56 per cent of the students, homemakers and shop owners respectively did not use other mode of transactions. The reasons for not using other mode of transactions are also represented in Figure 12. So it is imperative that we should educate the public on the operation of other mode of transactions mobile banking, net banking paytm were not operated

due to fear of following a new way of transaction, unfamiliarity ,lack of knowledge and lack of guidance to use other mode of operation.

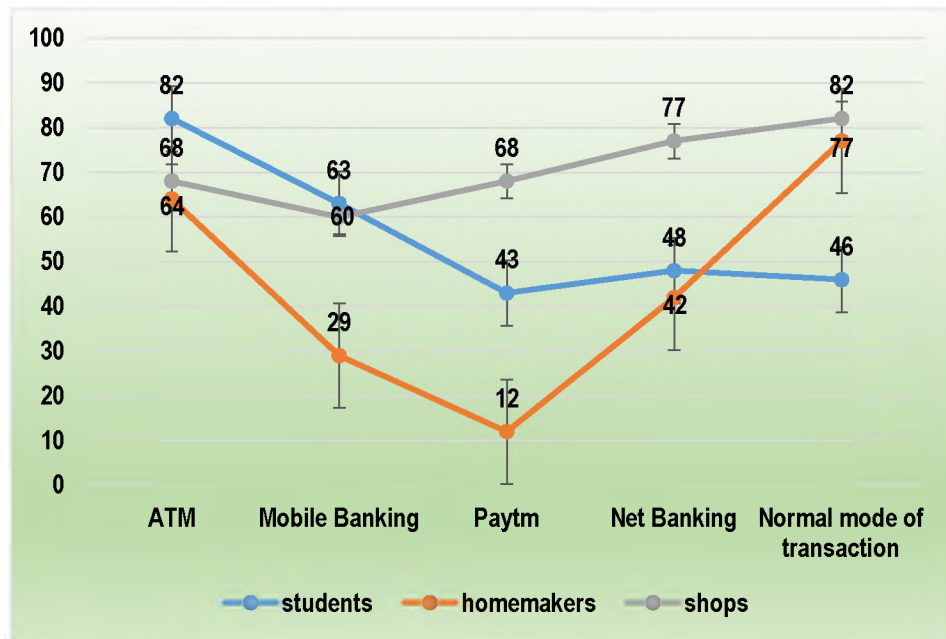


Figure 12: Mode of Withdrawal

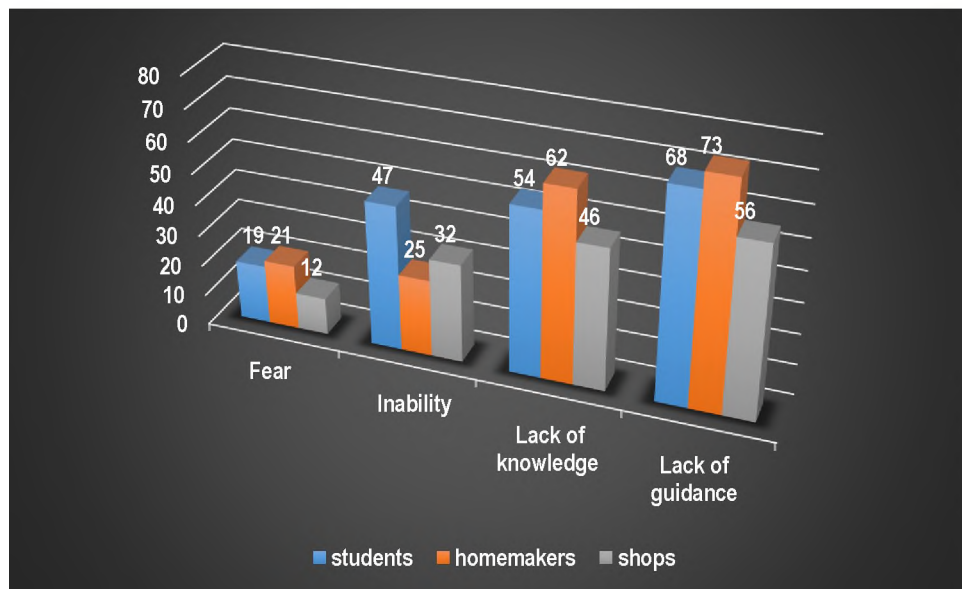


Figure 13: Reasons for not using other Modes of Withdrawal

In the initial period people had faced innumerable problems while exchanging the demonetised currency of Rs.500 and Rs.1000 for higher or lower denomination. During the process of exchanging their money while standing in long queues in front of the banks, 34 per cent of the students surveyed, 31 per cent of homemakers and 36 per cent of the shop owners

surveyed declared that they noticed people exchanging their black money through innocent people who were standing along with them in the queues.

One of the dreams of our Prime Minister is to implement cashless India. The opinion of the respondents on Cashless India movement is presented in Table 6 and Figure 14.

Table 6: Opinion of the Respondents on Cashless India Movement

Opinion of the respondent	Percent of selected respondents		
	Students N=100	Homemakers N=75	Shops N=25
Help to overcome the poverty	15	26	20
Increase standard of living	19	12	28
Gives secured feeling	23	31	84
Tax increases due to use of cards	87	71	64
Highly advantage as in all aspects	44	59	36

*Multiple Responses

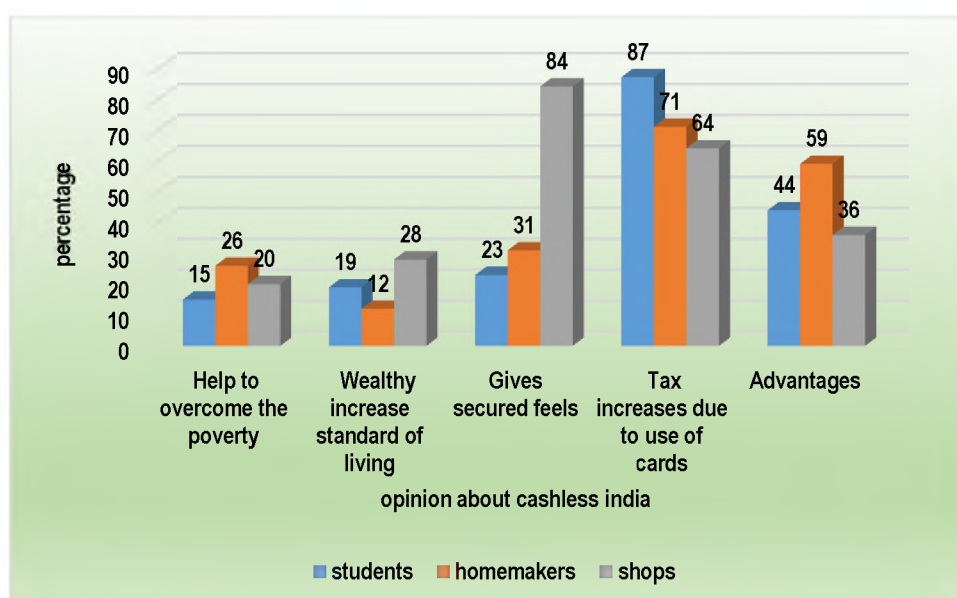


Figure 14: Opinion about Cashless India

Though only 66 per cent of students, 55 per cent of the homemakers and 40 per cent of shop owners felt that the dream of cashless India will become true. Fifteen to 26 per cent expressed that the mission will help to overcome poverty, 12 to 28 per cent expressed their will be increase in the standard of living and gives secured feeling (23-84 per cent), they also

pointed out that the common man have to pay tax for every transaction by using cards (64- 87 per cent).

Demonetisation has caused major inconvenience to a vast majority of public. Particularly to those who have the financial resource (The Hindu 8th Dec 2016).In spite of the inconvenience created to the affluent people many of the common people appreciated the move taken by the government.The extent of appreciation of the respondents towards demonetisation is presented in Tables 7.

Table 7: Extent of Appreciation of the Selected Respondents on the Positive Effects of Demonetisation

Effects of demonetisation	Extent of appreciation of the selected respondents											
	Students N=100			HomemakersN =75			Shops N=25			Total No=200		
	HA	A	NA	HA	A	NA	HA	A	NA	ST	HM	SO
Identify fake currencies	52	33	15	48	42	10	50	43	16	150	109	41
Motivate people to pay tax	62	34	4	41	37	22	35	34	31	138	95	57
Move to curb terrorism	49	35	16	42	36	22	46	29	25	137	100	63
Positive shift to non-cash and digital payments	56	29	15	36	40	24	43	35	22	135	104	61
Effort control black money	54	27	9	39	41	20	40	32	28	133	100	67
Step to control corruption	55	37	8	31	51	18	28	32	40	114	120	66

*Multiple Responses HA-highly appreciable, A- appreciable, NA-not appreciable, ST- students, HM- homemakers, SO-shop owners.

For any new policies introduced by a government it will have both positive and negative side. The selected respondents expressed their favour as well as unfavourableness towards the effect of demonetisation.

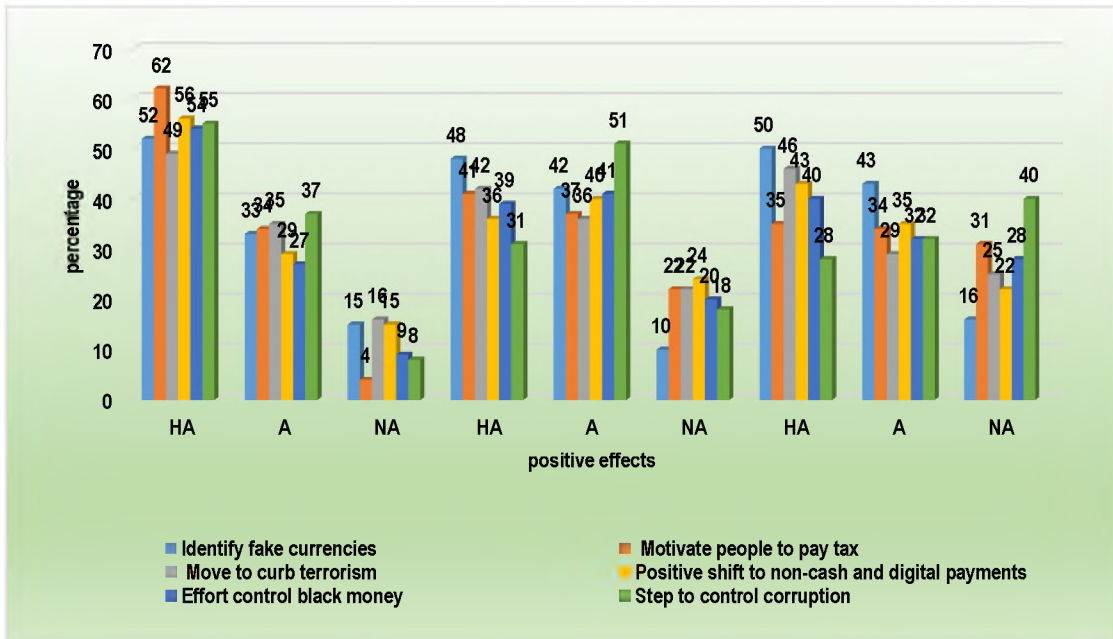


Figure 15: Extent of Appreciation of the Selected Respondents on the positive Effects of Demonetisation

In general while analysing the table we could observe that irrespective of the type of respondents maximum of them were in favour of the effects anticipated due to implementation of demonetisation like identifying fake currency, motivated people to pay tax with the demonetised currency, a good move to curb terrorism, a positive shift to non-cash and digital payment, an effort to control black money and step to control corruption. However more number of students expressed their favour when compared to home makers and shop owners. On the whole identification of the fake currency was considered highly favourable by 75 per cent of the respondents. Thus the survey revealed the fact that the civic showed a favourable attitude towards demonetisation.

Irrespective of the type of respondents all of them unanimously disclosed that the government should have printed adequate new currencies before declaring demonetisation of higher denominations.

However they expressed that in spite of the stringent efforts taken by the government to keep the announcement of demonetisation a secret, many politician and business people were aware of it and they could escape from this adverse effect. The Hindu 29th November 2016 also published in their newspaper that BJP had selectively leaked the demonetisation information³

months ahead of the prime minister announcement and they had helped big cats escape unaffected.

In the initial period after announcement of demonetisation in order to distribute the new currencies government issued minimum amount through banks. This action was declared highly objectionable by 25 per cent of the student's community 26 per cent of the homemakers and 20 per cent of the shop owners as they could not cater to the needs of all the people

This operation on demonetisation had led to shortage of money among 54 per cent of the selected students 69 per cent of homemakers and 58 per cent of shop owners. During the period they revealed that they were carefully spending the amount available in their hand. This had caused stress among them.

In spite of all the efforts taken by government to curb black money, terrorism, fake currency, cash payment, corruption and evasion of tax 74 per cent of the students 71 per cent of the homemakers and 68 per cent of shop owners expressed that it was failure on another side it had affected only the low and middle income people. Printing more number of lower denominations to solve the problem of demand for Rs. 100 and Rs. 50 was suggested by 70 per cent, 51 per cent and 61 per cent of student, homemakers and shop owners surveyed respectively. In order to promote cashless India the public are motivated to use credit cards, paytm, mobile banking, net banking and ATM.

The government's decision to demonetise higher denomination currency notes had caused a cash crunch and difficulties to the common man (the Hindu 19th December 2016). The difficulties experienced by the selected respondents due to cash crunch are given in Table 8.

Table 8: Difficulties Faced by the Selected Respondents Due to Demonetisation

Difficulty experienced	Percentage of selected respondents*		
	Students N=100	Homemakers N=75	Shops owners N=25
Difficulties faced			
Parking	70	78	32
Transports	67	78	36
Laundry charges	48	64	60
Fuel cost	51	68	36
Purchasing from petty shop	12	52	80
Buying the basic needs	76	58	-
Purchasing Paper/Stationery	32	41	-
Money needed for investment	-	-	80
Purchasing fruits/vegetables/ groceries	29	63	-

*Multiple Responses

From the above Table one could understand, that the respondents had difficulty in paying for a parking their vehicle, since there was a great demand even for cash of lower denomination. Above 70 per cent of the students and homemakers expressed this as a difficulty. Above 50 per cent of the students surveyed experienced cash crunch to buy their basic needs, transportation and fuel cost (to fill petrol for their vehicle).

Similarly the homemakers informed that they had shortage of cash even to spend for local transportation (78 per cent) to spend for fuel (68 per cent) to pay for laundry charges (64 per cent), for buying the basic needs and purchasing from petty shops.

The shop owners expressed that they could not get money to purchase the goods to be sold in their shop (80 per cent). So the goods to be sold in their shop also had great demand due to cash crunch.

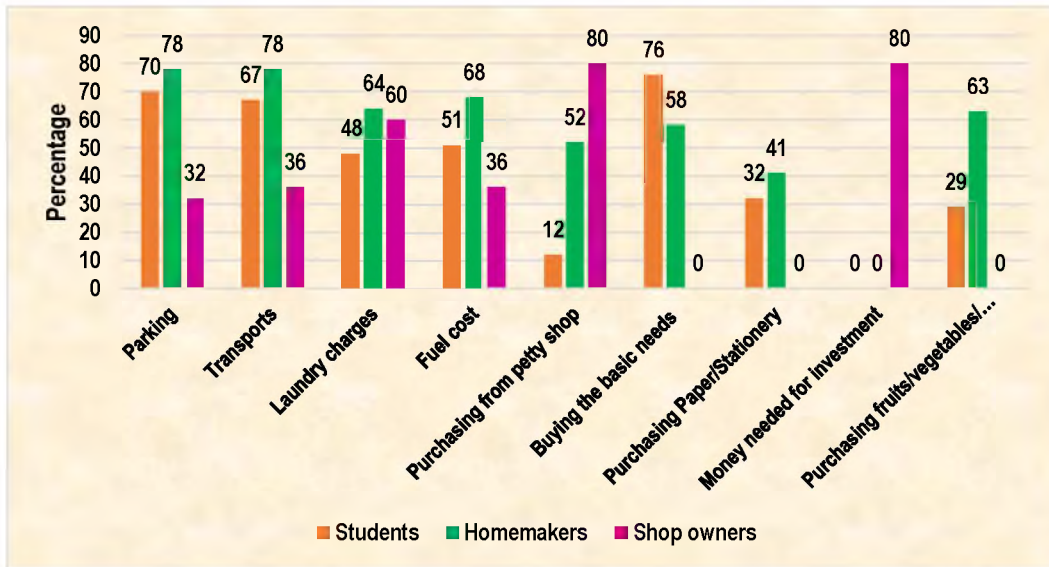


Figure 16: Difficulty Experienced by the Selected Respondents Due to Demonetisation

Devaluation of higher denominations had caused various problems among the civics. They had developed both positive and negative attitudes towards the declaration. The positive perception of the civic towards demonetisation is presented in Table 9 and Figure 17.

Table 9: Positive Perception of the Civic towards Demonetisation

Positive perspicacity of selected respondents	Percentage of selected respondents*		
	Students N=100	Homemakers N=75	Shops N=25
Positive person attitudes of selected respondents			
It brings out of the fake currency/ demolish	32	43	28
Cash with terrorist could be curb	61	81	12
Jandhan accounts come into practices	23	31	36
Motivate in Going digital	62	96	24
Starting mobile ATM's	50	67	48
Identify corrupted politicians and beaucart	-	68	12
It will bring out black money	51	71	60
Increasing tax revenue	63	59	64
Curtail black money and corruption	61	49	72
Bring up the value of currency	47	19	64
Cut down unnecessary expenditure	-	-	16
Bring down the value of properties	34	15	44

*Multiple Responses

The Table 9 reveals the fact that above 60 per cent of the students expressed that demonetisation had helped people going digital which may help them in future transactions, cash with terrorist could be curbed and the act may help in bringing up the value of currency.

With regard to the opinion of the homemakers 96 per cent revealed demonetisation had motivated them in going digital, curb the cash with terrorist (81 per cent) bring out black money and (71 per cent) corruption were the other opinion expressed by the homemakers.

Above 60 per cent of the shops owners expressed that demonetisation may bring up the value of currency, increase tax revenue for the government and bring out black money.

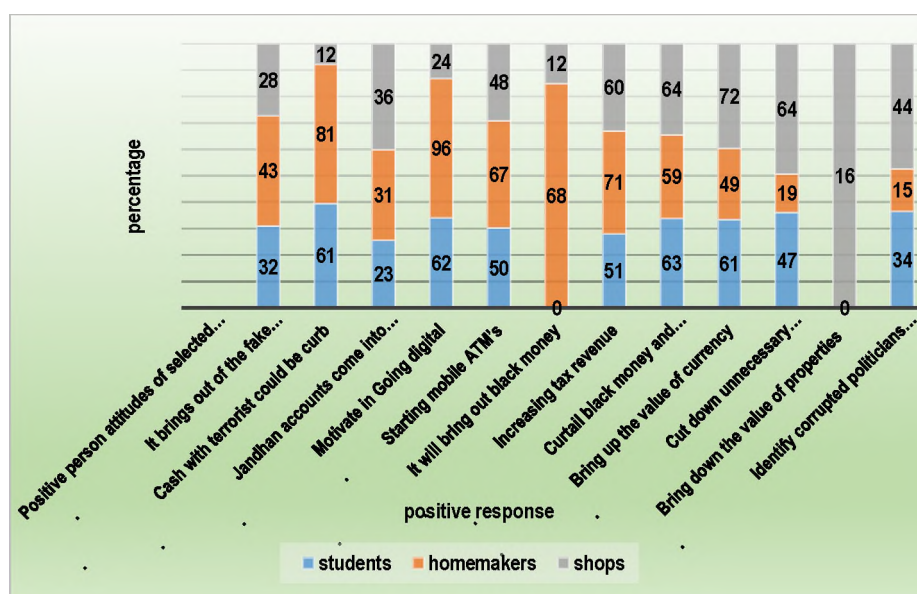


Figure 17: Positive Perspicacity of Selected Respondents

The major problems faced by the respondents while drawing money from the bank in the initial stage of demonetisation are stated below

Standing in a long queue to withdraw the money was a frustrating problem faced by 65 per cent, 72 per cent and 76 per cent of the students, homemakers and shop owners respectively. Demand for lower denomination was a problem faced by 71 per cent of the homemakers and 60 per cent of the shop owners. Closure of ATM's due to lack of cash in the concerned bank was expressed as a major problem by 68 per cent of the shop owners. This

may be due to the fact that the students and homemakers were not depending on ATM's for cash withdrawal.

In order to overcome the demand for money immediately after the announcement of demonetisation certain measures were taken by the respondents. This is represented in Table 10 and Figure 18.

Table 10: Measures Taken by the Respondents to Overcome the Problem

Measures taken	Percentage of selected respondents		
	Students N=100	Homemakers N=75	Shops N=25
Use of cards	54	31	20
Borrowed money from others	75	69	24
Used mobile / net banking	63	32	28
Used credit cards to purchase	82	72	36
Withdrew from bank	21	16	3
Purchases items on credit	32	19	20

*Multiple Responses

In order to solve the problem of shortage of money maximum 82 per cent of students 72 percent of homemakers and 36 per cent of shop owners used credit card for purchase. However they revealed that they could not make use of credit card in all the shops since all of them did not have swiping machine. Besides purchasing using credit cards lead to levying of taxes for each transaction. Seventy two per cent of the student 33 per cent of the homemakers and 38 per cent of the shop owners suggested that levying of tax for every transaction should be avoided. Use of mobile or net banking was also adopted by 63 percent of the students surveyed followed by 32 per cent and 28 percent home makers and shop owners respectively. It may be assumed that young students prefer to use more of latest technologies like use mobile banking / net banking and use of credit cards than their older counter parts.

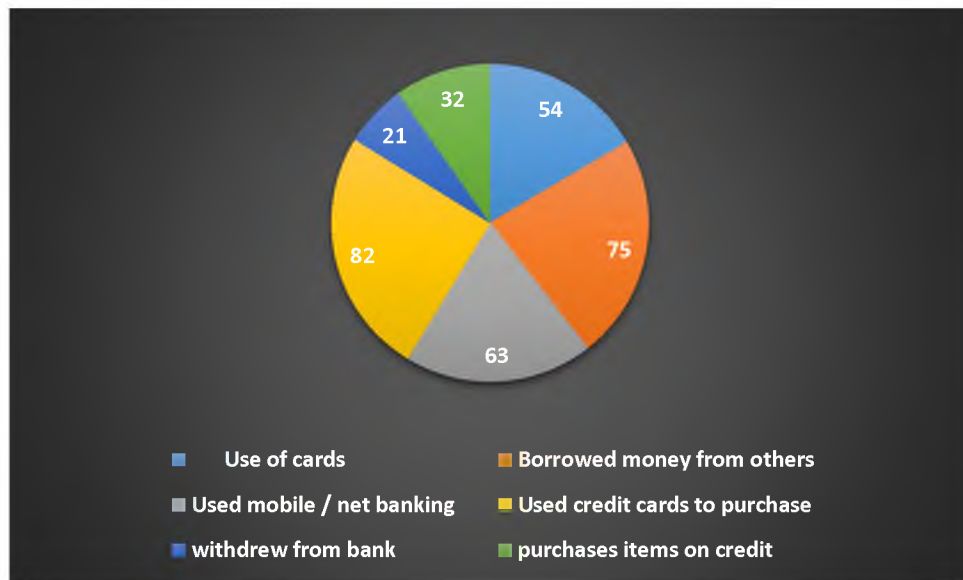


Figure 18:Problems of Demonetisation

The suggestion given by the respondents is represented in Table 11 and Figure 19.

Table 11: Suggestions about Demonetisation

Suggestions about demonetisation	Percentage of selected respondents		
	Students N=100	Homemakers N=75	Shops N=25
Need time to change	68	76	82
Should not be stop the money	70	51	61
In case of cashless India we should Avoid tax revenue for transaction using cards	72	33	38

*Multiple Responses

As their valuable suggestions given by the respondents during the conduct of survey done before 3 months of writing the report above 60 per cent of the students, homemakers and shop owners surveyed informed that we have to be patient as it needs more time to bring the situation back to normalcy. However as they anticipated, the situation almost have come back to normal there is a free flow of money. Hence people should have been relieved from the stress what they have been facing immediately after declaring demonetisation.

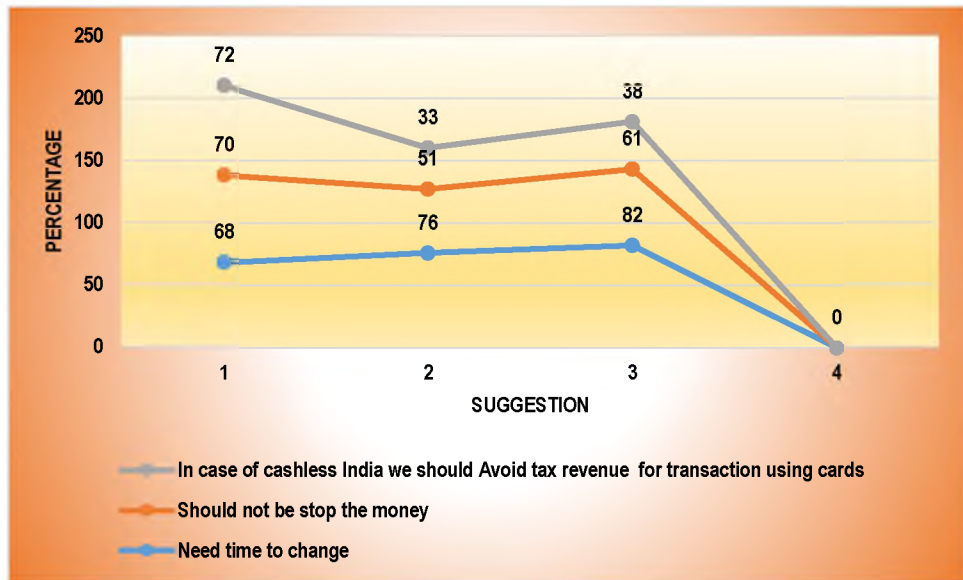


Figure 19: Suggestions regarding Demonetisation

V SUMMARY AND CONCLUSION

India experienced unprecedented prosperity in history. Between 1st and 17th centuries AD, India is estimated to have had the largest economy of the ancient and medieval world, After India got independence from colonial rule in 1947, the process of rebuilding the economy started. First, India's currency to GDP ratio has declined fairly steadily for the first decade and a half after Independence. It began its upward trend in the late 1970s when growth increased, and then accelerated further during the growth boom of the 2000s. The value of high denomination notes (INR 500 and INR 1000) relative to GDP has also increased in line with rising living. The developed economy had led to inflation, corruption of black money, fake currency and cash with terrorist.

November 8, 2016 a day the Indian Government launched a "surprise attack"/ "Surgical strike"/ "Surgery against black money in the economy. The Hon'ble Prime Minister of India, in an unscheduled live televised address to the nation on November 8, 2016 at 20:15 Indian Standard Time (IST) declared circulation of all INR 500 and INR 1000 banknotes of the Mahatma Gandhi Series as invalid with immediate effect .

The aim of the action was fourfold: to curb corruption; counterfeiting; the use of high denomination notes for terrorist activities; and especially the accumulation of "black money", generated by income that has not been declared to the tax authorities.

The biggest problem of demonetisation was that once people in the country gets to know about it than initially for few days there was chaos and frenzy among public as everybody wanted to get rid of demonetized notes which in turn sometimes led to law and order problem and chaotic situation especially in banks and ATMs.

With both positive and negative effects on the civic the investigator felt the need to find out the real impact of demonetisation on the public. Hence the study on Perspicacity of the Civic towards Demonetisation was under taken with the following objectives.

- To find out the impact of demonetisation on the public
- To find out the attitude of the adolescence students on demonetisation.
- To gather information on the inconvenience faced by selected homemakers due to demonetisation.
- To understand the problems faced by shop owners due to demonetisation.

The methodology involved in the conduct of the research study are as follows

1. Conduct of Survey among Selected Student Community
2. Conduct of Survey among Selected Home Makers
3. Conduct of Survey among Selected Shop Owners

Conduct of Survey among Selected Student Community

The investigator selected Coimbatore city for the study. The investigator located five institutions from Arts and Science Colleges located in different corner of the city such as Sankara College, VLBJ College, KovaiKalaimagal College, Krishnamal College, and Avinashilingam University. Hundred adolescent girls and boys specialising in various field of Arts and Science were selected by the investigator through convenience sampling from the above mentioned educational institutions. In order to gather information from the students, survey was found essential by the investigator. Interview schedule was framed to collect the information through students. The investigator approached the students from selected institutions to get an in depth information for the study with regard to wisdom of demonetisation among students.

2. Survey Conducted among Selected Home Makers

The investigator conducted a household survey in order to obtain details of the study regarding wisdom of the home makers towards demonetisation. Seventy five Households located in Vedapatti, RSpuram, Vadavalli, Gandhipark, and Thondamuthur, areas of Coimbatore were adopted for household survey by the investigator. For the research study, seventy five homemakers who had knowledge on demonetisation were selected for the household survey through purposive sampling. Personal interview cum observation method was applied by the investigator for the

survey. For household survey the needed data were collected from the selected home makers by the investigator using a questionnaires.

3. Conduct of Survey Among Selected Shop Owners

The survey was done among twenty five shops located in Vadavalli, RS Puram, Vedapatti and Thondamuthur. The shops were selected by “random sampling” method. Interview method was chosen for collecting information from selected shops. Interview schedule was framed to collect the information from the selected shops, the investigator approached the shops owners to get the required information for the study with regard to wisdom of demonetisation by the shop owners.

The findings of the study are discussed under the following headings:

- A. Results of the Survey Conducted among the Student Community
- B. Results of the Survey Conducted among the Home Makers
- C. Results of the Survey Conducted among the Shops Owners
- D. Difficulty Experienced by all the Selected Respondents Due to Cash Crunch

A. Results of the Survey Conducted Among the Student Community

Regarding background information of the selected students 48 per cent of them belonged to the age group of 16-18 years. Maximum 52 per cent were day scholars and 48 per cent were hostel students. Majority of 67 per cent of the students belonged to nuclear family. Surprisingly 59 per cent of the students surveyed were the only child in the family. With regard to the family income of the students maximum 36 per cent expressed that their monthly family income ranged between Rs.5000-10000, Majority of 82 per cent of the surveyed students had contributed money to their family by taking up part time jobs. Maximum of 39 per cent received their pocket money on monthly basis, Maximum 79 per cent of the students expressed that getting change of lower denomination for new Rs.2000 was a great problem they faced. Due to demand for money 68 per cent did not get their regular pocket money from their parents or guardian in the initial period of demonetisation.

B. Results of the Survey Conducted Among the Homemakers

Thirty three per cent of home makers had education up to college level while 26 per cent were educated up to school level. Among the surveyed respondents, maximum 39 per cent belonged to the age group of 25-30 years and 31 per cent were in the category of 30-35 years. Regarding the employment status 32 per cent of them were employed while 60 per cent were are full time homemakers and eight per cent were entrepreneurs. Twelve per cent of them were living in joint family, the size of the family of 57 percent of the home makers ranged between 1-3 (small family). Among the home makers surveyed 38 percent belonged to high income family group, while 46 per cent were classified under upper middle income.

C. Results of the Survey Conducted Among the Shop Owners

Among the shops selected 24 per cent were doing retail business while 28 per cent were involved in wholesale business. Regarding the type of shop selected for the survey, it was observed that maximum 32 percent were pharmacy shops. Seventy two per cent of the surveyed shop owners revealed that demonetisation had affected their business. The shop owners considered these move on demonetisation as an effort to bring out black money and had brought down the value of money.

D. Difficulty Experienced by all the Selected Respondents due to Cash Crunch

All the respondents had aadhar cards. Among the selected respondents two wheelers were owned by 65 per cent, of the students surveyed, 54 per cent of the homemakers and 84 per cent of the owners of the shops surveyed. Maximum 30 per cent, 35 per cent, 13 per cent of students, homemakers, and shop owners respectively had deposited both before and after the announcement of demonetisation as a regular process. Irrespective of respondents maximum 89 per cent, 40 per cent and 64 per cent of students, homemakers, and shops owners respectively were drawing money only when need aroused. ATM was maximum used for withdrawal of money by 82 per cent, 64 per cent and 68 per cent of students, homemakers and shop owners respectively. Normal mode of transaction was

used by maximum 77 per cent of the home makers and 82 per cent of the shop owners respectively. Due to lack of guidance 68 per cent, 73 per cent and 56 per cent of the students, homemakers and shop owners respectively did not use other mode of transactions. Only 66 per cent of students, 55 per cent of the homemakers and 40 per cent of shop owners felt that the dream of cashless India will become true. Irrespective of the type of respondents maximum of them were in favour of the effects anticipated due to implementation of demonetisation like identifying fake currency, motivated people to pay tax with the demonetised currency, a good move to curb terrorism, a positive shift to non-cash and digital payment, an effort to control black money and step to control corruption. Irrespective of the type of respondents all of them unanimously disclosed that the government should have printed adequate new currencies before declaring demonetisation of higher denominations. In spite of the stringent efforts taken by the government to keep the announcement of demonetisation a secret, many politician and business people were aware of it and they could escape from this adverse effect.

This operation on demonetisation had led to shortage of money among 54 per cent of the selected students 69 per cent of homemakers and 58 per cent of shop owners. Seventy four 74 per cent of the students 71 per cent of the homemakers and 68 per cent of shop owners expressed that it was failure on another side. It had affected only the low and middle income people. Printing more number of lower denominations to solve the problem of demand for Rs. 100 and Rs. 50 was suggested by 70 per cent, 51 per cent and 61 per cent of student, that the respondents had difficulty in paying for a parking their vehicle, experienced cash crunch to buy their basic needs, transportation and fuel cost (to fill petrol for their vehicle).they had shortage of cash even to spend for local transportation to spend for fuel (68 per cent) to pay for laundry charges. Devaluation of higher denominations had caused various problems among the civic.

CONCLUSION

Demonetisation is being done for the good of nation. At least the black money slashed inside the country will be washed out. People will learn to use and trust banking more than their own personal safe. The fake currency obviously has been eliminated from the system. Lower inflation, lower interest rates and lower budget deficits are likely to be the long term positive macroeconomic effects of the move, which should stimulate economic growth and benefit businesses in the region.

Although people are ready to bear the brunt of cash crunch for now, but government must come up with permanent solutions in which the availability of Point of Sale devices will be the key. Online services will gain popularity but for people who are far from technology and deal in cash in the market should be upgraded and trained to use the plastic money. At least one debit card should be mandatory in one family.

However, as the country undergoes this huge transformation from a cash dominant economy to a near cashless economy, this move will definitely bring about a sea of change in the way transactions are done in India. This may help to strengthen the economy by wiping out black money and fake notes. While e-commerce companies that see a huge chunk of payments happening through Cash on Delivery mode will face some challenges in the initial few days, in the long run this move will only bring about positive changes.

“Journey of thousand miles will start from single step”

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APPENDIX I
ETHICAL COMMITTEE CLEARANCE CERTIFICATE

APPENDIX II

SURVEY TO FIND OUT THE PERSPICACITY OF STUDENTS TOWARDS DEMONETISATION

A. Background information:

1. Name of the investigator :
2. Name of the interviewee :
3. Age :
4. Class /year :
5. Major :
6. Sex :
7. College name :
8. Are you : Days student Hostel student
9. No.of members in the family:
10. Parents occupation : Father _____
Mother _____
11. Type of family : Nuclear Joint Family
12. Family's monthly income :
13. Are you a single child?
 - o Yes
 - o No
14. If no, how many?
 - o 2
 - o 3
 - o more
15. Order of birth:
 - a) 1st
 - b) 2nd
 - c) 3rd
 - d) Other
16. What are your contributions to your family:
 - a) Help in purchases
 - b) Help in household work
 - c) Economic assistance
 - d) Contribute money to the family through the part time job like any one
 - e) Any other specify...

B. Specific Information:

1. Do you have an
 - o Athar card
 - o PAN card
2. Bank in which you have account?
 - o Personal account
 - o Joint account
 - o Student account
3. If so give the type account you maintain?
 - o SB account
 - o Current account
 - o other specify

4. How do you operate the account?
 - ATM
 - Mobile banking
 - Net banking
 - Any other specify
5. How often do you operate the account?
 - Weekly
 - monthly
 - whenever need arises
6. How do you receive money for your day to day expenses/pocket money?
 - Get money from parents/guardian
 - Daily
 - weekly
 - monthly
 - Parents/guardian deposit money in my account I draw whenever I request
 - Daily
 - weekly
 - monthly
6. Do you have any personal vehicle?
 - motorcycle/ scooter/ Bicycle
 - three wheeler
 - four wheeler
7. Did you face challenges in meeting the need of real money immediately after demonetisation?
 - Yes
 - No

If yes, then how?

- a. Purchasing from Petty Shop
- b. Parking
- c. Buying for Daily Needs
- d. Paper/Stationeries
- e. Traveling Fare
- f. Purchasing Fruits /Vegetables/ Groceries
- g. Payment for Laundry
- h. Fuel charges
- i. any other specify

C. Awareness of the student regarding demonetization

1. Are you aware of the term demonetization?
 - Yes
 - No
2. What do you feel about demonetization?
 - a) Reducing the value of money
 - b) Bringing out black money
 - c) Increasing the value of money in the international level
 - d) Any other mention ...

3. Do you favour demonetisation?
 - Yes
 - No
4. Who declared it / when
5. Do you feel it helps the economic development / national development?
 - Yes
 - No

If yes, then how?

- a) It brings out of the fake currency / demolish
- b) Cash with terrorist could be neutralized
- c) Jandhan accounts come into practices
- d) Clearing of long pending bills(like electricity bills, property tax, etc.)
- e) Going digital by venders and family
- f) Starting of mobile ATMs
- g) Identify corrupted politicians and beaurocrats
- h) It will bring out black money
- i) Cut down unnecessary expenditure
- j) Developing infrastructure
- k) Increasing tax revenue
- l) Bring down the value of properties
- m) Fairer election mode
- n) Bring up the value of currency
- o) Availability of liquid cash in hand had been affected
- p) Curtail black money and corruption
- q) Any other specify...

If no, why?

6. As a student state the problems you faced due to demonetization
 - a) Stringent use of money
 - b) Not able to purchase anything what I wish
 - c) Not able to get change for 2000 Rupees
 - d) Demand in Pocket money
 - e) Others specify..
7. Do you think that demonetisation process is time consuming?
 - Yes
 - No
8. Have you noticed/ witnessed any person changing their old money with other person in order to get new notes on commission basis.
 - Yes
 - No
9. What is your opinion on cashless India?
10. Do you think it will work out?
 - Yes
 - No

11. Do you feel reluctant to change to any other mode of exchanging the currency Paytm / Atm / Mobile Banking / Net Banking?

- Yes
- No

If Yes, why.

- a. Ego
- b. Fear
- c. Inability
- d. Lack of knowledge
- e. Absence of knowledge on the alternate banking transaction method
- f. Other

12. Do you think that black money still exist in India?

- Yes
- No

13.

Give your opinion	Highly Appreciate	Appreciate	Not Appreciate
The government's move to tackle black money			
The government's against corruption so far			
The government's moves of banning old Rs.500 and Rs.1000 notes			

14. Did you mind the inconvenience faced in our fight to curb corruption, black money, and terrorism and counterfeiting of currency?

- Yes
- No

If yes, then how

15. Did you deposit any amount in the bank?

- Before Demonetization
- After Demonetization
- Both

16. Do you have credit card and debit card?

- Yes
- No

17. Do you operate the account on your own?

- Yes
- No

18. During demonetization did you have Rs.500 and Rs.1000 in your hand?

- Yes
- No

If yes, then how did you exchange.

19. Did you face problems in exchanging the amount?

- Yes
- No

If yes, then how?

20. Did you get enough money for day to day expenses an immediately after demonetisation?

- Yes
- No

What is condition now?

21. Do you feel demonetization had brought necessary / expected changes in the transaction of money?

- Yes
- No

22. How did you manage to get the required cash immediately after demonetisation?

- a) Using ATM
- b) Barrow money from others
- c) Using mobile banking/net banking
- d) Using cards to purchasing
- e) Withdraw from bank
- f) Sharing amount by Paytym
- g) Purchased items by credit
- h) Any other specify

23. Do you have any suggestions, ideas (or) insights you would like to share?

- Yes
- No

If yes, then specify....

APPENDIX III

SURVEY TO FIND OUT THE PERSPICACITY OF HOME MAKERS TOWARDS DEMONETISATION

A) General Family Background:

1. Name :
2. Address :
3. Age :
4. Educational background :
5. Employment status :
6. No.of members in the family :
7. Total family income :
8. No.of earning members in the family:

B) Specific Information:

1. Do you have an
 - Athar card
 - PAN card
2. Bank in which you have account?
 - Personal account
 - Joint account
3. If so give the type account you maintain?
 - SB account
 - Current account
 - Other specify
4. How do you operate the account?
 - ATM
 - Mobile banking
 - Net banking
 - Any other specify
5. How often do you operate the account?
 - Weekly
 - monthly
 - whenever need arises
6. Do you have any personal vehicle?
 - motorcycle/ scooter/ Bicycle
 - three wheeler
 - four wheeler
7. Did you face challenges in meeting the need of real money?
 - Yes
 - No

If yes, then how?

 - a. Purchasing from petty Shop
 - b. Parking
 - c. Fuel charges
 - d. Buying for Daily Needs
 - e. Paper/Stationeries
 - f. Traveling Fare
 - g. Purchasing Fruits /Vegetables/ Groceries
 - h. Payment for Laundry
 - i. any other specify

C) Awareness of home makers towards demonetization:

1. Are you aware of the term demonetization?
 - Yes
 - No
2. What do you feel about demonetization?
 - Reducing the value of money
 - Bringing out black money
 - Increasing the value of money in the international level
 - Any other mention ...
3. Do you favour demonetisation?
 - Yes
 - No
4. Who declared it / when
5. Do you feel it helps the economic development of nation?
 - Yes
 - No

If yes, then how?

- a) It brings out of the fake currency / demolish
- b) Cash with terrorist could be neutralized
- c) Jandhan accounts come into practices
- d) Clearing of long pending bills (like electricity bills, property tax, etc.)
- e) Going digital by venders and family
- f) Starting of mobile ATMs
- g) Identify corrupted politicians and beaurocrats
- h) It will bring out black money
- i) Cut down unnecessary expenditure
- j) Developing infrastructure
- k) Increasing tax revenue
- l) Bring down the value of properties
- m) Fairer election mode
- n) Bring up the value of currency
- o) Availability of liquid cash in hand had been affected
- p) Curtail black money and corruption
- q) Any other specify...

If no, why?

6. Have you noticed/ witnessed any person changing their old money with other person in order to get new notes on commission basis?
 - Yes
 - No
7. What is your opinion on cashless India?
8. Do you think it will work out?
 - Yes
 - No
9. Do you think that demonetisation process is time consuming?
 - Yes
 - No

10. Do you feel reluctant to change to any other mode of exchanging the currency Net Banking/ Mobile Banking/Paytm/ATM?

- Yes
- No

If yes, why

- a. Ego
- b. Fear
- c. Inability
- d. Lack of knowledge
- e. Absence of knowledge on the alternate banking transaction method
- f. Other

13. Do you think that black money still exist in India?

- Yes
- No

14. Give your opinion regarding the following

Give your opinion	Highly Appreciate	Appreciate	Not Appreciate
The government's move to tackle black money			
The government's against corruption so far			
The government's moves of banning old Rs.500 and Rs.1000 notes			

15. Did you mind inconvenience faced in our fight to curb corruption, black money, terrorism and counterfeiting of currency?

- Yes
- No

If yes, then how?

16. Did you deposit any amount in the banks?

- Before Demonetization
- After Demonetization
- Both
- Not Deposit

17. Do you have credit card and debit card?

- Yes
- No

18. Do you operate the account on your own?

- Yes
- No

19. During demonetization did you have Rs.500 and Rs.1000 in your hand?

- Yes
- No

If yes, then how did you exchange.

20. Did you face problems in exchanging the amount?

- Yes
- No

If yes, then how?

21. Did you get enough money for day to day expenses an immediately after demonetisation?

- Yes
- No

What is condition now?

22. Do you feel demonetization had brought necessary / expected changes in the transaction of money?

- Yes
- No

23. How did you manage to get the required cash immediately after demonetisation?

- a) Using ATM
- b) Barrow money from others
- c) Using mobile banking/net banking
- d) Using cards to purchasing
- e) Withdraw from bank
- f) Sharing amount by Paytym
- g) Purchased items by credit
- h) Any other specify

24. Do you have any suggestions, ideas (or) insights you would like to share?

- Yes
- No

If yes, then specify....

APPENDIX IV

Survey to Find out the Perspicacity of Owners of Petty Shops towards Demonetisation

A. General information:

1. Name of the investigator:
2. Name of the interviewee:
3. Name of the Shop:
4. Place where located:
5. What type of shop:
6. Nature of the business:
 - a) Retail
 - b) Wholesale
 - c) Both
7. Do you think demonetization is helpful for you?
Yes No

If yes, then how?

8. Has it affected your business
Yes No

If yes, then how?

If no, then why?
9. Do people come to you with adequate money to purchase
Yes No
10. Did they ask for credit or demand product for credit card?
Yes No
11. Did you get adequate change to give them back on the initial period of demonetisation?
Yes No
How is the condition now?
12. Have you sent back customers due to shortage of change on the initial period of demonetisation?
Yes No
How is the condition now?
13. How did you manage the Situation?
 - a) I tried to get change
 - b) I gave things on credit basis
 - c) Any other specify
14. What do you feel about demonetization?
 - a) Reducing the value of money
 - b) Bringing out black money
 - c) Increasing the value of money in the international level
 - d) Any other mention
15. Do you think it will get solved in the long run
Yes No

16. If it has affected your business how do you think you can manage the situation?

17. Will you support the prime minister for implementing demonetization?

Yes No

B. Specific Information:

1. Do you have an

Athar card

PAN card

2. Bank in which you have account?

Personal account Joint account

3. If so give the type account you maintain?

SB account Current account Other specify

4. How do you operate the account?

ATM Mobile banking Net banking Any other specify

5. How often do you operate the account?

Weekly monthly whenever need arises

6. Do you have any personal vehicle?

motorcycle/ scooter/Bicycle three wheeler four wheeler

7. Did you face challenges in meeting the need of real money?

Yes No

If yes, then how?

- a. Parking
- b. Traveling Fare
- c. Payment for Laundry
- d. Fuel charges
- e. Purchasing for shop needs
- f. any other specify

C. Awareness of the shop keepers regarding demonetization

1. Are you aware of the term demonetization

Yes No

2. Do you favour demonetisation?

Yes No

3. Who declared it / when

4. Do you feel it helps the economic development of nation?

Yes No

If yes, then how?

- a) It brings out of the fake currency / demolish
- b) Cash with terrorist could be neutralized
- c) Jandhan accounts come into practices
- d) Clearing of long pending bills(like electricity bills, property tax, etc.)
- e) Going digital by venders and family
- f) Starting of mobile ATMs
- g) Identify corrupted politicians and beaurocrats
- h) It will bring out black money
- i) Cut down unnecessary expenditure

- j) Developing infrastructure
 - k) Increasing tax revenue
 - l) Bring down the value of properties
 - m) Fairer election mode
 - n) Bring up the value of currency
 - o) Curtail black money and corruption
 - p) Availability of liquid cash in hand had been affected
 - q) Any other specify...
- If no, why?

5. Have you noticed/ witnessed any person changing their old money with other person in order to get new notes on commission basis?
Yes No
6. What is your opinion on cashless India?
7. Do you think it will work out?
Yes No
8. Do you think that demonetisation process is time consuming?
Yes No
9. Do you feel reluctant to change to any other mode of exchanging the currency Net Banking/ Mobile Banking/Paytm/ATM ?
Yes No

If no, why

- a. Ego
 - b. Fear
 - c. Inability
 - d. Lack of knowledge
 - e. Absence of knowledge on the alternate banking transaction method
 - f. Other
13. Do you think that black money still exist in India?
Yes No

14.

Give your opinion	Highly Appreciate	Appreciate	Not Appreciate
The government's move to tackle black money			
The government's against corruption so far			
The government's moves of banning old Rs.500 and Rs.1000 notes			

15. Did you mind inconvenience faced in our fight to curb corruption, black money, terrorism and counterfeiting of currency?
Yes No
- If yes, then how?
16. Did you deposited any amount in the banks?

Before Demonetization After Demonetization Both

17. Do you have credit card and debit card?

Yes No

18. Do you operate the account on your own?

Yes No

19. During demonetization did you have Rs.500 and Rs.1000 in your hand?

Yes No

If yes, then how did you exchange.

20. Did you face problems in exchanging the amount?

Yes No

If yes, then how?

21. Did you get enough money for day to day expenses an immediately after demonetisation?

Yes No

What is condition now?

22. Do you feel demonetization had brought necessary / expected changes in the transaction of money?

Yes No

23. How did you manage to get the required cash immediately after demonetisation?

- a) Using ATM
- b) Barrow money from others
- c) Using mobile banking/net banking
- d) Using cards to purchasing
- e) Withdraw from bank
- f) Sharing amount by Paytym
- g) Purchased items by credit
- h) Any other specify

24. Do you have any suggestions, ideas (or) insights you would like to share?

Yes No

If yes, then specify....

Perspicacity of the Civic towards Demonetisation

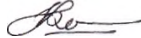
By
Rajalakshmi. S
(15PIR010)

A thesis submitted to the
Avinashilingam Institute for Home Science
and Higher Education for Women.
Coimbatore - 641 043.

In partial fulfilment of the requirements for the Degree of
Master of Science in Interior Design and
Resource Management

April 2017

Certified as a Bonafide Research work


10/4/17

**Signature of the
Guide**


10.4.17

**Signature of the
Head of the Department**

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3rd February 2017

To

Ms. Rajalakshmi S
Department of Interior Design and Resource Management
Avinashilingam Institute for Home Science and
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Coimbatore -- 641 043

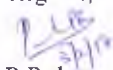
Dear Madam,

Ref: Your proposal No. IHEC/16-17/IDRM-03 entitled "Perception of the public towards de-monetization" submitted for approval of the IHEC

The Institutional Human Ethics Committee of our University hereby grants approval to your research proposal No. IHEC/16-17/IDRM-03 entitled "Perception of the public towards de-monetization" submitted by you. The Approval number for the same is AUW/IHEC/IDRM-16-17/XMT-03.

We wish you all the best in your research endeavours.

Regards,


Dr. P. R. Padma
Member Secretary

