

A STUDY ON IMPACT OF DEMONETIZATION ON GENERAL PUBLIC AT J P NAGAR, BANGALORE

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Abstract : This study has been undertaken to investigate impact of demonetization on general public, Demonetization 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 objectives of the study to analyze the effectiveness of demonetization, to know the opinion of demonetization, to evaluate what were the problems faced by general public, to analyze post demonetization experienced on general public, to analyze the overall view on demonetization. The information need to be collected by gathering primary data directly data collected from various age groups of people. This research is done through distributing questionnaire. Sample size of 50 respondents The report tries to find out what are the problems which are faced by general public due to demonization and how it is impacted n general public.

Key words:- effectiveness, opinion, problems , post demonetization, overall view on demonetization

I. INTRODUCTION

The government claimed that the demonetization was efforts to stop counterfeiting of the current banknotes allegedly used for funding terrorism, as well a crackdown on black money in the country. The move was described as efforts to reduce corruption, the use of drugs, and smuggling.

The term demonetization has become much more than a household name since the old 500 and 1000 notes were pulled out of circulation. While as per dictionary demonetization means “ending that is no longer the legal tender of a country”. One needs to understand that there is much more than the literal meaning to the word.. Since our economy is an under banked economy. Present demonetization move, would no doubt cause a severe social experiment, across the segment of our population. At the first place and on a short term basis this move would benefit the government. This shall effectively deploy its resources to percolate the impact to the poor needy of our country.

II. REVIEW OF LITERATURE

• Kukreti Ankur, Chauhan Sakshi (2018)

As the Prime Minister Narendra Modi focused on the menace of black money and would have a deep and long-lasting impact of monetary policy of India. He announced to rupees 500 and rupees 1000 note would not remain legal tender. It is called demonetization. This is not the first time it has been done before it twice in India. First in 1946 when 50, 1000, 10000 notes were declared illegal tender. Second time in 1978 under Janata Dal (Under Morarji Desai's Leadership). However both the times demonetization was not success. This study will alight the aspects of demonetization will it grow the economy or decline. This is purely a review paper based on secondary data.

• Vijay Joshi (2018)

The objective of this study is to give brief overview about impact of demonetization on Indian economy with respect to real estate business. In this paper we will discussed both positive impact and negative impact on this sector. It will eliminate the black money and bulk cash transaction involved in this sector. It will hamper on this sector in terms of prices of property, renovation, affordability for consumer who are price conscious, Interest rate etc. Demonetization will reduce or create liquidity problem.

• Rikhil R Bhavani (2018)

While theories of retrospective voting suggest that voters should punish incumbents for negative economic shocks within incumbents' control, other works suggest voters' ability and willingness to do so are limited. We examine this issue by tracing the impact of the sudden demonetization of 86% of India's currency in 2016. We argue and show, using difference-in-difference and instrumental variables analyses, that the economic impact of demonetization was felt most acutely in relatively "unbanked" areas, where households and businesses lack access to the formal financial system and are most cash-dependent. Further, the BJP, the incumbent party that implemented demonetization, was penalized the least in relatively unbanked districts where people were economically hurt the most.

III. OBJECTIVES OF STUDY

- To analyse the effectiveness of demonetization.
- To know the opinion of demonetization.
- To evaluate what were the problems faced by general public.

- To analyze post demonetization experienced on general public.
- To analyze the overall view on demonetization

IV. STATEMENT OF THE PROBLEM

The report tries to find out what are the problems which are faced by general public due to demonization and how it has impacted.

V. RESEARCH GAP

Till now all research being made on the other than the impact on general public and literature reviews shows studies has been done on other areas and not on the public also the researcher as concentrated on the general public at JP Nagar.

VI. RESEARCH METHODOLOGIES

The researcher study is made to analyze the problem statement. This is to study the title of the study is “A study on impact of demonetization on general public at J P Nagar”. The information need to be collected by gathering primary data directly data collected from various age groups of people. This research is done through distributing questionnaire.

VII. DATA ANALYSIS AND INTREPRETATIONS

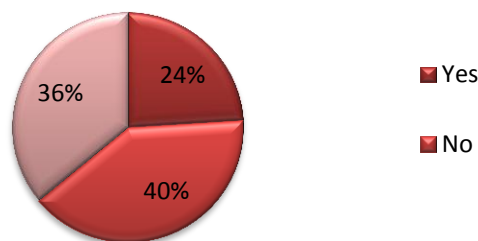
Table showing “Respondents opinion on how they felt when demonetization announced by the government”

Options	No of respondents	Percentage
Yes	12	24%
No	20	40%
Neutral	18	36%
Total	50	100%

Analysis

The above table shows that 40% of respondents say that they felt bad, 36% of respondents felt neutral, and remaining 24% are felt neutral when government announced about demonetization.

Graph is showing “Respondents opinion on who they felt when demonetization announced by the government”.



Interpretation

From the above table and graph, it can be interpreted that majority 40% respondents felt bad when government announced about demonetization.

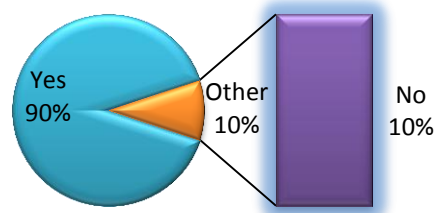
Table showing “Respondents opinion on problems they have faced due to demonetization”

Options	No of respondents	Percentage
Yes	45	90%
No	5	10%
Total	50	100%

Analysis

The above table shows that 90% of respondents are faced problems and remaining 10% have not faced any problem.

Graph showing “Respondents faced problems due to demonetization”



Interpretation

From the above table and graph, it can be interpreted that majority of 90% respondents have faced the problems due to demonetization.

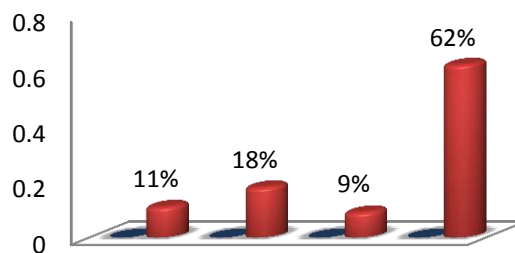
Table showing “respondent’s opinion on problems they have faced due to demonetization”

Options	No of respondents	Percentage
Standing in queue	5	11%
Cash shortage	8	18%
Exchange of money	4	9%
All the above	28	62%
Total	45	100%

Analysis

Table shows that 62% of respondents have faced all the problems, 18% faced cash shortage, 11% faced problems standing in queue and remaining 9% have faced problem of exchanging of money.

Graph showing “respondent’s opinion is yes they have faced problems due to demonetization”



Interpretation

From the above table and graph, it can be interpreted that majority 62% of respondents have faced all the problems like cash shortage, exchange of money and standing in queue.

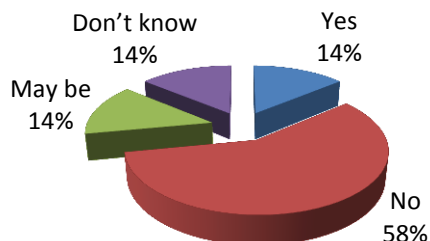
Table no: - 4.8 Table showing “respondent’s opinion on supply of cash regularly in their locality”

Options	No of respondents	Percentage
Yes	7	14%
No	29	58%
May be	7	14%
Don’t know	7	14%
Total	50	100%

Analysis

The above table shows that, 58% of respondents say that their locality has not been supplied cash regularly, and remaining 14% respondents say that they may be or they don't know about it.

Graph showing “respondent’s locality bank have supplied with cash regularly”



Interpretation

From the above table and graph, it can be interpreted that majority 58% of respondents have faced the problem due to their locality banks have not supplied cash regularly.

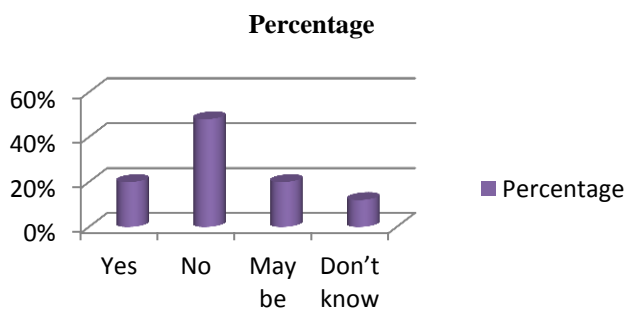
Table showing “what respondents think is demonetization has proven beneficial to general public”

Options	No of respondents	Percentage
Yes	10	20%
No	24	48%
May be	10	20%
Don't know	6	12%
Total	50	100%

Analysis

The above table show that 48% of respondents think that it will not be beneficial, 20% say that it will be beneficial, 20% say that it will not be beneficial, and remaining 12% respondents don't know about it.

Graph showing “what respondents think is demonetization has proven beneficial to general public”



Interpretation

From the above table and graph, it can be interpreted that majority of 48% respondents think that demonetization will not be beneficial to general public.

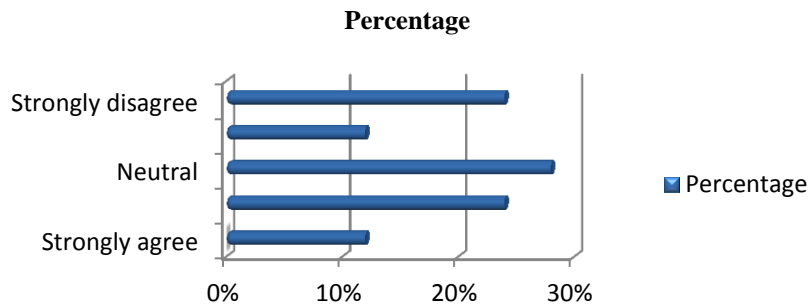
Table showing “Respondent’s opinion on improvement in their quality of life”

Options	No of respondents	Percentage
Strongly agree	6	12%
Agree	12	24%
Neutral	14	28%
Disagree	6	12%
Strongly disagree	12	24%
Total	50	100%

Analysis

The above table shows that 28% of respondents are neutral that demonetization helped to develop the quality of common people, 24% of them agree, 24% of them strongly disagree, 12% of them are strongly agree and remaining 12% of them disagree.

Graph showing “Respondent’s opinion on improve quality of life of a common man”



Interpretation

From the above table and graph, it can be interpreted that majority 28% of respondents are neutral.

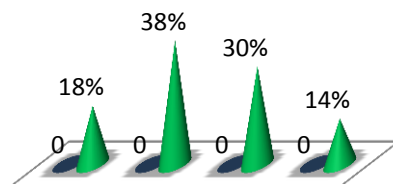
Table showing “respondents opinion on what do they think about whole demonetization process”

Options	No of respondents	Percentage
Good experience	9	18%
Could improve	19	38%
Bad experience	15	30%
Can't say	7	14%
Total	50	100%

Analysis

The above table shows that, 38% of respondents have said that it could be improve, 30% say that it was a bad experience, 18% say that it is a good experience, and remaining 14% say they can't explain.

Graph no: - 4.16 Graph showing “respondents opinion what they think about whole demonetization process”



Interpretation

From the above table and graph, it can be interpreted that majority 38% of respondents says that still it could be improve.

Table showing “respondent’s opinion about success rate of demonetization”

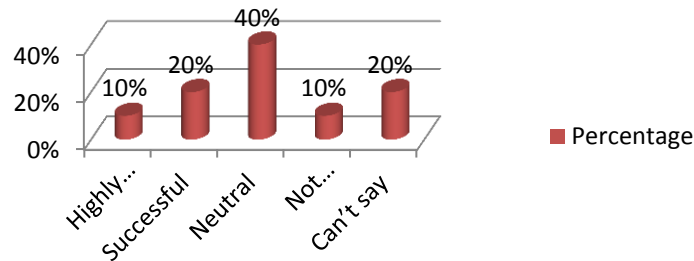
Options	No of respondents	Percentage
Highly successful	5	10%
Successful	10	20%
Neutral	20	40%

Not successful	5	10%
Can't say	10	20%
Total	50	100%

Analysis

The above table shows that, 40% of respondents say that demonetization success rate is neutral, 20% say that it is successful, 20% can't say anything, 10% of respondents say that it is not successful, and remaining 10% say that it is highly successful.

Graph showing "respondent's opinion about success rate of demonetization"



Interpretation

From the above table and graph, it can be interpreted that majority 40% of respondents say that they are neutral about the success rate of the demonetization.

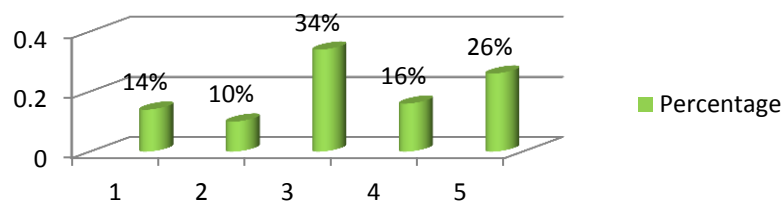
Table no: - 4.18 Table showing "respondents ratings on the whole demonetization process"

Options	No of respondents	Percentage
5 stars	7	14%
4 stars	5	10%
3 stars	17	34%
2 stars	8	16%
1star	13	26%
Total	50	100%

Analysis

The above table shows that, how many stars given to the whole demonetization process in that 34% of respondents given 3 stars, 26% of respondents given 1 stars, 16% of respondents given 2 stars, 14% of respondents given 5 stars, and remaining 10% of respondents given 4 star.

Graph showing "respondents ratings the whole demonetization process"



Interpretation

From the above table and graph, it can be interpreted that majority 34% of respondents given 3 stars to whole demonetization process.

VIII. FINDINGS

- Respondents felt bad when government announced about demonetization.
- Due to demonetization respondents have faced personal and professional problems like cash storage, exchange of money and standing in queue.
- Due to demonetization the purchasing power of an individual has come down and it will not be beneficial to respondents
- Respondents said that demonetization was not required in India
- Demonetization success rate was neutral where as it was nor successful neither failure.
- Whole demonetization process can be even better.
- Respondents gave 3 stars for whole demonetization process.

IX. SUGGSTIONS

- It is suggested that demonetization should have planned even better.
- All banks and ATM's should not have any cash storage.

X. CONCLUSION

Demonetization was an important event in modern Indian Central government's decision to demonetize the high value currency notes is one the major steps towards the eradication of black money in India. The demonetization drive have affected the general public not in an negative aspect. So this move will not only help in curbing black money from India's economy but it will also help in depletion of a paper work up to an great extent People are facing some problems due to demonetization but it is pain for our better time only so we should support method of cashless economy for better future of Indian economy and also we can say that demonetization encouraged general public to use digital payment. To conclude this study that demonetization had impacted negatively on general public.

XI. BIBILOGRAPHY

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