

Impact of Demonetization among the Public in Panruti Taluk

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Abstract-- In this study explains the actual impact of demonetization among the rural based peoples. The study has analyzed through the use of structured questionnaire. The primary and secondary data collection methods have been executed to know the actual intention of the people. Stratified random sampling technique is used to identify the total number of 50 respondents and the correlation analysis showed the negative impact on demonetization.

I. INTRODUCTION

On 8 November 2016, India's Prime Minister Narendra Modi announced the Government of India's decision to cancel the legal tender character of 500 and 1,000 banknotes with effect from 9 November 2016. He also announced the issuance of new 500 and 2,000 banknotes in exchange for the old banknotes.

Rural Indians, which is about 70 percent of Indian population, depend on cash. And so are daily wage workers, whether rural and urban areas are their workplace. So a large no. of people depended on cash money. And in the times of cash crisis, which unfortunately happened due to a surprise decision of Mr. Prime Minister, those people were hit very badly. All of a sudden their earning stopped, they couldn't trade with the old currency notes, and people stopped hiring daily wage laborers, as they were unable to pay them. Purchasing power of people went down unprecedentedly. Daily wage earners didn't have a chance to eat twice daily. The economic activities of middle lower class people almost stopped. A big hit to them. And the best part is they were innocent, they didn't have black money. But they had suffering.

The demonetization decision of Mr Prime Minister, according to me, failed big time. A lot of people didn't require cash banks were unable to provide them. And the fun part is that there wasn't scarcity of new notes, but they weren't available to common man. Everyone knows crore of new currency notes were caught, many times at many places. Very few people had access to unlimited new notes and they were doing business, trading them for old notes at some commission rates. So this cash crisis brought suffering to a lot of people, and not what Mr Prime Minister said it will do.

II. REVIEW OF LITERATURE

A. Objectives Of The Study

1. To identify the impact of demonetization among the public in panruti taluk
2. To know the public intention on personal process among the public in panruti taluk
3. To identify the banking process in panruti taluk
4. To know the impact of govt. steps on control of black money in India

B. Research Design

This study comprised the descriptive research design. The main purpose of this research design is that the researcher has no

control over the variables. Hence, it is only report the past and present situation of the public intention.

C. The Study Population And Sample Size

The study covered only 50 number of person and those who are living in kadampuliyur, purangani, varisankuppam.

D. Sampling Technique

The study covered the stratified random sampling technique. Hence, it has finalized as 50 respondents.

E. Methods of Data Collection

It has covered both primary and secondary data collection methods

a. Primary Data Collection

The primary data was collected from the respondents through the use of structured questionnaire. The questionnaire was divided in to four part namely personal information, personal process, banking process and black money.

b. Secondary Data Collection

The secondary data has gathered from the books, journal and internet

F. Hypotheses

Ho: There is no significant relationship among the personal process, banking process and black money.

G. Statistical Tool

This study have been analyzed by the use of correlation analysis

H. Data Analysis And Interpretation

Table1. Correlation analysis for the personal process and banking process

a. Descriptive Statistics

	Mean	Std. Deviation	N
PP	16.2600	2.87714	50
BP	15.6400	2.67841	50

		PP	BP
PP	Pearson Correlation	1	.269
	Sig. (2-tailed)	.	.059
	N	50	50
BP	Pearson Correlation	.269	1
	Sig. (2-tailed)	.059	.
	N	50	50

Correlations

b. Interpretation

The above table shows that the comparison of personal process and banking process. The identified mean value for the personal process is 16.26. The mean value for the banking process 15.64 is less than personal process.

The correlation P-value 0.269 is high than 0.05, so that the null hypothesis is accepted and it is not significant. Hence, it has concluded that there is no significant difference between personal process and banking process.

c. Descriptive Statistics

	Mean	Std. Deviation	N
BP	15.6400	2.67841	50
BM	16.3800	2.67177	50

Correlations

		BP	BM
BP	Pearson Correlation	1	.162
	Sig. (2-tailed)	.	.261
	N	50	50
BM	Pearson Correlation	.162	1
	Sig. (2-tailed)	.261	.
	N	50	50

d. Interpretation

The above table shows that the comparison of banking process and black money. The identified mean value for the banking process is 15.64. The mean value for the black money 16.38 is high than banking process.

The correlation P-value 0.261 is high than 0.05, so that the null hypothesis is accepted and it is not significant. Hence, it has concluded that there is no significant difference between banking process and black money.

e. Descriptive Statistics

	Mean	Std. Deviation	N
PP	16.2600	2.87714	50
BM	16.3800	2.67177	50

Correlations

		PP	BM
PP	Pearson Correlation	1	.189
	Sig. (2-tailed)	.	.189
	N	50	50
BM	Pearson Correlation	.189	1
	Sig. (2-tailed)	.189	.
	N	50	50

f. Interpretation

The above table shows that the comparison of personal process and black money. The identified mean value for the personal process is 16.26. The mean value for the black money 16.38 is high than personal process.

The correlation P-value 0.189 is high than 0.05, so that the null hypothesis is accepted and it is not significant. Hence, it has concluded that there is no significant difference between personal process and black money.

III. SUGGESTION

1. It is clearly identified that the peoples are not having positive impact on demonetization because they have suffered so many problems by this demonetization. Hence, the govt. should follow the precautionary motive hereafter in handling the same process. It means they should keep the adequate currencies in hand with secret, before announcing the demonetization.
2. The majority of the bank officers were entered in the illegal transaction of black money. So, the govt. should be relieve them from their job immediately and provide the chances to the unemployed people to avoided such things in future.
3. Demolishing the black money is one of the challenging processes in India. So, the peoples are ready to welcome whatever the steps against black money but it would never be affected them heavily.
4. The govt. convicts the black money holders in life long prison and to snatch all their property to avoided hiding black money.
5. Every person is thinking that, the govt. will do many things to improve the India and demolishing the poverty in India by this demonetization.

CONCLUSION

It is concluded that, the research have been conducted by the rural based areas in Panruti taluk and pointed out that, the negative impact on this demonetization by the use of structured questionnaire ,stratified random sampling technique and correlation analysis. Even though the peoples are accepted this demonetization against black money and ready to face all the steps taken by the govt. but it should not be affected them highly.

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