

Perception of people regarding effectiveness of demonitisation in Sonapat district of Haryana

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Abstract

The demonetisation of of the Mahatma Gandhi Series banknotes were ceased by the Government of India on 8 November 2016 and ₹ 1,000 (US\$15) banknotes as a legal tender in India from 9 November 2016. To achieve the objective of the study, two hundred (N=200) respondents 100 males and 100 females were selected conveniently and purposely from rural areas of sonapat district as subjects. Questionnaire was used to assess the people's perception towards current demonitisation and its relation with different parameters such as age, gender, occupation, monthly income and education. In order to examine the descriptive statics was applied to compare the association between different variables. It was found

that most of the respondents were in support of policy of demonitisation of ceasing five hundred and thousand notes in India to be replaced by new ones and they perceive it to be effective despite of cash crunch, ATM queues, and the increase in governmental control over lives.

Key words -: Demonitisation, Cash crunch, Effectiveness

INTRODUCTION

The demonetisation of of the Mahatma Gandhi Series banknotes were ceased by the Government of India on 8 November 2016 and ₹ 1,000 (US\$15) banknotes as a legal tender in India from 9 November 2016. Announcement was made by the Prime Minister of India Narendra Modi regarding cease of ₹ 500 and ₹ 1,000 . In this

announcement, Modi declared that use of all ₹ 500 and ₹ 1,000 banknotes of the Mahatma Gandhi Series would not be invalid after midnight of 8th November 2016, and announced new ₹ 500 and ₹ 2,000 banknotes to be issued of the Mahatma Gandhi New Series in exchange for the old banknotes. However, the banknote denominations of ₹ 100, ₹ 50, ₹ 20, ₹ 10 and ₹ 5 were unaffected by the policy and remained legal tender .

The government claimed that the demonetisation was done to stop counterfeiting of the current banknotes which were used for funding terrorism, as well as to control black money in the country. The move was also targeted as an effort to reduce corruption, the use of drugs, and smuggling

On the other hand Forbes called the Indian bureaucracy to be ‘notorious’ for corruption, red tape and lethargy. In the article, Forbes has given an overview on how the demonetisation move was carried out by the Indian government; about the cash crunch, ATM queues, and the increase in governmental control over lives

Steve forbe said demonitisation is an act of massive theft of people’s property

STATEMENT OF THE PROBLEM

The Problem selected for investigation in the present study has been titled as “**Perception of people regarding effectiveness of Demonetization in India**”

OBJECTIVES OF THE STUDY

Why study Demonetization

1. To know perception of people regarding effectiveness of demonitisation on basis of gender
2. To know perception of people regarding effectiveness of demonitisation on basis of age
3. To know perception of people regarding effectiveness of demonitisation on basis of occupation
4. To know perception of people regarding effectiveness of demonitisation on basis of monthly income
5. To know perception of people regarding effectiveness of demonitisation on basis of education

questions

The **research Questions** derived from these areas are as follows:

1. Is there any relation between gender and their perception regarding effectiveness of demonetization?
2. Is there any relation between age and their perception regarding effectiveness of demonetization?
3. Is there any relation between occupation and their perception regarding effectiveness of demonetization?
4. Is there any relation between monthly income and their perception regarding effectiveness of demonetization?

Research

5. Is there any relation between education and their perception regarding effectiveness of demonetization?

MATERIALS AND METHODS

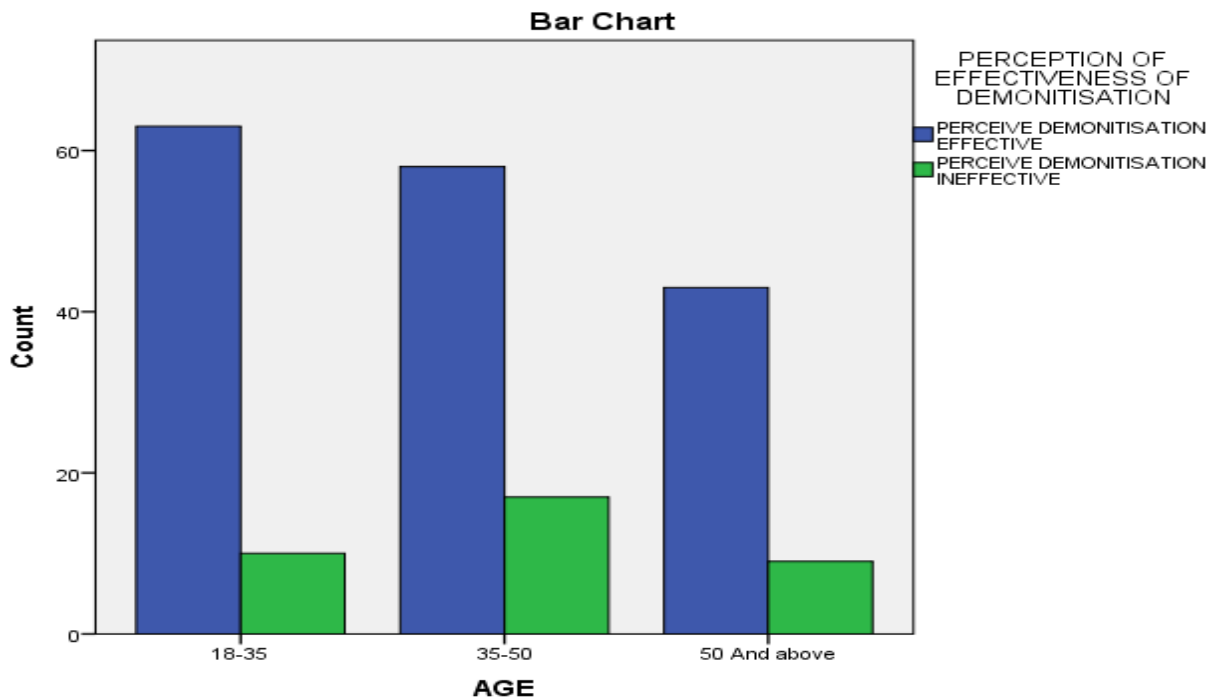
To achieve the objective of the study, two hundred (N=200) respondents 100 males and 100 females were selected conveniently and purposely from rural areas of sonapat district as subjects. Questionnaire was used to assess the people's perception towards current demonitisation and its relation with different parameters such as age, gender, occupation, monthly income and education. In order to examine the descriptive statics was applied to compare the association between different variables.

Table 1

Showing perception of effectiveness of demonitisation according to different age groups

AGE * PERCEPTION OF EFFECTIVENESS OF DEMONITISATION Crosstabulation
 Count

	PERCEPTION OF EFFECTIVENESS OF DEMONITISATION		Total
	PERCEIVE DEMONITISATION ON EFFECTIVE	PERCEIVE DEMONITISATION INEFFECTIVE	
18-35	63	10	73
35-50	58	17	75
50 And above	43	9	52
Total	164	36	200



From the above statics it was found that among all the age groups people find demonitisation more effective only few were in support of its ineffectiveness. Young population in age groups of 18-35 were found to be more in support of effectiveness of demonitisation.

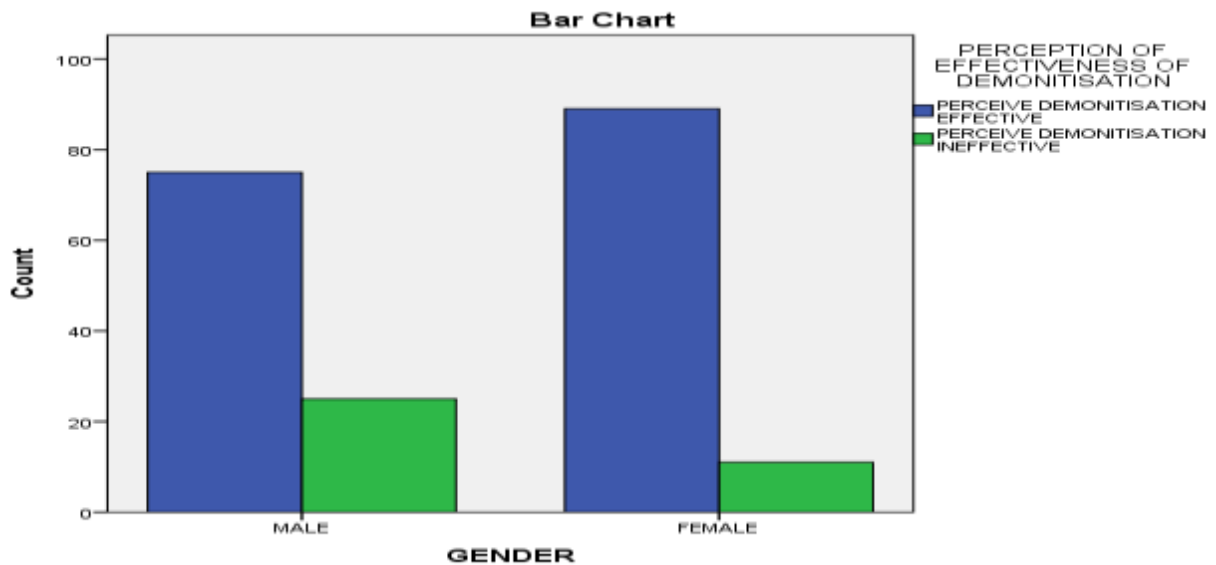
Table 2

Showing perception of effectiveness of demonitisation according to gender

GENDER * PERCEPTION OF EFFECTIVENESS OF DEMONITISATION Crosstabulation

Count

		PERCEPTION OF EFFECTIVENESS OF DEMONITISATION		Total
		PERCEIVE DEMONITISATION EFFECTIVE	PERCEIVE DEMONITISATION INEFFECTIVE	
GENDER	MALE	75	25	100
	FEMALE	89	11	100
Total		164	36	200



It was found that both genders were in favour of demonitisation with a good percentage, and also was found that women were more insupport of effectiveness of demonitisation.

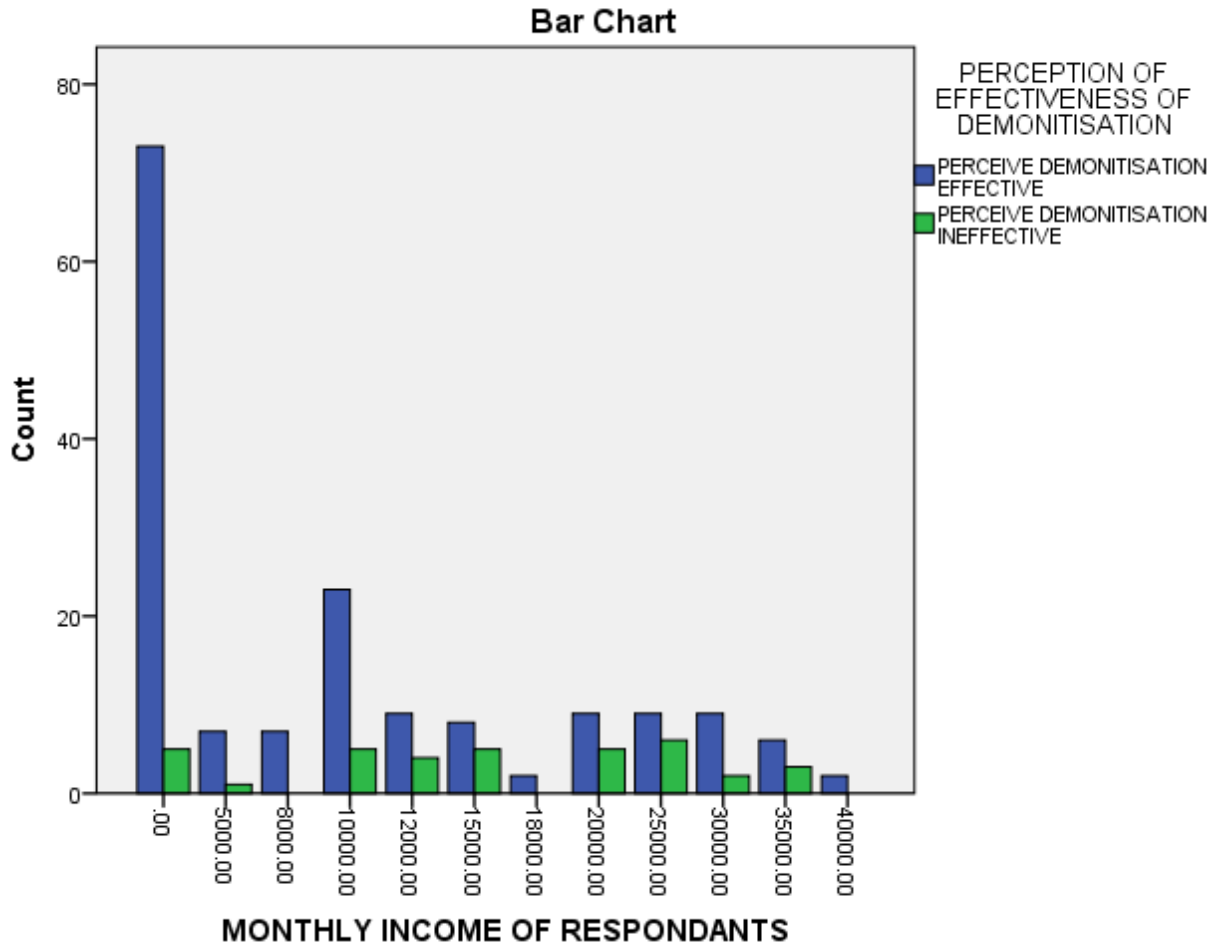
Table 3

Showing perception of effectiveness of demonitisation on basis of monthly income groups

MONTHLY INCOME OF RESPONDANTS * PERCEPTION OF EFFECTIVENESS OF DEMONITISATION Crosstabulation

Count

	PERCEPTION OF EFFECTIVENESS OF DEMONITISATION		Total
	PERCEIVE DEMONITISATION EFFECTIVE	PERCEIVE DEMONITISATION INEFFECTIVE	
.00	73	5	78
5000.00	7	1	8
8000.00	7	0	7
10000.00	23	5	28
12000.00	9	4	13
MONTHLY INCOME OF 15000.00	8	5	13
RESPONDANTS 18000.00	2	0	2
20000.00	9	5	14
25000.00	9	6	15
30000.00	9	2	11
35000.00	6	3	9
40000.00	2	0	2
Total	164	36	200



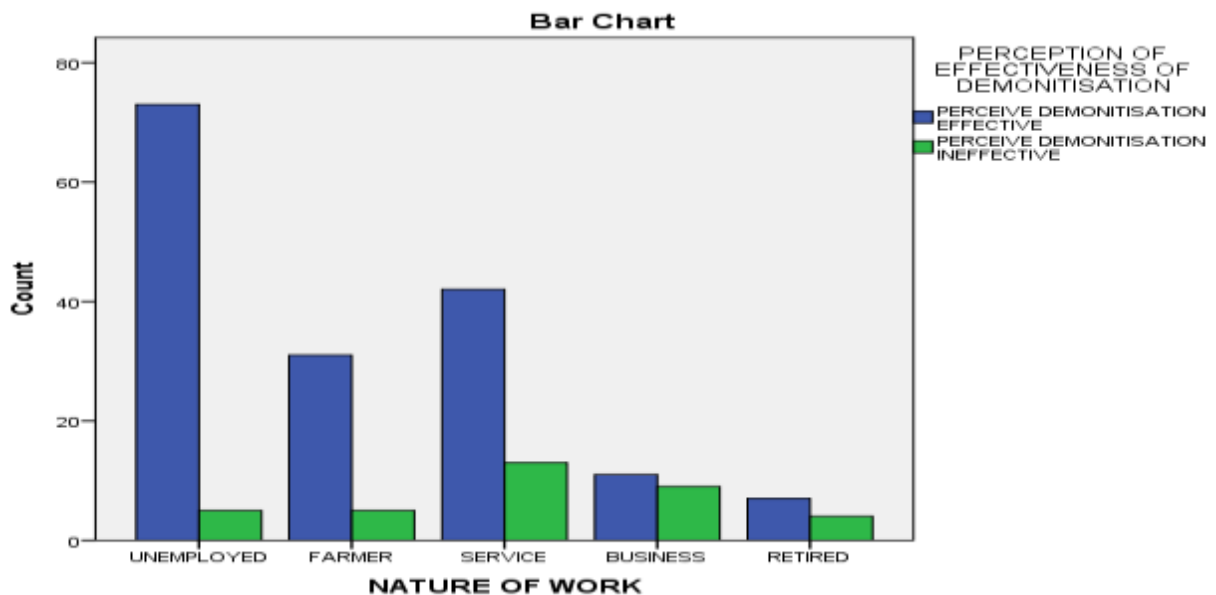
It was found that all income groups respondents were in favour of effectiveness of demonitisation. the most in support were found to be unemployed with no income.

Table 4

Showing perception of effectiveness of demonitisation according to nature of work group

NATURE OF WORK * PERCEPTION OF EFFECTIVENESS OF DEMONITISATION
Crosstabulation
 Count

		PERCEPTION OF EFFECTIVENESS OF DEMONITISATION		Total
		PERCEIVE DEMONITISATION EFFECTIVE	PERCEIVE DEMONITISATION INEFFECTIVE	
NATURE OF WORK	UNEMPLOYED	73	5	78
	FARMER	31	5	36
	SERVICE	42	13	55
	BUSINESS	11	9	20
	RETIRED	7	4	11
Total		164	36	200



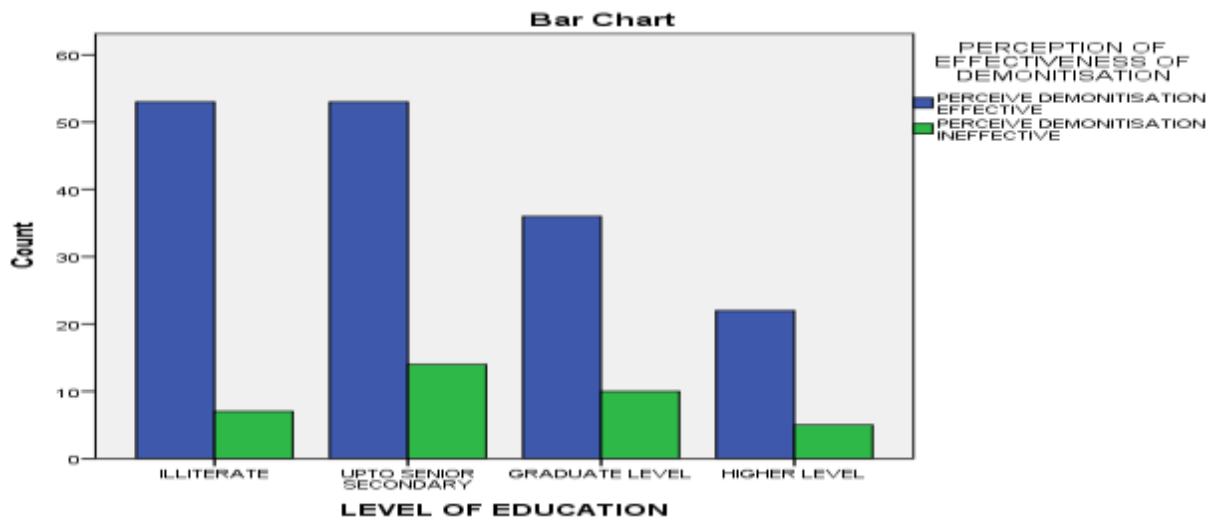
From the statics output it was shown that all occupations support effectiveness of demonitisaion. It was most supported by unemployed and followed by service, farmers, retired and last by businessmen

Table 5

Showing perception of effectiveness of demonitisation according to level of education

LEVEL OF EDUCATION * PERCEPTION OF EFFECTIVENESS OF DEMONITISATION
Crosstabulation
 Count

		PERCEPTION OF EFFECTIVENESS OF DEMONITISATION		Total
		PERCEIVE DEMONITISATION EFFECTIVE	PERCEIVE DEMONITISATION INEFFECTIVE	
LEVEL OF EDUCATION	ILLITERATE	53	7	60
	UPTO SENIOR SECONDARY	53	14	67
	GRADUATE LEVEL	36	10	46
	HIGHER LEVEL	22	5	27
Total		164	36	200



It was found that educated and uneducated both supported policy of demonitisation and perceive it to be effective

CONCLUSION

Most of the respondents were found to be in support of policy of demonitisation of ceasing five hundred and thousand notes in India to be replaced by new ones and they perceive it to be effective despite of cash crunch, ATM queues, and the increase in governmental control over lives.

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