

DEMONETIZATION AND ITS IMPACT ON SMALL SCALE INDUSTRIES

Prateek Negi

*Assistant Professor,
Doon Group of Colleges, Selaqui,
Dehradun*

ABSTRACT

Demonetization which is sucking out the cash from the market is one of the big steps taken by the government of India, with intent to addressing various issue like black money corruption terrorism etc. Although Demonetization has its merits and demerits but one sector which has been hard by the demonetization is the small scale sector which affected the micro, small and medium enterprises. Since the bulk of transactions in this sector are cash-based, a liquidity crunch will likely cause a slowdown in economic activity. Demonetization decrease the demand of product from small scale industries and theirs workers are jobless and unemployed. The present paper is an attempt to find out the impact which demonetization had on the small scale sector and how it would overcome the challenges posed by Demonetization.

Key words: *Demonetization, small scale sector and corruption.*