

DEMONETIZATION IN INDIA: REPERCUSSIONS FOR AGRICULTURE AND RURAL MARKETS

Aditya Gautam¹, Amit Malhotra²

¹Director, Shri Ram College, Muzaffarnagar,

²Head, Department of Management,
Vidya Knowledge Park, Meerut

ABSTRACT

As such demonetization is not a new concept and has been utilized by various countries as well as India in the past also tool for curbing currency; some of them failed very badly with this move. Demonetization refers to cessation of present currency and replacing it with new currency. Declaration of 86 percent of currency notes as illegal tender in just a blink of time on eve of 8th November 2016 mandated the creation of immediate interruption in daily lives. With this movement everyone was surprised as this was momentous and unexpected decision which was declared without any prior information. This move is targeted for flushing the stocks of “black money” out of our economy and getting them legitimate, banked and taxable so that it becomes a part of our economy. However, on macroeconomic level large number of population is considering this move as unfair due to the problems faced by them. The present paper tries to evaluate the effects of demonetisation on Indian agriculture and rural markets.

Key words: *Demonetisation, currency, black money, agriculture, rural.*