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Perception of small and medium enterprises towards demonization in Jind district

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Abstract

In the modern world, money is crucial, particularly to people's economic lives. The current globalization age has seen a significant expansion in both production and consumption activities, as well as in the interchange of products and services between suppliers and customers. Money serves as a paradigm for how these kinds of transactions should be conducted. Instead of exchanging products and services, money now forms the foundation of economic activity. According to economic theory, money is defined as a means of exchanging goods. Value stores and unit accounts are similar to this in that they function as a means of payment for a variety of goods and services purchased; value stores assist in the transfer of ownership from the current owner to the future owner, while unit accounts help to stabilize the price. Given the vital role that small sellers play in India's unorganised economy, the focus of this study is on them. They are facing a number of problems as a result of the demonetization process. Their company's operations have suffered in some way as a result of the demonetization process.

Keywords: Perception, demonetization, small and medium enterprises

Introduction

In today's world money plays an important role especially in the economic life of human beings. In the present era of globalization activities related to consumption as well as production has increased a lot along with exchange of goods and services between suppliers as well as consumers. Money is playing the role model for carrying out such kind of exchanges smoothly. Today money is serving as a backbone to the economic activities in lieu of exchange of goods and services. As per the economic theory, money is been defined as a medium of exchange of goods, value stores and unit accounts are been resembled as a medium of exchange which is been used to pay off in lieu of various goods and services bought, value store helps in the transferring of ownership from present owner to the future owner and if we talk of unit account it helps in fixing up the level of price. Various forms of money helps in performing various functions as various kinds of deposits in post offices, banks and public.

Basiically, high liquidity of money exists in the market just because of the reason that people prefer to keep cash/ currency in hand. As per RBI statement in the year 2019, part of the currency which exists in the market is approx. 13.46%. If we talk of the monetary policy of the country as per financial requirements of economy monetary policy of a country monitors the supply as well as volume of the currency existing in the market. Currency of any country is treated as blood to the body in modern economies which are completely based on the expanded form of market as if consumers as well as manufacturers with the augmented level of transactions.

On November 8, 2016, the Indian government announced a significant shift in monetary policy known as demonetization, which involved the removal of Rs. 500 and Rs. 1000 notes from circulation. (GOI 2016 - Ministry of Finance - Gazette of India, No. 2652; Reserve Bank of India Circular in Annexure 1). The Reserve Bank of India then released a circular saying as much, based on the Government of India Gazette. The Reserve Bank of India's 500 and 1000 denomination bank notes from the current series will no longer be legal tender as of November 09, 2016, subject to the conditions outlined in Government of India Gazette

Notification No. 2652, dated November 08, 2016 (hereinafter referred to as Specified Bank Notes). It also announced the upcoming release of the Mahatma Gandhi (New) Series of bank notes, which will have a new design and size while showcasing the nation's scientific and cultural accomplishments. (RBI 2017).

Statement of the problem

Perception of small and medium enterprises towards demonization in Jind district

Research methodology: Research methodology is the process of coming up with a methodical answer to the research challenge. It might also mean coming up with a methodical solution to the research challenge.

Objective of the study: To study small and medium businesses' perception towards effect of demonization in Jind district.

Hypothesis of the study

H₀₁ There is no significant difference between small and medium businesses perception towards effect of demonization in Jind district on demographical basis.

Sample Selection: In this inquiry, the researcher used purposeful sampling. Based on primary and secondary data,

the researcher selected the state of Haryana's Jind District as the research region. The researcher selected fifty small and medium-sized firms using a number of demographic criteria.

Data Collection

Primary data is obtained through the use of surveys and interviews. Primary data can be of both qualitative and quantitative sorts. Secondary data is gathered from research, studies, journals, newspapers, and other previously published study materials.

Statistical techniques used

Researcher used ANOVA and Independent T-Test technique for data analysis for examining the non-metric relationship between two variables. In the current study, associations were found using certain demographic characteristics with the chosen demonization difficulties.

Data analysis and interpretation

H₀₁ There is no significant difference between small and medium businesses perception towards effect of demonization in Jind district on demographical basis

H_{1.1} There is no significant difference between small and medium businesses perception towards effect of demonization in Jind district on the basis of age.

Table 1: Descriptive Perception

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
>20	4	29.7500	2.75379	1.37689	25.3681	34.1319	27.00	33.00
21-30	14	31.9286	2.33582	.62427	30.5799	33.2772	28.00	36.00
31-40	15	33.0000	3.22933	.83381	31.2117	34.7883	28.00	39.00
40-50	7	29.8571	2.79455	1.05624	27.2726	32.4417	26.00	33.00
<50	8	30.0000	4.47214	1.58114	26.2612	33.7388	23.00	37.00
33.00	1	31.0000	.	.	.	.	31.00	31.00
43.00	1	25.0000	.	.	.	.	25.00	25.00
Total	50	31.3200	3.35906	.47504	30.3654	32.2746	23.00	39.00

Table 2: ANOVA Perception

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	126.344	6	21.057	2.123	.070
Within Groups	426.536	43	9.919		
Total	552.880	49			

Interpretation

As per the table shown above highlights the answer towards the hypothesis "There is no significant difference between small and medium businesses perception towards effect of demonization in Jind district on the basis of age.". The

significance value of the statement is. 070 which is more than 0.05. Hence the hypothesis stands accepted.

H_{1.2} There is no significant difference between small and medium businesses perception towards effect of demonization in Jind district on the basis of gender.

Table 3: Statistics

	Gender of the respondents	N	Mean	Std. Deviation	Std. Error Mean
Perception	Male	41	31.1707	3.56302	.55645
	Female	9	32.0000	2.23607	.74536

Table 4: Independent Samples Test

Test	Levene's Test for Equality of Variances			t-test for Equality of Means			
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Perception	Equal variances assumed	1.314	.257	-0.667	48	.508	-0.82927
	Equal variances not assumed			-0.892	18.268	.384	-0.82927

Interpretation

As per the table shown above highlights the response towards the hypothesis “There is no significant difference between small and medium businesses perception towards effect of demonetization in Jind district on the basis of

gender”. The significant value is found to be more than 0.05. Hence, the null hypothesis stands accepted.

H_{1.3} There is no significant difference between small and medium businesses perception towards effect of demonetization in Jind district on the basis of area.

Table 5: Group Statistics

	Area of the respondents.	N	Mean	Std. Deviation	Std. Error Mean
Perceptioin	Rural	15	30.1333	2.69568	.69602
	Urban	35	31.8286	3.51874	.59478

Table 6: Independent Samples Test

Test	Levene's Test for Equality of Variances			t-test for Equality of Means			
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Perception	Equal variances assumed	0.463	0.499	-1.665	48	0.103	-1.69524
	Equal variances not assumed			-1.852	34.366	0.073	-1.69524

Interpretation

The result of the table shows p-value is more than 0.05. On the basis of area t-test analysis indicates that there is no significant difference between perception level of rural and urban areas. Thus, the null hypothesis (H_{01.3}) — “There is no significant difference between small and medium

businesses perception towards effect of demonetization in Jind district on the basis of area” is accepted

H_{1.4} There is no significant difference between small and medium businesses perception towards effect of demonetization in Jind district on the basis of business type.

Table 7: Descriptive Perception

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Fruit/ Vegetable Shop	9	33.6667	3.42783	1.14261	31.0318	36.3015	28.00	39.00
Fruit/ Vegetable Shop	7	32.8571	2.91139	1.10040	30.1646	35.5497	30.00	38.00
Grocery	10	31.6000	3.86437	1.22202	28.8356	34.3644	23.00	37.00
Clothes	15	29.5333	2.82506	.72943	27.9689	31.0978	25.00	34.00
Tea/Pan Bidi Shop	8	30.0000	1.92725	.68139	28.3888	31.6112	27.00	33.00
Others	1	34.0000	.	.	.	.	34.00	34.00
Total	50	31.3200	3.35906	.47504	30.3654	32.2746	23.00	39.00

Table 8: ANOVA Perception

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	135.890	5	27.178	2.868	.025
Within Groups	416.990	44	9.477		
Total	552.880	49			

Interpretation

As per post hoc analysis we can see that the pairs of Fruit/ Vegetable Shop, Books/Medical Store, Grocery, Clothes, Tea/Pan Bidi Shop and other are showing significant differences in their mean perception among the respondents while rest are having the same perceptions. The significant

value of ANOVA is less than 0.05. Hence, the null hypothesis is rejected.

H_{1.5} There is no significant difference between small and medium businesses perception towards effect of demonetization in Jind district on the basis of business income.

Table 9: ANOVA Perception

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	47.328	4	11.832	1.053	.391
Within Groups	505.552	45	11.234		
Total	552.880	49			

Table 10: Multiple Comparisons

Dependent Variable: Perception						
Tukey HSD						
(I) Income of the respondents.	(J) Income of the respondents.	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
>10,000	10-20K	-1.79699	1.48196	.744	-6.0079	2.4139
	20-30K	-2.09524	1.59409	.684	-6.6248	2.4343
	30-40K	-1.42857	1.73472	.922	-6.3577	3.5005
	<40K	-4.17857	2.10084	.288	-10.1480	1.7909

10-20K	>10,000	1.79699	1.48196	.744	-2.4139	6.0079
	20-30K	-.29825	1.23592	.999	-3.8100	3.2136
	30-40K	.36842	1.41266	.999	-3.6456	4.3824
	<40K	-2.38158	1.84388	.698	-7.6209	2.8577
20-30K	>10,000	2.09524	1.59409	.684	-2.4343	6.6248
	10-20K	.29825	1.23592	.999	-3.2136	3.8100
	30-40K	.66667	1.52988	.992	-3.6804	5.0137
	<40K	-2.08333	1.93516	.818	-7.5820	3.4153
30-40K	>10,000	1.42857	1.73472	.922	-3.5005	6.3577
	10-20K	-.36842	1.41266	.999	-4.3824	3.6456
	20-30K	-.66667	1.52988	.992	-5.0137	3.6804
	<40K	-2.75000	2.05254	.668	-8.5822	3.0822
<40K	>10,000	4.17857	2.10084	.288	-1.7909	10.1480
	10-20K	2.38158	1.84388	.698	-2.8577	7.6209
	20-30K	2.08333	1.93516	.818	-3.4153	7.5820
	30-40K	2.75000	2.05254	.668	-3.0822	8.5822

Interpretation

According to the table shown above, there are eight income groups having significant difference in their mean opinion towards small and medium businesses perception towards effect of demonetization in Jind district on the basis of business income i.e. less than ₹10000 and ₹ 30001-₹40000, ₹10001-₹20000 and ₹ 30001- ₹40000. Rest income groups

having no significant differences in their mean opinion of security. Hence, the null hypothesis is accepted.

H_{1.6} There is no significant difference between small and medium businesses' perception towards effect of demonetization in Jind district on the basis of educational qualification.

Table 11: ANOVA Perception

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	44.915	4	11.229	.995	.420
Within Groups	507.965	45	11.288		
Total	552.880	49			

Table 12: Multiple Comparisons

Dependent Variable: Perception						
Tukey HSD						
(I) Educational Qualification of the respondents	(J) Educational Qualification of the Respondents	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Illiterate	10th	1.33333	2.16873	.972	-4.8290	7.4957
	12th	3.83333	1.93977	.294	-1.6784	9.3451
	UG	.91228	1.23887	.947	-2.6079	4.4325
	PG	1.16667	1.37162	.913	-2.7307	5.0641
10th	Illiterate	-1.33333	2.16873	.972	-7.4957	4.8290
	12th	2.50000	2.56607	.865	-4.7914	9.7914
	UG	-.42105	2.08730	1.000	-6.3520	5.5099
	PG	-.16667	2.16873	1.000	-6.3290	5.9957
12th	Illiterate	-3.83333	1.93977	.294	-9.3451	1.6784
	10th	-2.50000	2.56607	.865	-9.7914	4.7914
	UG	-2.92105	1.84828	.517	-8.1728	2.3307
	PG	-2.66667	1.93977	.647	-8.1784	2.8451
UG	Illiterate	-.91228	1.23887	.947	-4.4325	2.6079
	10th	.42105	2.08730	1.000	-5.5099	6.3520
	12th	2.92105	1.84828	.517	-2.3307	8.1728
	PG	.25439	1.23887	1.000	-3.2658	3.7746
PG	Illiterate	-1.16667	1.37162	.913	-5.0641	2.7307
	10th	.16667	2.16873	1.000	-5.9957	6.3290
	12th	2.66667	1.93977	.647	-2.8451	8.1784
	UG	-.25439	1.23887	1.000	-3.7746	3.2658

Interpretation: In the above table, 10th passed and graduates and others pair in education are showing the significant difference in their mean opinion of accessibility in small and medium businesses perception towards effect of demonetization in Jind district on the basis of educational qualification. Rest pairs of educations are not having any type of significant differences in their mean opinion of accessibility. Hence, the null hypothesis is accepted

Conclusion

It is also known by the public as "NOTE BANDI." Every Indian citizen has been influenced by this unexpected move. People went to banks and ATMs during Notebandi to exchange and withdraw cash. There was significant disruption to the Indian economy. We've talked about how demonetization might impact digital payments in India, e-payment platforms, and small vendors. During the

demonetization phase, the economy was in chaos due to a shortage of cash. People need to convert from cash to electronic payments. This is a good step for digital payments in India. The aim of this initiative, according to Hon'ble PM Narendra Modi's statement, is to make India a cashless society. The public accepted several e-payment options throughout the demonetization process, such as RTGS, NEFT, UPI, IMPS, and e-wallets. Demonetization brought in more customers for a number of mobile wallet providers (paytm, mobikwik, etc.). 22.14 billion m-wallet transactions occurred in January 2016; by January 2017, that figure had risen to 83.530 million. Given the vital role that small sellers play in India's unorganised economy, the focus of this study is on them. They are facing a number of problems as a result of the demonetization process. Their company's operations have suffered in some way as a result of the demonetization process. It also had an adverse effect on their sales, which affected their daily operations.

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