

## **INDUSTRY AND EMPLOYMENT IN THE POST- DEMONETISATION ERA**

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### **ABSTRACT**

On November 8, 2016, the Government of India announced the demonetisation of notes of two denomination of ` 500 and ` 1000 with immediate effect, ceasing to be legal tender. The decision was aimed at curbing corruption, counterfeiting the use of high denomination notes for terrorist activities; and particularly the accumulation of “black money”. Demonetisation was aimed at signalling a regime change, emphasizing the government’s determination to penalize illicit activities and the associated wealth. According to the Economic Survey 2016-17, the policy decision gave rise to the public debate. The Survey emphasised three sets of questions. First, broader aspects of management, as reflected in the design and implementation of the initiative. Second, its economic impact in the short and medium run. And, third, its implications for the broader vision underlying the future conduct of economic policy. Many similar questions were raised to understand the impact of demonetisation on economy. More than a year has passed, and the impact of the policy decision is being realised now. What is the impact? Has it resulted into the growth of economy? What is the impact of demonetisation on some of the macroeconomic indicators of the economy such as employment, industrial growth, etc.? These are some of the questions that need probing. The present paper is an attempt in this direction.

**KEY WORDS:** demonetisation, economic growth, employment, industrial growth.

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