EFFECT OF DEMONETIZATION IN INFLATION OF STATE OF TAMIL NADU

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ABSTRACT

Demonetization is one of the controversial move by Government of India on November 2016 by banning denomination higher than Rs100 i.e., Rs500 and Rs2000 notes. Due to inadequate cash flow in country it effect had impact on various variables in the country.

In this research effect of Demonetization on inflation in state of Tamilnadu is analysed. For Analysis of inflation consumer price index is used. The research is for two sets of parameters (i) Demonetization effect on rural areas of Tamilnadu and, (ii) Demonetization effect on urban areas of Tamilnadu.

The data for research is collected from reliable source and compared with the forecast or expected value. From the compared result inference are concluded.