



IMPACT OF DEMONETIZATION & DIGITALIZATION IN THE LIFE OF TEA-WORKERS: A CASE STUDY OF BOKEL TEA ESTATE IN DIBRUGARH DISTRICT OF ASSAM

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ABSTRACT

Demonetization is an important step taken by the government of India when it feels that there is a necessity for changing of national currency. India is a labour abundant country and the government of India took the step of demonetization and digitalization for cashless transactions in the last year had the impact in the life of workers also. This research paper is focusing on the problems facing by the tea workers of Assam after demonetization. In order to understand the situation the researcher first looks at the reason of demonetization and there after its impact in the life of tea workers. For this study primary data collected from 357 sample tea-workers who are randomly selected from 'Bokel Tea-Estate' out of 3723 Tea-workers families residing in 25 'Labour-Lines'. So, the objectives of the paper are to know the problems facing by the tea-workers after demonetization and digitalization for cashless transactions, to understand the changing comes in the life of tea-workers after demonetization and digitalization for cashless transactions and to offer suggestions on the basis of the findings of the study. The study finds that during the period of demonetization the tea workers were facing a lot of financial related difficulties like irregularities of their salaries due to shortage of currencies in the market and there after their salaries started to digitally transfer in their bank accounts which were opened under 'Jan-Dhan-Yojna' scheme. It also provides some suggestions to tea-workers how they enjoy the benefits of digital payments in a better way to remove the financial difficulties from the part of their lives.

KEYWORDS : Demonetization, Digitalization, Black Money, Government, Corruption, Jan-Dhan-Yojna, Digital Payments, etc.

INTRODUCTION:

Demonetization is the most important and necessary when there is a change of national currency. The old unit of currency replaced with new currency. Demonetization is the process where government declares the currently running currency notes illegal to be tender after the declaration is made. There are both pros and cons of demonetization in the Indian economy. The reasons for demonetization are to control counterfeit notes that could be contributing to terrorism, and to undermine or eliminate the "black economy".

Black Money:

Black money is money which is earned through any illegal activity controlled by country regulations. Black money proceeds are usually received in cash from underground economic activity and, as such as, is not taxed. Possible source of black money include drug trafficking, weapons trading, terrorism etc. Recipients of black money must hide it, spent it only in the underground economy, or attempt to give it the appearance of legitimacy through 'money laundering'.

Corruption:

Corruption is the abuse of entrusted power for private gain. Corruption in simple terms may be described as 'an act of bribery'. Corruption can be defined as the use of public office for private gains in a way that constitutes a breach of law or a deviation from the norms of society.

Government of India:

On November 8, 2016 Prime Minister *Narendra Modi* announced that high denomination currency value of 500 and 1000 rupees will no longer be legal tender. In the days following the announcement, banks and ATM lines stretched hundreds of people long. Now, the lines have subsided, but the raging debate around the policy has not. The bold policy aims to fight "corruption, black money and terrorism" in India by replacing the old currency notes with new currency notes to invalidate the unaccounted stock of money, and counterfeited currency used to fund terrorist activities. The decision of Government of India also strives to move India towards a "cashless society".

Pradhan Mantri Jan-Dhan-Yojna (PMJDY):

Pradhan Mantri Jan-Dhan-Yojna (PMJDY) is a nationwide scheme

launched by Indian government in August 2014. In this scheme financial inclusion of every individual who does not have a bank account is to be achieved. The scheme include financial services like Banking/Savings and Deposit Accounts, Remittance, Credit, Insurance, Pension which will be made available to all the citizens in easy and affordable mode. According to the data issued by finance ministry, till September 2014 around 4 crores bank accounts have been opened under the PMJDY since the scheme launched.

Digital Payments:

Digital payment is a way of payment which is made through *digital modes*. In digital payments, *payer* and *payee* both use digital modes to send and receive money. It is also called *electric-payment*. No hard cash is involved in the digital payments. All the transactions in digital payments are completed *online*.

Research Questions:

In the context of problems as discussed under the statement of problems, the following research questions framed and which were examined during the study:-

1. What are the problems faced by the tea workers after demonetization?
2. Is there any change come in the life of tea-workers after demonetization?

Objectives of the Study:

More specifically, the objectives of the study are-

1. To know the problems faced by the tea-workers after demonetization.
2. To understand the changes came in the life of tea-workers after demonetization.
3. To offer suggestions in the light of the study.

Research Methodology:

The present study is a descriptive study depending upon reflecting views, experience and ideas of the selected groups of the tea workers of 'Bokel Tea Estate' in Dibrugarh district of Assam. As the methodology is descriptive, in-depth interviews are also being conducted with the targeted groups for a clear understanding of the research problems. To interview the targeted groups a set of questionnaire is prepared with a view to draw inferences on the research questions framed. Total population of the study is 3723 tea

workers families who have been residing in 25 labour lines in 'Bokel Tea Estate' as per the official record of the said estate. Based on the size of population, total 357 tea workers are randomly drawn as sample depending upon the table based on the formula used by Krejcie & Morgan in their 1970 article "Determining sample size for Research Activities" (Educational and Psychological Measurement, # 30, pp- 607-610), out of 3723 tea workers families for the study keeping in view that these are becoming representative and a cross section of all the tea workers families residing in 25 labour-lines in the selected area of study. The study was conducted during the period from 1st July to 31st July; 2018. For the present study the researcher has collected the primary data through questionnaire from the targeted group of respondents as well as secondary data from the management of selected tea-estate. Collected data is duly tabulated first in a master table and there from need based tables are formulated so that it becomes easy to examine the facts and findings. For the purpose of analysis, statistical tools like average and Arithmetic Percentage are used to draw the inferences based on the objectives of the study.

Analysis and Interpretation of Data:

First of all collected data is duly tabulated in a master table and there from need based tables are formulated for analysis purposes so that it becomes easy to examine the facts and findings. The data then are to be brought under applicable and meaningful statistical treatment for getting the inferences to fulfill the objectives of the study.

Table- 1:Information Regarding problems faced by the Respondents after Demonetization

Sl. No.	Types of Problem	Faced the problem		Didn't face problem	
		No. of Workers	%	No. of Workers	%
1	Irregularity in Salary	100	100%	-	-
2	Difficulty in doing Marketing	321	89.92%	36	10.08%
3	Difficulty in paying School Fee	11	3.08%	346	96.92%
4	Loan from Private Money Lenders	317	88.79%	40	11.21%

Source: Primary Data compiled from field survey

Table 1 is representing the information about the problems faced by the respondents after demonetization and digitalization for cashless transactions. From the table it is clear that all the respondents faced the problem of irregularity in their salaries during the period of demonetization, which was created a lot of problems in meeting their day to day expenses. 321(89.92%) of the respondents were faced the difficulties in doing the marketing. 11(3.08%) of the respondents were facing the problem in paying the school fees of their children, who are studying in private schools. From the table it is also seen that 317(88.79%) of the respondents were faced the problem for taking the loan from the private money lenders due to unavailability of cash whereas, 40(11.21%) of the respondents had no any problem for taking loan from the private money lenders as they were agreed to pay high rate of interest.

Table – 2: Information Regarding changes came in the life of the Respondents after Demonetization

Sl. No.	Types of Changes	Changes came		Changes didn't come	
		No. of Workers	%	No. of Workers	%
1	Opening Zero Balance Bank A/C under Jan-Dhan-Yojna Scheme	357	100%	-	-

2	Using ATM Card	357	100%	-	-
3	Direct Transfer of Salary in the Bank A/c	357	100%	-	-
4	Digital Payments	246	68.91%	111	31.09%
5	Availing Loan Benefits under Jan-Dhan-Yojna Scheme	189	52.94%	168	47.06%

Source: Primary Data compiled from field survey

Table 2 is indicating the information about the changes that came in the life of the respondents after demonetization and digitalization of cashless transactions. From the table it is clear that after demonetization all the respondents opened zero balance saving bank deposit account under the scheme of 'Pradhan Mantri Jan Dhan Yojna' and there after salaries have been depositing directly in their individual bank account through digital payment system. 246(68.91%) of the respondents utilizing digital payment systems for the payments by using ATM cards, mobile banking, Paytm and internet banking systems whereas, 111(31.09%) workers are opinioned that their lives have not been changed even after implementation of digital payments system. The table further forecasts that 189(52.94%) of the respondents have been availing 'Loan Benefit up to Rs. 5000' under the scheme of 'Pradhan Mantri Jan Dhan Yojna', whereas, 168(47.06%) of the respondents have not been availing any loan benefits and their lives have not been changed after demonetization and digitalization for cashless transactions also.

Major findings:

1. It is found that 100% sample tea workers were faced the problem like irregularity in salary, which was created a lot of problems in meeting their day to day expenses.
2. 321(89.92%) of the respondents were faced the difficulties in doing the marketing.
3. 11(3.08%) of the respondents were facing the problem in paying the school fees of their children, who are studying in private schools.
4. 317(88.79%) of the respondents were faced the problem for taking the loan from the private money lenders due to unavailability of cash.
5. 40(11.21%) of the respondents weren't faced any kind of problem for taking the loan from the private money lenders as they agreed to pay high rate of interest.
6. It is also found that after demonetization all the respondents were opened zero balance saving bank deposit account under the scheme of 'Pradhan Mantri Jan Dhan Yojna' and there after salaries of the workers were directly depositing in their individual bank account through digital payment system and all of them were withdrawing money from their individual bank account by using ATM card.
7. 246(68.91%) of the respondents utilizing digital payment systems for the payments by using ATM cards, mobile banking, paytm and internet banking system.
8. 111(31.09%) respondents opinioned that their lives have not been changed even after implementation of digital payments system.
9. 189(52.94%) of the respondents have been availing 'Loan Benefit up to Rs. 5000' under the scheme of 'Pradhan Mantri Jan Dhan Yojna'.
10. 168(47.06%) of the respondents have not been availing any loan benefits and their lives have not been changed after demonetization and digitalization for cashless transactions also.

SUGGESTIONS:

The following suggestions are forwarded to the workers of tea industry for taking the benefits from 'Digitalization for Cashless Transactions' system:

1. It is suggested to the tea workers that under the PMJDY anyone who is Indian citizen above age of 10 years and does not have a

bank account, can open the account with balance zero.

2. At the time of need of money urgently they should take the loan up to Rs. 5000/- from their account operating under PMJDY.
3. The account holders under the scheme of PMJDY will be given a RuPay Debit card which can be used at all ATMs for cash withdrawal.
4. Under this scheme the account holders can also avail 'Mobile Banking Facility' for checking balance and transferring funds through a normal cell phone which is more affordable to the general economy. So, they are suggested to bring this facility in their practice regularly.

CONCLUSION:

During the time of demonetization the people of India of each class faced the problems from shortage of new currencies, Tea workers were also faced the problems like irregularity of their salaries during that period of demonetization. It was an effort of the Government of India to stop counterfeiting of the current banknotes allegedly used for funding terrorism, as well as a crackdown on black money in the country. The scarcity of cash due to demonetization led to chaos and most people holding old banknotes faced difficulties exchanging them due to endless lines outside banks and ATMs across India. Demonetization was a bold decision taken by the government of India and was considered as biggest cleanliness drive against the black money in the history of Indian Economy and we might move towards digital economy. It brought the changes in living behavior of the people of India and the workers of Tea Industry were not remaining untouched. Demonetization and digitalization for cashless transactions made bound the tea employers/management to make the payments of salaries to the workers through direct transfer in their bank account and also encourages tea workers for using digital payments. So, demonetization and digitalization for cashless transactions is an advantageous step in short, medium and long term benefits in the economy of the country.

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