

Project Guidelines

Points to be kept in mind while preparing the Economics Project for Grade - 12

1. Always try to choose the interesting Economics project topics
2. Always keep your project short and precise. Add topics only related to your project topic.
3. Try to Add Diagrammatic/Graphic Presentation. Add Diagrams, Pie-Charts, Bar Charts, and Graphs (If Possible)
4. If you have any doubts ask with your project guide for project guidelines
5. Submit your project report on time.

Important points that should be included in the project.

1. Title of the project
2. Problem being discussed in the project
3. The main reason for selecting this project topic
4. Literature Review
5. The objective of the project
6. Scope of the project
7. Limitations of the project
8. Working methodology of project
9. Acknowledgement
10. Preface
11. Contents of the project
12. Observations and findings
13. Conclusion
14. References (reference books, journals, magazines, websites, etc.)

Steps to be kept in mind while writing the project

1. Identifying the Project Statement
2. Setting the Project Objective and Scope of the Project
3. Defining the Project Tasks and Responsibilities (Creating the Work Flow Structure)
4. Monitoring the Project and Finding the Important Resources Required

Economics Project - Class 12

(Name of the Project)

Submitted by:

Name:

Roll no:

School Name:

Acknowledgement

I would like to convey my sincere thanks to (Teachers name), my Economics teacher who always gave me valuable suggestions and guidance during the project. She/he has a source of inspiration and helped me understand and remember important details of the project. She/he gave me an amazing opportunity to do this wonderful project '(name of the project)'. I also thank my parents and friends for their help and support in finalizing this project within the limited time frame.

..... (Name of the student)

Certificate

This is to certify that (Name of the student) of class 12 has successfully completed the Economics Project on (Name of the project) as per the guidelines of class 12 Board examination conducted by CBSE.

Teacher's Signature: _____

Teacher's Name: _____

An Example is given below the topic being discussed here is "Demonetisation"

List of Content

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5	Findings	X
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Meaning of Demonetisation

Demonetisation is the act of stripping a currency unit of its status as legal tender. It occurs whenever there is a change of national currency: The current form or forms of money is pulled from circulation and retired, often to be replaced with new notes or coins.



Explanation of Demonetisation

- Demonetisation is a drastic intervention into the economy that involves removing the legal tender status of a currency.
- Demonetisation can cause chaos or a serious downturn in an economy if it goes wrong.
- Demonetisation has been used as a tool to stabilize the currency and fight inflation, to facilitate trade and access to markets, and to push informal economic activity into more transparency and away from black and grey markets.

Application of Demonetisation In India

Demonetisation has been tried as a tool to modernize a cash-dependent developing economy of ours and to combat corruption and crime (counterfeiting, tax evasion). In 2016, the Indian government decided to demonetize the 500- and 1000- rupee notes, the two biggest denominations in its currency system; these notes accounted for 86 percent of the country's circulating cash. With little warning, India's Prime Minister Narendra Modi announced to the citizen on Nov. 8, 2016, that those notes were worthless, effective immediately – and they had until the end of the year to deposit or exchange them for newly introduced 2000 rupee and 500 rupee bills.

Purpose of Demonetisation in India

- (i) Flushing out black money,
- (ii) Eliminate Fake Indian Currency Notes (FICN),
- (iii) To strike at the root of financing of terrorism and left wing extremism,
- (iv) To convert non-formal economy into a formal economy to expand tax base and employment and
- (v) To give a big boost to digitalization of payments to make India a less cash economy.

Demonetisation in Other Countries

- UNITED STATES (1873):
- UNITED STATES (1969):
- INDIA (1978): India 1978
- GHANA (1982):
- NIGERIA (1984):
- MYANMAR (1987):
- SOVIET UNION (1991):
- ZAIRE(1993):
- Australia (1996):
- European Union (2002):
- North korea (2010):
- Zimbabwe (2015):
- Venezuela (2016):

Findings:



Long queues outside the bank

Blow to economic growth and inconvenience all around

- The sudden announcement has made an adverse impact on business and economy. Instead of a growing economy India has become a standstill and no growth economy. It is feared that a fall of 2-3% in the GDP growth will be recorded coming year.
- India is an agriculture based economy. Due to the cash crunch, the farmers especially small and marginal who largely depend on cash to buy seeds, fertilizers and to pay for sowing, borrowing water for irrigation and for other related agriculture equipment remained worst affected and could not complete the crop related activity.
- Since small branches of the banks were also not supplied with adequate cash within time of the sowing season of the crop, farmers could not get their crop loans disbursed. This added to the woes of the farmers leading to a weak agriculture production the coming year.
- Real Estate sector came to a stand still and is still gasping for buyers of the constructed and half constructed inventory without buyers. This has resulted in poor cash flow leading to a poor demand.
- Demonetization has made the situation become chaotic. Tempers are running high among the masses as there is a delay in the circulation of new currency.

- Due to the inability to pay cash to poor daily wage workers, the small employers have stopped their business activity.
- The poor planning on the part of the government has also added to the woes of the common people with low incomes. The Rs.2000 currency note does not find many takers as it is difficult to get the balance back when you are buying daily needs like vegetables, milk, bread or paying for petty expenses like bus fare. While rs.100 currency notes were not available in sufficient numbers, Rs.500 notes arrived in the market very late.
- Demonetization is the 2 way sword in regard to incurring the public expenditure. On the one hand huge cost is to be incurred on printing the new currency and on the other hand managing the lakhs of crores of old currency volume has also become a big expenditure incurring item.
- Many Economists are of the view that a Rs.2000 currency note will be much easier to hide and can be used to store black money in a shorter space.
- Entire opposition has stood against demonetization and has called this decision a draconian law.

Demonetization Favoured India's Economic Growth

- Demonetization policy of the Government has been termed as the greatest financial reform that aimed to curb the black money, corruption and counterfeit currency notes.
- All the people who are not involved in malpractices welcomed the demonetization as the right move.
- Demonetization was done to help India to become corruption-free as it will be difficult now to keep the unaccounted cash.
- Demonetization will help the government to track the black money and the unaccounted cash will now flow no more and the amount collected by means of tax can be better utilized for the public welfare and development schemes.
- One of the biggest achievements of demonetization has been seen in the drastic curb of terrorist activities as it has stopped the funding the terrorism which used to get a boost due to inflow of unaccounted cash and fake currency in large volume.
- Money laundering will eventually come to halt as the activity can easily be tracked and the money can be seized by the authorities.
- Demonetization aimed to stop the running of parallel economy due to circulation of fake currency as the banning of Rs.500 and Rs. 1000 notes will eliminate their circulation.
- The unaccounted cash could be deposited in the Pradhan Mantri Garib Kalyan Yojana after paying 50% tax. The money will remain deposited for 4 years with the bank without incurring any interest. However, after 4 years the amount will be returned. This amount can be utilized for social welfare schemes and making the life of low income groups better.
- The Public Sector Banks which were reeling under deposit crunch and were running short of funds have suddenly swelled with a lot of money which can be used for future finances and loans after keeping a certain amount of reserve as per RBI guidelines.

- The people who opened the Jan Dhan accounts will now use their accounts and become familiar with banking activity. The money deposited in these accounts can be used for the developmental activity of the country.
- The tax collected due to the launch of demonetization policy will be put to developmental activities in the country.
- Demonetization has driven the country towards a cashless society. Lakhs of the people even in remote rural areas have started resorting to use the cashless transactions. The move has promoted banking activities. Now even the small transactions have started going through banking channels and the small savings have turned into a huge national asset.
- The high rising price pattern and inflationary trends which the Indian economy was facing are taking a down turn making the living possible within low income group reach.



Bibliography

Government and other websites
Online and RBI links
News paper, magazines.