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Facing criticism over the 2016 demonetisation drive, the Union government today said benefits of the note ban are being reaped now as hoarded cash is being put to productive use. “The money which was lying idle and was no way in use, has now come into the banking system. This money is now being used for the interest of the country,” Union Minister of State for Finance Shiv Pratap Shukla said at an event at the BSE. He acknowledged that in the initial days, people “had to suffer” and the government, too, had to face criticism, but asserted the note ban was not a failure.

The ‘kala dhan’ ([black money](#)) has now been converted into ‘jan dhan’ (public wealth),” Shukla claimed, speaking on the sidelines of the Dopahar Insurance Summit here. On November 8, 2016, Prime Minister [Narendra Modi](#) announced the controversial decision to make all the notes of Rs 500 and Rs 1,000, representing over 86 per cent of the outstanding currency in a cash-dominant economy, invalid.

People were given 50 days to deposit the scrapped notes in their possession into their bank accounts. Over 99 per cent of the scrapped notes came back into the system, creating excess

liquidity. The Rajya Sabha from the [BJP](#) said the macroeconomics conditions were “fairly good” and global institutions are rating India “positively”.

“The economic scenario of the country is quite good and creating a good sentiment for the investors. Global rating agencies have expressed faith in us. Even the prices of pulse, vegetables, edible oils are relatively low,” Shukla said. He underlined the need for expanding the base of the insurance sector to reach to the common man and said with a view to provide “Suraksha Kavach” (protection) to people, the the government has launched several insurance schemes at low premium.

The minister said zealous ticket aspirants had initiated life cover for voters by paying Rs 12 per head before a state election and the death of a few of the covered persons gave their families the assured sum of Rs 2 lakh.

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