On 8th November, 2016, Government of India made its announcement to cancel the legal tender of Rs 500 and Rs 1000 notes, with a primary vision of eliminating fake currency notes, inflicting losses out of black money and disrupting terror activities. Later, it tacked on: turning India into a less cash economy and enabling growth in bank credit. The barometers of Indian stock markets BSE SENSEX and NIFTY dropped down by 300 and 90 points respectively the next day of the announcement. The Nifty Realty and BSE Realty index gapped down after the day of the demonetization by 11% & 8% respectively. The Nifty Bank and BSE Bankex Index dropped by 5.3% and 5 % respectively. This paper attempts to measure the impact of demonetization on several stocks. Among all the listed companies 25 companies spread across 14 sectors where chosen based on their market capitalization. The study reveals that the stocks returns and volatility when compared between the prior and post demonetization periods do not have high fluctuations, but majority of the companies have positive impact.