A STUDY OF DEMONETIZATION AND SOCIAL ENTREPRENEURS: IMPACT AND EFFECTS – A THEORETICAL PERSPECTIVE

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ABSTRACT
Demonetization is the term which is quite uncommon to the common masses of people even to highly educated. It’s a highly powerful term which will shake any economy, Similarly it was came into force on November 8, 2016 when our Honorable Prime Minister Shri. Narendra Modi announced that the 500 and 1000 rupee notes have lost its legal tender. Since then it has a major impact on the all the sectors of our country. The term demonetization has been already in force in majority of countries already in which those countries used this act as a tool to curb the black economy that circulates around the country. In the same way In India, The main purpose of demonetization is mainly to curb the back money that circulates around the economy. Though the concept of Demonetization is said to be a perfect tool to curb the black money from the economy it has its very own drawbacks. It affects the innocent masses of common public and small business persons. The act of demonetization affects the social entrepreneurs both positively and negatively. The social entrepreneurs are those people who do not generally have a motto of profit earning their main motto would be service to the society and they run business with a objective of quality goods at very low prices with the ensuring service in the business. This paper mainly talks about the ways in which the central government’s action of demonetization affects the social entrepreneurs and also provides suggestions and recommendations to avoid and mange those effects of demonetization on the social entrepreneurs. In this paper, there are some deep insights about the concepts of the Demonetization and Social Entrepreneurship. And, it also states about the impact of Demonetization on social entrepreneurs. Through this paper we can be in a position to understand about the rare and new concepts of Demonetization, Social entrepreneurs and the impact of Demonetization on Social Entrepreneurship.

Keywords: Demonetization, Social Entrepreneurship

INTRODUCTION
Demonetization is not quite a new term in India because we have seen many times that money have been stripped off from its legal tender. But in order to make an easier understanding first let us start with an introduction about the Demonetization and also the new and the emerging concept of social entrepreneurship in India.

Demonetisation
Demonetization is an act of removing (or) stripping off the money from its current value as a legal tender. The latest act of Demonetization was done on last year November 8, 2016 on the currency notes of Rs.500 and Rs.1, 000. This move was done in order to bring out the Black currencies circulating around the country and also to reduce the cost of production of printing these currency
notes. While Black economy is debatable concept, but this move have reduced the cost of printing the 500 and 1000 rupee notes.

**History of demonetisation in India**

Let us take a look on the History of Demonetization in India till date. Demonetization in India have been took place twice before 2016 that is once in 1946 and later on 1978. In 1946, the currencies of Rs.1,000 and Rs. 10,000 were removed from circulation. This didn’t have a much impact and were later re-introduced on the year 1954 along with Rs. 5,000 notes on circulation. And later, there was a ban on the year 1978 which was done by Shri. Moraji Desai Honorable the then Prime Minister of India with a move to curb the black money and they banned the notes of Rs.1,000 Rs, 5,000 and Rs, 10,000 and after some years which also made Rs. 1,000 as a legal tender. And later, the recent move by the Modi’s Government.

Since, our current study focuses on the latest demonetization activity. There are some similarities and differences between those demonetization activities which took place between 1978 and 2016. The similarity is that both the demonetization activity aimed at curbing the black money on the economy and both were kept confidential. The major difference between both the ban were that the previous ban have not much impact on the common people as it were the notes of high denomination that is Rs. 1,000 and Rs. 10,000 while the current ban have shaken the entire country as the circulation of currencies were more on the country.

**Social entrepreneurship**

The Term Social Entrepreneurship refers to those startup and the existing entrepreneurs who does the business in terms of service for bringing about the cultural, environmental and social values. Literally speaking, all those firms who sells the products at considerably the price less than their cost price for the welfare of the society are also known as Social Entrepreneurs. It includes all the Non-Governmental Organizations, Co-operative societies and the Voluntary Organizations.

**Characteristics of social entrepreneurs**

There are some inbuilt characters that every social Entrepreneurs possess are as follows:

1. Service to the unserved society,
2. Meet the needs to those people whose needs were unmet by the government,
3. Targeting towards social Change,
4. Bringing about Social equality,
5. Low levels of profit and more amount of services,
6. Delivering quality and service at affordable rates,
7. Commitment and self driven,
8. Ethical Business values,
9. No motto of Profit,
10. Always optimistic

**Explanation**

**Service to the unserved society**

The main purpose of Social Entrepreneurs is to serve the unfulfilled needs of the society with providing Quality goods at low price So that there prevails a concept of business and also exists a concept of service towards the society. The major aim and goal of the social entrepreneurs is to bring about the equality and make all persons equal in the society without any discrimination.
Meet the needs of those people whose needs were unmet by the Government

Social Entrepreneurs are said to be private government as they mainly serves and operates for those people where whose needs were not met by the government. They will operate generally in remote areas and fulfill the needs of the unserved society where government could not reach.

Targeting towards the social change

The Social entrepreneurs do these things mainly because of the objective to bring about a social change such as equality of things, providing quality products to everyone at a uniformed price and many more. So, Social Entrepreneurs are considered to be the pillars who ere instrumental on the social change in the economy.

Bringing about social equality

The main motto of the social entrepreneurship is to bring and see about a social change and equality on the economy with the common thing as “Everything is common for all and no things is uncommon to none”

Low levels of profits and more amount of service

The Social Entrepreneurs are also considered to be the business persons. As they also deals in business activities but a slight difference is that they does it with an objective of low levels of profit and more delivery of service.

Delivering quality and service at affordable rates

As said earlier the social entrepreneurs are businessmen with delivering service and quality at cheaper and affordable rates so that all the sections of the society will have about the most common products at cheaper rates. They tend to have a long term goal of bringing about a social change in a longer run irrespective of the barriers and hurdles they suffer their main ambition would be attainment of equality among all sections of the people without any partiality and discrimination as that is why they are committed and tend to take social entrepreneurship as their career choice.

Commitment and self-driven

The Social entrepreneurs are committed towards their ultimate goal of service towards the organization. And they are self-driven towards the goals and towards their attainment without any one else push to achieve the goal.

Ethical business values

Though they runs the business and earns a profit at lower rates they runs its ethically of providing the quality goods at lower prices and tends to see about a social change. They have a value of ethics implemented among their business.

No motto of profit

They don’t have the motto of profit as they are committed towards the social change and equality on the society they don’t worry about the profit. And they mainly concentrates on the important aspect of the service and serving the society.

Always optimistic

The Social Entrepreneurs are those persons who are generally happier with the position and whatever the situation they remain quiet and are optimistic towards their goal attainment and achievement.

Types of social entrepreneurship

Social Entrepreneurship is generally of so many types. Though there are so many types of social Entrepreneurship but the common and most popular types of Social Entrepreneurship are as follows.
1. Community Project Entrepreneurship
2. Non-Profit Organization Entrepreneurship
3. Co-operative Entrepreneurship
4. Social Enterprise Entrepreneurship
5. Social Purpose Business Entrepreneurship

Explanation

Community project entrepreneurship
A community Project refers to any project which was undertaken for the development of that particular community or Area. It is an initiative taken by social entrepreneurs for the development of that particular community. Generally, these projects were undertaken by the government or even some private party in the forms of accepting the Tender mainly for construction of dams, construction of houses for a certain community and many more.

Non-Government organization entrepreneurship
A Non-government organization is an voluntary organization which is formed for the betterment of a particular social cause and for charity. The members of the NGO does not benefit financially.

Co-Operative entrepreneurship
Co-operative is the voluntary organization which is formed by the group of people who are its members and they sell goods and services for the benefits of their members of the organization.

Social enterprise entrepreneurship
A Social Enterprise is a type of non-profitable organization which focuses on the private market to assist them in achieving their primary needs.

Social purpose business entrepreneurship
A Social Purpose Business is an non-profitable business which helps in any social cause or environmental impact.

OBJECTIVES OF THE STUDY
1. To have a deep insight about the concepts of demonetization on Social Entrepreneurs.
2. To study about the Impact of Demonetization on Social Entrepreneurs
3. To offer suggestions on the ways in which the demonetization’s effect can be rectified.

METHODOLOGY
This study is qualitative and descriptive in nature. The details regarding the study are gathered from Secondary data that is from the sources such as the articles which were published online.

LIMITATIONS OF THE STUDY
1. The study is completely based on the secondary sources
2. No Quantitative data were collected
3. The Study is not based on the research

Impact of demonetisation on social entrepreneurs
The following are the various level of impact on the social entrepreneurs. And they are as follows
1. Since, the major aim of demonetization is to focus on the cashless economy, in a country like India its quite impossible. As majority of social entrepreneurs are semi-literate and illiterates there is no chance for them in utilizing the Technology.

2. The another important goal of latest act of demonetization is that curbing of black money from the Indian economy which is an Hypothetical statement it affects the common masses of ordinary people including social entrepreneurs in terms of wastage of energy and time.

3. The demonetization made everyone cashless for a few period of time since then it affects the business activities of social entrepreneurs such as stoppage of production due to insufficient liquid cash payments on necessary areas, Hindrance in continuing routine business activities and could not able to meet the petty cash payments.

4. The demonetization have laid down certain legal restrictions on the social entrepreneurs regarding that for instance that all NGO’s around the country have to register in the NITI AYOG. and it has also started to enquire about the monetary transactions of all the NGO’s around the country.

5. Social entrepreneurs have got a valid chance to utilize the Demonetization and through this they can learn about the technology and can make more secure transactions.

6. Through the act of Demonetization, the fake organizations in the names of NGOs who were funding for the act of terrorism will be spotted out easily.

7. Dementisation is also helpful to spot out those illegal Hawala transactions made by some of the Fake and illegal Social entrepreneurs across the country.

8. The latest act of demonetization which is known as a surgical strike had reduced the process of business and due to it there is a loss to the Social entrepreneurs.

9. Since, Social entrepreneurs includes NGOs whose ultimate aim is charity it is quite impossible for them to follow the cashless economy

10. The Demonetization is just a burden to the social entrepreneurs in terms of cost as it incurs a majority of cost spending for them.

Impact of demonetisation on social sector

The Demonetization has made a digital revolution on the part of the Non-profit organization that is NGOs across India. Due to Demonetization, the offline donors have been considerably reduced but the CSR of corporate sector have been considerably increasing. But however demonetization has affected the majority of sectors there will be a downfall in their annual profits. So, as a result the CSR amount also will be reduced. But it is not an issue because based on the average of past three years CSR rate this downfall will not have much adverse effect as the downfall in one sector will be managed by the hype in another sector.

As per the report of Charities Aid Foundation, the total offline savings is almost above 80% and only 10% uses the online digital transactions for fundraising. So, this Demonetization will be a huge blow for the Social Service Sector and a challenge for those NGOs who practice offline transactions. But the public who are donors are also moving and smoothly switching over to online transactions process. So, after a period of time they will also completely switch over to digital process which will be more comfortable and mainly safer for them. So, as a result it is the duty of the NGOs to create online digital platforms, mobile friendly apps and user friendly websites for accepting donations. This process will be ultimately helpful for the NGOs and helps them to reduce most expensive offline methods like door to door collections, call centre operations and event based fundraising.

The Demonetization has paved way for the curbing of black money from the Indian economy. As a result, it will be helpful for the country in curbing the various illegal activities like money laundering, accepting donations in the form of cheque, withdrawing the amount upto some percentage and
returning it to the donor. This will be only on permanent measures only when there is a regular and continuing monitor should be done on the part of liquidity and flow of funds.

Now to conclude, that this demonetisation’s impact is only for a shorter period of time. The positive impact and the changes can be achieved only if they are followed and continued regularly.

**SUGGESTIONS AND RECOMMENDATIONS**

1. The demonetization is only for a shorter period of time, So immediately after the announcement of demonetization the people can make sure that they can manage and Survive the Short Term Period

2. The some of the supporting causes of demonetization is to bring out the black money So, it is the duty of social entrepreneurs to have a proper accounts all the time and by this way they can easily face demonetization.

3. Since, this is the right time after demonetization the social entrepreneurs can easily switch over to the cashless transactions step by step.

4. The Social entrepreneurs must have to make some more legal procedures to carry on the business since demonetisation, it will be helpful for them if they follow the rules and regulations as laid down by the government to get the government incentives and subsidies.

5. Through Digital economy, the social entrepreneurs can save time and energy for monetary transactions provided if they learn it quickly and implement it

**CONCLUSION**

It is concluded that the above impacts could be easily overcame through the suggestions mentioned above if they are followed regularly. The Demonetization is a short term progress which could be overcame through the perfect rules and regulations. In the case of social entrepreneurship it could be overcame though the exact rules implied by the government, provided if followed regularly will be successful in their entrepreneurship activity.

**REFERENCES**

