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CASE STUDY ON WOMEN ENTREPRENEURS

The Story of Lijjat Papad



Introduction :

Lijjat Papad, a brand today, was started by 7 housewives who were bored and wanted to start an enterprise to make the most of their time and get some extra income for their families. The Shri Mahila Griha Udyog Lijjat Papad (SMGULP) started with its founder having no knowledge of what it is to become an entrepreneur and run a self employed business but with time their business grew to sky heights. With minimum leverage and effective work ethics and culture the organisation managed to make its name and market share today. Today the organization is spread across various rural parts of Maharashtra and Gujarat.

History :

It was started in 1959 by 7 Gujarati housewives to support their families and to make efficient use of their free time. The women borrowed Rs 80 from Chhaganlal Karamsi Parekh, a member of the Servants of India Society and a social worker. They took over a loss-making papad-making venture by one Laxmidas bhai, and bought the necessary ingredients and the basic infrastructure required to manufacture papads. On 15 March 1959, they gathered on the terrace of their building and started with the production of 4 packets of papads. They started selling the papads to a known merchant in Bhuleshwar. From the beginning, the women had decided that they would not approach anyone for donations or help, even if the organization incurred losses.

Chhaganlal Parekh, popularly known as Chhagan Bapa, became their guide. Initially, the women were making two different qualities of papads, to sell the inferior one at a cheaper rate. Chhagan Bapa advised them to make standard papad and asked them never to compromise on quality. He emphasized to them the importance of running it as a business enterprise and maintaining proper accounts.



AIM & BUSINESS ETHICS :

- The organization was solely “for women, by the women and of the women” to empower women and help them to be productive. It has become a symbol of progress for women in developing countries like India.
- It aims to supplement their family incomes and create a sustainable source of employment with the only skill they have which is cooking. To empower women economically to improve their standard of living.
- SMGULP refers to employees as co-owners and all members are referred to as sisters, to give them a sense of belonging towards the organization and in return, they will put in more hard work for the betterment of the company.
- Helping the disadvantaged section of society for the betterment of their livelihood condition and to inculcate the feelings of self-confidence and self-reliance. It has taken a major step towards eliminating poverty and illiteracy and forms a

vital link between social development and the advancement of rural women.

- The organization believes that business must be done with prudence, so they divide profits among all the employees judiciously.
- For employees, SMGULP is a source of strength and a place of worship, where they work for the benefit of all, which is a great workplace environment for any employee and the fact that the organization has managed to hold up to such standard is very commendable.
- The organization has provided better facilities for its employees such as pick and drop bus services.

GROWTH OF BUSINESS :

- Membership has expanded from an initial number of 7 sisters from one building to over 42,000 sisters throughout India.
- The organization is widespread with its central office located in Mumbai and its 67 branches and 35 division in different states of India.
- The venture capital started with Rs. 80 and the annual sales increased from Rs.6,196 in 1959 to more than 3 billion in 2002, with exports itself exceeding 12 crores.

Conclusion: Now Lijjat Papad has completed 56 years in empowering women entrepreneurs and enabling them to become self-reliant and self-confident.

