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Women spirit wins: A case study of Lijjat Papad

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Abstract

In our society women places an important and respectable part. In past, women's efforts were not awarded but now they are modifying and becoming challenge for the society. To be independent they have started showing interest in their own business. They are coming with product and innovatory ideas and starting the small and medium enterprises with their hard work and with sheer dedication they are changing the conception of society. Women empowerment is a commitment and developing strategy which gives sensory to identifying women's contribution and their knowledge as the first step. To enhance their self-respect and status women requires social support to battle their sense of inefficiency and fear.

Shri Mahila Griha Udyog Lijjat Papad society is one of such drive which is established to aim at women entrepreneurship and empowerment which creates and enlarge sisterhood and to promote development protecting and carefulness. The objective of present study is focused on contribution of SMGULPS on women empowerment. It was found how the spirit of 7 semi-literate women wins. It was concluded that SMGULP is a symbol of progress. The managers can pick up an interesting lesson from SMGULP which is holding its core values from the past 56 years.

Keywords: Shri Mahila Griha Udyog Lijjat Papad (SMGULP), Women, Empowerment, Lijjat Papad, Entrepreneurship

Introduction

Traditionally, our society was male dominated and women were not considered as equal partners and they were restrict to the four walls of the house for doing all the house hold works. But now in Modern era, the shade of ignorance has lifted. The changes are creeping in slowly and precisely. Women have stepped out the house to participate in all sorts of activities. They are growing and blooming as successful person in their own right. They have proved that they are not less than men in capability, efficiency, intelligence and hard-work. The establishment of Lijjat Papad-Woman Entrepreneurship is an example of successful entrepreneurial venture build up by seven semi-literate women from a small community in rural India.

"Our objective is to maximize employment opportunities for women through activities connected with village industries, while, at the same time, not sacrificing basic business principles and quality consciousness. We are a full-fledged commercial, self-reliant organization and not a charitable society. Any such benefits that occur are incidental to our business." - Vimalben M Pawale, Ex President, Sri Mahila Griha Udyog Lijjat Papad (SMGULP).

"Lijjat Papad works because there are no barriers to entry such as skills; making papad is like a birthright to the Indian woman. And the model is scaleable unlike a crafts-based cottage industry." - Haresh Shah, Member, Khadi and Village Industries Commission.

Review of Literature

Jamali (2009) ^[1] examined the interplay of constraints and opportunities affecting female entrepreneurship in developing countries. The paper adopts an integrative multi-level research design and an interpretive research methodology, capitalizing on in-depth interviews with ten women entrepreneurs to explore their perceptions and interpretations of constraints and opportunities facing female entrepreneurship in the Lebanese context. It was found the relevancy of micro, meso, and macro-level factors in entrepreneurship research and the usefulness of integrating multiple lens and units of analysis to capture the complexity of the women entrepreneurship experience in any particular context.

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AdeelAnjum *et. al.* (2012) ^[2] made an attempt to analyze and highlight the problems and prospects for women entrepreneurs. It is a case study of Quetta City in Balochistan province of Pakistan. The study was exploratory in nature. Primary and secondary data was used for the purpose of the study. Through a structured questionnaire a sample of 100 women entrepreneurs was surveyed. It was concluded that the policy makers should develop a comprehensive National Policy for Women by involving real stakeholders and its implementation should be ensured by provinces by devising Strategic Plan of Women Development and Social Welfare. Kumar and Jayachitra (2013) ^[3] assessed the problems, issues, challenges faced by women entrepreneurs, how to overcome them and to analyzed the policies of Indian government for and problems faced by them while pursuing their business. It was concluded that women entrepreneurs must be moulded properly with entrepreneurial traits and skills to meet changing trends and challenging global markets, and also be competent enough to sustain and strive in the local economic arena.

Rahman and Sultana (2012) ^[4] focused on contribution of Shri Mahila Griha Udyod Lijjat Papad Society on Women Empowerment. The data was collected by conducting a survey of 60 respondents from Shri Mahila Griha Udyod Lijjat Papad Society in Hyderabad District through structured questionnaire. It was found that it has positively contributed in the psychological, social and economic factors in empowerment of women through Shri Mahila Griha Udyod Lijjat Papad Society. Further, it was concluded that women empowerment means a lot, but the ultimate goal is materialize only when her complementary role is recognized by the society. Lijjat's contribution is only a step towards empowerment, but more such organizations should come forward.

Jennings and Brush (2013) ^[5] conducted a study to document the development of the body of work known as women's entrepreneurship research. In this study through the broader entrepreneurship literature the contributions of this work was assessed and discussed how this broader literature poses challenges (both difficulties as well as opportunities) for scholarship on female entrepreneurs. It was found that this sub-area has come a long way in a very short period of time, surpassing many of the developmental milestones on the broader field of entrepreneurship despite its more recent origins.

Mahajan (2013) ^[6] attempted to identify the status of women entrepreneurs in India and also studied the success story of Hina Shah the most successful women entrepreneurs of India in plastic packaging and Founder of ICECD. It was revealed that a major change in traditional attitudes and mindsets of people in society is required for the elimination of obstacles for women entrepreneurship rather than being limited to only creation of opportunities for women and it is imperative to design programmes that will address to attitudinal changes, training, supportive services.

Sanchita (2013) ^[7] analyzed the socio- economic profile of the woman entrepreneurs and interpreted the management problems of women entrepreneurs of small-scale sector in Haryana. The study was based on primary data which was collected by the researcher by conducting a survey of 210 women entrepreneurs of small-scale sector in Haryana (out of the list of 321 made available by the directorate of Industries Haryana, Chandigarh) by personal interview method by using a comprehensive interview schedule. It was

recommended that to harness the potential and continued growth and development of women entrepreneurs and to formulate appropriate strategies for stimulating, supporting and sustaining their efforts to run smooth functioning of enterprises, we need to provide them level -playing- field for healthy competition.

Nandini (2014) ^[8] studied the profile of famous women entrepreneurs in India and analyzed the sectors preferred by women entrepreneurs in India. It further studied the promotional efforts of government for the growth of women entrepreneurship. It was suggested that empowering women with the entrepreneurial skills, information technology, micro and macro finance options will foster economic growth of the nation.

Objectives of the Study

The objective of the present study is to study the contribution made by SMGULPS towards women empowerment.

Research Methodology

This study is descriptive in nature and secondary data is used. Literature review has been explored. Annual report, websites, different books and previous research findings has been used as source of secondary data.

About Lijjat Papad

Background

The foundation of Lijjat Papad Company is the devotion of 7 semi-literate women in 1959 from Gujrat which made it a profitable company and a foreign brand. These women started out on the roof of the large, old and a residential building called Lohana Niwas in Girgaum which is a massively populated area in South Mumbai. They wanted to create a livable source if employment by using the only skill they experienced i.e. cooking. Changalal Karamsi Parekh was the person who gave them credit of rs.80 for commencing their work of papad making. He became their guide and advised them never to bargain with the quality of papads and always make classic papads. In the first year, because of the rainy season they had faced many problems in drying papads. But the problem was solved by the next rainy season by buying a cot and a stove which helped them in the process of drying papads. The number of women increased slowly and the earnings of the company increased day by day. Presently this company provides employment to 43,000 women and profits and losses are produced by these entire 43,000 sister members.

Culture

The women who are interested in the activities of Lijjat, SMGULP published and circulated a "Lijjat Patrika", the in-house magazine at a nominal rate. It is published in different languages such as English, Gujrati, Marathi and Hindi. In addition to presenting articles on women, it has appeared as a solid form if communication for information related to important affairs and ambition at Lijjat.

Role in Women Empowerment

SMGULP is based on vigorous, economic principles. The main purpose of the organization is to provide employment opportunities to women. The organization seeks to impart feeling of self-confidence and self-dependence among the women who are working in SMGULP because most of them come from deprived sections of society. The profits are

shared by member sisters themselves in a prudent manner. The daily activities are freely chosen by the member sisters and equal importance is given to each activity. The decision of leaving the organization by sister member is voluntary. Until any sister member goes against the principles of the organization no sister member can be asked to leave. The retirement age at Lijjat is not fixed. No machinery is used at the production level and manually work is done by everyone because the main aim of SMGULP is to developing self-employment for women. Despite of it computers are being used for accounts and administration work in some of the Mumbai branches. To promote literacy and computer education among sister members and their families, the organization has undertaken various steps. A literacy campaign started by the managing committee in all its branches for sister members. From 1980 onwards, the scholarship schemes also started by Lijjat named Chhaganbapa Smruti Scholarships for the daughters of the sister members. Every year scholarship is given to the children of the sister members who pass out in 10th and 12th standard to encourage them for education. Currently, Pujya Dattanibapa Scholarship is given to 455 children of sister-member who achieved success in 10th & 12th Board Exam of March 2015. An educational and hobby centre is set up in Valod Centre for the rural women. They were also taught the orientation courses in cooking, typing, sewing, knitting and toy making along with other courses like child welfare, first aid and hygiene. In 1979, Lijjat united with UNICEF to organize a seminar on "Child care and Mother Welfare" as a part of the International Year of the Child Celebrations in Mumbai. Bhadraben Bhatt, in October 1984, represented Lijjat at the UNESCO sponsored international workshop on "The Role of Women in the Assimilation and Spread of Technological Innovation" held at NITIE, Powai.

Contribution in Social Activities

The Lijjat sister members have also contributed in the social service activities on several moments such as distributing nutritious food for poor children, contributing money for conducting community marriage, give prize money for widening primary education, enforcing for blood donation drive, organizing health camps, drive for plantation and even making contribution to Govt. bodies. Smt. Rukminiben B. Pawar, Lijjat president praised by the Mumbai city in 1999 as an outstanding woman in the field of social work. Chincholi (Jogn), the earthquake affected village in the Latur district of Maharashtra reconstructed by Lijjat. The finance and the supervision work of reconstruction of 58 houses for the people of the village are provided by the Lijjat. The sister members of Lijjat from their wages donated the money. After the Gujrat earthquake in 2001 all the branches of Lijjat donated more than Rs. 4.8 million, including Rs. 1 million from the central office. Lijjat built for the reformation of the people of Bhujpur (Bhachau) in Kutch district forty houses.

Organization Structure and Management

An organization structure defines the organizational aims through the task allocation, co-ordination and supervision activities among the members of the organization. Any women willing to work in any capacity could become a member regardless of caste or religion by pledging of dedication to the faith of the organization.

Current Office Bearers

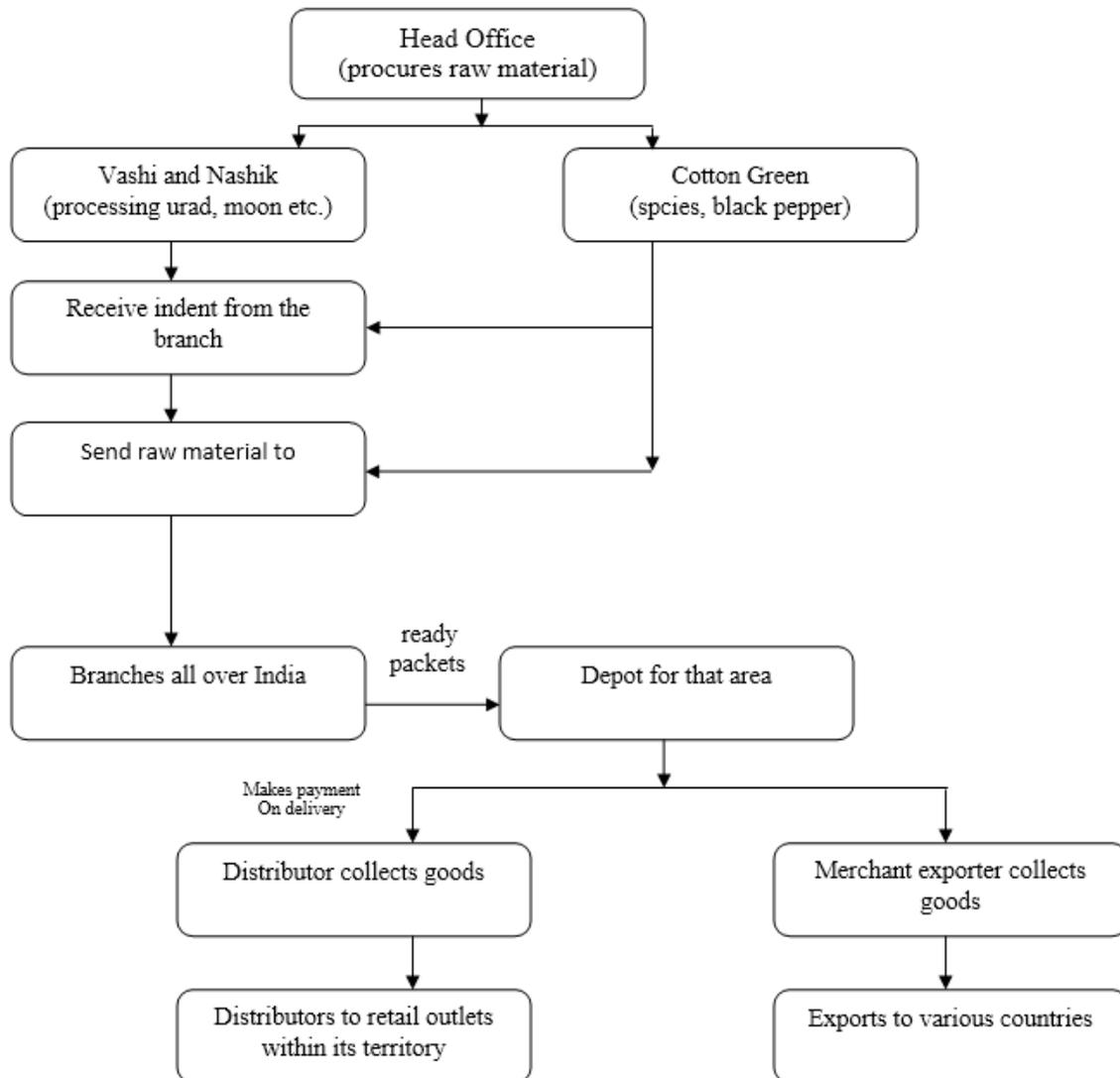
1. Smt. Swati R. Paradkar – President
2. Smt. Pratibha E. Sawant- Vice-President
3. Smt. Sharda D. Kubal- Secretary
4. Smt. Priyanka G. Redkar- Secretary
5. Smt. Namita N. Sakpal- Treasurer
6. Smt. Sheetal S. Koyande- Treasurer

The running organization has a central managing committee which consists of 21 members including the President, Vice-President, two Secretaries and two Treasurers. Every branch is directed by a Sanchalika to watch the production of the branch. On the basis of consent in every three years the office bearers of the managing committee and the sanchalikas are selected among the sister members. Each branch has a committee of 11 sister members which are selected by consent. All the activities of various branches are co-ordinate by the central office at Mumbai previously. But as the organization expands the authority was decentralized at the branch level in the terms of work and sharing of profits. Though, to undertake any new project or activity the sanchalikas still have needed the managing committee's approval. The accounting system and the instructions are same for all the branches. There are branch co-ordinate committees and area meetings of various branches in a state for coordinating branches in a region or state. The organization also held annual general meeting which is attended by sister members who represent the branches and divisions all over India. Presently it has 81 Branches and 27 Divisions in different states all over India. Lijjat has its own financial accountability principle. Except for the outside supply of raw material every payment is made on daily basis. There is equally sharing of profits and losses among the members of a given branch. In the starting days of the Lijjat, the profits of first six months were distributed among the entire sister members in the form of gold equally. Currently, this proceeding is followed by Lijjat but now the decision related to sharing of profits in cash or in gold is taken by branch itself.

Working of the System

The whole cycle starts with a recruitment procedure. Any woman can become a member and a co-owner of the organization who vows to accept the value of the organization and who has tribute to quality of the product. Besides of this, who are in the process of rolling of the papads also essential to have dirt less house with space to dry the papads. If the women have no these type of facility then they can opt any other responsibility such as kneading dough or packaging or testing the quality. Each box holds 13.6 kg. sealed packed papads and each centre's production is carried to the depot for that area. Mumbai has 16 branches and 6 depots. The production stocks from three to four branches by each depot about 400 boxes. The branch itself regarded as the depot in smaller towns or villages. The depots are storehouse together with take up points for distributors. The distributors take up the required quantity of papads and pay cash on delivery because the payment is made on daily basis. The sister members produce according to the estimation of the quantity required by the distributor. In Mumbai there are 32 distributors.

Each distributor from the depot takes up an average of 100 boxes per day. To distribute boxes to retailers each distributor has his three wheeler and about 8 to 10 salesmen.



(Source: Official website of Lijjat Papad)

An advertisement is given in the newspaper to select a distributor for the areas they have marked. The organization’s marketing division members personally go and check the facilities of godown and only after their approval they appoint the distributor. A deposit of Rs. 1’50’000 paid by the distributor. If the distributor wants the distributorship then they must pay on delivery. This system is followed and succeeded all over India.

Export

The Lijjat is not directly involved in exporting but an export order placed by recognized professional merchant exporters. They begin production after receiving the full advance through a cheque. The quality of the export production is same as the daily production quality. Their export account is for Rs. 10 crore (Rs. 100 million). Presently, the production of Lijjat Papad is being exported to mainly countries like UK, USA, Middle East Countries, Thailand, Singapore, Hongkong, Holland, Japan, Australia and other Countries from 30% to 35%.

Process of Production & Packaging

In morning at 4:30 a.m. with the collection of dough by sister members the process of production starts. After collecting

dough they take it to the home and start rolling the dough. Then under sunlight the rolled dough is dried on a piece of cloth. The papads bring back by the sister members in the next morning. Under the supervision of quality control executive the rolled papads are sent to the control department for regular quality checking. Since the day of existing it has been retaining of the same standard. The analyzing of the papads is completed in a batch and if according to the Lijjat standard any of the papad does not match then the whole of the batch is disposed off in the sea instead of garbage bin to ensure that the defective papads do not reach in the market. The packaging process is also accomplished by the organization itself rather than having collaboration with others. The plastic bags are used for the packaging and which are hand-made and manufactured by women employees themselves. There are 70 sister members in the department of packaging. The Polpopryin (PP) bags are used for packing the papads. The bags are produced at a factory which is situated in Dahisar.

Diversification

Shri Mahila Grihya Udyog has varied its different activities which as

1. Flour Division- It is situated at Vashi (Mumbai) where flour is milled from Udad Dal and Moong Dal.

2. Masala Division- It is situated at Cottongreen along with a Quality Control Laboratory. The various types of spices powders are prepared and packed such as meric, Chillies, Coriander and ready mix masala and like Garam Masala, Tea Masala, Pav Bhaji Masala, Punjabi Chole Masala etc. in consumer packs.
3. Printing Division- It is also located at Cottongreen.
4. Advertising Division- It is placed at Bandra (Mumbai).
5. Chapati Division- It is established at Bandra, Wadala, Mulund & Kandivali.
6. Polypropylene Division- It is set-up at Kashi-Mira Road.
7. Detergent Powder and Cakes manufacturing unit- It is located at Pune (Sanaswadi).

Products

Lijjat produced different products and the list of the products is as follows:

1. Papad- There is seven varieties of Papads for Local Market and fourteen varieties for Exports which is in different flavours like Papad with Udad with pepper, garlic chillies and red chillies, Udad special, Moong and Moong special and Punjabi masala special.
2. Traditional Masala- It includes Standard Chilly Powder, Black Pepper Blended Powder, Premium Chilly Powder, Kashmiri Chilly Powder, Turmeric powder, Coriander powder, Black Pepper Blended Powder, Guntur Hot Chilly Powder, Cumin Powder, Black Pepper Fine Powder, Black Pepper Powder and Red Premium Chilly Powder.
3. Ready Mix Masala- It adds wide varieties like Garam Masala, Tea Masala, Sambar Masala, Special Sunday Masala, Shahi Garam Masala etc.
4. Jeera Papad- It is Lijjat's Special papads in long form with Jeera.
5. Appalam- It is specially made from Udad and Rice Powder available in South.
6. Gehu Atta- The gehu atta of Lijjat made from superior quality of wheat.
7. Chapati- The chapatis are made from fresh Wheat Flour available in Mumbai.
8. Detergent- It is available in SASA Detergent Powder, SASA Detergent Cake, SASA Liquid Detergent, SASA Nilam Detergent Powder.

Pricing

A cost plus pricing strategy is followed by the SMGULP for their all products. The middle and lower segments of the society is target of the Lijjat for its products. These segments of society are very sensitive to price and this pricing method allow them to market their products completely.

Promotions

For promotion SMGULP given attention more on quality and cost effectiveness instead of more investment on advertisement because they believed that oral communication is the best way of promotion. There is amounting Rs. 60 Lakhs, which is 0.2% of the total turnover, is the annual expense on advertisements and promotions. The campaign of famous 'Bunny Rabbit' exposed to be aired on specific regional channels such as Alpha Gujarati, Alpha Bengali, and Sun etc. They make a pitch in English and Regional newspapers also. There is an urge to motivate the distributors because only then they will make a greater effort to sell a large quantity of products to the retailers. Quarterly

targets are set for the distributors and if they exceed the target then they will get a further 1% discount.

Sources of Finance

There are mainly three sources of finance from which the organization borrows the fund such as Bank of India, Bank of Baroda and Dena Bank.

Wages

There is a trend in the institution to call the wages as Vanai. The payment of vanai is depending upon the number of kilos rolled by the sister members. A member should rolled minimum 5kgs and some rolled up to 20 kgs. everyday. The payment of vanai is made only when the papads are delivered by them and clear the test of quality.

Milestones

- The Institution has received an award from Khadi & Village Industries Commission as a "Best Village Industry" for the period 1998-1999 to 2000-2001. On 6th September 2002 the Institution has received the Economic Times Award of "Business women of the Year 2001-02 for Corporate Excellence".
- In January 2003 the organization has received the award for 'Best Village Industries' at the hands of Hon'ble Prime Minister Shri Atal Behari Vajpayee at New Delhi.
- On 21st December 2005 the institution has received the 'Brand Equity Award' at the hands of Hon'ble President of India, Dr. A.P.J. Abdul Kalam being presented by PHDCCI at Vigyan Bhavan, New Delhi.
- Lijjat Papad has been chosen as a Power Brand 2010-2011 by the Indian Consumer and received the Award on 4th February 2011 in New Delhi.
- Khambatta Lifetime Achievement Award for 2010 was conferred on Smt. Swati R. Paradkar, President of Shri Mahila Griha Udyog Lijjat Papad by All India Food Processor's Association, New Delhi. The Award was presented by Shri Harish Rawat, Hon'ble Minister of State for Agriculture & Food Processing Industries, Government of India on 16th December 2011 at New Delhi.
- 'Outstanding Service Organisation Award-2012' was conferred on Smt. Swati R. Paradkar, President of Shri Mahila Griha Udyog Lijjat papad, by National Institution for Quality and Reliability (NIQR), Chennai. The Award was presented by His Excellency the Governor of Tamil Nadu, Dr. K. Rosaiah on 21st April 2012.

Problems and Their Solution

No doubt, Lijjat has become a demanding brand. But there are some problems which are faced by Lijjat such as:-

1. Previously, Lijjat was exempt from sales tax for its product detergent but recently Government has passed a provision under which detergent is not included in PCPI (Processed Cereals and Pulses Industries) product's list. So, SMGULP have to pay sales tax for its Detergent product. The meeting is under process with Government to exempt this product from sales tax.
2. The papads are made in various parts of India. The water is being used for making the papads. There is varied quality of water in various parts which affect the final products. The final products are tested in Lijjat's own laboratory in Mumbai to prevent these types of inconsistencies. There is another problem in front of Lijjat that is fake Lijjat papad. Three persons were

arrested in Bihar in June 2001 but the pitfalls are also exist in the international market.

3. The Lijjat also face the problem of drying papads in monsoon season. Because it is difficult to dry the papads outdoor and the sister members have not enough space to dry papads indoors in rainy season which affect the Lijjat's export business in monsoon. To overcome this problem in monsoon season Lijjat should hire an additional space which will be near to depots with Kerosene lamps where sister members can come and dry the papads.
4. Lijjat faced by the problem of competition in sales of their SASA Detergent from existing established brand i.e. Nirma. The lack of advertising may be one of the reasons of this problem. So, there is an urgency to increase in advertising and direct selling for Lijjat.
5. Lijjat is not directly involved in exporting but make exporting through merchant exporters. Lijjat can appoint its own distributors for exporting in the main countries and can increase profit margin and reduce the cost.

Conclusion

From the above discussion, it is concluded that in developing country like India, SMGULP is a symbol of progress. The managers can pick up an interesting lesson from SMGULP which is holding its core values from the past 56 years i.e. the concept of business adopted by the organization for empowering the women which deals in producing quality products at reasonable price, along with this concept the organization have adopted the concept of mutual family affection, concern and trust and the concept of devotion because the organization is the place to dedicate one's energy for the benefit of all instead of their own benefit. The membership of the organization has expanded from the initial number of 7 sisters under one building to over 43,000 sisters throughout India. Presently, the organization is wide spread with its central office at Mumbai and its 81 Branches and 27 Divisions in different states all over India. With a seed capital of Rs. 80 in the year 1959 Lijjat has an annual turnover of around Rs. 6.50 billion (over 100 million USD) in 2010, with Rs. 290 million in exports. It provides employment to around 43,000 (in 2015) women. The economic empowerment is not only the aim of the organization but it makes the women self-confident and self-reliant and uplift their standard of living. "When the women move forward, the family moves, the village moves and the nation move"

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