

Satara B-school that ranks with Harvard

Institute Started By Rural Bank To Teach Entrepreneurs Ropes Of Micro-Business Makes Headlines

Abhay Valdiya | TNN

Mhaswad (Satara dist): It began when the chairperson of the micro-financing Mann Deshi Mahila Sahakari Bank (MDMSB) ran into one of her rural customers. Aruna Gaikwad, a familiar face at the branch, "was bursting with energy and wanted us to tell her everything about wholesale vegetable vending," the bank's founder and World Yale Fellow, Chetna Gala Sinha (46) recalled.

The bank helped her set up the business in 2005 and, in the process, realised that enterprising women like Gaikwad needed more than just credit at concessional rates to run their micro-businesses. Thus was born the idea of a B-school for rural women, or micro-schooling.

Today, the Mann Deshi Udyogini (MDU) located in the chronically drought-prone Mann taluka (Satara district) of western Maharashtra is attracting rave reviews in the international media. *The Financial Times* ranked it alongside Harvard and Chicago-GSB for running one of the best executive educational programmes worldwide. Lately, the *Economist*, too, has mentioned it prominently in its May 25

report. MDU has been mentioned alongside top rankers as Duke University's Fuqua School of Business, Harvard Business School and University of Chicago's Graduate School of Business (GSB). The only other Indian institute mentioned in the FT list was Duke Corporate Education's affiliate programme with IIM-Ahmedabad.

What makes the MDU unique is that it lays no educational or age criterion for enrolment; has "any-day admissions" and offers courses ranging from two days to three months with fees from Rs 25 to Rs 1,200. Founded in December 2006 with a Rs 7-lakh grant, it encourages and empowers rural women by offering courses to help them run independent enterprises as vendors, screen printers, photo-laminators, efficient goat de-wormers, bag-makers and computer operators.

Thus, an unlettered vegetable hawker like Aruna Gaikwad now uses a cellphone to source supplies from the wholesale market at Karad 100 km away to make profits at the weekly market in Vaduj. Vanita Pise is yet another example who has set up a successful milk-vending business with the help of MDU. She uses paper cup-making machines for her



Founder Chetna Gala Sinha guides students at the Mann Deshi Udyogini at Vaduj in Satara district

operation and earns about Rs 4,000 per month. (In 2006, Pise received the CII-Bharti Woman Exemplar Award by PM Manmohan Singh).

Since December 2006, nearly 180 women have taken courses here to launch micro-business like selling

cellphone recharge coupons, increasing fat content in milk from milch cattle or selling pav bhaji and Chinese food.

Sinha says the biggest challenge that her team now faces is developing a curriculum and training pro-

Village lessons for the Richie Rich

Founded in 1997 by Chetna Sinha, a former Shetkari Sanghatana activist, the Mann Deshi Mahila Sahakari Bank Ltd (MDMSB) at Mhaswad is well-recognised for its innovative micro-financing initiatives. It is distinguished as India's first rural financial institution run by and for women with a co-operative license from the Reserve Bank of India.

Sinha, a 2002 World Yale Fellow and the bank's chairperson recalled that in 2006 she was invited by the Bill and Melinda Gates Foundation at Seattle for a presentation on her micro-finance initiatives. Besides, the Gates couple and Gates Sr. (Bill's father), the legendary investor, billionaire Warren Buffett was also present. "The Gates were curious about our loan scheme for poor women to purchase gold," Sinha said, adding that she had to convincingly explain that gold, in howsoever small a quantity, is a liquid asset for rural women in India. "Unlike cash, it is not easily snatched away by their husbands or sons. Most Indian men respect the gold on their woman's body," Sinha recalled having told her distinguished audience.

One person who was visibly impressed with the bank's philosophy and approach was Warren Buffett. "At that time, I didn't know who Warren Buffett was," Sinha said, laughing at her own ignorance.

Run entirely by rural women, the Mann Deshi Bank today has three branches and an extension counter; 6,000-plus members, share capital of Rs 1.75 crore and deposits of over Rs 12 crore, 70 per cent of which has been given out as advances. The average loan-size of the bank is Rs 5,000-6,000. TNN

gramme to suit various requirements. Udyogini's executive director Padma Kuber says the course material has to be highly practical and visual-driven with hand-drawn graphics to overcome the semi-literacy barrier.

Sinha is now keen on expanding Udyogini's activities. She has received funding from Gururaj Deshpande's (co-founder, Sycamore Networks, USA) Deshpande Foundation to open a micro-business school on wheels in northern Karnataka.