

InM Report 2008

**Pre-Study Workshop Report on the  
Growth and Development  
of Microenterprises in Bangladesh**



July 2008



**Institute of Microfinance (InM)**



## Report On

# **Pre -Study Workshop on the Growth and Development of Micro Enterprises in Bangladesh**

**July 03, 2008, Thursday  
Conference Room - 307, PKSF Bhaban**

**Organized by**



**Institute of Microfinance (InM)**

*This report has been prepared on the basis of the workshop organized by the Institute of Microfinance(InM) with the enterprise loan providers of the MFIs and the practitioners has been set to identify the determinants of success and failure of the micro enterprises and action plan to begin with an excellent study outcome. This report presents an excerpt of the workshop for designing further action plan.*

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## Acknowledgement

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This report has been prepared based on the deliberations of the participants in the workshop titled “Pre-study Workshop on the Growth and Development of Micro Enterprises in Bangladesh” organized by the Institute of Microfinance (InM). This dialogue is believed to be the beginning of the route to accomplish the aim of the institute. InM is aimed to achieve its objective of rendering high quality services to promote microenterprise through microfinance with the help of professional microfinance service providers, microfinance institutions, academicians and experts of the microfinance sector.

I am grateful to all experts, microfinance institutions and academicians who participated in the dialogue and made it so successful. I would like to deeply acknowledge the mindful presence and bold participation of all the participants in response to our request.

I look forward to a long term continuing collaboration with all the participants and institutions for building sustainable and vibrant microfinance sector in Bangladesh.

I would like to thank all InM staffs for their dedicated efforts and devotions in organizing the dialogue successfully. My special thanks are due to Suborna and Monir, the two Assistant Directors of the institute, who took pains in preparing this report.

Any suggestion from any individual or organization, in developing this institute and attaining the goals as set, will be highly appreciated.

Professor M A Baqui Khalily  
Executive Director  
Institute of Microfinance (InM)

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## **Report on the “Pre-study workshop on the Growth and Development of Micro enterprises in Bangladesh”**

### **Preamble**

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To strengthen the process of industrialization, and face the challenges of open market economy, the government has identified the Small and Medium Enterprise (SME) as a precedent sector to be the engine of growth. The government has already taken initiatives by raising the SME endowment fund and approving the SME refinancing scheme in the budget of FY 2008-09. As the sector has colossal potential of employment generation and eradicating poverty, it has fascinated attention of the policy makers and the MFI practitioners to find out the appropriate way for channeling loans to entrepreneurs and solving the allied problems of the enterprises.

To satisfy the emergent consciousness of the MFI practitioners and identify the determinants of robustness for the sector, the Institute of Microfinance (InM), Bangladesh is going to undertake a longitudinal study titled “Promoting Micro Enterprises through Microcredit”. To begin with the study, InM organized a workshop titled “Pre-study workshop of the growth and development of the Micro enterprises in Bangladesh” on July 03, 2008 at the PKSf auditorium. The workshop with the enterprise loan providers of the MFIs and the practitioners has been set to identify the determinants of success and failure of the micro enterprises and action plan to begin with an excellent study outcome. This report presents an excerpt of the workshop for designing further action plan.

## 1.0 Objectives of the Workshop

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The objectives of the workshop were-

- To exchange ideas and discuss broad range of issues with the MFIs and policymakers concerning micro enterprises.
- To identify the basic problems and prospects of the enterprises in Bangladesh based on the success and failure cases of such enterprises of different institutions.
- To derive necessary guidelines to design an extensive longitudinal study on Microenterprise.

## 2.0 Methodology

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The workshop was an interactive session with the critical analysis of the determinants of the success and failure stories of the micro enterprises. Some 70 invitees including 50 microfinance institutions from different parts of Bangladesh and members of the Governing body of InM were present in the workshop. Dr. Wahiduddin Mahmud, Chairman, InM chaired the workshop. Professor M.A. Baqui Khalily, Executive Director, InM welcomed the participants and presenters. The workshop started with a presentation by Chrysanthi Hatzimasoura, an international intern from George Washington University, at the Institute of Microfinance (InM). Later, among the participants, each of 15 microfinance institutions presented a success and a failure story. Following the program trail, in the open floor discussion, some specific critical issues were identified and valuable suggestions were made from the distinguished guest and the participants. The recorded dialogues and case discussions (Appendix-B) have been used in this technical note as input. The list of the representatives of participating microfinance institutions is annexed with this report (Appendix-A). Dr. Mahabub Hossain, Executive Director of BRAC and Dr. Quazi Mesbahuddin Ahmed, Managing Director, Palli Karma-Sahayak Foundation (PKSF) put forward their valuable comments at the seminar.

### 3.0 Presentation on Global Microenterprise Experiences

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The workshop started with the presentation of Chrysanthi Hatzimasoura, an international intern at InM highlighting titled “Lessons in Micro Entrepreneurship and Their Relevance to Bangladesh: An Attempt to Substantiate Suggestions for Future Research” which was based on a rigorous literature review on Microenterprise issues. She identified some financial issues such as the importance of Return to Capital and its geographical variations why returns to capital are so important, and also spoke on the unobserved factors and the randomized experiments. In the context of behavioral aspect, she strongly emphasized on for setting a unified and specified goal, as entrepreneurs, in many cases face problems with their mind setting. Ms. Hatzimasoura also focused on the environment friendly industrial microenterprises, achievement of economics of scale and establishing the market linkages removing the middle man. She also highlighted the role of microfinance in micro enterprises in finding the imperfect or missing labor markets in Bangladesh and the role of micro enterprises to correct the imperfect market.

### 4.0 Presentation of Case Studies on Microenterprise

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We identified and examined critically the factors for success and failure for further study and policy making purpose. Before getting into the determinants of success and failure deeply in the next section, an overview of the identified determinants has been presented in this section based on the all 15 success and 15 failure stories presented by different MFI representatives, and deliberations made by different practitioners and policymakers.

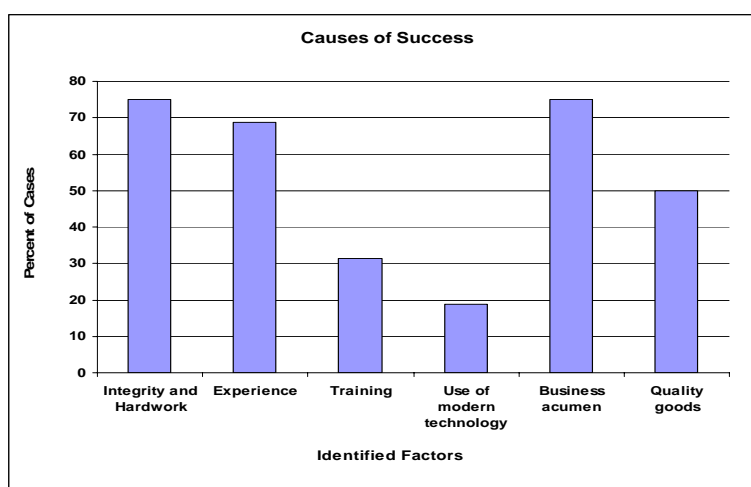
The factors for success of microenterprises were diversified in nature. In major cases, pivotal determinants were integrity and previous experiences of the entrepreneurs, proper training on production, distribution, marketing, risk management and risk sharing, selection of the good projects, serving quality products, proper market access, the businessman mindset and the availability of the MFIs loan.

The varying nature and degree also was true for the causes of failure. As identified, lack of knowledge about the project, lack of training and previous experiences, inappropriate screening by the MFIs for disbursing loans to the entrepreneurs, natural disasters (bird flue, flood, river erosion), human made events (theft and conspiracy), avariciousness of the entrepreneurs for some lucrative offers from the deceiving persons, lack of business acumen and proper mindset for doing business, absence of monitoring by the MFIs that whether the loan had been used in proper project or not, lack of infrastructural facilities (electricity, gas), and the lack of knowledge of risk- bearing and cash management were responsible for the failure of micro enterprises.

#### 4.1 Causes of Success: A Detail Inquiry

Entrepreneurship at any level is subject to high risk, although this is one of the major determinants of development. In Bangladesh, the success of entrepreneur is a function of a number of factors. As stated in the previous section, integrity and hard work, previous experience and training, businessman mindset, and quality product were the main factors for the success of the presented cases. This is evident from the frequency table presented below.

Factors Identified	% cases
Integrity and hard work	75
Experience	68.75
Training	31.25
Use of modern technology	18.75
Business acumen	75
Quality goods	50



A detailed discussion on the individual factors of the success is presented in this section.

- Integrity and Hard Work:** It is obvious that without hard work no business can be successful. This is evident from the successful cases that entrepreneurs worked

hard with the hope for better days and were honest in their business. As commented by such a successful entrepreneur-

“If people become industrious then the success will be in their doorstep.”  
- Mrs. Selina Akhtar, a successful entrepreneur of CCDA

- **Previous Experience:** Entrepreneurs, successful in their small enterprises were found to have previous experiences. Many of them had been working the same kind of works for years. After having loan from the MFI they flourished into larger scale and size, and finally became successful. Therefore, alike any other professions, experienced microentrepreneurs are likely to be more successful. A comment is praiseworthy from one of the participants-

“Those who have previous experience in any particular work, they should first boost up that line of business at the first instance instead of looking at other projects. Then proper training and technical support will also help them to become successful entrepreneurs.”  
- Md. A. Rahman, CO (RMC), SOJAG

- **Business Plan and Investing New Capital:** Without proper business plan and investing fresh capital, it is hardly found that any entrepreneurship becomes successful. New investment in terms of capital, goods and machineries are required to increase the production. From the presented cases, it is observed that some products were largely handmade and entrepreneurs wanted to buy machines to produce them in larger volume. Unfortunately, lack of capital restricted them from buying technology. A comment can pose clearer understanding of this fact -

“Dearth of capital is the bottleneck to set up new machine in place of hand manual efforts. Increased loan size can solve this problem and improve competitiveness.”  
- Dr. Masudul Kader, CEO, DSK

The bottom line is many entrepreneurs took microenterprise loan from the MFIs, and finally could smile. The cases and discussions evidenced that the rate of success is higher than the rate of failure in such microentrepreneurship. Borrowers with no savings were able to smoothen their income and consumption through their microenterprises. Entrepreneurs with savings could become more successful building comparatively larger

enterprises. Microenterprises not only contribute to the income generation of the entrepreneurs but also bring social dignity for them. As one of the participants lauded this role of microenterprise –

“Besides his business robustness, his social status is recognized now and he became the member of the Market Owners’ Association. Other members of the association also want to take ME loan like Mr. Riazul.”

- Mr. Rabin Chondro Mondol, Coordinator, RDRS Bangladesh

### Successful Microentrepreneurs: Selected Case Studies

#### Anita Rani’s Khorma: Success through Quality

It’s an anecdote of year 2000. Mrs. Anita Rani having five children was living with her husband Mr. Ananda Gosh at Doulatpur in Kustia. They were living in a shack having no sanitation facilities. Her husband couldn’t bear the daily needs of the family with his minute income earned from working in a sweetmeat shop. They couldn’t send their children to school and couldn’t afford their cloths and medicine even because of lack of money.

But things have changed. Mrs. Anita Rani is now a successful entrepreneur. After becoming a member of Uddipon - an MFI, she became familiarized with some entrepreneurship projects. She started her own business and found a way of living. At first she took a loan of Tk. 4000 for making sweetmeat on her own. She started selling the specialized sweetmeat (local name “khorma”) with her husband and earned some profit from there. Her enthusiasm reached to the pinnacle. She took several loans from the same institution with Tk. 70000 revived her project in a larger scale. Besides, she diversified her business into two other works - vegetable production and cow rearing. Mrs. Anita set up a sweetmeat store at their local bazaar. She was able to earn the goodwill from the people of the area and become famous in selling quality specialized sweetmeat in that area. Now her financial condition is quite strong and she owns asset of Tk. 6 lakh. Now she has brick-built house and well sanitation facilities. Now she can send her children to the school and can help other people to send their children to school.

The success of Mrs. Anita Rani can be attributed to the production of quality products with hard work and honesty. There was no adulteration in the sweetmeat. Besides the availability of loan and previous experience of her husband in the sweetmeat shop helped her to meet success. She used her loan in the right purpose and worked hard to repay the loan regularly. She was aware of her position in the society.

Now Mrs. Anita has found the way to better living. She has driven out her poverty, and owns some assets. She has her own house and land. Her social status has also been improved.

### Mrs. Rokeya Begum: A Symbol of Perseverance

Rokeya Begum got married in 1993 with Mr. Abdul Hamid who was a local tractor driver. In that very time Mr. Hamid had no money to register his small land he purchased. In 1998 Mrs. Rokeya took loan Tk. 5000 from the "Jagoroni Chakra Foundation" and registered the land. But it was troublesome for Abdul Hamid to maintain family with his little income after repaying the loan they took. Although, in the next year Rokeya took loan Tk. 8000 and bought a television. In 2000 she again took Tk. 10000 for poultry farming. But because of lack of experiences and lack of vaccination she could be able to get success with her poultry project. Then she started thinking to go for the new project. She didn't get disheartened and used her entrepreneurship to set up the new project. In 2001 with the initial amount of loan Tk. 10000 plus her savings of Tk. 30000 she started with the new project- fish farming and hatchery. This business was not too easy though. At first, she loses her first cohort of fishes because of lack of experiences to tackle the viral diseases. She loses Tk. 30000 at that time. But later on she took some remedial measures and worked hard for that hatchery. She used her previous experiences and hard working to build a successful entrepreneurship. Now her monthly income is Tk. 25000.

Beside her hatchery business, she also used her investment in another income generating work - rental tractor which is really helpful for the farmers. Her current asset is now worth of Tk. 1000000. During this time, she spent about Tk. 150000 for cardiac surgery from India. She was advised to get her bypass surgery in India which would take Tk. 300000. She couldn't let her business marred although she engendered illness. With the help of the other members of the family she has been operating her business smoothly. She employs two persons for hatchery and two persons for tractors in a fulltime basis.

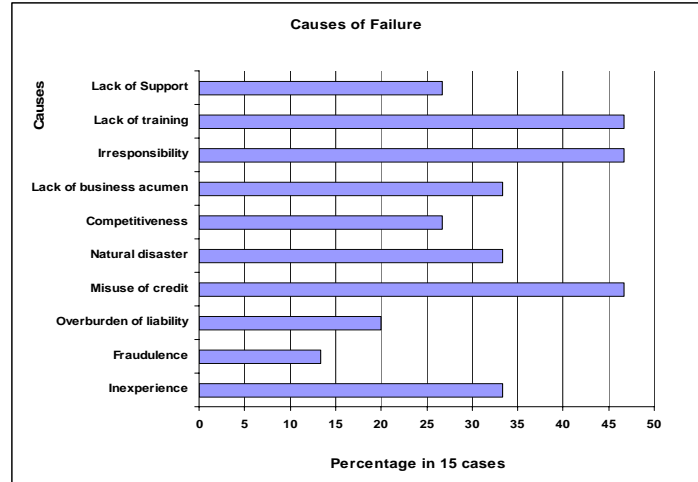
Rokeya Begum, who was previously envisaging with poultry project, now is an example of successful entrepreneur. The magic is in the approach of selecting new project and her integrity to work with that. She didn't take loan from the local money lenders rather she borrowed from MFI. The main causes for her success in the hatchery project are attributed to the selecting new project, proper plan and implementation, availability of the MFI loans and her integrity and businessman mindset for the project. Mrs. Rokeya worked with integrity by rightly choosing a project and became a successful entrepreneur.

## 4.2 Causes of Failure: Lessons to be Learnt

High risk associated with entrepreneurship often prevents the low income or poor households from starting a new venture. Failure to build it properly may lead to loss of their small savings and destroy their dreams. The major causes of failure of the entrepreneurship are by nature intense and diversified. A number of factors such as lack of training, lack of previous experience, lack of hard work, natural disaster (bird flue, food, river erosion, and heavy rainfall), abuse of credit, and lack of support from the

MFI's pose high risk for the microentrepreneurs. This is more evident from the following table presented in the workshop:

Causes of Failure	% of cases
Inexperience	33.33
Fraudulence	13.33
Overburden of liability	20.00
Misuse of credit	46.67
Natural disaster	33.33
Competitiveness	26.67
Lack of business acumen	33.33
Irresponsibility	46.67
Lack of training	46.67
Lack of support	26.67



As expected, lack of training and improper use of the borrowed money largely caused the failure of microentrepreneurs. Alongside, irresponsible behavior of the entrepreneurs also contributed largely to the failure of the business. This section discusses the major factors identified that caused the microentrepreneurs failed:

- Lack of Training:** Due to lack of training, enterprises like hatchery, poultry, fish farming and enterprises of other technical sectors become failure. Lack of training causes about 47% for failure in the presented 15 cases and among the causes of failure it proves to be the major one.
- Irresponsibility:** Irresponsibility means lack of proper care of the venture and business capital. This was evident from the presented cases that some entrepreneurs (47 percent) were unconscious about managing the capital, and delay in taking necessary remedies at the event of crisis. For example, in case of poultry and hatchery business, quick and effective action against the viral diseases and adulterate feed is a must, and any delay may cause a large sum of loss. Thus, in many cases, although the entrepreneurs are acquainted with the steps to be taken, due to external or internal limitations they slow down in acting properly.

So it is immensely required to have responsible businessman mindset for the development of any enterprise.

- **Lack of Experience:** Previous experience certainly helps to cope with the high risk associated with entrepreneurship. This is evident that inexperienced entrepreneurs in 34 percent cases failed in building an enterprise. Success is largely a function of previous experience in any enterprise such as handloom manufacturing, hatchery, fish farming and poultry etc. Evidently, practical picture also shows that entrepreneur who failed with their projects and those who were successful, were allied with their different state of experiences. Therefore, entrepreneurs should select business line or projects in their respective area of previous experience that will ensure higher success.
- **Abuse of Credit:** One of the major factors for the failure of enterprises is the misuse of credit. Some entrepreneurs don't know how to control cash and how to invest in any particular project. Some entrepreneurs' uses this loan to other non-productive purposes and even some people are found to lend this money to another person for a certain interest rate. Borrowers in many cases, cannot perceive the risks associated with this misallocation of borrowed money.

“Every entrepreneur should learn from Yunus Ali (a failed entrepreneur). Proper use of loan can bring success to the entrepreneurs Otherwise it brings untold misery and suffering.”

- Mr. Mohsin Ali, Executive Director, WAVE Foundation

“It is not wise and profitable to use loan in other purposes instead of investing in main project.”

- Mrs. Peyara Begum, an unsuccessful entrepreneur

- **Natural Disaster:** Natural calamities cases were responsible for the failure of some 34 percent enterprises. Natural disaster includes the bird flue, river erosion, flood etc. This is very alarming and almost beyond control of the entrepreneurs to combat bird flue. Natural disasters cause long term impact, and are extremely difficult to mitigate causing. Therefore, this perhaps may advocate for risk sharing from the government as well the institutions.

- Competitiveness:** Certainly survival of an enterprise requires the ability to grow with a high competition in the output and input market. Some 26 percent cases failed due to inability to sustain amid highly competitive environment. Some entrepreneurs had to quit their product because of the high price of the raw materials, and the open market economy. The fear for fresh entrepreneurs in this highly competitive market is more clearly expressed by a participant at the workshop -

“DSK doesn’t know how successful would be the projects of such SME sector in the era of free market economy of Bangladesh.”  
 - Dr. Masudul Kader, CEO, DSK

*At the end,* this is evident that risk, varying in nature and degree, is always associated with the fresh enterprises. The higher the risk is, the higher the probability of getting profit and vice versa. One has to be always very conscious regarding this varying nature and degree of risk while building an enterprise. As finally one commented -

“It is the risk that an entrepreneur should always keep in mind; otherwise all striving for the project would be futile.”  
 -Mr. Wahiduzzaman, Director (MF), Jagoroni Chakro Foundation,

### Unsuccessful Microentrepreneurs: Selected Case Studies

<b>Improper Mindset Pushes down Yunus Ali to Dearth</b>
<p>Md. Yunus Ali became a member of WAVE Foundation in 2002. He started the lathe workshop business with his little capital. But after becoming a member of WAVE Foundation he took loan Tk. 15,000 for expanding his business. Initially it was running well and he took Tk. 1, 50,000 again from the foundation. There were 8 employees in that workshop and capital amounted to Tk. 5, 00,000.</p> <p>But due to unavoidable circumstances he couldn’t uphold his business later on. There are some reasons behind this. His entrepreneurship was not planned and he was inept in operating the mechanical device. Besides, because of inadequate supply of electricity and lack of business acumen he couldn’t uphold the quality of his service. He lost his goodwill and became unsuccessful with his lathe workshop project. He sacked a few of his employees, and got his business capital turned to Tk. 100000 only. His monthly income is Tk. 2000 now. His business is now shrinking day by day. It is a lesson that if the project is unplanned and the loan isn’t used properly, it would be difficult to derive profit from it.</p>

### Mrs. Peyara Begum: Inexperience Causes Her To Suffer

Mrs. Peyara Begum with her husband Mr. Razzaque Miya was living at Muradnagar in Comilla. Her husband worked in a restaurant. But he changed his profession and became an entrepreneur for fish farming.

In 2003 Mrs. Peyara Begum became a member of the CCDA (Centre for Community Development Assistance) - an MFI, and took loan Tk. 5000 for fish farming for the first time. Without experience, beside her own pond, she leased another pond and started fish farming. Initially they had a good start with 7/8 employees but because of lack of experience and lack of proper knowledge about the project they couldn't become successful with the fish farming project. The total amount of loan she took from CCDA is Tk. 72,000 and now her loan outstanding is Tk. 30,000.

The causes of failure can be ascribed to the following factors- lack of previous experience and lack of formal training about the project. For example, they couldn't estimate the amount to feed the fish. Besides the loan amount was not used fully in that particular project. She relented her loan to others with higher interest rate but failed to retrieve her money from them. And even their relatives didn't repay their loan to her. She had lack of skill to maintain business. Finally, other MFIs also became reluctant to provide more loan to her.

Now Mrs. Peyara Begum is living from hand to mouth and her husband is sick for several months and they have no money for his treatment. Instead of investing money to fish farming she used her loan to lend others. She now realizes that she has made a great mistake. She now believes if the loan isn't used for the stated purpose then it might not be possible to make profit from that.

## 5.0 Critical Issues Discussed in the Workshop:

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The invited participants of the workshop discussed different points at length. For further study and policy development, quite a few critical issues were identified out of the seminar. Below is a sharp focus on those issues.

- **Risk Sharing:** Since the enterprises are very vulnerable to the risk, it would be effective to create a risk sharing pool where risk would be shared. Risk pooling can minimize individual risk. This would facilitate and motivate more people

from low income group to be entrepreneurs. Alongside, indebtedness should not be increased and cross-subsidizing needs to be offered to help entrepreneurs.

- **Proper Screening Process:** To prevent misuse of credit, screening process of the entrepreneurs should be more intensive. Institutions should look at the inherent ability in a potential borrower and also should verify the feasibility of the proposed project.
- **Lateral Entrance:** Lateral entrance means incorporating the entrepreneurs already in operation under the shed of microenterprise loan. Participants also suggested not to provide loans to those who really don't need it.
- **Economies of Scale:** Due to small size, microenterprises suffer from competitive disadvantages in the input and output market. Economies of scale can make these enterprises more competitive and efficient in terms of cost and price of goods. Economies of scale accompanied by robust growth can be ensured by integrating microenterprises with proper technology and credit. It is possible through constructing a Consortium of the microentrepreneurs and MFIs that would replicate the joint venture approach of business. But the distribution of ownership and profit must be clearly defined and should be favorable for the microentrepreneurs.

“We should construct Consortium of the micro enterprises to attain the economies of scale.”

- Dr. Wahiduddin Mahmud, Chairman, InM

- **Microinsurance:** It was strongly pronounced in the seminar that microinsurance is required to mitigate the varying degree and forms of risk causing failure especially as a cushion against natural disasters. Factors beyond control such as bird flue, heavy rainfall, drought, cyclone, flood etc. should be compensated through microinsurance to minimize the risk of entrepreneurs.

- **Capacity Building of the MFIs and the Market Access of the Produced Goods:**

It is truly needed to build capacity of the MFIs through training and create a value chain management system where the goods will reach the final consumer smoothly. There are some problems associated with the marketing process. The entrepreneurs sometimes can't market their product with a reasonable price, and subsequently bear the ultimate loss. The entrepreneurs need to know how and when to channel their product to the market by creating a network.

### **6.0 Role of InM:**

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The participants at the workshop unearthed many fundamental issues. Despite the vitality, these issues have remained beyond the discussion table of the policy makers, practitioners, researchers and academicians. Institute of Microfinance (InM) is expected to play the pivotal role in shaping these issues for building a sustainable microenterprise sector. Participants expects that institute will look into the critical issues further with deeper concentration, uncover facts in detail, and come out with policy guidelines and models for modifications. Therefore, InM will take all issues disclosed in the workshop while designing and conducting its study on microenterprise.

For collecting all information on these issues, InM will conduct an extensive longitudinal survey. The participating MFIs in the workshop vowed to work with the Institute in rendering adequate data and information. The study will focus on the growth and development of the SME sector along with the issue of promoting micro enterprises through microcredit. The study undertaken by the Institute of Microfinance will also focus on developing a separate model for functioning and development of the microenterprises. Professor Wahiduddin Mahmud emphasized on this commenting that small and medium MFIs are providing loans to micro enterprises and the model already developed is not the model of micro credit of Dr. Mohammad Yunus. This model is heterogeneous and we need to look at the microenterprises more seriously.

The model to be developed during the study by InM would also incorporate the mechanism of risk sharing of the microentrepreneurs. Professor Mahmud advocated that risk pooling can minimize individual risk and cross-subsidizing needs to be offered to help entrepreneurs.

Apart from the undertaken study, InM will also introduce required training programs for the capacity building of the microfinance institutions. Professor M.A. Baqui Khalily, Executive Director, InM said that training is urgent for the entrepreneurs, and an appropriate business solution should be made available by the MFIs for them. He assured that the institute will provide training services on different dynamics of microenterprise issues as recommended by the Training Need Assessment (TNA) of InM, and the microfinance institutions. This would help the microfinance institutions to create strong human resource pool that can contribute to the development of the bottom line microentrepreneurs transferring knowledge and expertise.

## **7.0 Conclusion:**

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The workshop ended with common understanding on how to create environment for the development of these micro enterprises. The whole discussion of the workshop created an excellent interactive learning environment for the Institute of Microfinance (InM). InM thanked all participants for their invaluable opinions, comments and suggestions. Contributions of all participants are acknowledged. Based on the mentioned issues and expected role of InM, InM would formulate further action plan to produce an excellent study plan.

### Appendix –A

#### List of the participating invitees

Sl. No.	Name of Participant	Designation	Name of Organization
1	Philip Biswas	E.D	RRF
2	Md. A. Rahman	CO (RMC)	SOJAG
3	Md. Tarequl Islam Khan	Sr. Coordinator	Sajida Foundation
4	Saiful Islam Robin	ED	BEES
5	Md. Abdus Sobhan	Program Advisor	ESDO
6	Md. Mojibur Rahman	Deputy Director	POPI
7	Abul Haseeb Khan	Director	RIC
8	Dr. Masudul	CEO	DSK
9	Iqbal Ahammed	E.D	Padakhep
10	Rahmat Ullah	Sr. Coordinator	Sajida Foundation
11	Rasel Ahmed	E.D	SKS
12	Ridwan	Asst. Coordinator	SKS
13	Sarah Jasmin	Manager(Training)	PKSF
14	M.Yahiya	E.D	CDIP
15	Abdul Khaleq	Asst. Program Manager	Uddipon
16	Md. Mahbubur Rahman	Asst. Manager	PKSF
17	Chow. Abu Barketh Md. Ali	Project Manager	Sabalomby Unnayan Samity
18	Md. Hasan Khaled	DMD	PKSF
19	Nazmul Ahsan	Deputy Director	Shakti Foundation
20	Md. Julfiker Moin	Manager	Shakti Foundation
21	Tarik Sayed Harun	Head-Core Operation	Coast Trust
22	S.K. Sinha	Deputy Direction	ASA
23	M.A. Samad	E.D	CCDA
24	Parveen Mahmud	DMD	PKSF
25	Mahfuz Ali Quaderi	E.D	Anannyo (ASKS)
26	A. Hamid Bhuiyan	E.D	SSS
27	Rabin Chondro Mondol	Coordinator	RDRS
28	Wahiduzzaman	Director(MF)	JCF
29	Lokman Hakim	ED	PAGE
30	Md. Abdul Quader	Director	TMSS
31	Mohsin Ali	E.D	WAVE Foundation
32	Md. Atikuzzaman	Program Officer(ME)	BURO Bangladesh
33	Md. Emranul Huq Chowdhury	E.D	Uddipan
34	Abdul Karim	Managing Director	MIDAS
35	Md. Ali Ahsan	Control Coordinator	SUS
36	Shahadat Hossain	Asst. Manager	PKSF

## Appendix – B

### Cases Presented in the Workshop

#### Jagoroni Chakra Foundation

#### Success Story

**Name of the Entrepreneur:** Mrs. Rokeya Begum.

**Name of the Project:** Fish farming, hatchery, rental tractor

**Address:** 46, Mujib road, Jessore.

#### **Background and Entrepreneurship:**

Rokeya Begum got married in 1993 with Mr. Abdul Hamid who was a local tractor driver. In that very time Mr. Hamid had no money to register his small land he purchased. In 1998, Mrs. Rokeya took loan of Tk. 5000 from the “Jagoroni Chakra Foundation” and registered the land. It was troublesome to maintain his family with his little income after repaying the loan they took. Despite this hardship, in the next year Rokeya took another loan of Tk. 8000 with which she got electricity access and bought a television. In 2000 she again took Tk. 10000 for poultry farming business. But due to lack of experiences and lack of vaccination her poultry project failed. She didn’t get disheartened, and used her entrepreneurship mindset to set up a new project. In 2001 with the initial amount of loan Tk. 10000 plus her savings of Tk. 30000, she started the new project- fish farming and hatchery. This business was not too easy though. At first, she lost her first cohort of fishes due to lack of experiences to tackle the viral diseases. As a result, her loss accounted to Tk. 30000. But later on she took some remedial measures, and worked hard for that hatchery. She used her recent past experiences to build a successful entrepreneurship. Now her monthly income is Tk. 25000 from the fish farming and hatchery business.

Besides her hatchery business, she also started other income generating activities. She bought tractors and used to rent those to the farmers. Her current asset is now worth Tk. 1 million. In the mean time she spent about Tk. 150000 for own cardiac surgery from India. Though she was advised to get her bypass surgery from India which would take Tk. 300000, she engendered illness since she couldn’t let her business marred. With the help of the other members of the family she runs her business smoothly. She has employed two persons for hatchery, and two persons for tractors on a fulltime basis.

#### **Causes of Success:**

Rokeya Begum was previously envisaging with poultry project, but now she is a name of the successful entrepreneur. She didn’t take loan from the local money lenders rather she borrowed from MFI. The main causes for her success in the hatchery project are attributed to the selecting new project, proper plan and implementation, availability of the MFI loans, integrity, and businessman mindset for the project.

**Result:**

Mrs. Rokeya has worked with integrity by rightly choosing a project, and became a successful entrepreneur.

## Jagoroni Chakra Foundation

### Failure Story

**Name of the Entrepreneur:** Mosmt. Hasina Begum

**Name of the project:** Poultry farm and business of firewood

**Address:** village- Baniially, Barinogor, Jessore.

**Background:**

Hasina begum, the 33<sup>rd</sup> member of the foundations Barinogor branch “Chanpa Mohila Shomiti”, started a small poultry farm with Tk. 5000 microfinance. In the following years she took more loans of Tk. 8000, 12000 and 20000, and made the poultry farm grow and become successful. As a successful poultry farmer she was under microenterprise credit program in March 2005 and took Tk. 50000 loan in the first stage. She invested most of her credit for the poultry farm and used the rest for her husband to setup a firewood business. After repaying her loan regularly that she had owed she took another Tk. 60000 loan on March 2006. Thus she extended her poultry farm and firewood business and was earning about Tk 10000 monthly. But unfortunately, when her family was just becoming solvent, an epidemic destroyed her 300 hen abruptly. Before surviving from this sudden loss, a truck of firewood which was at the riverside was destroyed by heavy rain. After two consecutive disasters they became penniless. They went to rural moneylenders for credit to setup their business again. But their attempt was in vain. They could not repay the high interest of the money lenders. They even could not repay to the foundation. Thus natural calamities & high price loan from the moneylenders forced them to leave the locality at last.

**Causes of Failure:**

- Dearth of knowledge to cope the natural disaster (bird flue, heavy rainfall, river erosion).
- Lack of knowledge of risk management, and cash management.
- Insincerity and inexperience
- Lack of knowledge about poultry diseases.
- Unplanned loan from money lenders and other sources
- Lack of help and training from the MFIs.

**Result:**

The venture became unsuccessful and they had to leave the area. It should be kept in mind that any venture is associated with risk, and if not handled properly, the venture will become unsuccessful.

## Uddipon

### Success Story

**Name of the Entrepreneur:** Anita Rani

**Name of the project:** Specialized sweets (khorma)

**Address:** Vill- Chabna, Upozila- Daulotpur, Dist- Kustia.

#### **Background:**

It's an anecdote of year 2000. Mrs. Anita Rani having five children was living with her husband Mr. Ananda Gosh at Doulatpur in Kustia. They were living in a shack having no sanitation facilities. Her husband couldn't bear the daily needs of the family with his minute income earned from working in a sweetmeat shop. They couldn't send their children to school and couldn't afford their cloths and medicine due to lack of money.

#### **Entrepreneurship:**

But things have been changed. Mrs. Anita Rani is now a successful entrepreneur. After becoming a member of Uddipon and became familiarized with some entrepreneurship projects. She started her own business and found a way of living. At first, she took a loan of Tk. 4000 for making sweetmeat at her own. She started selling the specialized sweetmeat (local name "khorma") with her husband and earned some profit from there. Her enthusiasm reached to the pinnacle. She took several loans from the same institution worth Tk. 70000 and revived her project in a larger scale. Besides, she diversified her business into two sectors – vegetable production and cow rearing. Mrs. Anita set up a sweetmeat store at their local bazaar. She was able to earn the goodwill from the people of the area and become famous in selling quality specialized sweetmeat in that area. Now her financial condition is quite strong and she owns asset of Tk. 6 lakh. Now she has a brick built house and well sanitation facilities. She can send her children to go to the school and can help other people to send their children to school.

#### **Causes of Success:**

The success of Mrs. Anita Rani can be attributed to the production of quality products and the goodwill she achieved by showing her hard work and honesty. There was no adulteration in the sweetmeat. Besides, the availability of loan and previous experience of her husband about sweetmeat production helped her to meet success. She used her loan in the right purpose and worked hard to repay the loan regularly. She was aware of her position in the society.

#### **Result:**

Now Mrs. Anita has found the way to better living. She has driven out her poverty and owns some assets. She can send her children to school now. She has own house and land. Her social status has also been increased.

## Uddipon

### Failure Story

**Name of the Entrepreneur:** Shahinara Begum

**Name of the project:** Mini hatchery

**Address:** village- North Korapur, Barisal

**Background:**

Shahinara Begum is 38 years old and has the education upto the 5<sup>th</sup> grade. She is married and her husband's name is Nur e Alam who is a retired Habildar of Bangladesh Rifles (BDR). She has 4 children – 3 daughters and a son. All of her daughters are married and her son is studying in H.S.C. level. Shahinara Begum joined Uddipon at 12<sup>th</sup> July 2006 in the Binoykathi branch. The name of her association is “Uttor Korapur Sromojibi Mohila Gram Shonghoton”.

At first she took Tk. 20000 credit and invested the same in a model breeder. Her 2<sup>nd</sup> loan was Tk. 25000 and invested it in a mini hatchery. This loan now exists. As this project suffered loss twice, no capital is left.

**Causes of Failure:**

The main reason behind their unsuccessful venture is that they did not have any prior experience. They also did not have any training regarding hatchery. The Hatchery was supervised closely by a staff of Uddipon (LTA). But when the LTA went on a training, Shahinara Begum could not maintain the temperature of the eggs in the incubator. So the eggs were destroyed for the first time. In 15<sup>th</sup> November 2007, because of devastating natural calamities SIDR, the eggs were destroyed again.

**Result:**

These two consecutive losses shut this microenterprise venture completely. For this devastating loss Shahinara Begum lost all her interest in this venture, even though she survived her earlier financial losses.

## WAVE Foundation

### Success Story

**Name of the entrepreneur:** Lipi Begum

**Name of the project:** Making electric circuit for TV, radio and charger light

**Address:** Chuadanga.

**Background:**

Lipi Begum became a member of WAVE foundation in the 17<sup>th</sup> June of 2002. Prior to membership of WAVE foundation, her husband was a hawker who sold circuit. Taking that experience, she started the project of making electric circuit at home with her husband. With help from the WAVE foundation, Lipi started to expand her business. For

running business to the greater extent, she took a house in Chuadanga city and took a loan of Tk. 50000. She keeps four workers with salary of Tk. 1500 for each. Now she earns profit in amount of Tk.15000 monthly and the capital of her business is Tk.500000.

**Causes of Success:**

At present, Lipi Begum has established herself as a successful entrepreneur who is grateful to WAVE foundation for their initial supports to her. Appropriate use of the loan, plan, family’s help, positive social circumstance, quality of the product, market demand, proven quality, experience in the marketing of the product, and good linkage with market helped her to do an outstanding performance in the business. She is selling her product in the factories of Meherpur, Kushtia, and Jessore beside the local market.

**Result:**

Lipi’s business generates employment opportunities for her local unemployed people. Now she has bought ten decimal of land and has built a brick-built house there. Her children are studying in the prominent school and standard of living of her family has been improved. Her social status has also been increased.

**Conclusion:**

Lipi Begum not only created the example for the deprived and unemployed poor but also proved her contribution to the national economy with her productive business.

**WAVE Foundation**

**Failure Story**

**Name of the Entrepreneur:** Md. Yunus Ali

**Name of the project:** Lathe workshop

**Address:** Alamdanga, Chuadanga.

**Background:**

Md. Yunus Ali became a member of WAVE Foundation on 24<sup>th</sup> April, 2002. He started the lathe workshop business with his little capital. But after becoming a member of WAVE Foundation, he took a loan in amount of Tk. 15,000 for expanding his business. Initially, it was running well and he took Tk. 1, 50,000 again from the foundation. There were 8 employees in that workshop and the entrepreneur had Tk. 5, 00,000 business capitals.

**Entrepreneurship:**

Because of some unavoidable circumstances he couldn’t uphold his business later on. There are some reasons behind this. His project was not planned and he was inept in operating the mechanical device. Besides, because of inadequate supply of electricity and lack of business acumen he couldn’t uphold the quality of service. He lost his goodwill and became unsuccessful with his lathe workshop project. Now he has to sack his employees and got his business capital turned to Tk. 100000 only. His monthly income is

Tk. 2000 now. His business is now shrinking day by day. It's a lesson that if a project is unplanned and the loan isn't used properly then it would be difficult to derive profit from it.

**Causes of Failure:** the causes of failure can be attributed to the following factors-

- ✓ Unplanned entrepreneurship.
- ✓ Inept in operating the mechanical device.
- ✓ Lack of skill to maintain business.
- ✓ Inadequate supply of electricity.
- ✓ Unable to uphold the quality of the product.
- ✓ Loss of goodwill.
- ✓ No previous experience.

**Result:**

Though he launched his venture with a good start having 8 working people and handsome amount of capital, he couldn't uphold his fortune. Now he has to sack half of his employee and cut down the business capital. It is a lesson that if the project is unplanned and the loan isn't used properly then it would be difficult to derive profit from it.

### Center for Community Development Assistance (CCDA)

**Success Story**

**Name of the Entrepreneur:** Selina Begum

**Name of the Enterprise:** Akota Bakery and Biscuits Factory

**Address:** Illiotgonj Bazar, Daudkandi, Comilla.

**Background:**

On 20 February, 1997 Selina Begum and her husband Jakir Hossain got the membership no. 10 as a member of 10<sup>th</sup> number at Adampur branch in Birtola 0139 numbered landless woman organization which was run by CCDA. Before Selina Begum became a member of micro credit program, her husband had worked in the other's shop. At first, they took loan of Tk.3000 under micro credit program from CCDA, Adampur branch at 06.06.97. She started her project with loan and saving account in amount of Tk. 55000 which was accumulated by working in other's shop. At that time, she took 3 labors. Selina Begum lived in a hut. She took loan six times that amounted forty thousand taka, for the project under micro credit program and when the business was accelerated day by day, she took loan first time in amount of 2000 at the date of 30.03.2003. She took the amount of 2,00,000 taka 7<sup>th</sup> time for this project that is running till the date. In this way she took loan for this project in amount of 4, 85,000 taka from CCDA.

**Causes of Success:**

Both Selina Begum and her husband are industrious and involved in this project. Every time they take loan and invest in the project. They try to provide healthy food and monthly salary, allowance to the labor regularly. Mrs. Selina makes food for labor and look after the financial side of the project. Her husband has some previous experiences

about this project and tries to maintain good relationship with the employees. For this reason their business grows up day by day.

**Result:**

Now in Akota Bekery, there are one manager and 32 labors. Total investment is about Tk.17 lakh to 18 lakh and the daily transaction is Tk. 80000 to 100000 approximately. They provide the labors Tk. 65000, excluding the meal cost, as for salary. This project uses 8 peddle vans and 2 motor vans for delivery. She has to pay 80000 taka per year for rent. She wants to make a shop on her own land. Mrs. Selina purchased a piece of land with the amount of 4 lakh, which is now worth 10 lakh. She raised a building and started living with her child, husband, father and mother in law. She set up a sanitary latrine and a tube well. Her net profit is 40/45 thousand taka per month. She has 2 sons and a daughter. Her elder son reads in class five and the younger one reads in madrasa. Her daughter reads in class three.

**Conclusion:**

Selina Begum’s project is growing very rapidly because many people are employed here. She is very happy in her personal life. Her husband also takes step to make a shop on their own land. Selina Begum said that, “If a person is industrious, then s/he makes her /his life changeable”.

**Centre for Community Development Assistance (CCDA)**

**Failure Story**

**Name of the Entrepreneur:** Mrs. Peyara Begum

**Name of the project:** Fish farming.

**Address:** Kaladumur, Muradnagar, Comilla.

**Background:**

Mrs. Peyara Begum with her husband Mr. Razzaque Miya was living at Muradnagar in Comilla. Her husband worked in a restaurant. But he changed his profession and became an entrepreneur of fish farming.

**Entrepreneurship:**

In 2003, Mrs. Peyara Begum became a member of the CCDA (Centre for Community Development Assistance)-Adampur Branch and took a loan of Tk. 5000 for fish farming for the first time. Beside her own pond, she leased another pond and started fish farming. Initially they had a good start with 7/8 employees but due to lack of experience and proper knowledge about the project they couldn’t become successful with the fish farming project. The total amount of the loan she took from CCDA is Tk. 72,000 and currently her loan outstanding is Tk.30, 000.

### **Causes of Failure:**

The causes of failure can be ascribed to the following factors- lack of previous experience and lack of formal training about the project. They couldn't estimate the amount of fish-feeding. Moreover, the loan amount was not used fully in that particular project. She used to lend her loan to others with higher interest rate but failed to retrieve money from them. Even their relatives did not repay their loan to her. She had a lack of skill to maintain business and for which MFIs made the others reluctant to provide any more loans to her.

### **Result:**

Now Mrs. Peyara Begum is living from hand to mouth and her husband is sick for several months. They have no money ever for his treatment. Instead of investing money to fish farming, she used her loan for lending others. She now realizes that she made a great mistake. She now says if the loan is not used for the stated purpose properly, then it might not be possible to attain benefit.

## **Dustho Shastho Kendro (DSK)**

### **Success Story**

**Name of the Entrepreneur:** Mrs. Razia Sultana

**Name of the project:** Unipole paper converter

**Address:** Tejgaon, Dhaka.

### **Background:**

Family of Razia Sultana comprises with her husband Harun Ar Rashid and three children. After marriage, she had the intention to do something but her husband discouraged her strive because of social criticism. It was very arduous for her husband to maintain the family expenditures including the educational expenses of the three children.

### **Entrepreneurship:**

In the pursuit of meeting the demands, Mrs. Rajia started handicraft works at her home. Alike the other neighbors, she became a member of Dustho Shastho Kendro (DSK) in 2000 at Nakhalpara of Tejgaon. At the first stage, she took a loan of Tk. 3000 to buy a sewing machine. With this, she began stepping forward to earn the livelihood in a better way. After doing the daily household activities, she used to take orders from the neighbors and started earning extra money. After some period, she gathered some fallow women and trained them on tailoring.

Meanwhile, she took another loan of Tk. 25000 to make paper roll used for fax machine. In 2003, she took 15 days training on "Business Management and Accounting" organized by the DSK in association with ILO. Gradually, she took the loans of Tk.3000, Tk.50000 and Tk.10000 for her husband's paper roll business beside her own handicraft business and locally established herself as a successful entrepreneur. In 2005, at the sixth stage, she took a loan of Tk. 200000 to buy a paper roll cutting machine. Showing more success in increasing the capital, she took a loan of Tk. 300000. Now the project has 8 full time

workers whose monthly gross salary is Tk. 20000. The project has a capital of Tk.1000000 currently and the name of the project is Unipole Paper Converter.

**Cause of Success:**

In Dhaka city, the need for rolling paper has increased due to expansion of banks, shopping malls, hospitals, mobile customer service centers and departmental stores. She tried to grab these opportunities to improve her financial condition with taking loan from DSK. She planned and managed her business properly. Honesty helped her to achieve faith of the customers which acted as an advertisement for her business. Her children are now established in their respective areas.

### Dustho Shastho Kendro (DSK)

**Failure Story**

**Name of the entrepreneur:** Mr. Ali Akbar.

**Name of the project:** Handloom manufacturing at Benarashi Palli.

**Address:** Pollabi, Dhaka.

**Background:**

Ali Akbar of Bikrampur came to Dhaka in his young age due to hardship in village and took a job of dish washing in an aluminum shop at Mirpur. This was a hazardous job for him at a weekly wage of Tk. 200. As the acid used for washing eroded his legs, he left the job. Then he took job in the Benarashi Palli of Mirpur. The experience that he achieved by working for a long 16 years wished to apply for his own business. With this hope, he set up a factory using three handloom machines and 14 labors. He took money from the local money lender as required for the current capital, where the interest rate was very high. He became a member of DSK in 11<sup>th</sup> October of 2004 being informed by the neighbors. DSK provided an ILO based training to him and in the first stage provided him a loan of Tk. 100000. For the first seven months, Ali Akbar paid the installment of the loan regularly but later he failed to pay that installment regularly. At present, he has a due of Tk. 57324. His wife took a loan from another NGO for doing cloth business and they are living from hand to mouth. After giving marriage of the daughter, he became poorer.

**Causes of Failure:**

In 2005, the imported silk yarn from China was black-marketed to India. This led to the shortage of silk yarn in our country that increased the price. Besides, the import price of the inputs from India also increased the production cost of Benarashi. The cost of production of Benarashi sari increased which couldn't compete with the Indian Benarashi sari. Due to high price, the demand for Bangladeshi Benarashi fell and many factories were shut down. Ali Akbar is one of them. The effort of Ali Akbar was beyond any question and the open economy lead the failure of his business. Proper interventions in the open market economy are required to keep an investor like Ali Akbar in track. Besides, Ali Akbar and other entrepreneurs invested their money to the plastic industry and became unsuccessful.

**Result:**

The people like Ali Akbar want to reopen their business with new investment but it is a question how successful they would be in future in this emerging competition.

## Society for Social Service (SSS)

### Success Story

**Name of the entrepreneur:** Kashmira Khatun

**Name of the project:** Hand loom Saree

**Address:** village: Tenguria, Kalihati, Tangail

**Background:**

Kashmira Khatun was not an exception of the poor people. Nevertheless, she took an initiative to change her fortune and dreamt of a happy family. Her wish turned into reality after long days of hard work and perseverance. In 1980, at the age of 13, she got married with Montu Mia of the same village. Her husband worked in the handloom of other's house. Her husband family members neglected his job. As her husband's income was very negligible compared to the demand of the joint family. Decision was taken to send him abroad. But financial crisis became the obstacle. By borrowing money from different sources and relatives, they sent her husband abroad. Montu Mia sent money to the account of his elder brother Yeasin Mia. Yeasin Mia provided her only Tk.500 monthly. Her husband repaid the loan by three years and came home two times. Montu Mia sent almost six lakh and fifty thousands taka in that five years period. In that period the father-in-law and mother-in-law of Kashmira died. Kashmira became mother of one son and two daughters. By this time Yeasin Mia started a lath machine factory in the local Balla bazaar costing Tk.120000.

Her husband came back to home after he had become ill. Returning home, he demanded the money from his elder brother and his elder brother started to show excuses. Due to the delinquency in repayment, he started working in the lathe factory. After working for six months Montu Mia realized that he was in a trap as the factory belonged to other person due to the loan of his elder brother. He asked for justice to the respected people of his area. But nobody gave him any solution for the case. Kashmir's husband became ill from this shock and her family didn't have money to finance of Montu's treatment. There was no emergency treatment capability in the local area. At one stage her husband became mentally ill. Kashmira Khatun could see only darkness around her. It became impossible for her to fulfill the needs of her family members. Even she attempted suicide once but fortunately was safe.

With the help of his brothers, she hospitalized her husband at Dhaka Medical College Hospital. He got cured after a treatment of six months.

**Entrepreneurship:**

In this time of gloominess, she tried to collect money from different places and got introduced with the field organizer of SSS. The field organizer advised her to become a

member of SSS. Notably, at the time of her husband’s illness, her son Kamrul went to her father’s family and learned working with handloom. Kashmirira herself was engaged with handloom before her marriage. After becoming a member of SSS, she got a loan of TK 2000 after her continuous savings in the organization. To use the experience on handloom, she set up a handloom of her father to make saree. With the help from her brother, she converted the handloom into a successful venture. She earned a profit of Tk1250 each week. She saved a major part of the profit and by this way she increased her capital for the business.

She took training on manufacturing handloomed saree, leadership development, and social development from SSS. She became an expert in making Zamdani saree from cotton saree. In second and third stage she took a loan of TK. 4000 and TK. 6000 respectively and added four more machines in the factory. She engaged her family members with the business and started profiting. Observing the success and honesty of Kashmirira Khatun, SSS provided her Tk.10000 at fourth stage. She built a tin house on three decimals of land that she got from her father-in-law and transferred the handloom there from his father’s house. She started to save more in the SSS to expand her business and at one stage, her savings became Tk.23081. She took a loan of Tk.120000 at the tenth stage. Now Kashmirira Khatun is known as a successful entrepreneur in the locality and everybody takes advice from her how to involve them with this occupation.

Solvency came back to her family and she had 24 men and 10 women working in her business. She pays a total of Tk.80000 monthly to the worker as salary. Now Kashmirira is a prominent entrepreneur in her locality. She earns a yearly profit of around Tk.384000.



*Kashmirira Khatun with her product – saree (left) and she is working in her workplace (right)*

**Causes of Success:**

Hard labor, integrity and perseverance led Kashmira Khatun to succeed in the entrepreneurship.

**Result of her Success:**

Many people of his neighborhood got inspired from her project and became associated with the handloom business. Kashmira's handloom has created job opportunities for 34 people who had no work at all. One of her workers is taking preparation to go abroad using the savings from her wage earned in the handloom project.

**Conclusion:**

Kashmira has defeated the poverty and set herself as a distinguished person in her society. She is interest to expand has handloom business to jacket making factory where a lot of people will get a job. Any of her steps will add real terms to the national economy. She set example for the distressed women of our country to change the pattern of life by involving in income generating activities. She believes that the NGOs like SSS will always come forward to help the backbenchers in terms of economic position.

## Society for Social Service (SSS)

**Failure Story**

**Name of the entrepreneur:** Mrs. Monoyara Begum

**Name of the project:** Showpiece and other stuff

**Address:** Enayetpur, Tangail.

**Background:**

Monoyara Begum did an excellent task by using the household garbage into products. She combined merit and patience. She had also great confidence. She got success as an entrepreneur by combining art with common products.

Her home is at Enayetpur of Tangail district. She read up to class eight. Her husband is a guard of a local cinema hall. She has two daughters and one son. All are married. Previously her husband was a jute mill worker. After working 10 years he was fired from the mill. They had few assets in Tangail proper area but government acquired the assets. Their hardship knew no bound. By this time, Monoyara Begum observed the gradually improving poor neighboring women. She found that they were the members of Society for Social Service (SSS). Monoyara became a member of SSS association in 1994.

**Entrepreneurship:**

Monoyara Begum took a training from BRDB. There, she knew from the foreigners that it is possible to make a lot of things from the coconut shell. She felt encouraged from this and the cost was not beyond her level. It required two or three machines but Monoyara didn't have the money to buy those machines. By the mean time, she had some savings in the SSS. So she took a loan of Tk. 3000 to buy a sewing machine. She started taking orders from the village people. She could hardly manage her livelihood with doing this.

Second time, she took a loan of Tk. 6000 to buy a drill machine and the coconut shells. She could make 1000 buttons with those. This work was not enough for her for easy living. Her project required bamboo, wood, alpine, color, burnish, sew, cotton, dyes and detergent etc. to run it smoothly. She arranged all these and made a variety of things like show-piece, button, frame for natural sceneries, key ring, and clip. Six full-time workers worked there whose monthly salary were Tk. 6000.

Third time, she took Tk.10000 to buy raw materials to continue the business. She sold her products to different districts at wholesale rate. In fourth stage, she took another loan of Tk.12000. In fifth stage, she took a loan of Tk. 15000 to buy another drill machine. In sixth stage, Tk. 20000 was drawn to buy a cow. But due to family need she sold the cow. As for her 7<sup>th</sup> loan, she took Tk. 40000 to buy a large drill machine and furniture. In her 8<sup>th</sup> step, she drew Tk. 50000 and invested in her venture. In her 9<sup>th</sup> step, she took Tk. 60000 to buy other machineries and raw materials. She took her 10<sup>th</sup> loan for purchasing a land.

During this time her monthly profit was of Tk.10000 from the business. But later on the demand of her product had fallen and business turned to the downward. As she was also continuing her tailoring she had some earnings for living. She ran this showpiece business in 14 years long and she was awarded with “Award of BRDB” in 2003 and National Award of Islamic Bank 2006. But it was a catastrophic downturn that took place later on.



*In the picture Monoyara Begum is producing show pieces with the machine.*

**Causes of Failure:**

One of her clients imitated the products she made using the same concept and better machineries in Rajshahi. Now the flow of the business turned down. The orders of the product mostly were going to the new producer as the qualities of the products were much better than those of Monoyara. Monoyara was trying to improve her situation. She didn't want to be defeated. She investigated about the machine and took initiatives to restart the business with full motion. Her son was engaged with an electric shop using the

profit from the business. But because of dearth of experience the shop couldn't stay as a profitable business.

**Result:**

Manwara's business needs a lot of capital for smooth functioning. She thinks that if she could get Tk.100000 she could produce high quality products and export them abroad. She wishes to take training to improve the quality of her product and SSS also is expected to help her to do so.

### Somaj O Jati Gothon (SOJAG)

**Success Story**

**Name of the entrepreneur:** Md. Fazlul Haque

**Name of the project:** Sweetmeat making.

**Address:** Ashulia, Savar, Dhaka.

**Entrepreneurship:**

Md. Fazlul Haque (38) took a loan of Tk.2000 from SOJAG to start sweet manufacturing business in 1996. He had previous experience in sweetmeat production that encouraged him for taking the project. He took training on production and marketing aspects of a businessman. This training helped him gaining success in the project. Now his capital is Tk.300000 and his accumulated asset is of Tk.400000. He is leading a solvent life and established himself as a successful businessman in the society.

**Causes of Success:**

The main reason of his success was his previous experience on the sweetmeat business and also further training improved his quality of production.

### Somaj O Jati Gothon (SOJAG)

**Failure story**

**Name of the entrepreneur:** Mrs. Nargis Aktar

**Name of the project:** Copper and aluminum stuff

**Address:** Daspara, Kaliyakur.

**Entrepreneurship:**

Mrs. Nargis took a loan of Tk.3000 from (SOJAG) in 1996 to make utensils of Copper and Aluminum. She didn't achieve success in the business because she didn't have any previous experience on the cookerries and handed over the management responsibilities to other person.

**Causes of Failure:**

Having no previous experience, she started a difficult venture and she was unable to render good service to her venture. Moreover, she left the management to another person. This seems to be a sign of irresponsibility for the development of a new enterprise.

**Result:**

She gave up her business, took a job, and now living very miserably.

**Rural Reconstruction Foundation (RRF)**

**Success Story**

**Name of the entrepreneur:** Md. Anwarul Islam

**Name of the project:** Ice-cream sticks and spoon

**Address:** Godhkhali, Jhikor Gacha, Jessore.

**Background:**

Anwarul Islam who passed up to 8 grades lives in joint family of 7 people. His father was a farmer. Anwarul used to sale ice-cream stick to the local ice-cream factories. But that is the anecdote of 1978-79. He was a little neglected person in the society. But he wanted to change this situation. He wanted to see the same business in a more sophisticated way. In 1990 he went to India and saw that people were making the ice-cream stick with machine. He couldn't believe that. He just planned a new venture. He planned to do the same business but now with machine. He got back home, and started the work. Initial problem was the fund but RRF made the fund available to him. At first, he purchased the machine with his own money which was Tk.10000, selling a tree from his yard.

**Entrepreneurship:**

He took a full idea about making ice-cream sticks and spoon from India. Working very hard, he set up the factory and named it as "Bhai Bhai Products".



*In his own production plant Mr. Anwarul and his mother are processing the materials for ice-cream stick production.*

He proved that any dream can be transformed into reality with the combination of talent, labor and honesty. RRF continuously supported Anwar to make his business a successful one. They provided him loan of Tk.10000.Tk.15000, Tk.20000, Tk.25000, Tk.30000, and Tk.70000 in different installment. Today not only Anwar’s family but also the depressed poor people find a way to living by working in his factory.

**Previous and Present Capital:**

In 1990, Anwar’s capital was only Tk.10000. Now his investment is of Tk.1200000.His personal investment is Tk.1130000 & rest of the money was invest by taking loans from RRF. He maintains a tally book for his daily expenditure and income. In the absence of Anwar, his family members maintain the tally book. The income and profit of the last three year is shown below:

Year	Income	expenditure	Profit	Comment
2007	950000	380000	570000	80% of expenditure of the project is paid as salary to the poor woman labor and it is the main income source for these poor women.
2006	800000	300000	500000	
2005	600000	250000	350000	

**Employment Generation:**

In the initial period, 10 workers including three family members worked to make ice-cream stick. Now fifteen workers and 170 families of the village Sadir Ali are involved with this factory. The women of the village are basically related to stick packaging. There Sticks are packaged using two brand packages- Chalkbar stick and polar ice-cream stick. For each packajing 1000 Chalkbar ice-cream a woman gets 1 taka and for each 25 polar ice-cream it is 2 taka.



*Women are packaging the ice-cream stick*

**Ice-cream sticks Processing, Marketing and Preservation System:**

To make ice-cream stick, wood of Pitult (local name) tree is needed which is locally very much available. Sticks can be produced very quickly. The production and marketing process can be divided into 5 steps.

- Stage 1: Separating log wood from the Pitult and prepare the paper wood.
- Stage 2: To make certain size of stick and spoon from the paper wood using dice.
- Stage 3: Give finishing to produced stick and spoon.
- Stage 4: Packaging the finished stick and spoon.
- Stage 5: Marketing of the products.

At present, 4 lakh sticks are produced each day. It has a huge demand in the market. Economies of scale are observed in this market. The product is not easily rotten. So it can be preserved for long time in a small place without any extra cost. So the profit from the product is very high.

**Causes of Success of the Project:**

- Easy availability of raw materials is collected from the nature.
- It can be produced very quickly.
- Production method is very easy and products are not perishable.
- Market demand is very high and marketing procedure followed here is fine.
- It generates income and helps increasing the income of the poor.
- The product is environment friendly.



*Mr. Anwarul is taking the “Citi Microentrepreneurship Award 2007” from Honorable Finance Adviser Dr. AB Mirza Md. Azizul Islam (left); The ED of RRF Mr. Philip Biswas and Deputy Director Mrs. Pinku Rita are congratulating him on his grand success. (Right)*

### Result from the Success of the Project:

- Anwarul Islam has gotten the “Citi Microentrepreneurship Award 2007” as the best creative micro entrepreneur, and a total of Tk. 300000.
- His present asset is valued at Tk. 1600000.(Permanent assets- 5 machines, 2 bigha land, and other household stuffs)
- Employment has been generated for the 170 poor women who can work in their own house after finishing their daily activities and earn 70-80 taka.
- The school going children can earn money in their free time.
- The ice cream sticks are exported abroad.
- It contributes to the national economy by creating income opportunities for the poor.

### Conclusion:

At present, the ice-cream industry has earned popularity. This industry has demand in abroad too. A key element of ice-cream industry is to provide stick or spoon with the ice-cream. In our country, there is huge potential to make these sticks but because of lack of entrepreneurship, the industry didn't expand. But young entrepreneurs like Anwarul didn't lag behind. He materialized the work with the technology using his integrity and hard work. He set out his venture with the traditional scissors and bamboo but now he uses machines. These produced goods are being sent to Dhaka's market. This industry employs a lot of poor housewives in the production and marketing section. These products are environment-friendly compared to the plastic products, and it has created a demand in local and international market. Because of the availability of the raw materials this industry can contribute to the local and international market and can earn foreign currencies.

## Rural Reconstruction Foundation (RRF)

### Failure Story

**Name of the entrepreneur:** Md. Shahidul Islam

**Name of the project:** Poultry Business

**Address:** Topshidanga, Jessore.

### Description:

Shahidul Islam was a rice businessman. He lived in Jessore with his family including 2 sons and one daughter. He thought that poultry business was more profitable and that is why he started business on his own land in January 2002 with 100 chickens. After 4 months, he got profit amounting to Tk. 2250. He wanted to expand his business. For this reason, he took a loan from Rural Reconstruction Foundation at an amount of Tk. 5000 as rural microcredit. He expanded his business to 200 chickens and got net profit Tk. 5000 after 3 months. Later on, he took loan 3 times, Tk. 8000, 12000, 20000 respectively. Last time he took loan and built up 3 farms with 400 chickens. In his fifth time loan, he took Tk. 40000. Then the number of chicken reached to 1000.

But after two months, his first farm was affected by virus. He lost his 493 chickens in one day. He looked for help to the Polli Somobaye Shamity on this problem and took steps for vaccination program. But unfortunately he couldn't save his farm. Next night again 397 chickens were affected and died. That time he couldn't find out any solution. He also talked with the manager of RRF who gave him some advices about poultry. But he failed to follow advices. He again took loan about Tk. 30000 from another 3 NGOs consulting with his relatives to buy chicken again. But success did not appear. He failed to repay the loan timely and became indebted. Day by day he became very poor and he would remain absent in his home most of the time. The farm is empty now. And the total outstanding of Mr. Shahidul is now Tk. 17000.

#### **Past and Present Investment:**

He started his business in 2002 with Tk. 20000. He had Tk 15000 of his own in the total investment and took Tk. 5000 as loan. Now he has no investment. His investment status is given below.

Year	Income	Expenditure	Net Profit	Comment
2004	46000	41000	5000	He got profit from 2004 to 2005 but after 2006 his loss was Tk. 39500.
2005	48000	45000	3000	
2006	5500	45000	-39500	

#### **Employment:**

At first, he worked with his own family member. Then in 2005, he took 9 labors. But when he met failure there was no employment in his farm.

#### **Reason for Failure:**

- ❖ No pervious experience about poultry rearing.
- ❖ No subsidy from govt. for vaccination.
- ❖ Multiple loan from different institutions and using loan for other purposes.
- ❖ Problem in place choosing
- ❖ Buying feed at high price & incapable to preserve those feed.
- ❖ Lack of experience about vaccination.
- ❖ Lack of experience about the marketing process.
- ❖ Transportation cost incurred by him was very high.
- ❖ Labor cost was very high.

#### **Results:**

- ❖ There is no chicken in farm.
- ❖ He has no money to invest.
- ❖ He works now in a wood factory.
- ❖ Other people are not getting interest about poultry rearing.

#### **Conclusion:**

He could get success as other successful businessman. Today his destitute family is living from hand to mouth. The main reason is that he couldn't maintain his business in a proper

way, albeit availability of necessary environment to become a successful entrepreneur. It is indeed necessary to have some prior knowledge about the project the entrepreneur is going to start. He had lack of experience and he was not concerned about the potential problems. Although the media was playing a major role in disseminating the information regarding the poultry sector and necessary steps, Mr. Shahidul was not conscious to follow the instructions. It is required to have patience and integrity to be tackling any weird situation. But he was dishonest and took many loans from multiple organizations. Now he has nothing left in his farm.

## RDRS Bangladesh

### Success Story

**Name of the entrepreneur:** Md. Reazul Islam Molla

**Name of the project:** Hardware and shallow parts

**Address:** Bolloverkhash, Nagesshori, Kurigram.

#### **The Background:**

Md. Reazul Islam, a day labor, could hardly manage food for his family everyday. RDRS took initiative to change the life pattern of Mr. Reaz by giving him a loan of Tk.5000. He became the member of RDRS in 2000. He started business with personal capital of Tk.10000. With the total Tk.15000, he opened a shop of cycle and rickshaw accessories. After paying the loan of 1st round he took loan of Tk.80000, Tk.12000, and Tk.19000 in the next few rounds to expand his shop.

In 2005 Reaz converted his shop into hardware and shallow parts business by taking loan of Tk.40000 from micro entrepreneurship program of RDRS. In second and third round, he took loan of Tk.70000 and Tk.100000 respectively. Now his capital for the business is Tk.300000 and two workers are employed.

#### **Causes of Success:**

Honesty, strong willingness, hard work, experience and support from RDRS helped him to gain success in his business.

#### **Result:**

*Economic change:* Beside expanding business, he built two houses of tin and bought two bighas of land. He also has a cow and two calves.

*Social change:* His social position has changed. As a result he has been elected as a member of Gabtali market businessman association. A lot of local people are encouraged by his success and they also showed their interest in improving their living standard by taking microenterprise loan.

**Conclusion:**

Mr. Reaz proved that it is possible to change the misery to happiness by hard working and honesty. Microenterprise loan helps to fulfill the dream of the poor.

## BEES

### Success Story

**Name of the entrepreneur:** Mrs. Bakul Rani

**Name of the project:** Blacksmithing and marketing their product

**Address:** Gazipur.

**Background:**

Mrs. Bakul Rani was living in Gazipur with her husband who was a traditional blacksmith and used to peddle their products. Initially their condition was not good and their family was living from hand to mouth.

**Entrepreneurship:**

But after becoming a member of BEES, and taking loan from the institution they could change their fate, and became a successful entrepreneur. At first, they took a loan of Tk. 20000 and expanded their venture. Later in different stages, they took loan at a gross amount of Tk. 125000 and invested the whole money in the business. They have currently 16 employees, and their daily sale is Tk. 35000. They market their own products and have a strong good will in the market. The main cause of success is that they had previous experience on this job. They were very hard working and honest. The raw material was also available for this business. All these things made the project a successful one.

**Result:**

In their business they have employed 16 employees now and their business capital is increased. They have already purchased a flat in the city too.

## BEES

### Failure Story

**Name of the entrepreneur:** Mr. Kuddus Ali

**Name of the project:** Poultry

**Background:**

Mr. Kuddus Ali who is a member of BEES took a loan Tk. 6000 for poultry farm purpose in 1994. Since then, he was running his business well. He had 3500 chicken in his farm. But because of bird flue, all of his chickens were buried by the local government. He didn't get any help from anyone to recovery. Again he took another loan but didn't invest in the poultry project. Now he runs a garage. But as he has no experience in this project the business is not going well.

**Result:**

Natural disaster (Bird flue) and no other income sources were the main causes for being unsuccessful.

## SKS

### Success Story

**Name of the entrepreneur:** Mrs. Hasna Begum

**Name of the project:** Grocery shop at local bazaar.

**Address:** Fulchori, Gaibandha

**Background:**

Mrs. Hasna Begum who was an active entrepreneur could throw the challenge to bring the new ways of surviving. She was poor but the entrepreneurship loan changed her life. In 1997, she set up a grocery shop at local bazaar. She took loan of Tk. 5000 and expanded her business. As time passed she continued to take loan from the SKS and invested more in her business. In different times she took loan up to Tk. 225000. She employed 3 workers for her shop to maintain the business. In the mean time she got training on disaster management and managing capital which invigorated her enthusiasm and businessman mindset. Now she can regularly repay her loan and run samiti at her own. Many women are involved in that samiti like her and take advices from her. The fallow women around her are becoming interested to do something like Mrs. Hasna.

**Result:**

Her training and monitoring the works brought her success. She is now well off and became a leader of the women samiti.

## SKS

### Failure Story

**Name of the entrepreneur:** Mrs. Kulsum Begum

**Name of the project:** Rice grinding

**Background:**

Mrs. Kulsum Begum was living in a Char. She used to grind rice and winnow the chaffs from the grain. She took a loan in 2003 and brought a machine for grinding. But because of flood, she couldn't move with her machine and became unemployed. Her machine is of no use now. Thus she can't repay her loan. She had no other earning source without this. Inevitably, she had to finance her loan from different sources and became more vulnerable in lean period. Again she didn't have any previous experience and no training how to make plan for the project. So she failed.

**Result:**

Because of flood her business became marred. She is now looking for works.

## Coast Trust

### Success Story

**Name of the entrepreneur:** Mrs. Pervin Begum  
**Name of the project:** Poultry and fish farming  
**Address:** Bhola.

**Background:**

Mrs. Pervin Begum and her husband Mr. Harun were living in Bhola district. After becoming a member of Coast Trust, they took a loan of Tk. 50000 in different installments to expand their poultry farm and made the business profitable. They have now employed 4 workers in their farm and they have more than 500 chickens in their farm. Besides, they have also leased a pond and cultivate fish there.

**Result:**

Their integrity, hard work, and well diversified business portfolio made them successful. They are also lucky enough that the natural disaster (bird flue) didn't affect her business much. They have no loan outstanding and they fully repaid their loan regularly.

## Coast Trust

### Failure Story

**Name of the entrepreneur:** Mrs. Rehana Begum  
**Name of the project:** Fishing

**Background:**

Rehana Begum and her husband were associated with the fishing business, the most common job of the coastal areas. Mrs. Rehana took a loan of Tk. 90000 from Coast Trust and bought a boat for fishing. But because of enticement of the fraud and other shrewd people she lost her boat and became indebted. She wasn't experienced enough to tackle the situation. She couldn't understand that she could be deceived by other persons.

**Result:**

Rehana and her husband have loan outstanding and can't repay their loan. Their avariciousness and unconscious steps made them failure in the venture.

## RIC

### Success Story

**Name of the entrepreneur:** Mr. Sadekul Islam  
**Name of the project:** Bakery and Biscuit factory

**Background:**

Becoming a member of RIC, Mr. Sadekul Islam started a Bakery and Biscuit factory in his area. At first it was a tiny project producing in small scale. But as the income of the factory increased, he took several loans from the institution to expand his business, and started to produce in a larger scale. Currently there is no problem to repay the loan. His profit level also has been increasing day by day. The causes of success can be attributed to his proper use of loan and businessman mindset. He worked hard and gained his return.

**Result:**

Mr. Sadekul Islam is now happy for being a successful businessman in this area and he believes that only hard work can bring success for anyone.

## RIC

### Failure Story

**Name of the project:** Poultry.

**Result:**

This failure story that was presented was a poultry farm where the natural disaster – the bird flue caused huge damage on the farm and the farm became unsuccessful at last.

## CDIP

### Success Story

**Name of the entrepreneur:** Mrs. Phulbashi Rani Das

**Name of the project:** Hatchery

**Address:** Brahman Baria.

**Background:**

Phulbashi Rani Das got married in her early age and fell in penury. Her husband was vagrant and didn't have any work. It is she who had to manage food for her family. She used to produce the puffed rice and sold it door to door. But the business was not much profitable. She was hard-working enough to take new initiative and started another business. She became a member of CDIP, and took a loan of Tk. 2000 at first. With this money, she bought brood fish and cultivate in the hatchery. She also bought food for the fishes with that remaining amount. She was then selling the brood fish after cultivating in her hatchery. Her monthly income became Tk. 20000. Later she invested more of her money again in her hatchery, and invigorated the venture. She made the feed for the fish herself and also sold this feed to the fish farmer. There is a belief that if the fish farmers buy feed from her, then their fish will grow faster. So she has developed strong goodwill and a big market for her product.

**Result:**

Now she has 4 ponds and 4 fulltime employees with the hatchery project. Her capital is now Tk. 300000. The causes of success are attributed to her integrity and hard work for the project. Her businessman mindset and proper monitoring of the project, and doing the necessary activities for the hatchery are responsible for the success of the project.

## CDIP

**Failure story**

**Name of the entrepreneur:** Mrs. Shahnaz Begum

**Name of the project:** insulated coil for diary, notebook, calendar

**Address:** Shonargaon, Narayangonj.

**Background:**

Shahnaz Begum took a loan of Tk. 10000 from CDIP to buy a cow. But her husband, who was working in a factory where the insulated coil for diary, notebook, and calendar were produced, used that amount in his own production plant. At first the business was good. Then he again took another loan of Tk. 40000. But later on the price of the raw materials went up and the business could increase its pride no longer. Then he had to sack some of his employees and he started to look for another project. He then started a business beside the museum palace to earn easy money. In fact he didn't have integrity and businessman mindset to do any business carefully.

**Result:**

High price of the raw materials, lack of businessman mindset, avariciousness for easy money and leaving the existing business without struggle made him unsuccessful.

## Shakti Foundation

**Success story**

**Name of the entrepreneur:** Mrs. Shabana Begum

**Name of the project:** Clip and coat-hanger

**Background:**

Shabana Begum became a member of Shakti Foundation in 2000. Her husband's income was insufficient to run the family. Then she took a loan of Tk. 3000 to support her husband in his plastic hanger production. At first, they bought a machine and increased the production. Later on, she purchased another 17 machines for the production process with the successive loan from the institution. Their income went up and they could repay their loan regularly. Now in her production, many fallow youth got their jobs. Her monthly income is Tk.30000 now. She has no loan outstanding. Her husband got training on risk management, and managing the capital. He had previous experience too.

**Result:**

The causes of success can be attributed to his training for the project and risk management, proper monitoring and hardworking and ease in marketing the product. Moreover, he could use the loan properly and always monitored his business carefully. So he is now in very good position. Now they have no problem in purchasing the daily necessities and they are happy.

## Shakti Foundation

### Failure Story

**Name of the entrepreneur:** Mrs. Sima  
**Name of the project:** Making baby wear

**Background:**

Mrs. Sima whose husband was a lazy garment worker, used to make baby dress in her locality. She gathered the fallow women in her locality, trained them and gave them jobs in making baby dress. But her avaricious husband created pressure on her to send him abroad and forced her to manage the required money. Mrs. Sima who was earning a handsome amount of money by producing the baby wear became helpless and took loan from different institution to send her husband to abroad. After sending her husband successfully her younger bother also started to create pressure to send him abroad. In the mean time Sima's husband didn't keep in touch with her and didn't send any money. On the other hand, Sima became indebted to the loan providers, and they have been creating pressure on Sima to repay the loan.

**Result:**

Now Sima is helpless. She can't repay the loan in time. She had nothing to do with the situation as the control wasn't in her hand. In this way, an entrepreneur like Sima became defaulter.

## ESDO

### Success story

**Name of the Entrepreneur:** Mr. Abar Uddin  
**Name of the project:** Mustard oil production  
**Address:** Goyalpara, Thakurgaon.

**Background:**

Mr. Abar Uddin was living in Goyalpara village at Thakurgaon. After the death of his father, he had to take the responsibility of his family at early boyhood. They were very poor living from hand to mouth. Abar Uddin wasn't finding any way to run the family. He started his first strive by selling mustard oil in the retail market. He used to peddle it from village to village. But he was honest and punctual. In a very short period of time, he

became popular to the villagers. His income started to increase. Then he wanted to set up his own farm to produce mustard oil.

**Entrepreneurship:**

In that time, Mr. Abar uddin came to the contact of a field worker of ESDO. They helped him in getting membership and taking the loan. At first, he took a loan of Tk. 4000. Later on, he took total amount of Tk. 2019000 in 14 different stages.

The stages are:

Different stages	Loan amount (Tk.)
1 <sup>st</sup> stage	4000
2 <sup>nd</sup> stage	6000
3 <sup>rd</sup> stage	15000
4 <sup>th</sup> stage	19000
5 <sup>th</sup> stage	25000
6 <sup>th</sup> stage	50000
7 <sup>th</sup> stage	100000
8 <sup>th</sup> stage	150000
9 <sup>th</sup> stage	200000
10 <sup>th</sup> stage	250000
11 <sup>th</sup> stage	300000
12 <sup>th</sup> stage	300000
13 <sup>th</sup> stage	300000
14 <sup>th</sup> stage	300000

At first Abar Uddin bought one machine and started to grind the mustard. His produced oil was sold both in wholesale and retail market. From then he didn't need to look back. His income started to invigorate and profit was lucrative. Later on, he bought another 4 machines for oil production.

The quality of oil from his industry is appreciating and in a very short span of time it could attain the faith of the local people. His name and fame then spread over the districts and his sales also increased. Then Abar Uddin started to market the other necessary spices.

**Causes of Success:**

The causes of success can be attributed to his integrity and businessman mindset. Though he is illiterate but his sense of forecasting is good. Before launching the machines, he always talked with the wholesale buyers about their demand, how much they want. Then he made an estimate and planned to go for production. Again the ESDO workers also helped him giving advices and loan. ESDO gave him a handsome amount of money 3 times which obviously helped him to enlarge the production process. He was honest and didn't adulterate the oil at any cost. The quality of the product was very good and brought him the success.

**Result:**

Abar Uddin is living in his previous house but the structure of the house is changed. The house has been decorated in a sustainable shape. Now he has no problem to buy his daily necessities. Everybody finds him happy and successful.

## ESDO

### Failure Story

**Name of the Entrepreneur:** Moslema Begum

**Name of the project:** Going Abroad

**Address:** Gobindanagar, Thakurgaon.

**Background:**

Moslema Begum, the inhabitant of Gobindanagar village of Thakurgaon district, is the Chairperson of Monsirhat TIYA ECO Mohila Somiti". Moslema Begum was passing her days with happiness along with her two sons and a husband. Moslema's husband, Abul Khayer was the assistant agricultural officer of the department of agricultural extension. Her elder son, Milon is a Master degree holder in Fisheries department of Rajshahi University and her younger son, Dolon is a student of a college.

**Entrepreneurship:**

The dream to become rich grew reckless. From 1994 to now Moslema Begum as the Chairperson of TIYA ECO Mohila Somiti took loans regularly and also refunded her loan in a regular fashion upto the 11<sup>th</sup> stage. Stages of taking loans:

Different Stages of loan	Loan amount (Tk.)
1st stage	5000.00
2nd stage	10,000.00
3rd stage	15,000.00
4th stage	19,000.00
5th stage	25,000.00
6th stage	50,000.00
7th stage	70,000.00
8th stage	1, 00,000.00
9th stage	1, 20,000.00
10th stage	1, 50,000.00
11th stage	2, 00,000.00
12th stage	2, 00,000.00

Suddenly, a recruitment officer met her husband. The recruitment officer allured her husband to go abroad. At a certain stage, Moslema's husband agreed to go abroad in the hope of higher income. But according to the condition of the recruitment agency, he had to go as a team member and he (Moslema's husband) will be leader of that team. Thinking the allured proposal, Moslema's husband went for self retirement from his designation of "Assistant Agricultural Officer" and looked for the other members of the team.

At a certain stage, Moslema's husband got 7/8 members of the team. Receiving of Tk. 2,00,000.00 (Two lakh) per person based on class/occupation, Moslema's husband himself handed over the money to the recruitment agency. After the reception of money, the recruitment agency showed various excuses and passed times and started to use different chicanery. In this way, a year passed but nobody could go abroad.

On the other hand, the people from whom Moslema's husband took the money for going abroad pressured her husband in several ways to get back their money. In that case, Moslema Begum became desperate in paying the taken money, but Moslema and her family found no solution.

Getting no alternative means, her family took loan at the rate of Tk. 200 (Two hundred) per thousand per fortnight/month from different money lenders and started to repay the money of the other members of the team. The amount of the loan of Moslema's family stood at 10 lakh Taka which is predominantly based on money lenders, excluding the institutional loan of 2 lakh Taka. At a stage her project of rice business closed down and capital destroyed. Problems started in paying the installment. The money lenders pressured her family in various ways to pay the interests. This failure can be attributed to the avariciousness of the entrepreneurs for some lucrative offers from the deceiving persons. The entrepreneur had been swindled by the fraud persons.

**Result:**

Getting no ways, Moslema's family paid a keen eye to her favorite home and her only asset of 7.5 decimal lands and sold it at a very low rate. She has paid some portion of her loan but still she has to pay a large portion to the money lenders.