



The rise of an entrepreneur

MD FAZLUR RAHMAN

ONLY a decade ago, Rafiqul Islam Robin never thought of making it to what he is today. The self-made businessman has surely done well after working as a salesperson in Dhaka and a stint abroad in quest of better times.

His luck was awaiting his arrival back at home, where the 37-year-old own a small Old Dhaka based business, which sells garment products for male kids across the country.

"We can't grow any faster unless we have adequate supply of power and access to more capital," said Robin, owner of Himel Garments in Lalbagh.

Married with a five-year-old son, Robin came in Dhaka in 1988 and worked at a store in Gausia Market for six years before travelling abroad to try his luck in foreign lands.

He lived and worked in Brunei, Malaysia and Singapore and returned home in 1999.

"I began again with working at an uncle's garments shop on Elephant Road. Years later, the uncle introduced me to Midas officials so that I could get loans," he said.

That was the turning point in his life and he did not need to look back since. Given the condition of his shop at that time, he would never qualify for loans from a bank, he added and admitted gratefully that his uncle's good dealings and relation with Micro Industries Development Assistance And Services (Midas) had helped him.

Midas, a non-banking financial institution (NBF), has been a pioneer in the development of small and medium enterprises in the country over the last decades.

Initially, the NBF loaned Robin Tk 1 lakh and told him to repay that in 24 instalments. The entrepreneur from Bikrampur was able to clear the loan in 20 instalments. That was the time when he moved to the Old Town, rented a room and set up a small garments factory for producing apparel items for male kids.

After repaying his second loan of Tk 2 lakh taken from Midas, officials of the financial organisation in association with the SME Foundation arranged a loan of Tk 3 lakh for him at 9 percent interest instead of 14 percent or above charged usually by the financial institutions.

He hopes to clear the loan by this



Rafiqul Islam Robin inspects work at his garment factory in Old Dhaka.

February.

In the meantime, his business has grown manifold. Robin has rented a whole floor of about 2,500 square feet at Iqbal Market in Lalbagh at a monthly rent of Tk 22,000. He has employed 18 workers.

Beginning most modestly with a small savings and Tk 1 lakh in loan, Robin's assets are now worth Tk 30 lakh. His assets have not grown overnight. Robin currently produces 30,000 apparel pieces annually for countrywide supply whereas he manufactured only 7,000 pieces of kids' garments a year in the first year of production.

The garment maker said his business would have doubled by now if there were no power crisis in the Old Town area, which is one badly hit area

as regards power shortages particularly in summer when demand peaks.

Even in winter, the power supply would be off every alternate hour, hampering production, he said.

Robin, who also does in own designing with some samples coming from abroad, identified two factors -- lack of electricity and easy access to financing -- that are stopping entrepreneurs like him from expanding their business.

"All of my machines are run by electricity. But we don't get adequate supply. I have a generator. But the production cost will be much higher if we are forced to rely on generator only," he said.

"If we get loans at nominal or low interest then we will be able to use our full potential. When we generate

money we will be able to repay loans easily, making our bankers happy."

"If we grow bigger a lot of people will get jobs. In the process, the country will prosper, which everybody including the government very much wants," he told The Daily Star.

Robin thanked Midas for helping him become a successful entrepreneur. "Midas gave me a loan of Tk 1 lakh at a time when my business was too small to qualify for any loan. If they had not helped me out, I would have to continue working as a worker at any shop."

Although he worked for a shop in Gausia, he had to sleep at night with the workers of a garments factory owned by his uncle. "This actually helped me understand the business and encouraged me to set up my own shop."

He said in the early days of production he had to go from one shop to another in many parts of the country, which went on for a couple of years. "Once I succeeded in contacting some clients, I stopped peddling around."

He co-owns a shop on the ground floor of Iqbal Market, where he displays and sells his products. He now plans to open a showroom of his own.

Robin could not study beyond the Secondary School Certificate, as his parents had to stop supporting him. Robin said he would work to promote education in his own village. "Although I did not get proper education, I know its value and the necessity. I will help my village students to study further with whatever means I have."

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SME Foundation to widen its reach

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THE SME Foundation plans to set up offices in divisional cities across the country to serve small and medium enterprises easily, officials said.

The state-run agency responsible for developing the sector across the country has already held talks with development partner Department for International Development (DFID) in this regard and sought help.

"We are trying to get fund from sources. If we get that we will establish our divisional offices to serve the SMEs easily throughout the country in near future," said SME Foundation Chairperson Aftab ul Islam.

He said the foundation would continue taking bold steps for promoting enterprises and entrepreneurs of the sector.

A high-powered delegation of DFID headed by its country representative Chris Austin and senior private sector advi-



A view of a training programme on business accounting for small and medium enterprises.

sor Catherine Martin visited the office of SME Foundation in the city last month, when the assistance in establishing divisional offices was sought,

an official of the foundation said.

Islam also said in Bangladesh the foundation would introduce a credit-wholesaling

programme to give financial support to the small entrepreneurs.

"There is a need for ensuring easy credit access for the

SME entrepreneurs, as the number of small entrepreneurs without access to credit is large," he said. "We also have a plan for the interest of entre-

preneurs to ease the procedure of term loans at a low interest rate."

SME Foundation Managing Director Syed Rezwanul Kabir said people in the capital all know about the activities of the foundation. "But our target is to promote SME activities across the country. So, we need offices in divisional levels."

"If we can set up offices at major cities, then we will be able to cater to enterprises in the surrounding districts in a more effective way. We are working on three E's -- enterprise, empowerment and employment -- which altogether will bring sustainable economic growth," he told The Daily Star yesterday.

Kabir said they hope to start offices in divisional cities by June or July this year on pilot basis.

He said the foundation has sought initial support from DFID. "Ultimately, we will have to build up a basis, which will make the offices self-sustaining."

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