



# Tyre repairer's ride to glory

*"I faced a lot of trouble in giving the business a strong foothold. Financial insecurity was the main problem. There were times when I had no money. Running the family was tough, let alone the factory. Extortionists also created problems"*

MD FAZLUR RAHMAN

**T**AJNAHAR Begum came to Dhaka more than 12 years ago to help out her husband, who worked at a rubber

factory. The couple thought the move would help better run the factory as his lone income was not enough to make ends meet.

Tajnahar set up a tyre repairing factory. The single-handed entrepreneur gave the workshop a strong foundation within three years.

On Saturday last, she went on to winning the 'Best Microentrepreneur of the Year' award.

Funded by Citi Foundation, the philanthropic arm of Citigroup, and jointly managed by Citibank NA and the Credit and Development Forum, the Citi Microentrepreneurship Awards are designed to recognise individuals and microfinance institutions.

Tajnahar also received prize money worth Tk 350,000 and a certificate to acknowledge her efforts.

The mother of three said the journey was not easy. She faced many hurdles to reach where she is standing today.

"At first, we used to manufacture rubber rollers at a factory from raw materials and sell the items. But the problem was that the factory did not do our job first, which made us uncompetitive."

"So, we decided to set up a factory on our own. We got a machine at Tk 90,000. We borrowed some money from relatives and took loans from a microfinance institution as we did not have the money to make a start."

"The machine helped us prepare our own products as well as do outside work. We were able to pay all our loan instalments."

Tajnahar started with Tk 50,000 to set up the factory to produce rubber, whereas she required Tk 5 lakh.

People were not so enthusiastic about running a rubber roller business, as the raw materials needed to be sourced from local sources, who charged high prices. Besides, the prices of rubber were going up.

"Prices would have been much lower if we could import the raw materials."

Three years ago, the idea of repairing old tyres and giving them a new look struck her. "I had some money at that time. I also took a loan from a microfinance institution and set up a



Tajnahar Begum

tyre repairing shop."

Later on, when her business kicked off, she recruited a number of people to help meet orders.

Tajnahar, who comes from Feni, repairs about 30 tyres a day now. She employs 13 people in her rented factory in Shonir Akhra, Dhaka.

She learnt the tricks of the trade from her husband, who left his job at a rubber roll producing factory to give time to her business.

Tajnahar said she now requires Tk 12 lakh to buy a sophisticated machine that will help her produce

good quality rubber rollers.

"Now I am repairing small tyres. I want to repair bigger tyres, which will be used in truck and buses. But it all requires money. So we need help."

Tajnahar said she has to pay a lot of money in factory rent. "I pay Tk 18,500 a month in rent. I will also need more space if I want to set up a factory for bigger tyres."

She plans to set up a factory where bigger tyres would be repaired in future.

She buys old tyres from hawkers. The repaired tyres are used in CNG-rickshaws, cars and microbuses.

Tajnahar said profits are limited in the small tyre repairing business. "The profit is higher in case of bigger tyres. It would have been good if I could undertake large tyre repairs."

She said the prices of rubber roll have gone up. As a result, the profit margin has shrunk. "So we are not focusing much on selling the item outside."

She said her factory mostly uses the rubber roll being produced. However she also sells the item to some outside buyers.

She does not have a showroom now. People collect the repaired tyres from the factory itself.

Tajnahar said she has faced a lot of trouble in giving the business a strong foothold. "Financial insecurity was the main problem. There were times when I had no money. Running the family was tough, let alone the factory. Extortionists also created problems."

Now Tajnahar does not face such problems. She can manage the finances and her factory runs fairly smoothly.

Tajnahar said her husband was always on her side to help keep the business growing.

She said she did not try her luck in any factory because it would have been tough to look after the young children. "As I run the factory I can manage both the business and the family."

The 33-year-old said the Citi Microentrepreneurship Awards has given her more encouragement.

"Now I am a more confident person. I will now focus more on the business."

Tajnahar, who could not continue studies as she got married at a young age, said she would use the money to grow her business.

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# SME loans, the only hope for Manipuri weavers

RAJAT KANTI GOSWAMI, Moulvibazar

**S**OU DAMINI Sharma, 40, a skilled Manipuri woman in Moulvibazar district, owns a traditional handloom. She is happy as she is getting an SME loan from the bank to help her business grow.

"Now I am in a bargaining position and I can market my products anywhere, which was impossible in the recent past," said a smiling Soudamini, a resident of Tetoigaon village in Kamalganj upazila.

Soudamini and hundreds of weavers in her community were trapped by the local lenders. They had lent yarn to the weavers to produce saris. They were bound to supply their products to them at low prices.

Now, she purchases yarn from shops paying cash and after manufacturing the products, Soudamini sells these to customers. She is making profits now, which is only possible for the SME loan, she said.

However, despite the availability of loans, it is also true that few weavers are taking out the loans from the banks. About 80,000 Manipuris live in more than 45 villages of the Kamalganj upazila.

Most Manipuri families have at least one handloom. Their everyday garments are manufactured on these looms and almost every woman can operate the loom. The looms produce saris, shawls, bed-covers, bed sheets, three-piece women's clothes and scarves.

According to data from Sonali Bank, the bank has disbursed Tk 60 lakh in SME loans in the indigenous community in January-July.

Statistics show that only 23 women (including Manipuris) received Tk 51.38



Manipuri women weave saris on traditional handlooms. Weavers in the area benefit from the SME loans given out by private and public banks.

lakh and 364 men (including Manipuris) got Tk 7.68 crore in SME loans from the bank. Performance of other public and private banks in distribution of SME loans

among women entrepreneurs is far from satisfactory.

In Kamalganj upazila alone, 65 to 70 percent of Manipuri families have Yongfom, a special loom for commercial manufacturing. But SME recipients among them do not exceed 150. Almost all of the Manipuri weavers need and expect SME loans but they are not getting it, even though the banks approach them.

Hussain Ahmed, 30, a member of the Manipuri Pungal Community of Adampur, said Bangladesh Bank has instructed all the local private and public banks to disburse SME loans, especially to the indigenous communities for their handlooms, but local banks hardly show any interest in this regard.

He added that Atiur Rahman, governor of Bangladesh Bank, had visited the Manipuri populated areas of Kamalganj three times, to see the condition of the weavers.

Various local banks had arranged an SME loan disbursement programme at Ranir Bazaar on April 15, where the governor handed over loan cheques to 30 Manipuri women. But after his departure, the local banks became turned silent on the matter, he added.

Md Mojoy Ali, 52, runs a yarn shop at Adampur Bazar. His customers are the local

weavers of his community. He said the SME loan is helpful in promoting the local weavers. But the role of the banks has been absolutely hopeless in this regard, he said.

He stressed the need for bringing the Manipuri handlooms under a government organisation, which should coordinate the activities of the weavers, provide easy term loans and organise training.

Ali said at times he would lend yarn to the needy weavers and they would give him their products (mainly saris) after manufacturing and he pays them wages.

Engineer Abdul Mazid Chowdhury, founder chairman of the Bangladesh Manipuri Muslim Development Organisation, said the Manipuri Muslims are dependent on handlooms. But they have been deprived of any facility, he added.

He said most Manipuri weavers have fallen prey to the yarn traders, who lend them yarn and take away products in exchange of poor wages.

He said the SME loan is a blessing to these weavers. But the banks are not interested in disbursing SME loans to them. He blamed some bank officials for creating panic among the Manipuri weavers, as they tell the weavers that the police would arrest them in case of default.



RAJAT KANTI GOSWAMI

Chowdhury said the central bank authorities are trying to give SME loans to the weavers (traditionally, all of them are women).

BB officials arranged a discussion meeting with the local bank officials and Manipuri community leaders. In front of the BB officials, the local bank officers showed interest in disbursing loans, only to act differently later, he added.

Sunil Kumar Singha, a member of Adampur Union Parishad, alleged that some banks have local agents and the SME loans are disbursed according to performance. So the needy weavers are being deprived. He said the banks fear that the loans given to the weavers cannot be recovered.

Abdur Rahim, headmaster of Krishna Chandra Government Primary School, said the SME loans should also be given to the Bengali weavers who are living in Manipuri villages.

Faiz Ahmed, 25, general secretary of the Manipuri Muslim Youth Welfare Organisation, and Lubna Yasmin, 17, a college student and women affairs secretary of the organisation, say the community people are mired in hardships. They alleged that some banks and local agents are against helping Manipuri weavers.

