

# Self employed to an employer....

Operating small scale rice mills as a self employment activity is common in paddy growing areas of Ampara district among medium income households who have some means to invest in a milling machine. In the late 1990s Mrs. W. M. Wijelatha a mother of four children too bought a small rice mill and milled paddy for people who brought small quantities for domestic consumption. She charged them on a per kilo basis. The meager monthly income she received by milling paddy and her husband's salary from a temporary employment was hardly enough to meet the household and educational expenses of her children.



She was not at all happy about their progress because when she established the mill since she had a vision to make it a small business.

Being entrepreneurial by nature she spotted the opportunity when the price of paddy and rice shot up with the food crisis that emerged in 2007. She dreamt of buying paddy, milling, bagging and marketing of rice, but the lack of additional investment required to make that dream a reality frustrated her.

It was during this time she heard of the Sewa Finance's 'individual loan scheme' that targeted budding microenterprises.

When she visited Sewa Finance and explained her vision, the staff there helped her to develop a business plan that required a loan of Rs.200,000 . Sewa Finance provided that amount as a loan to be paid in 2 years. Now after 2 years she is the



proud owner of a business that mills and sells 8 tons of rice per week and employs 4 people. The family's monthly net income from the mill is about Rs.40,000.

'We have good and steady income now, and in the next year we plan to build a new house' says Mrs. Wijelatha with a beaming face. 'We also plan to send our elder son (who is now doing GCE Advance level) to a school in Kandy'.

This story of Mrs. Wijelatha is one that demonstrates the power of microfinance in creating employment through potential microenterprises.