

IMPACT STORIES

Under the original project, the Asian Development Bank has conducted a series of field visits to verify proper implementation and reporting. These site visits did not identify any material issues, and project officers captured the stories of some of these borrowers to share the impact that the loan has had on the ultimate beneficiaries.

A. Y.L. Achala: Start Small but Dream Big

Y.L. Achala knew nothing about fish until 15 years ago when she married Rohana, who, at the time, helped manage the largest aquarium in the Government of Sri Lanka's Department of National Zoological Gardens. He was the one who gave her first lessons in fish farming.

Now she owns Spring Valley Fish Farm in the western Sri Lanka town of Bandaragama and her mainstay is breeding and exporting ornamental fish. These days, she is focusing on specially-bred varieties of guppy, most of which are sent to Australia and New Zealand where demand is rising. In all, she reckons she exports around 10,000 to 20,000 fish monthly.

Given increasing calls for her fish and for the top-quality service she always seeks to provide, Achala was keen to expand and started to scout locations for a second sales outlet. Thanks to ADB's SME Line of Credit Project, she will soon be able to realize her goal.



"We work hard to provide our customers with the highest quality, most healthy, and most colorful ornamental fish." —Ms. Y. L. Achala, Proprietor, Spring Valley Fish Farm

"I heard from National Development Bank that there is a financing scheme for small- and medium-sized enterprises from ADB and available through them. The process was quick and I managed to get the funds I needed within a week," she said. With the SLRs3 million loan, she bought the land for the new shop and construction will start in early January 2017.

She is not only happy to be able to expand her business but is also extremely proud that she runs the biggest ornamental fish farm business owned by a woman in the whole country.

B. Sinnaiyah Sathyaseelan: Sense of Relief and Optimism

After Sinnaiyah Sathyaseelan, or Sathya as he is known, finished school at the age of 16, he moved from his family home in the inland town of Thalawakele to Colombo to find a job. He found one in a workshop that made seat cushioning for cars and vans and after 6 years, started his own vehicle cushioning business in Wattala just north of Colombo.

Today, he runs the business with his wife, Malar. Things have been going well for almost 14 years although, like many small businesses, uneven cash flow can be a problem and had prevented Sathya and Malar from improving or expanding their business.



Sathya started his cushion business from zero and is now looking toward a promising future.

Sathya Cushion Works buys the cloth, padding, and other material locally and are lucky to have a 3-month credit period to pay. The firm also has to pay rent on its premises and salaries for its seven employees who work year-round. For small firms like Sathya and Malar's, customers aren't always swift to pay so juggling the incomings and outgoings just from company profits is tough.

So, when Sathya and Malar wanted to do some light renovations to the workshop to make the roof and floor more robust, they were not quite sure how they would manage it despite the business having a monthly average turnover of SLRs2.5 million and profits of around SLKs500,000.

Sathya and Malar visited a few banks but, as a first-time borrower, none were receptive until they could access funds made available through the Small and Medium-Sized Enterprises Line of Credit Project. *"The manager was supportive and the process was swift. So, after several years of planning, I finally managed to renovate my workshop and have funds left over that I can use as working capital,"* said Malar. With less day-to-day worry about whether their customers will pay on time to allow them to pay their own bills, Sathya and Malar can plan a bigger and better future.

C. Damith Nishantha: Recycling His Way to Growth

Damith Nishantha, working in the Pokunuwita in the Kalutara District of Sri Lanka, has been in business since the age of 11. He started at that age selling ornamental fish after school. On finishing high school, he started his own anthurium farm, growing and selling cut flowers in the suburbs. Then in 2005, with the help of his wife Tharanga Damayanthi, he branched into a new business—the Senasuma Polythene Center.

In this business, he collects used polythene from the Colombo and Kalutara area and recycles it to make 378 products for resale island-wide. Among the products he makes are for agriculture, net houses, and food packaging. He employs 20 staff and offers indirect employment opportunities to about 20 households in the Pokunuwita area where they are involved in sorting the used bulk polythene.





Nishantha is confident that he can cater to increasing demand with a new facility.

He now owns three sales centers in Horana, Pokunuwita, and Matara and his sales amount to 60 tons per month. Yet, increasing rental costs and lack of storage space were major constraints.

Fortunately, he was able to tap into ADB's small and medium enterprise credit line through DFCC bank. "I was able to secure 709 square meter land to put up a three-story building of my own, which will increase my storage capacity and will save the high rent I paid for my sales outlet," he said. He is planning to open his new outlet in June 2017.

D. Thivanka and Kumari: Meeting the Demand for Dairy

Thivanka was a banker by profession and entered the dairy business by chance. He learned the business of making dairy products working at a dairy company in Mirigama, which is owned by a friend of his father. In 2010, he started "Ranbima Dairies" in Dewalapola located in Gampaha District in partnership with his wife Iresha Kumari.



"Thivanka and Kumari started by selling dairy products using their motorbike to cater to a daily requirement of 6 liters."

The business is now at the stage where they need to expand due to rising demand. Thivanka mainly produces varieties of cheese, curd, yoghurt and fresh milk, and distributes these to reputed hotel chains in Negombo, Colombo, Kandalama, and Jaffna. His capacity is only 300 liters per day against a demand for 1,000 liters per day. Milk is supplied by 30 farmers in the neighborhood daily with 2 weeks' credit given. Due to the high risk in storing conditions and unavailability of a standardized facility his production is limited. He learned about the ADB SME credit line from the manager of Sampath Bank.

Through this, he borrowed money to set up a separate unit, including a freezer and storage facility which boosted his capacity to 1,000 liters per day. "We can now cater to high demands as we can do more production and store produce during the off season, which we were unable to do for the last 7 years," Thivanka Wijayasinghe said. "We are planning to have our own farm to cater for the daily demand for milk."

E. Ayesha Fernando: Supporting Women One Bite at a Time

Ayesha Fernando, proprietor of Ayesha Bites, became the bread winner of her family when her husband passed away 20 years ago. To get by, she started a small snack business in Thimbirigaskatuwa located in Gampaha district with the help of two assistants. Today, she runs a family business with the assistance of two sons.

She does business on a cash and credit basis. About 15 buyers based in Colombo purchase products from Ayesha wholesale and distribute them island wide. She specializes in five different savory products. The production team is now around 22 employees but she is frequently faced with lack of labor. To overcome the problem and to maintain the full production capacity, she needed to move from being labor intensive to machine oriented production. Through the ADB SME credit line via Hatton National Bank, she was able to purchase a few machines which cut her labor requirements.



She now presides over a smooth production process that gives her higher production efficiency and a safe environment for the workers. She bought a unit that automated the mixing process. Also, the traditional burners were replaced with diesel burners, which are safer, and more efficient. The conventional cutters were also replaced.

“I have come a long hard way as a widow and a business woman, and now I am looking forward for a more rewarding future,” she said.

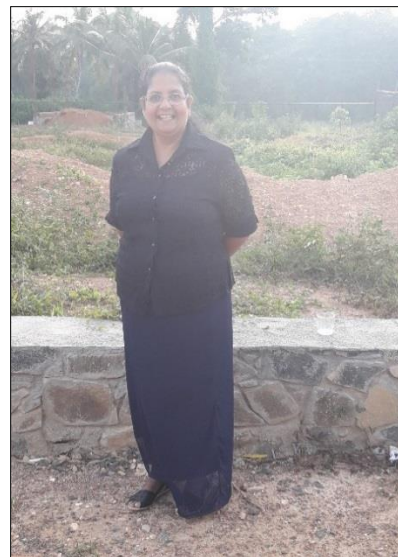
F. Mahima Gunawardene: Commercial Flower Farming

Mahima Gunawardene entered the floriculture business when she had to take the responsibility for her family after her husband's death. She started the anthurium business in 1987 and with the help of Export Development Board entered the export market in 2000. Today, she runs the business along with her children.

She mainly exports anthurium varieties to the Maldives and middle eastern countries. The exports are in the range of 10,000 to 50,000 flowers per month. She supplements her own production through a network of "out growers", accounts to 7,000 around the country. Ms. Gunawardene very much takes a mentoring role toward the out growers and supports them with training and help in accessing finance. Including the out growers, her business employs 34 people, 90% of



who are women. As demand is rising, she conducts training for prospective out growers every month to increase the supply.



Ms. Gunawardene is now in the process of building a centralized facility in Pasyala in western province for out growers and for tourists. This facility is equipped with green houses, a library for out growers, tissue culture lab, conference room, and other services. The four-story facility will also have restaurants, a swimming pool, a fish feeding area, and a play area for kids. She borrowed from Sampath Bank via ADB's SME credit line to fund part of this facility.

Her target is to open the centralized facility by 2019 and to expand her exports.