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CSR PROGRAM OF COMMERCIAL BANKS CAN BE THE IMITABLE MODEL FOR POVERTY ALLEVIATION

এসজিএফের তথ্যের উপস্থাপন: একটি মডেল

MANAGING A MOTIVATIONAL ENVIRONMENT-A THEORETICAL STUDY

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VALUE STREAM MAPPING FOR IMPROVEMENT IN PRODUCTION OF A FOOD PRODUCING FACTORY

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"Africa Day Celebrated in Havana." *Granma International* 31 May 2009, English ed.: 16. Print.

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Cornell University Library. "Introduction to Research." *Cornell University Library*. Cornell University, 2009. Web. 19 June 2009 <http://www.library.cornell.edu/resrch/intro>.

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CSR PROGRAM OF COMMERCIAL BANKS CAN BE THE IMITABLE MODEL FOR POVERTY ALLEVIATION

Md. Wali Ullah *

Abstract

This paper exposes and analyzes Corporate Social Responsibility (CSR) of commercial banks and other companies' potent force for social change and poverty alleviation. The key is that what passes today as CSR, or calls itself as such, is no such thing. Rather it is really just corporate philanthropy, which has no real, deep, or lasting impact on the societies it purports to be helping. In this literature the issues of providing direct financial support to the poor families for poverty alleviation under Corporate Social Responsibility (CSR) in Bangladesh have been discussed. At the beginning of the piece details have been discussed on the purpose, target, information, and process. It has also tried to describe CSR program in brief, outline and evaluation of the program, measurable indicators of poor families, and the applied conditions on the poor families benefited from CSR. In Bangladesh the poverty situation is critical. It is in such situation that it has become the main challenge to eradicate poverty. Keeping the matter in mind an initiative has been taken in national context to form an acceptable CSR regulation. At the conclusion of the prose, a recommendation has been proposed for making the CSR program regulation a smooth and real context.

Keywords: *Corporate social responsibility, discrimination, poverty alleviation, socio-economic, etc.*

Introduction

Corporate Social Responsibility has been defined as "the integration of business operations and values whereby the interests of all stakeholders, including customers, employees, investors, and the environment are reflected in the organizations' policies and actions". Corporate social responsibility, also called corporate conscience, citizenship, social performance, or sustainable responsible business, is a form of corporate self-regulation integrated into a business model. In our country it may not have been recognized or practised a lot but day by day it is increasing. Several entities like Bangladesh Bank, Corporate Social Responsibility Center (CSR Center),

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Corporate Social Responsibility Bangladesh (CSR Bangladesh) etc. are giving indication on the same issue. If it is reviewed, it can be seen that some commercial banks are operating CSR activity which is grabbing our attention. Government has also given special emphasis to strengthening CSR program. It has also been declared that for operating CSR there would be special facilities.

In most of the countries of the world, there are CSR program. Besides commercial activity the corporate sector has spent a lot of human welfare. May be it is not much, but the sector has become popular. However, there was not much discussion about it. Day by day it is increasing, and research is going on how it can be made more valuable. What is CSR Program? In easy words when any corporate identity works for the welfare of people avoiding their own interest is called the CSR. On the other hand, a portion of business profit when utilized for the betterment of society is called CSR. This can be charity or under any regulation. People are working for the humanity from old days. Therefore, it is quite difficult to tell when CSR actually started. Still now people in rural areas have been seen doing welfare works. It has also been seen that a solvent farmer dug a large pond for poor people so that they can bath.

Queen Rasmoni (1793-1861) was born in a poor family. She was married to a giant businessman Rajchandra Mar for her beauty. At the age of 43 she was a widow and spent all her property for the betterment of the society. She even achieved the rights of fishermen in Gangas. (Sources: Bangla pedia)

We have heard the name of Hazi Md. Mohsin (1732-1812). From the government deeds of 1769-1770, it is known that he had established a lot of food centers and donated a huge money to government fund. Mr. Mohsin formed a trust on 1806 and appointed two managers. He divided all his property among nine portions. Three portions were used for religious purposes, four for charity works, and the rest two for the salary of the managers. When after his death in 1812 the managers were convicted of crime for doing illegal works, the government took over all properties in 1818 and used the money for constructing buildings. In the 1950 there were a lot of buildings, schools, colleges, madrasas, mosques, hospitals, markets etc. (Sources: Bangla pedia).

In this way we get many examples that a lot of people have spent their earning for the welfare of the people. It is frequently seen that people from many levels in society donate for sports, healthcare, education, cultural events, poverty alleviation, library, natural disasters, tree plantation, barriage establishment etc. Assistance from the side of

any corporate is called CSR. But the expected explanation could be, when any bank and financial institute, insurance company, commercial entity etc. operate welfare activities that are called the CSR where they hold no business achievement.

Bangladesh is a poor country of the third world. The poverty situation is acute here. The severity of poverty in this highly populated country cannot be avoided. In 2005 the poverty level was 40.4%. In 2010 it decreased below 31.5%, and more than 50 million people are still living below the poverty line. It is highly needed to expand CSR program in poverty-stricken countries like Bangladesh, and the necessity is increasing day by day. The financial security of those who are poor should be ensured. At the national level, those who govern do not always stay on the side of the poor. The poor feel very much neglected for the ongoing administrative problem. In national stage we have to sort out how we can overcome poverty and the acceptable programs. Prof. Rehman Sobhan is a pioneer in this sector. His new book "Challenging the Injustice of Poverty, Agendas for Inclusive Development in South Asia" has mentioned that poverty is a curse. None intends to accept this curse as it is on people for social, financial, and political powers.

Objectives of the Study

The core objectives of the study are as follows:

- * to evaluate some other sectors' CSR program in respect to the CSR program of Bangladesh Commercial Bank
- * to create an outline for inspired poverty alleviation under CSR program
- * to make recommendation for poverty alleviation from CSR program
- * to avoid multidimensional programs for socio-economic development and poverty alleviation operated only by CSR program

Methodology of the Study

In this literary piece information has been taken from several sources. Among these a book from Bangladesh Bank named "Review of Corporate Social Responsibility (CSR) Initiatives in Banks" (2008 & 2009) is the main source. Leaving these, Bangladesh Orthonoitic Samixma, CSR Center, CSR Bangladesh, other organizational seminars, publications, researches, news clippings, reports, features, and poverty alleviation related books are kept in reference.

Table 1: CSR expenditures by banks

Amount in tt >

S/L	Name of Bank	2007	2008	2009
1.	Sonali Bank Ltd.		10,500,000.00	
2.	Rupali Bank Ltd.			
3.	Janata Bank Ltd.		5,000,000.00	
4.	Agrani Bank Ltd.	6,000,000.00		3,500,000.00
5.	BKB			
6.	BSB			
7.	RAKUB			500,000.00
8.	BSRS			
9.	BASIC Bank Ltd .	5,000,000.00	400,000.00	
10.	Eastern Bank Ltd	9,500,000.00	1,000,000.00	6,738,669.00
11.	Bank Asia Ltd.	13,820,000.00	6,920,000.00	1,000,000.00
12.	Dutch Bangla Bank Ltd.	39,206,500.00	171,016,500.00	159,206,500.00
13.	IF1C Bank Ltd.	11,988,000.00	10,559,000.00	
14.	Mutual Trust Bank Ltd.	5,000,000.00		3,500,000.00
15.	Jamuna Bank Ltd.	14,217,894.00	1,451,338.00	4,576,813.00
16.	BRAC Bank Ltd.		7,360,000.00	21,569,660.00
17.	Pubali Bank Ltd.	27,491,500.00	24,492,600.00	18,883,200.00
18.	Premier Bank Ltd.	8,400,000.00	7,507,800.00	11,570,000.00
19.	Uttara Bank Ltd.	10,000,000.00	8,900,000.00	3,080,000.00
20.	South East Bank Ltd.	22,414,000.00	14,654,375.00	
21.	TMCC Bank Ltd .		11,000,000.00	4,380,000.00
22.	National Bank Ltd.		47,269,000.00	68,404,000.00
23.	Trust Bank Ltd.	9,520,000.00	1,000,000.00	46,750,000.00
24.	Bangladesh Commerce Bank Ltd.		100,000.00	2,870,000.00
25.	Mercantile Bank Ltd.	14,615,000.00	12,170,000.00	9,776,000.00
26.	Dhaka Bank Ltd.	9,400,000.00	22,400,000.00	22,926,000.00

27.	AB Bank Ltd.			
28.	The City Bank Ltd.			4,980,000.00
29.	Prime Bank Ltd.			
30.	One Bank Ltd.			8,609,500.00
31.	United Commercial Bank Ltd.			
32.	Standard Bank Ltd.		6,000,000.00	
33.	Social Islami Bank Ltd.			
34.	First Security Islami Bank Ltd.	400,000.00	1,000,000.00	
35.	EXIM Bank Ltd.		19,300,000.00	
36.	Islami Bank Bangladesh Ltd.			11,627,000.00
37.	Al-Arafah Islami Bank Ltd.		12,500,000.00	8,030,000.00
38.	Shahjalal Islami Bank Ltd.	19,501,000.00		10,237,000.00
39.	ICB Islami Bank Ltd.		125,000.00	
40.	Standard Chartered Bank Ltd.			
41.	CITI NA			
42.	HSBC		200,000.00	16,400,000.00
43.	Habib Bank Ltd.			
44.	Commercial Bank of Ceylon			
45.	Wood Bank			
46.	Bank Al-Falah Ltd.		7,000,000.00	
47.	National Bank of Pakistan			
48.	State Bank of India	10,000.00	875,000.00	525,000.00
	Total	226,483,894.0	410,700,613.00	553,782,342.0

Source: Bangladesh Bank

CSR Program in Bangladesh:

CSR program might not be much in Bangladesh but not that less. There are CSR program ongoing by commercial organizations in these days. Among all programs the CSR of Banks get more attraction. Bangladesh Bank has published the Book Review of 'Corporate Social Responsibility (CSR) Initiatives in Banks' (2008 & 2009) in 2010 for the first time. It mentions that 46 from the listed schedule banks of 48 are now involved in CSR.

Table-1 shows that considering the year 2009, DBBL has spent the most and the amount was 15,92,06,500 taka. Reviewing the yearly based CSR in 2007, the amount was found 226483894 taka. In 2008 it was 4,1,070,613 taka, and in 2009 it was 55,37,82,342 taka.

After reviewing the statistics of Commercial Bank CSR, it is seen that it is mostly used during natural disasters. In Table-2 it is seen that on disaster relief it was spent much. Considering the year 2007 it was 12,77,00000 taka , in 2008 it was 5,86,00000 taka, and in 2009 it was 12,51,00000 taka.

Table 2: Sectoral pattern of CSR expenditure reported by banks

Tk. In million

Segments	2007	2008	2009
Disaster Relief	127.7	58.6	125.1
Education	14.3	30.5	94.8
Health	68.6	112.1	245.5
Sports	2.7	49.8	1.2
Arts and Culture	0.0	158.9	0.3
Others	13.1	158.9	86.9
Total	226.4	410.7	553.8

Source: Bangladesh Bank

The second highest was the health sector. In this case for the poor people the health care service, smile brighter program, rural health care program, specialized hospital assistance, construction of hospital etc. are mentionable. The third sector is education and educational infrastructure. Keeping this in mind the stipend, financial assistance and educational material distribution program was done. Apart from these, sports, culture, beautification, distribution of warm clothes, awareness movie, natural development program etc. have been financed by Commercial Bank.

Besides the commercial Banks, other media, factory, mobile operator, multinational company, business organization etc. participate in CSR program which is shown in media. Sonali Bank provides stipend to 1217 students under corporate social responsibility (CSR). It gave 15,000 taka to each student in the year 2013 (source: The Daily Ittefaque- 05.02.2014). Last 13 May 2010 in news of the Daily Shamakal, it

was seen that City Cell has moved forward for the betterment of the English Department of Jahangir Nagar University. It was mentioned in the news that they are assisting in establishing Digital Labs. BGMEA declared to give employment to the handicapped and the slum dwellers. The main program is taken by FBCCI which is the largest businessmen entity. They have taken two programs: 'One Employment Program' and 'One Family One Businessman project'. Under CSR it was initiated in 2010. From the government side FBCCI Foundation was made and a decision was taken for creating a one crore taka fund. On 12 December 2009 in a press conference at FBCCI Building, they declared that 7000-10000 employment would be done within the first 6 months. FBCCI Chairman Mr. Anisul Huq told that under CSR there would be poverty alleviation, ensuring food security, employment creation, development of human resources, and for these purpose the foundation was formed.

Media has great contribution under CSR program. They are regularly donating for the treatment of the poor, victims of natural disasters, social awareness, promoting programs etc. Some reality shows of recent days have shaken the whole country. Shah Cement Nirmaner Taroka of ATN Bangla, Permier Bank Garba of BGMEA in Bangla Vision, Biswas Builders' Onno Aloy Gan in Baishakhi Television, Medhabi Banglar Mukh of ATN Bangla etc. are worth mentioning.

Evaluation of CSR in Bangladesh

Keeping the development of human welfare in the entire country in mind, Bangladesh CSR is continuing programs. Therefore, it essentially needs to be evaluated. Bangladesh is one of the densely populated countries. For some other issues her people are poverty stricken. In this situation, how much can CSR contribute to the expected development? In the evaluation, it is found that CSR program result is not progressing and not satisfactory. Some programs are just for show to people, for most of them are scattered and focus on urban areas.

Under this program most of the organizations are taking benefit from government. CSR program is not in focus but gets a lot of publicity. Mostly the CSR program in Bangladesh is not clear and not contemporary. Considering the poverty situation it should be poor friendly. But in each year hundreds of crores of taka is invested there, but actually no family is seen benefited. In the published statistics on 17 May 2010 it was shown by Bangladesh Bank that most of the banks had no participation in CSR. Therefore, it is not useful in poverty alleviation where the need for a proper guideline is must.

Outline of CSR Guideline

Several programs are being operated under CSR program. It is seen that from distributing relief in natural disaster to Research Building Construction in University, distributing warm clothes among people, beautification of city, sports and cultural events are done under CSR. But in the present context the CSR program should be focused on poverty alleviation. In this situation only the program focused activities should be taken instead of multidimensional program where 80-95% money should be utilized in direct poverty alleviation.

In a report published in "The Daily Ittefaq" on Feb, 2009 it has been told that Bangladesh Bank has formed a regulation to promote CSR program of commercial banks. It has told that assisting poor people, keeping the environment, and fostering education and charity would be considered CSR. In this case the guideline of Bangladesh Bank needs to be revised. We should keep the matter of poor people in mind so that we can eradicate poverty by our own. Any family can come forward if they are properly educated and health aware. In this case other programs would not be funded from CSR. Becoming employed is not an easy issue but needs long focus and effective initiative.

To achieve the goal providing financial support to poor would make some effect. To keep a long term target in mind a clear regulation need to be formed. The present CSR can be parted in two. All the allocated money can be spent among the poor people. On the other hand it can be spent under public welfare. But the main question is what would be the amount of donation? It should be sorted out by calculating the present poverty situation. For achievement, a provision should be taken to give minimum 5000 taka to a family per month. It may survive from the donation. Taka 4000 can also be given as donation and 1000 kept for savings. In this case if one family is nursed for 10 years, it will come out from poverty. But the question is - If people are directly or indirectly benefited from CSR program, why does it need to apply new rules? It is actually needed since CSR's main purpose is to give financial support to the poor and achieve a lot. As an example the DBBL CSR can be mentioned. Bangladesh Bank says that DBBL as a responsible corporate body has been playing a pioneering role in implementing social and philanthropic programs to help disadvantaged people of the country. DBBL on 2009 has spent around 15 crore taka. On average each year it spend 4 crore taka for different levels of education. On 12 February 2010 in a Press Conference in Hotel Sonargaon they have declared Education Stipend Program. Under the social welfare project taka 102 crore would be distributed annually among 30

thousand students. Under this education program 80% would be distributed among the rural students. It would be a milestone for the country. It is clearly established that if any person receives financial support, their path would be easy. At present no meritorious student is left for poverty for the government has taken necessary initiatives for keeping them out of poverty.

Akiz group has donated a bus for Jessore Science and Technology University. It is a noble donation. For a public university there is need for more buses. If the money was distributed to 10 families, they would have been much benefited. Would it not?

In 2008, at Dhaka University campus, DBBL donated taka 80 crore for constructing the 11 storeyed Dutch Bangla Bank Research Center for advanced research in Arts and Social Science. For the non-government sector donation it is the highest. This sort of donation is highly appreciated. But if these were spent for the betterment of poor families instead of paying Dhaka University, 1700 families could be funded with this amount of money.

For these reasons the CSR program needs to be revised. Only for poverty alleviation there is no choice for forming regulation. In this purpose if one family is paid 5000 taka per month, the annual expenditure would be 60,000 taka. By one crore taka 167 families can be assisted. But if we consider only the DBBL CSR, by 15 crore taka they can help 2500 families. If these families are assisted for 10 years then they can come out of poverty. So, CSR can be divided among three categories. In the first category there are 10 banks like DBBL, in the second category there are another 10 banks, and the rest are all in the third category. From the first category, each can support 2000 to 2500 families, from the second category they can support 1000 to 1500 families, and from the third category each would support 500 to 1000 families. In this way 50000 families can get support as per Chart - 3. In 2011 International Migration Organization (IMO) and CSR Center jointly organized a seminar where the Governor of Bangladesh Bank told hopeful words.

Table 3: Proposed families getting CSR facilities from banks

ঈ ধঃবমডু	ঘডুং	ঋধসরযরবং	এঃডুঃধষ ঋধসরযু
ঋরংং	১০	২২৫০ বধপয	২২৫০০
বাবপডুহফ	১০	১২৫০ বধপয	১২৫০০
এঃযরৎফ	২৮	৫৩৬ বধপয	১৫০০০
এঃডুঃধষ	৪৮		৫০০০০

Source: Bangladesh Bank

He told that in 2009 total taka 55 crore was spent. From the next year it would be 255 crore taka. In fact, in 2010 a total of taka 351 crore was spent out of this thought. On 7 July 2011 the Finance Minister Abul Mal Abdul Muhit told it to the Parliament while answering Sadhna Halder M.P. (Member of Parliament).

The commercial banks would expend 300 core taka on 85% cost as direct financial support for the poor, and they can be inspired to expend so. If these are done properly, 50000 families can come out of poverty. It can be said strongly that through commercial banks it can be done properly. Following this other CSR sectors can be run properly.

The local NGOs can do a lot under CSR. Their main target is to alleviate poverty. So through their help we can initiate direct funding. If in 10 category total 20 NGOs are classified, they can fund 5-10 thousand people. In the same way the second and third category NGOs would take liability for total 4 lac families.

On the other hand the mobile operator companies can also take responsibility of the poor families. Considering the business of corporate, they can fund 10000 families each. In this way 50 thousand families would come out of poverty. In 2010 Grameen Phone (GP) has earned 7,473 crore taka. This is the first company earning more than 100 crore US\$ as was expressed in a press conference arranged by them. On 6 February 2011 GP Board approved the budget, and the Deputy Chief Executive Officer Raihan Shamsi said that no other company in Bangladesh could earn more than 100 crore US\$. Still the company had to spend a lot. Especially, there is cost for sales, publicity, administration etc. The net profit is 1 thousand 71 crore taka. So the income of mobile companies can do a lot for poverty alleviation. According to the proposed outline each company can fund 10000 families where each company would bear less than 60 crore taka. On 4 September 2011, a report in the 'Daily Shamakal' says that each operator has to pay 1% from their income to create CSR fund. From that around 600 crore taka would be deposited to government fund. Total 50% of the money of 300 crore taka would be paid for funding 50000 families. Multinational companies, media, factories, garments etc would come for poverty alleviation.

A lot of research centers in Bangladesh are doing research on poverty alleviation. BIDS, CPD, PPRC, PRI etc are worth mentioning. In research a lot of money is spent. If these families spend 50-100 families' liability, highly 30-60 lacs taka can be spent. So from these research organizations total 5000 families can be brought out of poverty.

All the national level professional organizations, private universities, private clinic, business organizations etc. could be enlisted for CSR guideline. In this way within the next 10 years, 10-15 lac families can be taken out from poverty. Table - 4 explains the issue properly:

But it should be taken in attention that the organizations itself do not face any problem for CSR at all. For this reason only profitable organization should be selected.

Table 4: Proposed number of families for getting benefit from CSR.

SL	Name of the organization	Amount of Family
1	Commercial Bank	50 thousand
2	Mobile Operator	50 thousand
3	Insurance Company	66.67 thousand
4	Garments Company	150 thousand
5	Huge Industry	66.67 thousand
6	First row medium industry	66.66 thousand
7	Other mid and small industry	50 thousand
8	NGO	4 lacs
9	Others	1 lacs
	Total	10 lacs

In less than five years, companies can be chosen leaving the special ones. The benefit of special companies should be considered under CSR. It should be taken care that for operating the program none can take any illegal facility.

Highest caution should be taken for selecting poor families. What could be the measurable indicator? If the family is dependent on one person, and if it has only a house and no land, no livestock, no poultry, no asset and they have only girl child, any handicap, or any elder in the family, they would be given priority. Primarily the family selection should be done by the family head. For financial assistance the involvement of govt. and non govt. approach should be taken so that only the poor would be benefited. None but the poor would get the benefit, and the others would not get benefit. Special care should be taken so that the own clients of banks or NGOs, and not the staff, not get facilities from it. For this benefit the highest three months time would be given.

Primarily, a list of families would be selected, and it should be verified by a representative group. For this purpose primarily 500 families would be selected, and for that total 1000 would be identified. After the selection all representatives, society, media staff, and educated staff can assist. The regular online or media circular can be given for family selection. It is difficult to identify poor families. There would be some discrepancy. This can be done through the poverty census. It would not be like population census. It would be done by Ward, Union, Upazila, and District base. The profile database would be published. Each poor family can be given ID number. The database should be made in such a way that it can select families from anywhere. As, one can select one family from Nanglekot Upazilla, then he can search website for total family profile, their name, ID number, total family member, asset amount, school going children etc. Generally for the population census, it takes 3-4 days to do the proper calculation it is published. But, to make the poor family list, it should be given 6 months time. It should be digitized for making the process corruptionfree. But still some process is ongoing. As by OMS Card and Fair Price Card rice is sold, Smart Card is distributed etc., these processes make things much difficult. As an example 13 February 2011 'Prothom Alo' news reported that the Govt has taken initiative to assist the working mothers in the urban areas. In the present year there are 30 crore taka allocations. As there is no list, no mother is getting assistance, and there is only 4 months for year ending. No officer in duty can tell when they would get the money. A correct Poor Census database abolishes the problem.

There should be some conditions for financing, such as children should be sent to school, more than two children should be there, false statement can not be given, no dowry can be taken, no woman torture can be done. If anyone breaks the rule, they would be not assisted any more.

Financing

Six thousand crores of taka is needed to assist 10 lac families. It might be a lot of money, but through proper system it can be done. If a proper regulation is there. The commercial banks can allocate 300 crores, mobile operators 300 crores, and other companies can allocate 400 crores. From these sectors 1 thousand crores taka would not be a dream to collect.

For financing in CSR program the garment sectors can do a lot. There are 3 thousand garments. They are three categories: in the first category 500 garments can contribute 50 lac to 1 crore taka totalling an amount of 400 crore. In the second category 1000

garments can participate paying 25 to 50 lac taka totalling 300 crores, and in the third category 2 lac to 25 lac taka totaling 200 crores taka can be arranged from 1500 garments. In this way the huge factories can give 400 crore taka, mid level factories can give 400 crore, small and mid factories may give 300 crores, and other 600 crores can be targeted. Thus, only from the garment sector 900 crores taka can be collected. Therefore, it should be given importance that no factory/company should face any problem. If any company makes profit below 10 lac taka in a year, that would not be enlisted for CSR program.

Even the NGOs would not be left. They should be bound to come under CSR, and if agree, even the new NGOs can be enlisted. There are around 54 thousand NGOs all over Bangladesh. Making them in categories around 2400 crore taka can be arranged.

If the outline is in place, total 10 lac poor people would be under banking activity. Each family would be bound to deposit 1000 taka. In 10 years if 10 lac families can save 1200 crore taka, with profit it would be more than 2 thousand crore taka. If families in 10 year could get 2 lac taka from savings, the savings trend would increase, self employment would be done, health and environment would be improved, and the poor would come out of poverty.

Recommendations

To make the CSR program timely and poverty alleviating some recommendations are given here:

- a. Under national regulations a strong committee would be formed. This committee would form the CSR rules. Under cash assistance, whether the poor get help or not, it should be done by bank account.
- b. In the last few years under CSR program how much money has been spent should be assessed. Under the experience how many money would be spent and families need to be assisted in the next 10 years from 10-15 lac families would be carried out to keep them out of poverty ring.
- c. For making contemporary CSR, it can be named as Corporate Social Responsibility for Poverty Alleviation (CSRPA) instead of Corporate Social Responsibility (CSR).
- d. Activities like education stipend under CSR, cash assistance should be given to run the programs. For proper identification there should be flow of additional funding. In these sort of activities government funding should be ensured.
- e. CSR operating organizations should make a beneficiary list and do necessary selection and research.
- f. Providing financial support for the rehabilitation of the physically handicapped, mentally impaired, visually impaired, hearing impaired, autistic, and street children should be ensured through education and vocational training.

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wZwi kwUil AnaK t`tki tQvUMi thfvte j wZb Avtgwi Kvi Mí wntmteB wPwYz nq, wK tZgub cw_exi mKj cÖš-emevmi Z evOwj i wj wLZ tQvUMi B evsj v tQvUMi wntmte wPwYz nte|

Zte tQvUMi i gvb`E wntmte cävZ weteP` fMvj | fMvj wU nt`Q 1971 cieZx`eZgvb evsj vt`tki tFšMwj K mxgti Lv| mgq wefvRtbi tQj 1947 mvj Avgvt`i wetePbvq tbB| agw cwi Pq Avt`š weteP` bq| GB fLÉ hviv 1947 mvtj i AvtM-citi cvKvcwKfvte Ae`vb KitiQb, Mí wj tLQb, ZvivB evsj vt`tki tj LK| Rb`wbqtQb GB et½, tj Lvcov KitiQb GB et½, wKš` th tKvfbv KvitYB tnvK, cieZx`vtj Ptj tMtQb fvi Zxq bvMwi KZj; wbtq| Ggb tj LKMY evsj vt`tki tj LK wntmte wbtRiv wetePZ ntZ PvBteb bv, GUvB `fvweK|

Zvntj evsj vt`k Ges fviZi evBti thme tj LK cävM Rxebhvcb KitiQb, Zvt`i tejvq weteP` nte Zvt`i bvMwi KZj| Zviv cävM `vKtj I hw` evsj vt`tki bvMwi KZj eRvq ivtLb, evsj vt`tki bvMwi K cwi Ptq cwi wPZ ntZ Pvb, Zvntj Zviv evsj vt`tki B tj LK|

cYp`a PtAvcva`vtqi tj Lv ÖgagZxö Mí wUtk AvajbK evsj v tQvUMi i mPbv wntmte tgbt wbtqQb AtbK we`vqZwbK MtelK| Mí wU cKvKZ ntqQj ewAgP`a PtAvcva`vq m`úw Z Öe½ kÖö cwi Kvi `R`ö 1280 msL`vq(1873 wL`a)| evsj v tQvUMi i mPbv tLKi bvg cYp`a PtAvcva`vq ntj I evsj v tQvUMi i RbK wntmte iex`bv_ VvKi megtj `xKZ| iex`bv_ cÖg cÖwZgj K Mí wU wj tLwQtb Öfvi Zxö cwi Kvq 1284 mtb| Mí wU bvg ÖwFLwi Yxö| Gi ciciB cKvKZ nq `wU Mí ÖvvtUi K_vö I ÖivRct_i K_vö| GB `wU iPbvK Mí ejtZ cÖtg `qs iex`bv_ I wÖawšZ wQtb| tm KvitYB teva nq GB iPbv`wU i `vb ntqQj 1314 mtb cKvKZ ÖwvP` cÖÜÖ MÖš| GB iPbv `wU Mí `t`Q `vb cvq 19 eÖi ci 1333 mtb| KÖKgj fAvvthP` m`úv`bvq ÖwvZev`xö cKvKZ ntZ `vtK 1298 mtb (1891 mvtj)| GB cwi KvZB cici Öquw Mí wj tLwQtb iex`bv_| tm `tj v nt`Q Öt`bvcvI bvö, Ötcv`gv`viö, ÖwvöÖ; ÖivgvKvbBtqi wbeÖ Zvö, Öe`eavbö I ÖzvivcÖtbtö KwxZÖ| mwZ`Kviti evsj v tQvUMi i hviv`i` GB Mí `tj vi gva`tgB| GtKi ci GK tQvUMi wj tL evsj v mwnZ` tQvUMi bvgK eMÖtK `vqx cÖZöw Gtb t`b iex`bv_|

evsj vt`tki MtelKivl cwiÖge½xq avtP LjtZ tPöv KitiQb evsj vt`tki cÖg tQvUMi Kvi nvtZ, KLb, tKvb cwi Kvq wj wLZ ntqQj | G e`vcti tZgb tKvfbv Z` cvl qv hvqwb| Zey tKvfbv tKvfbv MtelK `we Ktib th, `mq` Gg`v` Avj x m`úw Z Öbebtö cwi KvK tK`a Kti B cÖg mPZ ntqQj evsj vt`tki tQvUMi i däviv|

wKš` Gfvte wöw`Ö w`b ZwiL cI cwi Kvi wKwR bv `vKtj I tKvfbv QwZ tbB| Kvi Y`i`i` AvtMI GKUv`i` `vtK| Avevi`i`i` cti tUtö wbtq hvl qvi Rb` cÖqRb nq avivewwKZvi | tmB avivewwKZvi `wqZj cvj b KitiQ AtbK `tj v cwi Kv| ZrKvj xb ceÖ cwiÖget½i, cävZ gvnj gvb tj LKt`i Drmn `vtbi Rb` KvR KitiQb W. gvn`š knx`j vn I tgvRvt`sj nK

m`auw`Z 0e1/2xq ggnj gvb mwnZ` cwil Kv0(1918), tgvRv`f`sj nK m`auw`Z 0tgvmtj g fvi Z0(1920), tgvrv`f` bvmi Dwi` b m`auw`Z 0mI MvZ0(1918), tgvrv`f` AvKivg Lvum`auw`Z 0gvwmK tgvrv`f` x0(1927), Avaj Kw`i m`auw`Z 0RqZx0(1930) cwil Kv| Gi gta` 1921 mvtj XvKv wekpe` `vj tqi c0Z0v ce0f`1/2i K.I.K-mšvbt` i mvgtb D`Pvk`f`vi GK bZb mthvM Gtb t`q| GKB m1/2 wekpe` `vj qtK tK` `aKti mvi `Z m`f`sj tbi c0KZ m`f`ebv mjo` nq| h_v_`[©] , Yx l vkw`f`Z gvb`f`l i KvQ hvl qvi GB mthvM ce0f`1/2xq hmgv`f`Ri gvbM MVtb bZb m`f`ebvi 0vi Dtb`Pb Kti| dtj wekpe` `vj qtKw` `K mwnZ`PPf` `i` n`Z t` Lv hvq| me wgvj`f`q MZ kZtKi wZwi k l Pwj tki `ktK Awef`Z nb tek KtqKRb Mí tj LK| Pwj tki `ktKi c0vb NUbvej x n`Q m`v`u` wqK `v1/2v-nv1/2vgv, `yf`f`f`, t` kfvM, wecj msL`K gvb`f`l i t`kZ`vM Ges AvMgb| `v1/2vi NUbv wZwi tki `ktKI NtUvQj| Gi gta` evsj v`tk Awef`Z n`qtQb tmvtgb P>`a`i g`Zv Mí tj LK| KwgDvb ÷ tmvtgb P>`a`gv1 22 eQi eqtm ivR%wZK c0Zc`f`f`i nvtZ wbnZ nb| BtZvc`e`wZvb Ggb KtqKwU Mí wj tL thtZ tcti`wQtb th` ,tjv hM hM ati c`f`weZ Kti`Q D`EicR`tb`f`i Mí tj LK`i`| wZwi tki `ktK Mí wj tL`Qb `mq` Gg`v` Avj x, tivtKqv mvLvl qvZ tnv`mb, kvgmj Bmj vg, tMvj vg Kv`mg, Gm lqv`R` Avj x, Avej gbmj Avng` , tgvrv`f` jrdi ingvb, dRjj nK c0j`| c0K-Pwj k `ktKi D`j L`thvM` M`f`i gta` itqtQ tmvtgb P>`a`wj wLZ 0Bü j 0mn AšZ `kwU Amvavi Y tQvUMf` | itqtQ dRjj n`Ki 0gvQ0 0evpogv0 0gv ÷ vi 0, GKivgij` tbi 0QÜtekx0, gwebDwi` b Avngt`i 0hqZb0, tgvrv`f` jrdi ingv`f`bi 0vdti hvl , wdti hvl 0|

1947-G AvR`Z ce`cwK`vb Z_v evsj v`tk Kj KvZv`Kw` `K mwnZ`cwigEj`f`K cvk KwU`q XvKv`Kw` `K wbtRt`i cwi gEj Mto tZj vi GKUv tP0v j`f` Kiv hvq| GB mg`q mgvRR`xetbi g`Zv mwnZ`-mvs`wZK t`f`f`f`l mvgwqK we`Q`Ljv t` Lv t`q| GB mgqU`f`Z cwK`vb bvgK `c`f`j`f`K Av`Qb0ev0wvj ggnwj g gvbM tKgb we`Q`Ljv Ges w`tkniv wQj Zvi GKwU mwZ`Kvi wP` cvl qv hvq e`i`f`xb Dgti`i we`kIY t`f`K| 0cwK`vb Av`f`vj`f`bi mgq ggnj gvb`f`i ZvnR`e, Zgj`f` BZ`w` m`u`f`K`f`Kv`f`v wbn0Z aviv Yv AeZ`g`f`b tKD G-m`f`ei 0viv gtb Kij tKvi gv, tcvj vl , tKvdZv l Mi` Lv l qvi `f`axbZv|

tKDev Avevi gtb Kij fvlvi gta` ht`_`Qf`v`e Av`ex-dvi mx ktai Avg`vbx`i `f`axbZv| tKD fvej giv`f`gi Dci ht`_`Q KweZv tj Lvi `f`axbZv|

Kv`f`v Kv`Q ev ggnj gvb`f`i AvZ`wbqš`f`y g`f`b tevSv`f`jv gmvR`f`i mvgtb w`v`f`i ev` `ev` tbi cwi e`f`Z`ggnj gvb`f`i m1/2 Kv`f`Ri m`u`Y` `f`axbZv| Kv`f`v Kv`Q Gi A_`h`f`jv we` `vmvMi-ew`f`g-i e`v`bv`f`K eR0 Kti Zvi `f`j Avj vl j , Mixej vn Ges Kvq`f`Kvev`f`K Aw`f`w`³ Kiv|0

GB iKg cwi w`wZ`f`Z Pwj tki `ktK Mí wj tL`Qb Beivnxg LvU Avej Kujvg kvgmj`xb, gvne`f`-Dj -Avj g, Avej dRj , Avej Rvdi kvgmj`xb, gnxD`f`xb tP`šaj x, kv`n` Avj x, mi`vi

RtqbdI'xb, AvKei tnvfmb, kvgmj'xb Avej Kvjvg, KvRx Avdmvi Dwil b Avng` , iwRqv gvep, AvKei D'xb, Aveytj vnvbx, Ave`j nK, BmnvK Pvlvi x| Mí wj tLqB Aveyi`k`, Avej BmnvK, Avkivd mmiw Kx, kIKZ lmgvb| Avi l wj tLqB `mq` l qvj xDj vn& Pwj tki `kK tZv etUB AvRtKi evsj vt`tki Mí mwnZ`i Ab`Zg tkb bvg `mq` l qvj xDj vn|

iPbv%kx Ges wki ,tY AtbK ,tjv D'tj LthvM" Mí wj wLZ ntqtQ GB `ktK| tm ,tjvi gta` itqtQ Beivnxg Lwi ObQi c`vqv`v0, 0l`v`0, Avej gbmj Avngt`i 0uhj tKejv0, 0dW Kbdvti Y0, AvejRvdi kvgmj'xtbi 0GKtRvov c`vU0, 0Zvj vK0, kvfn` Avjxi 0nRe0Btj i Wbv0, kvgmj'xb Avej Kvjvtgi 0c_ Rvbn bvB0, Avej BmnvtKi 0fRvK0, Avkivd mmiw Kxi 0nKvi0, 0GKw AvZhnZ`vi Kwnbx0| kIKZ lmgvb cieZx` kK ,tjvtZ AtbK `si Yxq Mí wj tLqB| GB `ktK wZvb wQtj b Zi`Y| tmB mgtq tj Lv D'tj LthvM" Mtí i gta` itqtQ 0Rj Ni0 Ges 0Btj g0| mi`vi RtqbDwil tbi 0bqv Xj x0 M0Si me ,tjv Mí B tm mgtq cvWKbw` Z ntqvQj | KvRx Avdmvi Dwil b Avngt`i 0Kj KvZvi kxZ0 Avtjvob Ztj wQj c0kvtki mvt_ mvt_| cieZx` mgtq gj Z c0ewUK wntmte cwi wPwZ tctj l tmB `ktK Ave`j nK wj tLwQtj b tev`vgn'tj L`wZKvftbv Mí M0S' 0fivtKqvi wbtRi ew00| BmnvK Pvlwii 0ivqU0 Mtí c0kwnKZ ntqvQj mva00 wqK `v2vi fqven wki wP1 |

`mq` l qvj xDj vn& c0g Mí M0S' 0bqbPvi0 c0kwnKZ ntqvQj Kj KvZv t`tk| weL`vZ 0ce0kv0 cwi Kvi m0uv` K Kwe m0q f0vPvh`ZrKvjxb Zi`Y tj LK `mq` l qvj xDj vn& Mí cvtV g0 ntq wbtRi c0kvbxb t`tk eBw c0kv Kti wQtj b| 0bqbPvi0 cieZx`Mí M0S' 0`B Zxi0| me ,tjv Mí B evsj wMí mwnZ`i `vqx m0u` i`c weteiPZ nq mwnZ`tev`vt`i KvftQ| Jcb`wmK cwi Ptq gnxi`n ntq DVtj l `mq` l qvj xDj vn& Mí tj LK cwi Pq tKvftbv`bB b`b etj weteiPZ nte bv| Kvi Y evsj vt`tki tQvUMtí wZvb c0g GtbnQtj b AvaybKZv| GKB mvt_ Zvii Mtí wQj evsjvi AKwlg gwEKv MÜ| Zvii Mtí i c0Zw Pwi1 evsj vt`tki gvbtli KvftQ AZ`S-cwi wPZ| Avi tmB mt1/2 wQj c0qvRbxq fvl wbg0Y| GZLwb Fw0 evsj vt`tki Mtí tZv etUB mgM0evsj v fvlvi Mtí l Lp Aí KtqKRb gv1 AR0 Ki tZ tcti tQb| Pwj tki `kKtK 0Z-we0Z Kti tQ th t`kfvM, tmB t`kfvMtK wbtq iwPZ `mq` l qvj xDj vn& 0GKw Zj mx MvtQi Kwnbx0 Mí wJ `vb Kti wbtqtQ meRvtj i tkb Mí ,tjvi Zwj Kvq|

GKBmvt_ mwnZ`ZÉj Ges mwnZ`c0YZv ,tjvi mvt_ cwi wPZ `vKv, c0ki Y wbtq Abei Z wbi x0vi cvkvcwk Mtí i gta` wbtRi t`k Ges gvbl tK Ztj Avbvi weij 0gZvB l qvj xDj vn&K evsj v Mí mwnZ` wPi `vqx Avmtbi Aí KtqKRb AwKvixi gta` GKRB Kti Ztj tQ|

c0vtki `ktK GB t`tk msNwUZ ntqtQ fvlv Avt`vj tbi gtZv hMvSKvix NUbv| ce0evsj v ev evsj vt`k bvtgi GB fLÉ fvlv Avt`vj tbi cti Avi tKvftbv wQ0 AvtMi gtZv `vtKwb| w0RwZ ZÉj wfvÉZ MwZ cwiK`wb bvgK iv00i c0Z ev0wji tgvn wdtK ntZ `ii" Kti wQj

tmB 1948 mvj t_#K | tmB tgnv t_#K evsj v`tki gvbl cfi vcyi gy³ v f Kti 1952 mvj | fvlv Av`vj tbi gva`tgB evsj v`tki gvbl c_w exevm_xK mstKZ cvlvq th, evOwj wbr[^] GKw ivóMVtbi c_t GwMtg hv`Q | Avi tmB ivóMVtbi fvlwfwEK RvZxqZvev`_vKte c_{avb} c_fvetKi fwgKvq | evsj v`tki Mí Kvii v fvlv Av`vj tbi mvov w`tq_Qtj b Avšwí Kfvte | GgbwK tj LKt`i A_tb_tKB w_Qtj b GB Av`vj tbi m_wuq msMVK Ges Kgx[®] fvlv Av`vj tbi mKj mwnwZ`K `wj j tK aviY Ki tZ nvmv nwdRi ingv_tbi t_Zt_Z GwMtg G_tj b c_wWZkxj tj LK Ges Kveiv evqvbe kw_t`i i_t³i `vM i Kv_tbvi Av_tMB GK_tki c_Qg msKj b c_KwkZ n_tjv nvmv nwdRj ingv_tbi m_{av}uv_{brq} | tmB msKj b AvRI c_w extZ gy³ Kvgx gv_tli Ab`Zg c_{avb} mRbkxj `wj j w_tmt_e w_et_ewPZ nq | fvlv Av`vj tbi gva`tg G_t`tki Kwe-mwnwZ`Kiv GB Dcj w_{at}ZI t_cQ_vtj b th evsj v mwn_tZ`i PP_tKej Avi mwnZ`PP_v g_ta` m_xgve_x tbB, Zv GLb evOwj RvZmE_v i_qvi GK gn_v w_ecex `w_qZ_i c_wYZ n_tq_tQ | GB `w_qZ_i cvj t_b `kw_j t`L_vtj BwZnm KvD_tKB _ql_gv Ki_te b_v | d_tj tj LKiv m_ez_wKfvte S_wct_q cotj b mwnZ`K_tg[®] d_eg_{av}iv c_wYZ n_tjv gy³ aviv_q | AmsL` m_wo l d_mtj f_ti DVj evsj vi mwnZ`R_wg_b | Mí tj LKt`i t_Zv w_cu_Qt_q `vKvi c_KB Av_tm b_v | KviY Zv_v ZZ_w t_b e_fS t_Mt_Qb th, evsj vi gvbl GKw m_{av}jbRbK l MYZwšK R_xe_tbi Rb` Avengv_b Kvj a_ti th j ovB Pw_j t_q Av_mt_Q, tmB j ovB_tK R_xeš-a_ti ivLvi m_et_Pt_q Kv_hRi mwnZ` gva`g n_tQ tQvUMi | c_Av_tki `k_tKi mKj Mí KviB AvgZj m_wog_li | A_tb_tK cieZ_xz Mí tj Lv t_#K m_ti Ab` i P_bv_q g_tb_wb_tek K_ti_tQ_b | w_Kš` m_wokxj Zvi A₁/₂x_Kvi t_#K w_cQ_nt_Ub_wb t_KD-B | GB `k_tK Aw_ef_z R_wni ivq_nv, nvmv nwdRj ingv_b, w_giRv Ave`j nvB, m_Pvi Z t_Pšajx, tevi nvD_wl b Lvb Rv_v1/2xi, iv_teqv LvZb w_et_kl fv_te D_tj L_th_wM` |

Avj vD_wl b Avj AvRv` GK mgq w_bt_Rt_K GB `k_tKi m_et_Pt_q D_tj L_th_wM` Mí Kvi w_tmt_e c_QZwóZ K_ti_wQ_tj b | GB `k_tKi R_xe_be_v`x Ges ev`eg_lx avi_wli c_eZ_R Ges c_w Kr. `β-B w_Qtj b w_Zw_b | tmB mgq w_eK_vt_kv_b t_z v w_eK_vkgv_b evsj v Mí mwnZ` Zvii nv_tZ j v f K_ti_wQ_j GKm₁/₂ `kw_i K, m_wg_wRK Ges ivR_wWZK gv_lv | cieZ_xmg_tq Aek` w_Zw_b w_bt_Ri Ae_vb a_ti ivL_tZ cv_ti_bw_b | ga_we_tEi Amvi KnKZv Ges t_vg_wUKZvi P_we_z Pe_fY Af_xo j _ql` t_#K A_tb_K `t_i m_ti t_Mt_Qb |

Z_te w_bt_Ri j _ql` t_#K KLbB w_eP_zZ n_wb k l KZ Avj x | c_wWZkxj mwnZ` l mgvR_vPšv Zvi t_fZ_ti c_Rwj Z t_it_Lt_Q c_Pj vi Av_tj vK_wlv | ZvB KLbB c_áóZvi w_KKvi n_wb w_Zw_b | w_ew_fb_e mgq K_j v_wkej`ev` Av_wgY k_ww_tq_tQ evsj v`tki mwnZ`-A₁/₂t_b | tmB Kn_tK tec_yn_tq_tQ_b A_tb_tK | w_Kš` w_bt_Ri Rv_qMv t_#K b_tob_wb k l KZ Avj x | w_bt_Ri mwnZ` k_Qt_K evi evi c_ix_ql_v-w_bi_xq_lv K_ti_tQ_b | ch_qj vP_bv Ges w_bg_g AvZ_wg_vt_j vP_bv_q c_iv_gl n_wb w_Zw_b | t_kl ch_s-w_z t_#K_tQ_b mwnZ` Ges mgvRc_wWZi Av`vj t_b | ZvB evsj v`tki m_et_Pt_q i`Z_cY[®] Dcb_vm_tj vi GKw eo AskB w_j w_LZ n_tq_tQ Zvii nv_tZ | A_tb_K mgq Av_tj vP_bvi cv`c_Qx_c t_#K `t_i v_Kt_Z n_tq_tQ Zv_wK | evsj v`tki ivó_qgZvi g_tZv mwn_tZ`i KZ_zl t_ew_ki f_vM mgq

_vK cŌZmυqvκxj GKwU `pPti nvtZ| wKŠ' Zviv ciwRZ KiZ cvtib klKZ Avj xK|
 evsj vt`tki mwnZ`i MZ 70 eQi i BwZnm cŌvY KtiQ th klKZ Avj xi gZv tj LKivB
 tkl chS-`wotq _vKtZ cvtib gv_v DPzKti | Dcb`vm-mwnZ` gtbvthvM teik ube× _vKtj I
 evsj vt`tki Mt`i Avtj vPbv klKZ Avj xK ev` w`tq wKQZB cYŲZv tctZ cvti bv| Zvi
 Ōtj wj nvb mvaŌ Avgvt` i Mí mwnZ`i GK tMŠiegg DĒi waKvi |

%mq` kvgmj ntki gZv Ggb mϣogLi Ges meŲmdj tj LK GLb chS-GKRbI RbWwb
 evsj vt`tk| mwZ`Kvti i me`mvPx tj LtKi AwFav GKgvĪ ZvtKB gvbuq| KweZv, Mí, Dcb`vm,
 buUK, cĒŪ, mgvtj vPbv mwnZ`, Abjev` mKj tŲtĪB tmvbdj vtbv tj LK `mq` kvgmj nK|
 Zvi ŌtLj vvg tLtj hvŌ Dcb`vm ZvtK Ztj w`tqQ wKse`wŠt chŲq| ŌekvL i wPZ
 cswŲgvj vŌi gZv mdj AvaybK Awztki KweZv, "Ō i Pbv tKej Zvi ctŲB mŲe| ŌciŲYi
 Mnxb tFZtiŌ wktivbtgi AvĀwj K fvlvq tj Lv mtBU, "Ō AvR chS-`evsj v mwnZ` Zj bvx
 Ōcvti Avl qvR cvl qv hvqŌ Ges Ōbj`xtbi mvi RxbŌ Gi gZv Kve`buUK GKRb tj LKtK
 evsj v mwnZ` wPi`vqx Avmtbi wŌŌqZv w`tZ cvti | Mí i Pbv I Mí wbgŲY Zvi Fw× ZĪ`úκŲ
 c_w_exi gvby lLb j`wZb Avtgi wKvi g`wRK wiqwj Rtgi bvgB tkvtbwb, bvg tkvtbwb
 gvKR-`tevtnt` i, ZLbB wZwb wj tL tdtj tQb Ōi³ tMjvcŌ Gi gZv Awē`š i Yxq Mí | `mq`
 kvgmj nK K_v mwnZ` Kvr KtiQb cŌq lVU eQi atj | LŲ mĪZ KviŲB Zvi mPbvj tMie
 i Pbv Avi eZŲvbKvtj i i Pbv GK bq| thgb wZwb wbtRi eZŲvb mgŲi Mí tK Avi Mí etj b
 bv| etj b ŌMí -cĒŪŌ| tmB Mí ev Mí -cĒŪtK Avevi wZwb GK K_vq etj b Ōetkl aiŲbi
 wgtQ-K_vŌ| Zvi RevxtZ tmB wgtQ-K_vi GKgvĪ `we GB th, Zvi tFZti mŲeciZv _vKtZ
 nte tlvj Avbv, bBtj Zv wekymthvM` nte bv| GB mŲeciZvB itqQ mRbκxj M` mwnZ`i
 Mí -Dcb`vm ntq lVvi gŲj | Kíbv bq, evbvtbv wKQz bq, hv nqwb wKŠ' Aek`B ntZ
 cvi ZŲgvbtj i `Zix gvby wbtq hveZxq K_v-Kwnwb tZv GUvB| wbi Št wbi xŲvκxj Zvi wclqWtK
 wetePbvq wbtj `mq` ntki tKvtbv Zj bv evsj vt`tk tZv etUB, iext`ŲĒi evsj v fvlvtZl
 `j Ų| cixŲv wbi xŲvi tŲtĪ wZwb GK AŠxb cwi eŲRK| `mq` kvgmj nK G t`tki tmB
 wej tj LKt`i GKRb, whwb `ktKi MwĒ tftŌ tewitq GtmtQb |

wZwb Mí wbgŲY, Mí fvebvq, Mí eqtb memgqB mgmvgwqK| KLtbv KLtbv mgŲi Zj bvqI
 GwMtq hvb| Mí Ges Dcb`vtmi meŲkl cKiYwU Zvi AvqĒvaxb| A_P wZwb meŲtk
 cKiYev`x bb| `ymvnmx bv ntj wbi xŲvcĒY nlqv hvq bv| tKbbv GKwU chŲq tcŲQ
 hk-L`wZ cvlqvi cti tKD Avi tmB RvqMwU tQto botZ Pvb bv| dtj hv NtU Zv nt`Q
 cpiveĒ Ges kwŲŲq| wbtRi tj Lv t`tK wbtRB bKj Kiv| cpiveZŲb `mq` ntki cŲĒ
 Abxrv| tmB KviŲB evisevi wbtRiB wbgŲ mj g` tmŠamKj, hv ZvtK L`wZ-cŲcwiĒ Gtb
 w`tqQ evsj v mwnZ`i tŲtĪ, tmB tmŠa chS-wZwb Abvqvtm Z`wM Kti tewitq ctob evisevi
 bZb Mtni mŪvtb| bZb cixŲv-wbi xŲvi ct_ Pj tZ wMtq evi evi i^{3v3} ntZ nq ZvtK, Zey
 c_ Pj tZ fq

cvb bv wZvb | Avi Awekj m`fite c0g mKj t`f`T B wZvb mvd t j `i t` Lv wKQz bv wKQz tctqB hvb | weivb-vegt_ c0S`ti KLt`bv m j k` ng`v wR, KLt`bv Lt`oi AvUPj v tM_ Zj tZ cvt`ib wZvb | tm Kvi t`YB evsj v fvlvi cEYZg t`tK `i` Kti bexbZg cvt`Ki Kv tQ `mq` nK Aek` cv` |

cAvt`ki `k`K hv`v `i` Kiv Ab`vb` tj Lt`Ki gta` we`kl fite D t j Lt`hvM` Rvni ivqrvb | Kvi Y GB `k`K msNwUZ fvlv Av`v j b wbtq met`P t q tenk Mí Ges Dcb`vm iPbv Kti wQ t j b wZvb | cieZxRvt j Pj w`P t` gtbwbt`ek Kivq wZvb evsj v tQvUMt`ri Avi D t j Lt`hvM` tZgb tKvt`bv Ae`vb ivL t Z cvt`ibwb | GKB mvt`_ Zvi nZ`vKvE evsj v mwinZ`-ms`wZi A`z`tb GK Ac`Yxq` f`wZi Kvi Y ntq it`qtQ | GKt`ki Agi Mvt`bi MxwZKvi Avaj Mvddvi tP`Sajx eZ`v t b mvsew` K-Kj w g ÷ wnt`m t eB cwi wPZ | Zte tmB cAvt`ki `k`K wZvb t`fgNbv0 bvt`gi GKwU mwinZ` cw`Kv m`úv` bvi cvkvcwk Om`t`Ui Qwe0i g t Zv tek Kt`qKwU fvt`j v Mí l w j t`LwQ t j b | GKt`ki Avn`vt`b mvov w`t`q wQ t j b evsj v`tki c0g Avaj`bK bZ`-Kkxj e ej ej tP`Sajx l | Zvi K j t g i wPZ nq PgrKvi Kt`qKwU Mí | Avevi fvlv Av`v j b t`K t`K` `Kti 0Kei0 iPbvi gva`tg evOw j Rvwi g t ZvB Agi Zj ARB`Kvix gpxi tP`Sajx l Mí w j Lt`Z D0x` nt`q wQ t j b | wZvb w j t`LwQ t j b 0bMecv0 Ges 0Log0-Gi g t Zv ivR`wZK gv`vmg`x Mí | GB `k`K Awef`Z Ab` Mí t j LKt` `i gta` knx` mvt`e t i i 0GK U`K t iv tgN0, wgbwZ Avj xi 0gd`f` msev`0, 0Avgvi c0g t`c00, gZRv ek`t`i i 0mv`v nvZw0, ikx` Kix`gi 0gZimsev` `i ci `0NEv0, ivteq v LvZt`bi 0t`Ubk`tb fM`tQ tMvUv t`k0 cvt`Ki `w0 AvKl`P Kti wQ j | m t Z`b tm`bi g t Zv wKse`wS`Zj` ivR`wZK e`w`3 l GB `k`K tek Kt`qKwU Mí iPbv Kti wQ t j b | GB `k`KB i wPZ nt`q wQ j nvmvb nwdRj ingvt`bi Ave`si Yxq Mí 0Avt`iv `wU gZi0 | gtb Kwit`q t`l qv c0qvRb, GB `k`K i wPZ fvt`j v Mí `t j vi tenki f`vMB aviy Kti wQ j 1957 mvt`j c0KwKZ w`Kv`vi Avev Rvdi m`úv` Z evsj v`tki c0g h_v_`mwinZ` cw`Kv 0mgKvj 0 |

Ivt`Ui `k`K nVv R t`i B thb Mí Ges Mí Kv t`i e`wB c0hwi Z nq A`tbK`_Y | wK msL`vq wK `ew`P t`T` wK cix`v w bix`v vqNmet`f`T B tQvUMt`ri thb Avgj cwi ew`Z nt`q hw`Q j | ivR`wZK-mvgwRK Uvj gvUvj t`XD t`qi gta` thgb GB `k`KB evOw j g`nj gvb mgv`Ri gta`, weKZ ct`_ nt`j l, GKwU ga`weE t`k0Y c0Zw0Z nevi mKj kZ`c`Y nq, tZgbB tQvUMt`ri t`f`T mwe`R fite mPbv nq GKwU wfb`e`f`Mvj Ges wfb`e`K t`Ei | GB c0g t j LKt` `i t`KD t`KD Dcj vä Ki t Z `i` Kti b th Zv` it`K evsj v`tki gvb`f`l i Mí w j Lt`Z nte, th Mí `t j v we`wK Ave`n i wPZ bq | Ivt`Ui `k`Ki Mí `t j vi gta` A`tbK`_t j v cEYZv wQ j, hv GB `k`Ki mvgwRK-ivR`wZK cEYZvmg`ni mgv`b`vZx |

c0gZ, Ivt`Ui `k`Ki D`3/4 j tQvUMt`ri `t j v c0vbZ c0KwKZ nt`q wQ j w j Uj g`vMwR`tb | dt j GK ait`Yi Ac0wZ0w`bKZvi cwi Pq GB Mí `t j vi Aeqte Lt`R cvl qv hvq | th`nZ`w j Uj g`vMwR`tb c0KwKZ, ZvB wKQwv cix`v-w bix`v m`thvM wQ j | memgqB tm`t j v w`k`r vE`Y`GgbwU ej v hvte

bv| Zte GB At_©GtK BwZevPK ej tZB nte th, GKwU wbiXqV cieZxRvtj Avtiv wbiXqvi
 `iRv Dbj³ Kti t`q| wDZxqZ, IvfUi `kK cãvZ tKtUto mgvwi K kvmtbi RvZvKtj wco
 ntq| tm mgq gZ cKvtki `xaxZv wQj wvwl x| ZvB IvfUi tj LKt`i K_vixmZtZ AvbtZ nq
 cwi eZ0| AcZ`q| K_tbi gva`tg Mí wbgP| Gi dtj Avevi Rxebwgl wkí-me©Zvi GKwU
 c0YZvl `vov tetawQj GB `kK| ZZxqZ, IvfUi tj LKt`i GKwU eo mvdj` n`Q Mti i
 fvlvK Dbj³ ifc Mto Zj tZ cviv| IvfUi cãv Mí Kviv ktãi kw³ m`útk`mtPZb wQj b|
 ZvB Zviv c0Z`tKB Ac0Z0:0x fvlwkí xl eU|

IvfUi `kKRto thme wj Uj g`vMwRb Ges AvbqwgZ mwinZ` cwí Kv cKwkZ ntqtQ tm_tj vi
 gta` cFvekj x cwí Kv wQj GKwaK| thgb Gbvgy nK m`úw Z 0DEiY0, kvnRvnb nwidR
 m`úw Z 0m`úwZK0, dvi`K Avj gMxi m`úw Z 0c0ZaYnb0, Ave`j vn Avev mqv` m`úw Z
 0KÉ`t0, tdi t`Sm mvtR`xb m`úw Z 0my`ig0, kkv¼ cvj m`úw Z 0k0eš0| GQvov wQj
 0mBK0 I 0cwi Pq0| wQj 0DÉv0, 0KtcvZ0 I 0`tM0g0| XvKvi evBti e_ov t`tK dvi`K wmi Kxi
 m`úv`bvq GB wj Uj g`vMwRtbi wgvQj thvM w`tqWj 0ecZxc0| Avi GB `kKtKi Dtj LthvM`
 NUbv n`Q cÍ-cwí Kv AvZtKvk| GB D`PwFj vlx cKí wJi `c0v wQj b Kvgj web
 gvnZve| Zvi m`úv`bvq cKwkZ ntqWj Mti i KvMR 0tQvUMí 0|

tR`wZcKvk `É Gt`tki tmB D¾aj Mí Kv t`i gta` GKRb whwb mgvRev`eZvi mvt_
 wkí mdj Zvi tgjeÜb NUvtZ tctitQb| Zvi cãv mvdj` n`Q Dcwi Ztj i ev`eZvi
 KnKweatg Av`Qb0v t`tK memgq wFZti c0etki tPov Kiv| mvtidm wi qvwj wJi eY0vq mš0
 _vKtZ cvtib tKej tMSY tj LKivB| AtbtKB cw0gv A`vemU0Kkbtbi dvt` cto wbtRi Pj vi
 c_ nwi tq tdtj b| tR`wZcKvk `É A`vemU0KkbtK e`envi KitZ wMtq nwi tq hvwb|
 A`vemU0Kkb w`tq wi qvwj wJtK Dc`vcb I e`vL`v Kivi t`tT wZwb Gt`tki cw_Kr. tj LK,
 mdj Zgl eU| tm Kv tY GB fL`tEi wkí mwnZ`i t`tT h_v_©AvajbKZvi cw_Kr. wntmte
 hLb KweZvq bvg Avtm knx` Kv`ixi, fv`th`b`fiv Avngt`i, bvUtK mV` Avngt`i, ZLb
 tQvUMti i t`tT Awbevhpvte D`Pwi Z nq tR`wZcKvk `tEi bvg|

tj LKRxetbi `i i` t`tKB tR`wZcKvk `É thb RvbtZb evsj v tQvUMí wZwb tKvb ch0q t`L tZ
 Pvb| ZvB `iaywbtR tj LvB bq, IvfUi `kK wZwb tQvUMti i msMVK wntmteI `wqZi cvj b
 KtittQb| G Kv tY IvfUi Mí tKw`K mKj Dtj LthvM` cwí Kv thgb 0DEiY0, 0cwi Pq0, Ges
 0mBK0-Gi tbc t` msMVK wntmte m`uq t`tKtQb wZwb| Zvi Mti i fMj wewPÍ | wKŠ`tkl
 chS-me_tjv Mí maviY gvbli RxebhvcB Ges Rxeb`cB dWtq tZvtj | Zvi Mti i mg`-
 `ewPÍ I ci`úti i wfbZv mtEj| wtkl GKwU Av`j dtU itqtQ meLvttB| Pwi T_tjv tK tKvb
 Ae`vb t`tK hK Ki tQ Zv Avi ZLb weteP`_vK bv; eis my` Rxetbi Rb` mevB th c0YcY
 hK Ki tQ GuvB mZ` ntq t`Lv t`q|

ivnvZ Lv b nt`Qb Iv`Ui `k`Ki Ab`Zg M`wk`ix whub Zvi mgKvj t`K mKj PZi Zv, j v`uU", c`Zvi Yv l te`bmtgZ aivi tPov Kti`Qb| Zvi tj Lvq AvZgM`Zvi GKwU e`vcvi itq`Q| tmUvB Zv`K Av`Ob`eKti iv`L | Avi wZvb Av`Ob`e`vte mgvRvP`i`K hZUv cv`ib cvi`uU Kti`b | Zte bvmwi K Rxe`b tPvMv-PvcKv`bi vb`P j K`v`bv th `M`tM q`Z, Zv`K wZvb D`b`Pb Kti`b q`lgvxbfv`teB | th`SbZv vb`q Zvi bvovPvov Ab`t`i tP`q GKUy tenk, h`w l GK ait`bi mshgx-`eivM` Zvi th`SbP`S`v`K mnRgv`3 `vb Kti` |

Kj v`K`ej`ev` ev w`k`ri Rb` w`k`i vb`q Iv`Ui `k`K gvZvgwZ Kti`Qb A`b`t`KB | w`K`S` Ave`j gvbub `mq` Qwvc`q tM`Qb mevB`K | Avavi Ges Av`taq-Gi 0`x0 wZvb memgq c`lavb` w`tq`Qb Av`taq`K | G`q`i`l wZvb Avcmnx Ges GKwob`fv`te gvj`tg`e`S`x | w`Z`xq vekh`x`i ciciB Kj KvZv`K`w`K w`K`Q`M`i`j`LK BD`iv`cx`q`Z`vq `u`p`n`q`GB iKg tUKw`Kw`b`f`P`M`i`v`j`L`z`i`i` Kti`w`Q`j`b | h`w`l`BD`iv`c`Zv`i`i`n`t`q`w`Q`j`BwZv`v`mi`A`t`g`v`N`vb`q`tg`ga`w`e`t`E`i`Rxe`b`c`u`web`-`-`i`f`ci`fv`0`t`bi`d`t`j`|`t`K`b`bv`tm`L`v`t`b`ga`w`e`t`E`i`vb`t`U`v`j`Rxe`be`E`th`th`Dcv`v`t`bi`l`ci`w`f`w`E`Kti`M`to`D`v`w`Q`j`,`tm`B`Dcv`v`t`bi`A`b`K`_`j`v`B`h`y`Ges`h`y`-`cie`Z`x`m`S`K`t`U`t`f`tm`w`M`t`q`w`Q`j`|`G`w`t`K`c`h`y`3`Zv`i`w`t`Z`i`i`Kti`Q`w`e`w`Ob`e`nevi`AeK`v`k`|`d`t`j`bvmwi`K`D`v`m`x`b`b`e`f`P`K`Z`v`q`ci`u`i`w`eh`y`3`gvb`t`li`vb`t`U`v`j`Rxe`be`E`ej`z`Avi`w`K`O`B`i`B`j`bv`|`d`t`j`t`L`v`w`j`tm`B`M`i`th`L`v`t`b`K`Z`P`K`g`,`Amw`Z`K`Z`vi`m`S`K`U`tenk`,`th`M`t`i`m`se`v`E`t`b`B`,`Av`q`w`e`e`Z`A`t`k`l`Z`j`|`Amw`-`A`S`-`e`t`j`w`K`Q`z`t`b`B`,`Av`q`w`i`ay`GK`w`bi`"cv`q`ga`e`w`Z`Z`v`|`GB`D`b`y`t`P`Z`bv`evsj`v`k`f`L`t`E`G`t`j`v`Avg`w`b`m`t`i`|`Avi`t`k`Kon`x`b`GB`t`P`Z`bv`k`e`Ges`t`U`K`w`b`K`t`K`h`v`i`v`j`d`vb`t`j`b`,`vb`t`R`t`i`me`R`w`3`vb`t`q`w`M`Ki`t`j`b`GB`t`U`K`w`b`K`w`b`f`P`M`i`i`P`bv`q`,`Ave`j`gvbub`mq`Zv`i`Ab`Z`g`|`Zv`i`ci`l`vb`g`P`Y`K`k`j`Zv`i`Kv`i`Y`A`S`Z`,`evsj`v`k`i`t`Qv`UM`t`ri`i`RM`t`Z`Ave`j`gvbub`mq`_`i`"Z`c`Y`G`K`w`U`bv`g`n`q`_`v`K`t`eb`|

nmvnb AmRRj nK m`e`Z Gt`tki me`P`t`q`tenk`Av`t`j`w`P`Z`M`i`t`j`L`K`|`w`K`S`tmme`Av`t`j`v`P`bv`q`c`K`Z`nmvnb`t`K`aivi`t`P`ovi`t`P`t`q`Av`t`j`v`P`t`Ki`c`w`E`Z`-`c`O`P`ov`B`c`K`U`n`q`D`t`v`t`Q`|`c`K`Z`c`t`q`nmvnb`AmRRj`n`K`tm`B`w`e`i`j`t`j`L`K`t`i`G`K`R`b`whub`0`v`f`w`e`K`t`j`L`K`0`|`Zvi`M`t`i`i`fv`lv`c`e`t`U`i`fv`lv`Avi`K`_`t`bi`fv`lv`g`t`a`c`P`E`w`g`j`|`w`Zvb`th`i`w`Z`t`Z`K`_`v`e`t`j`b`,`w`j`L`z`e`t`m`l`tm`B`ai`Y`U`v`B`e`R`v`q`iv`t`L`b`|`Ac`Q`v`q`i`w`Z`t`Z`w`e`l`q`t`K`t`av`q`v`t`U`K`ti`M`i`t`j`L`v`Zvi`av`t`Z`t`b`B`|`c`w`i`u`U`b`B`Zvi`h`ve`Z`x`q`Ab`j`x`j`t`bi`j`q`i`|`Zvi`v`f`w`e`K`Z`vi`w`Z`x`q`j`q`i`Y`n`t`"Q`,`w`j`L`z`e`t`m`M`t`i`w`e`l`q`Av`t`M`bv`Amw`z`K`Av`t`M`,`bv`ix`Av`t`M`bv`c`j`"l`Av`t`M`,`bv`ix`-`c`j`"t`l`i`fv`i`m`v`g`e`R`v`q`iv`L`v`c`O`q`v`R`b`w`K`bv`N`G`me`vb`t`q`Zv`t`K`w`e`v`g`v`l`g`v`_`v`N`v`g`v`t`Z`t`L`v`h`v`q`v`b`K`L`b`l`|`Ave`i`Amw`z`K`vb`t`q`e`w`Z`e`-`-`n`b`v`b`g`v`t`b`GB`b`q`th`w`Zvb`Amw`z`t`Ki`e`v`c`v`i`Am`t`P`Z`b`|`Zvi`0`k`K`p`0`M`t`i`i`Amw`z`t`Ki`m`t`z`O`m`v`q`v`r`K`v`i`0`M`i`t`K`t`g`j`v`t`bv`h`v`te`bv`|`Avi`gv`beh`v`l`v`q`bv`ix`c`j`"l`w`P`i`K`v`j`B`c`v`k`v`c`w`k`i`t`q`t`Q`|`bv`ix`-`c`j`"t`l`i`f`w`g`K`v`q`,`Ae`v`t`b`l`fv`i`m`v`t`g`th`Zvi`Z`g`Av`t`Q`,`tm`m`e`u`t`K`w`Zvb`c`f`i`v`g`v`l`v`q`m`t`P`Z`b`|`bv`ix`e`v`x`bv`n`t`j`l`w`K`sev`k`ir`P`t`v`i`g`t`Zv`bv`ix`i`x`bv`n`t`j`l`nmvnb`AmRRj`n`t`Ki`M`t`i`t`L`v`h`v`q`th`,`

bvix` i RxebZ`on cj`ti i Zj bvq A`tk teuk c`ej , msmv`i i KwBZg ev`te bvi x-B k³ n`q
`vovq, msmv`i i mg`-ve`ti i AwKvsk D` i `Ki`Z nq bvi`KB|

A_`v` mg`-mgn`v vbtq tMSY tj LKt` i Anin gv_v Nvgv`Z nq, nvmvb AwRRj nK`K tmRb`
mgq`f|cY Ki`Z nq bv| GB vbi`v` _vKvi f|gZv vZvb AR` Kti`Qb GK `^Q Rxeb`w` Ges
vki`w` AR` Kivi gva`tg| eo tj LtKi GB _Y Zvi i PbvKt`g` RvZ vPvbtq t`q cvKgv`f|B|

AvLZvi`^{3/4}vgyb Buj qvm M`ij LK vntmte GtKev`iB tgvngy` | th me t`vKev`K` ga`veE
vbtR`K mvs`v w` tq vbtRi t`v`j`gvb I mjeaver`x Ae`vb I AcKg`K`ea vntmte t`Lv`bvi
tP`v Kti, gj`tevtai vbtg c`Pvj Z vKQz vRvbm`K me`v e`envi Kti A`b`i `vaxbZv I
mRb`kxj Zv`K Le`Kivi Rb`, t`c`-ag`mgv`Ri vbtg Pwj`q hvq cvi`uvi K k`k`w`enxb
`v`uZ`Rxeb`NGBme tgvn t`tK gy` Buj qv`mi tPZbv| vZvb A`K`k ewni`t`zi
Pb-m`pvK-c`tj `v`v Lvm`q t`vL`q w`tZ cv`ib th m`u`K`P Bgvi Z vbgK e`v`ji cv`K mst`hMx
vntg`f|Ui Av`S` tKv`bv Aw`Z; tbB| GB t`vL`q t`I qvUv KL`bv KL`bv c`q vbg`Zvi ch`q
t`c`t`Q hvq| ga`veE cv`Kti m`n`i AZxZ n`q `vovq vbtRi I vbtRi ga`Kvi m`u`K`³tjvi
Avmj tPvivi fqvenZv|

Iv`Ui `k`Ki Ab`Zg kv`kxj x K_vKvi Ave`Ki vmi`K | Zvi g`Zv Ggb Zxe`M` evsjv`t`k
Avi tKD vj LtZ cv`ibvb| Zxe`, AvteMx, FRyGes j`f`x Db`j gvb`li RxebPh`, Zv` i
cj`bv RxebKv`j t`Lv gv` GKg`Vv `t`c` K_v Ave`Ki vmi`K AvK`Z cv`ib vbcY `f|Zvq|
Zvi M` ejvi f`w` cv`KtK c`q eva` Kti Zvi mv` msnwZ c`Kv`k| GuUB Zvi eo mvdj`
cv`Kti g`a` vbtRi vP`v mdj msp`gY NUv`bv|

`f`-R`etbi c`iv mgqUKz AZ`S`-R`eS`-vQ`j b Avng` Qdv| m`v`Z tZv etUB, t`kKv`j i
mKj ai`bi Avn`v`b memgq mvov w`tq`Qb GB m`wZ`Kv`i gvb`v| RvZxq R`etbi Ggb
tKv`bv w`K`tbB, thw`tK Mfxi `w` vbt`f|t`ci tP`v Kti vbv Avng` Qdv| Zvi R`eb Ges Ab`v`
iPvbi g`ZvB Zxe`Ges mst`e`bkxj Zvi M` _tjv|

U`eovj O`M` vj`L`i`i`t`ZB cv`Kti `w` AvKI`v` Kti`vQ`j b knx`j i ngvb| Zvi M` _tjv`Z gj`Z
L`R cvl qv hvte gvb`li m`u`K`P g`a` mgea`v`b dvUj _tjvi tcv`-g`U`g| Zvi tj Lv U`v`gvi
gZi Rb` tKD `vqx bqO` M`v`v c`Ki`Y, v`l q vbe`f`b, `k`v`K e`Av`vq Ges Abf`wZi Zxe`Zvq
Iv`Ui `k`K tj Lv t`k` M` _tjvi Zvwj Kvq `vb Kti vbtq`Q|

b`xb iv`a`Ges mgv`Ri v`v`f`b`k`v`i v`v`m Ges c`p`v`v`mRvbZ Aw`i Zv`K M`i avi`Yi tP`v
Kti`Qb Kv`qm Avntg` | GB `k`KiB Ab`Zg m`v`g`ti tj LK v`c`v`k eoqv| GK msnZ
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gvngy`j nK, vhw b RxebtK vbR mtnv`ti i mgvb gj`evb, Ai wŋZ Ges ewĀZ Ae`vq Awie®vi Ktib|

IvŋUi `kŋK AwefZ nŋquŋtj b tek KŋqKRb bvix-tj LK| Zvt`i gŋa` cieZxŋvtj mŋuqZvq fv`ŋ nŋqŋQb wŋwRqv ingvb, tmw j bv tnvtmb, Avŋbvqviv`mq` nK Ges cŋex emj|

evŌw j i BwZnvŋmi meŋPŋq ZvrcheY©NUbwŋi Rbŋ mĒti i `kŋK| G mgquŋtZ nŋqŋQ `ŋaxb ivŋevsj vt`tki Afj`q| Avevi GB`kŋKB NŋtŋQ evŌw j RwZi RbŋKi wbgŋ nZ`vKvĒ| cŋiv mĒi `kK wŋj bvbv iKg NUbv-`Nŋbvq cwi cYŋ `ŋaxbZv ARŋbi ci RvZxq gw³i jŋŋ` mgvRZŋšj cŋ_ cv evovŋbvi tNvl Yv w`ŋquŋtj b ZrKvj xb miKvi | wKš' Zv`i mweŋ Kvhpŋg tmB tNvl Yvi mvŋ_ mŋwZcYŋŋQj bv gŋb Kŋi weŋŋä Zvi`ŋY'i GKwU weivU Ask wŋtRŋ`i gŋZv Kŋi mgvRZvŋšK wecŋei cŋ_ AMŋi nq| wŋtRŋ`i gŋa`l Zv`i wŋj bvbv aitŋi ōō| G ōŋŋi mŋ aŋi bexb ivŋŋŋ wei`ŋx Pig cŋZwŋqvŋkj ŋ`i lohŋšj c_ Aewi Z nŋq cŋo| ZviB dŋj `ŋaxbZvi gvŋ mŋto wZb eŋŋi gv_vq ivŋŋŋgZv Avevi Pŋj hvq cŋZwŋqvŋkj kw³i nŋZi gŋVvq| Zŋe civRq gŋtbw b cŋwZkŋj kw³| cŋiv `kKRŋŋoB Zviv msMwZ nevi tPŋv KŋiŋQ, cŋZŋiva Movi tPŋv KŋiŋQ| t`tki tŋŋMw j K Ges ivŋŋŋ `ŋaxbZv `ŋfweK KvŋŋYB evBŋi cŋ_exi mvŋ_ mKj gŋŋj iB cŋŋŋ I cŋivŋ thvMvŋhŋM evovŋbvi mŋhŋM Kŋi w`ŋquŋj | dŋj cŋ_exi mKj t`tki mKj fvŋvi wPšwi mvŋ_ Avŋiv tenk Kŋi cwi wPZ nŋq DVvi mŋhŋM mŋŋ nŋŋj tenk| G meŋKŋi cŋZdj b t`Lv hvq GB`kŋKi tQvUMtí | gw³hy Ges gw³hŋxi tPZbv memgqB RvMiŋK t`ŋKŋQ gj avivi tj LKŋ`i mKj KgŋvĒ| GB tj LKŋ`i ōviv t`tki gŋa` cŋKwŋZ nŋqŋQ AmsL` wj Uj g`vMwRb, cŋZwŋZ nŋqŋQ bZb bZb msev`cĒ, cŋKvkbv cŋZŋv| cvkvcwŋ `enkK ivRbŋZ Ges wŋí -ms`wZi mvŋ_ Mŋto DŋvŋQ AŋbK tenk thvMvŋhŋM|

dŋj AvšRŋZKZv Ges RvZxqZvŋvŋi mgšŋqi mŋ_ŋjv LŋR tei Kivi bZb `vquŋl eŋZŋQ tj LKŋ`i Kvŋa| GB`kŋK Mí wj LŋZ Gŋj b nwi c` `Ē, gCbŋ Avnmvb mvŋei, gĀymi Kvi, mŋvš-gRŋ`vi, ej ej tPšajx, ŋgvqŋ Avntŋ`, AvZv miKvi, Avng` ekxi, kvŋwŋqvi Kwei, evŋiK Avāj vn, gŋ`elv cvbŋ Bg`v`j nK wŋj b, Avej mvC` Rŋeix, fv`i tPšajx, ŋmq` Avntŋ` ZvŋiK, gŋbvqviv tnvtmb, gnwmb k`cŋwŋ, Avdmvb tPšajx, nvi`b nvex, ŋmq` BKevj, iŋdKi i kx`, Rvdi Zjŋ`vi, Zvcŋ gRŋ`vi, wŋŋivR mvi l qvi, gwŋbiv Kvŋqm, Avj gMxi ti Rv tPšajx|

ŋi`ŋZB ŌKKi I AvKvŋki Pwŋ Ō Ges ŌncZ.fwŋŌ Mí`ŋŋi gva`ŋg nwi c` `Ē Rwbŋq w`ŋj b th evsj vt`tki K_vmwŋtZ` Awiefŋ NŋtŋQ AZ`š-kw³gvb GK tj LŋKi | cieZxŋmgŋq GŋKi ci GK Mí Ges eo cUfŋgKvi Dcbvŋmi gva`ŋg wŋtRŋ`K evsj vt`tki mwŋtZ`i GK Acwi nvh© bŋŋ cwi YZ Kŋi ŋQb wZw b|

RxebNubô Mí gytbB tmlU Môtgi cUfvgKvq iWPZ ntZ nte ev ZvtZ wbeetMP gvbftLi AvLvb eYbv KiZ nte, Ggb aviYvi gTj KlvivNvZ Ktj b gCbj Avnmvb mteí | knievmx gaueE tZv etUB, D"PeEËt i tKt`^ti tLI th RxebNubô Ges wkí mgx Mí tj Lv thtZ cvti, Zv thb cÜg t` Lvtj b wZwb |

AZ`š-kw³kvj x tj LK gubiv Kvqtm| evsj vfvlvq bb-wdKkb avivi Mí AtbKtB wj tLtQb | Zte Zv gubiv Kvqtmí gZv avivevwnK mvdTj `i mvt_ wj LtZ cvti bwb Ab` tKD |

Avki `kK evsj vt`tki wj Uj gvMwRb Ges cWPtµi `kK wntmte cwvPZ | t`tki gj ivR%bwZK kw³ cÜq cTivcvi Ptj tMtQ cÜZµuqvKxj Ptµi nvZ | Zvt`i cötcvlKZvq t`tki `wbK cwí Kv_tj vi mwinZ` mvgwqKx Ges mvBwnK, cw¶K, gwmK cwí Kv_tj v gTbvi Ätbi bvtg AMfxi m`v-wetbv`bgj K mwinZ`i cñvti wbgMq hviv mwZ`Kvi At_B mrmwinZ`i PPKtZ tPtqQtj b, Zvt`i `wovevi RvqMv Kti w`tZ tKvfbvgtZB iwR wQj bv gj avivi cÎ-cwí Kv | tmB Kvi tY weKí KvMtRi AvkÜq thtZ eva` ntj b GB `kK wj LtZ Avmv Mí Kvi iv | tQvU cwimti `i` Kivi cil GB `kKi AtbK tj LKB GLb evsj vt`tki K_vmwntZ`i tbZtZj Avmtb Dtv GtmQb | Gt`i gta` Dtv LtHvM` ntj bÑknx`j Rvni, gvqg úmvBb, kvrv` ¼4vqvb, BgvZqvi kvqg, bvimi xb Rrvnb, SY¶ingvb |

beYB Gi `kK nt`Q cW_ex tZ mgvRZwšK ivóbi x¶vi Aemvtbi `kK | wej ß ntqtQ tmwftqZ BDwbq, kw³i fvimvtg` nmi tq cW_ex cwí YZ ntqtQ GKK civkw³i µxobK, cÜq mKj `wi`^ Ges LeRw³i t`k evav ctoQ wekpvstKi Lei`wii teovRvtj, gwKØ Bkvivq Ges cÜ`¶ n`¶¶tc Dte hv`Q t`tk t`tk ¶lgZvmbt`i M`x, gy³evRvti bvtg cW_ex cwí YZ ntqtQ KtctiU Avi c¶Ri Aeva jÉb¶¶t, Avi mKj `ifeyxµúbe gvbftLi gZvB evsj vt`tki wPšwKxj tj LKivl nZwenYj | GB mgq cÜwZKxj bvtg cwí WPZ Kwe-mwinvZ`Kt`i GKvU weivU Ask tKvfbv iKg ch¶j vPbv QvovB `tj `tj wfto thtZ `i` Ktj b eo `yU ivR%bwZK cvUdtg¶ G mgq wj LtZ Avmv Zi`Yiv th `kØ Ges `vkØKZvi msKtU fMtEb, G tZv Rvbv K_vB | AMR Kwe-mwinvZ`Kt`i gta` mjeavev` evmv tetatQ wPi `vqx et` ve`-wbTq | Zviv th `tj Uvbi Rb` nvZ emwtq_vKteb Zi`Yt`i w`tK, G-l Rvbv K_v | GB mgq hviv Mí wj LtZ GtmQb, Zvt`i AtbKtB ivR%bwZK `^QZvi w`K t`tK wQj b AtbKvstK `wi`¶ dtj GB `kKi tj LKt`i wbtRt`i KÉ`↑ LtR tctZ mgq tj tMtQ AtbK tenk | Zvici l GB `kK tek KtqKRb kw³kvj x tj LtKi Awef¶e NtUQ |

Gt`i gta` itqtQb AvKgj tnvmb wbcy AvkGjb ingvb, Avtbvqvi kvrv`Z, Avngv` tgv`elv Kvqj, Aw`wZ dvépx, Kvgi`³4vqvb Rrvn½xi, mvRrvnb mwK`vi, tLvKb Kvqmi, bwmgv tmwjj g Aj xK, cvcwo ingvb, cÜvš-gav, gwKdj Avj g, Rwkí Zvj K`vi, ivLvj ivrv, ivqrvb ivBb |

evsj vfvlvq evsj v`tki tj LK bvgK tQIw th Avj v`vfvte wPwYz Kivi cQqvRb ctofo, Zv GB t`tki tj LKiv u`q w`tq wKB Abyfe KitZ cvtib| evsj v`tki `faxZv jvtfi ci Pviw `kK tcwi`q tMtoQ| GLb evsj v l evOvij msukó mKj `vq-`wqZi th GB evsj v`tki gvbti Zv mKtj iB Rvbv| evsj v Mí mwnZ`i D³/₄j DEiwaKvi enb Kiv Ges Zvi h_vthvMí DEimwi wntmte wbtRt`i cQZwôZ Kivi Rb` th mtpZb cwi kôj `iKvi Zv Gt`tki tj LKiv mva`gZB w`t`Qb| mwnZ` th KLbl KLbl tKvfbv `j ev e`w³i wectQTB `iay`vovq bv, eis cQqvRbtefta wbiy v`ivRbwiZi wei`txl `vovfZ nq ZvtK GB wclqvW wKB gbtb aviY Ktib Avgv` i Mí tj LKe`| evsj vfvlvq eQtii ci eQi ati evsj v`tki tj LKiv BDtivfci, Avtgwi Kvi, Avie-Bivb-Zivtbi Mí wj tLtoQ, Avevi nvtj tKD tKD j wZb Avtgwi Kv GgbwK AwdKvi Mí l wj LtoQb| wKŠ` evsj v fvlvq evsj v`tki Mí wj LtZ cvi vUv Avgv` i GKgvÎ mvdj`|

mrvqK MŠ`

evsj v`tki Mí, Awki `kK, m`uv`K : bvmwi b Rvnb, evsj v GKvtWgx
 evsj v`tki wbePZ tQvUMf, Ave`j gvbub `mq`, wectmwnZ` tK>`^a
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 IvfUi DEiwaKvi, mE`ti i Mí, m`kvš-gRg`vi
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cePkv, m`uv`K : Kwe mÁq fÆvPvh[©]
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 wvZev` x, m`uv`K : KôKgj fÆvPvh[©]1298 e¹/₂wã
 ml MvZ, m`uv`K : tgvnvš` bvmi Dwí`b, 1918 wL.^a

MANAGING A MOTIVATIONAL ENVIRONMENT - A THEORETICAL STUDY

Syed Abdur Rob *
Shamsad Shahjahan**

Abstract

The most critical step a manager can take in trying to motivate employees is to gain clarity about what they need in terms of goals, feedback, incentives, and growth. Often the managers are asked, "Are you providing the right motivational environment?" Most of them believe that motivation comes from within, so it is the managers' responsibility to create a positive motivational climate within his workgroup. Managers may not directly motivate their associates, but they are responsible for the motivational environment of the work place. Managers and frontline supervisors, in many ways, are the "heart" of a business because they are the key components to creating positive, neutral, or negative work environments. For this reason a number of researchers conducted theoretical study about the issue why managers have to confirm the motivational environment in their work place. Though different researchers expressed in different ways, everyone agrees that the issue is important for the healthy growth of every organization. In these circumstances, the aim of this paper is to provide an overview of the overall dimensions of managing motivational environment.

Keywords: *Efficiency, Healthy growth, Goal, Boosted up, Motivational environment, Recognition, etc.*

Introduction

The motivational environment is the general pattern of motivational behavior which influences the ethical standards within an organization as well as behavioral pattern of managerial people. While behavior is a reaction to situations the environment is an important catalyst in determining different types of reactions. If the environment is complimentary to establish behavior, the actions are positively reinforced. However, if the environment is hostile to the values and skills of the workers, negative reactions take place.

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The environment surrounding the work place has two elements. These are physical and social.

The physical environment at work place is the arrangement of people and things so that it has a positive influence on people. Some of the physical factors that influence behavior are noise level, heat, light, ventilation, cleanliness, accessibility of work tools, specialization, color; coordination, nature of job, office furnishing, number of people working at a given place etc.

The open communication between managers and subordinates has a positive effect on behavior. The common cafeteria for management and workers in the factories and offices in Japan has been known to be highly motivating to workers. Recent studies in "open wall" office concept showed that some employees were more productive and satisfied with this work place in open space, especially when their job did not require private office space.

The social environment relates to interaction among people and respect for numerous social and societal laws, rules, and norms created by people to regulate and control behavior of people.

However, the diversity in the individual's behavior is a product of exposure within the work environment. Therefore in general, we can say that no one can motivate anyone, all he can do is to create an environment.

Review of the Related Literature:

1. In managerial literature situational decision is one of the crucial decisions encountered by the manager of the company. There is a fundamental question about managerial study as to know what the likely effect of motivational environment is on work place. Various approaches have been taken to realize the motivational situations that can be effective or not. The common evidence shows the positive direction (Robert Barron) where positive environment affects the ethical standards within an organization. Stephen Robbins (1996) observes that managerial environment impacts expected environment. The relevant assumptions suggest arbitrage argument that gives the managerial decisions of the firm. Dean Spitzer (1995) reviews and synthesizes the vast research literature on motivational ways especially how people are motivated without using money.

2. Glyn and Roberts (1995) focuses on three types of components among those that are identified as (1) motivational climate, (2) motivational process, and (3) achievement goals. They showed that the positive motivational climate had emerged as a topic of significant and strategic concern.
3. Keith Davis and Newstrom (1997) were the first to conduct a full scale empirical study on employee behavior, although his major concern was organizational behavior rather than motivational environment. They expressed that managers are the key components to creating positive, neutral, or negative work environments. Saxby (2002) investigated how managers motivate and demotivate providing adequate or inadequate recognition. He focuses on four tips for creating a positive motivational environment by improving associate recognition.
4. Mbanta (2002) reexamines how critical thinking and creative problems are solved in an organization.
5. Gregory Moorhead (2000) opines that behavior is a reaction to situations. The environment is an important catalyst in determining different types of reactions. Likewise Steven Mcshane (2003) developed the same opinions.
6. While analyzing the impact of motivational environment on employee performance Gabrielle. O` Donovan (2006) expressed how to plan, implement, and measure a successful culture change program in a corporate sector.
7. J. Michael (2008) argued that the perspective and trends of organizational communication can ensure the positive work environment.
8. From the above discussion it is seen that many research scholars have identified the same views on the issue of positive work environment.

Objectives of the Study

The main objectives of this study are given below:

1. To review the dimensions or typologies of motivational behavior,
2. To know how a motivated employee can be devoted and loyal in his work environment, and
3. To suggest ways to ensure the sound business environment in an organization.

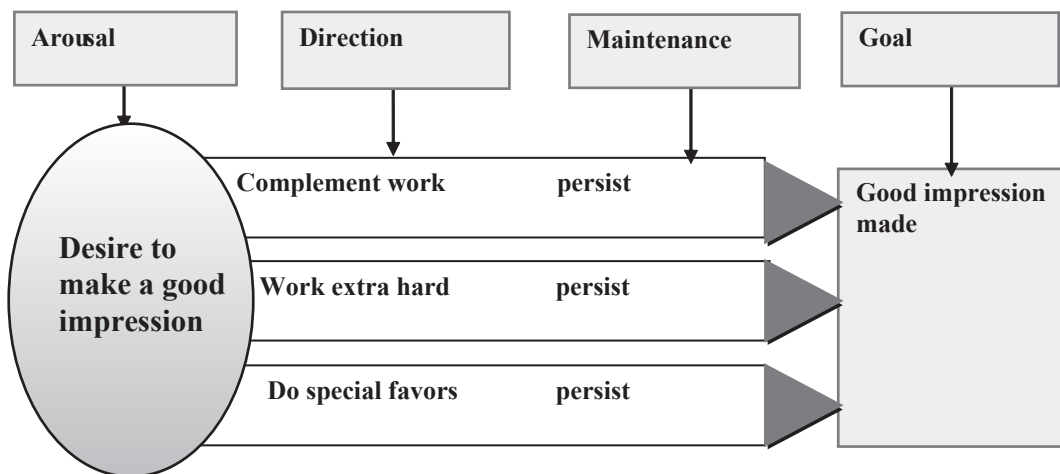
Methodology

The analysis for the article is descriptive in nature. This article has been done mainly based upon literature survey and secondary data and information. To gain deeper and broader understanding the study looks at various books. Basically the ideas boosted up by numerous academic articles on this issue have been consulted while shaping up personal opinions to assemble them on the paper.

Motivation and Motivational Environment

Motivation means instigation, inspiration, stimulation etc. Generally, motivation is the tactic of inspiring workers to work properly in their respective work places. It is a psychological issue that reflects the mental condition of a human being. Motivation is a process to make people work spontaneously. It is a complex managerial work that differs from person to person.

The concept is shown in the following figure:



It is said that "You cannot motivate anyone. All you can do is creating an environment wherein whatever innate motivation that exists within an individual can be expressed in the form of effective work." Perhaps this is true and it certainly reinforces earlier comments in this study to the effect that a manager is an environment creator.

Model of Creating a Motivational Environment



Four Elements that Create a Motivational Environment

As a manager, it is important to remember that each staff is unique and has different talents and needs. As you craft each employee's motivational environment by establishing motivational goals, effective feedback, meaningful incentives and supportive supervision, you will find they will respond with increased commitment and productivity, helping both themselves and the organization flourish. If a manager wants to ensure the motivational environment, he can focus on four key elements. They are:

- 1. Motivational goals:** Goal possesses higher motivational value when they are meaningful to both the individual and the organization. All too often, when managers design goals without employee involvement, the goals are only meaningful to themselves but irrelevant or even de-motivating for the employees. The solution is to set goals that contribute to the needs of the organization but, at the same time, are tallied to the individuals' strengths and abilities, enabling them to achieve their own goals as well.
- 2. Effective Feedback:** Effective feedback is specific, timely, and targets something within the employee's control. The phrase "When you see it, say it." is worth remembering and frees you from providing input only in formal settings. Begin with the positive purpose of your feedback. Even if the feedback is negative, the goal is to help the employee succeed. It is also the best to the specific, offering facts and figures whenever possible. If the feedback indicates that the individuals' performance is off track, help them find solutions, then conclude by offering your support.
- 3. Meaningful incentives:** For good performance it is important to provide more positive incentives than negative ones, with the most effective incentives being

defined by the individuals' point of view, not the managers' interestingly. When it comes to motivation, sincere thanks means the most. In fact, when employees were asked what rewards were important to them, they mentioned four types of praises - personal, written, electronic, and public. They were typically generated by individuals held in high esteem by the recipient and were given timely, sincerely, and in an specific manner. The other top-ranked motivations were

- * Support and involvement: Providing additional information, involving employees in decisions that affect them, asking employees for their opinions and ideas, and supporting employees when they make a mistake
- * Authority and authority: Allowing employees to decide how best to do their work, allowing them to purchase ideas they might have for improvements, giving them a choice of work assignment
- * Flexible working hour
- * Learning and development opportunities, and
- * Availability and time with their manager

4. Supportive supervision: Employees who believe that their organizations care about them (and not just the work they do) have a stronger psychological contract with their employer, put another way; employees won't care what anyone think, unless they believe that someone cares about them. This means that the supervisor must be aware of each individual's aspirations. For example, when an employee is assigned tasks he or she sees as growth opportunities, they are motivated. Managers can further support this by communicating to the employee the value inherent in completing the tasks successfully. Managers should also learn to ask for and provide support for creative ideas regarding the way the group approaches tasks, and then implement the best suggestions. Lastly, regularly scheduled forums can keep staff informed on any new development in their fields. Only these types of activities that to strengthen that psychological contract.

Ensuring A Positive Motivational Environment

Now this is the question, how does one ensure a positive work environment?

This paper provides examples of how managers de-motivate associates by providing inadequate recognition and gives a few tips from David Saxby (2002) on how to improve associate recognition.

Inadequate Recognition

Providing constructive criticism and praise should be a constant and on-going process for managers. The worst thing a manager can do is to give half-hearted recognition to associates, which defeats the purpose of recognition in the first place. How is recognition viewed as a de-motivator? The following examples show how managers can inadvertently de-motivate employees.

While attempting to motivate them (Vikesland, 2001)

- * Recognize the associate's/employee's length of employment instead of his success,
- * Give the associate a "put on the back" instead of more job responsibilities,
- * Recognize only the associate's attendance while ignoring his team-player attitude.
- * Reward only individuals instead of everyone on the team,
- * Compliment the associate for work done over the past year instead of showing immediate appreciation after each task is completed, and
- * Praise the associate only for special tasks instead of daily.

Improving Associates'/Employees' Recognition

David Saxby (2002) has four tips for creating a positive motivational environment by improving associate recognition:

1. Provide immediate recognition

Recognize and praise the associate as the task is completed for immediate praise is always a must. Associates may feel unappreciated if they are not recognized in a timely manner. Therefore, make sure that associates always receive immediate recognition for good work.

2. Recognize small improvements

Even though a manager may view an associate's improvement as a small accomplishment, the associate might view the same improvement as a large accomplishment. All accomplishments, no matter how large or how small, should not go without some form of positive recognition.

3. Provide incentives

Always provide some form of incentives. Recognition does not always come in monetary form. There are many non-monetary incentives to show associates that they are appreciated and respected.

4. Recognize What is Important to Associates/Employees

All associates have issues and interests outside the workplace. Associates should feel that their managers care about them as valuable human beings, not just "*work horses*."

Therefore, managers make sure that recognition is on a personal level and not just a "*go-through-the-motion ceremony*."

Keys to Achieving Motivational Environment

A manager must have the ability to create a motivational environment for others that allows people to motivate themselves. Hence, he must consider a number of things that may need to be addressed.

1. What motivates his (manager's) individual teamwork as a whole?
2. What type of environment is created for them?
3. What real development is provided so that everyone has the opportunity to learn and grow?
4. What problems/issues exist in the team at the moment?
5. What steps are taken to solve these problems?
6. How much does the manager know about each person in his team, personally and professionally? (This is extremely important, as work affects life, and life affects work)
7. How much enjoyment does every employee receive from his work?

When managers have answered these questions, they can concentrate on building the environment that the individual and the team thrive in.

Environmental variables' impact on employee performance

The following 10 concepts should be considered by managers as potential "*environmental variables*" some or all of which can be carefully and attentively implemented to create the opportunity for motivational expression, resulting in outstanding employee performance.

- * **Job enrichment and rotation:** To a great extent the approach of simplifying jobs, hiring people to do very simple jobs, and permitting each employee to perform only one of these very simple tasks is going by the board. We know with reasonable certainty that this smothers any interest or challenge in the job and generates apathy, boredom, and fatigue. The degree to which these undesirable results are reached depends on the individual. Also with the average employee

having a higher education than years ago, with unions and their demands, and with the changing attitude toward authority, we know that slicing the work into very thin strips just does not fit modern job requirements.

Job rotation is also winning favor. Under this arrangement an employee is rotated from one job assignment to another. Periodically job switches take place, thus, minimizing boredom and disinterest. The jobs included in the program should represent a composite designed to develop the employee and expose him or her to a variety of work to satisfy individual needs.

- * **Participation:** Participation encourages and permits contributions to decisions, goals, and plans along with suggestions on how these can be implemented. It can be formally defined as both mental and emotional involvement of a person to make contributions to the decision making process, especially on matters in which personal involvement of the person exists, and to assume one's share of responsibility for them. The motivational basis is that people like to be asked their opinion and know that their ideas and beliefs have some weight in the ultimate management action taken. The underlying assumptions are: People derive satisfaction from being a part of the management action, from doing as effective a job as practical, and from having self-control rather than organization control. Participation fosters greater acceptance to change. Most people more readily accept what they in part helped create than something entirely foreign to them. Also, participation supplies the feeling of belonging and being wanted. It inflates or at least recognizes a person's ego and provides a needed sense of importance. In addition, it encourages better decision making, gets people to accept responsibility, promotes teamwork, and emphasizes the use of creativity.

Participation can not be applied universally to all people. Best results follow when (1) employees are interested in and ready to assume responsibility; (2) objectives of the enterprise are well stated and known to all employees; (3) adequate knowledge about the subject exists among participants to deal with the subject at hand; (4) time to participants is available; (5) participants are familiar with the constraints to be observed (legal requirements, company policies, etc); (6) effective communication exists; and (7) each participant knows personal position and status will not be adversely affected by participation.

- * **Results management:** We stress a manager knowing precisely what the objectives are, exercising authority and responsibility to do the work properly, and receiving

feedback on "how am I doing?" Results management provides all these things. They are built right into the approach. In essence, each employee is made the manager of his or her own work affairs. The results are up to the person who takes over, managers, and are judged on the results achieved. This appears to be an ideal managerial arrangement, the zenith of true and effective motivating efforts.

- * **Multiplier manager:** An advantage of being a multiplier manager is that individuals are led to develop fully and completely their own talents. Also, a very close is formed between the interests and skills of each subordinate and the requirements of the enterprise. Further, evaluation of management personnel is enhanced.

Questions answered include: Are the plans and ideas suggested up to date? Is the person letting obsolescence overtake him or her? What work training is being done to improve the person's management knowledge and skills?

- * **Power of mind:** It was Emerson who wrote, "What you speak so loudly that nothing you say can be heard." We become what we think. This implies an enormous challenge and is vital in management motivating. A manager should know what subordinates really think if she hopes to motivate them. Further, the manager should know what is needed to improve the value that each subordinate brings to work each day. Having information of this sort will help determine what changes and improvements in the thinking of group should take place. Progress along this line will assist significantly in improving motivation.

- * **Realistic human relations:** These are essential because normally organizational objectives do not provide for the needs of members. Further, being extremely permissive and encouraging the typical employee to do anything the person feels like doing do not contribute to want satisfaction or desired development. A "hands off," no direction, universal agreement, harmony at any price managerial role is unrealistic and usually does not result in effective motivating.

- * **Work accomplishment environment:** This includes a work climate which contains pressure to get things done. When this exists to a high degree, motivating is usually successful. The need to achieve, getting projects finished, and the value of time are prominent attributes that make for high work accomplishment. Variations in the work accomplishment environment exists not only by type of company but also by department. In other words, some departments in an organization might have a high environmental factor, while in others it may be low. But there is no question that

work accomplishment environment influences the organization's way of life and characterizes its management team and its mode of performing work.

- * **Flexible working hours:** There is considerable interest in altering the workweek to suit better the employee's convenience. Various workweeks are being used, all with the aim of lengthening the leisure between work periods. Most common are the four-day 40 hour week with three days off (4/3); the three day, 36 hour week with four days off (3/4); and the seven- day, 70 hour week with seven days off (7/7). Of these the 4/3 arrangement is most popular. There are also "*gilding time*" arrangements whereby the employee is permitted to change working hours from

day to day, usually with the provision that "core" times be observed, i.e., times when everybody works due to the nature of the operation. If core time is 9 A.M.-noon and gilding time applies, a person may work 7 A. M.-noon and 1-4 P.M., leaving early to attend to personal business or leisure pursuits. Having less trips to make to and from work as is the case with the 4/3 arrangement over the five-day week (5/2), time available to take care of personal matters, and the opportunity to avoid peak-hour traffic jams are viewed by many as advantages. This may improve the work environment and attitude of the employee.

- * **Effective criticism:** This can be a springboard for improving an employee's behavior and performance. Adopting a positive approach makes criticism less difficult as well as more effective. The superior should examine his or her own motives before criticizing. He or she should be sure to plan what is going to be said in order to make the content and presentation the best possible. It is also helpful to know whether a consistent behavior pattern or merely a one time occurrence is being dealt with.

It is well to point out that mistakes are a part of growth, and progress is more likely if mistakes are brought out into the open. Further, although there are faults in the present behavior and performance, there are also good points about what is being done. Criticism should apply to the use of personal efforts for improvement now, not next week or next month. Resolve mutual immediate and realistic goals. Try to set up specific time schedules for improvements.

- * **Zero defects:** Designed to motivate employees to adhere consistently to high standards of work excellence, zero defects (ZD) programs have been extremely

effective. The goal is to make the defects zero by avoiding mistakes, oversights, unavailable products, and delivery delays. ZD programs rely on recognition of the importance of the human element and the self-will of personnel to want to do outstanding quality work. It emphasizes self-motivation to acquire pride and workmanship and to manufacture acceptable quality parts and products.

In establishing a ZD program, it is best to give it positive identification from the top to the bottom of the entire organization. A manager of the program should be appointed, comprehensive training about it provided, and a dramatic kick-off date established. Promotional efforts, such as the display of ZD posters, awarding of ZD pins, and distributing ZD stickers for car windows, assist greatly in motivating a high rate of

interest in the program. Some use the term PRIDE (production of reliable items demands excellence), but by whatever name it is known, favorable results predominate. To illustrate, in a sheet metal shop, weekly data revealed that of a total of 13,800 production work hours expended, 82 work hours were spent in correcting production errors. After the ZD program was in effect, these 82 work hours for correction were reduced to only 16 work hours, a reduction of over 80 percent.

Conclusion

It all comes back where it started that motivation is a self-induced condition. One of the most misunderstood statements is that "We need to motivate them." Wrong, in the sense that no one can motivate someone else. They can only create an environment in which a person can become motivated. This is true that a manager is an environment creator. A manager acts in the context of how his behavior and the environment stimulate others in the work group to do a better and more effective job. 'What a person's mind attends to continually, that the person believes' is the vital point in management. Employees come to believe that their work environment, the earlier of their top management and so forth mediocre though it be, is part for the course. It is what environment and top management are in their minds, and they accept them for what they are. The same holds true for employees. If all managers can realize the reality standing in the 21st century, they can successfully establish a powerful work environment for their associates. However, the study tries to prove management feature and illustrate how the motivational environment impacts on inspiring the people. There is no doubt that the issue must be considered on the daily management decisions and business strategies. Current or future business managers learn how to ensure the expected environment and create value, attain core business objectives, identify, and resolve human issues.

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COMPARISON OF AMOUNT OF CLASSIFIED LOANS AND RECOVERY PERFORMANCE BETWEEN SOCBs AND FIRST GENERATION PCBS IN BANGLADESH

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Abstract

Classified loan in Bangladesh has become a very frequently raised question in recent years. This problem has started expanding with an evil trend of loan embezzlement among the industrial borrowers in our country. Frequent scam series in banking industry is surely a red light, and unfortunately the state-owned commercial banks (SCBs) are highly surrounded by it. It is high time to understand the effect of it on the performance of banks and take initiatives to solve the problem. Banking system plays a vital role for the economic development of Bangladesh. It is clear that a poor banking system cannot help the economic development in a country. Average percentage of classified loans is higher in Bangladesh compared to other countries. Government has taken different activities to reduce this rate. Now the trend of percentage of classified loans is decreasing. However, it is still of two digits. The objective of this study was to compare the amount of classified loans of four state-owned commercial banks and four first generation private commercial banks (PCBs) in Bangladesh. Data of four state-owned commercial banks and four selected first generation private commercial banks for the period 2000 to 2013 were analyzed. In addition, econometric model (multivariate regression analysis) by formulating a regression model was used to estimate the impact of spread and loan & advances on the classified loans of these banks.

Keywords: *Classified loan, Non-performing loan, State-owned commercial banks (SOCBs), Private commercial banks (PCBs), etc.*

1. INTRODUCTION

1.1 Banks in Bangladesh

Financial institutions play a fundamental role in the economic development by encouraging, collecting, and deploying society's savings in a fair and impartial way into productive investments in a free market economy. To perform this role an effective banking system is needed, and, without it, it is difficult for the economy to mobilize the

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real resources necessary for economic growth and stability (McDonough 2000, 1). For economic development two basic issues of financing are important; first, how best external funds are provided to the business sectors and second, how efficiently financiers are monitoring the behavior and performance of these corporate borrowers under an effective system of corporate governance.

Now-a-days 4 state-owned commercial banks are functioning in Bangladesh. Total numbers of SOCBS and PCBs are showed in the following tables having year of establishment, no. of branch, no. of employees, and total deposits position during 2011.

Table-1: List of state-owned commercial banks (SOCBs) during 2011:

Sl.No.	NameoftheBranch	Year of Est.	No. of branches	No. of employee	Deposits in Million
1.	Sonali Bank (SBL)	1972	1196	21891	518350.00
2.	Janata Bank (JBL)	1972	873	15020	188505.00
3.	Agrani Bank (ABL)	1972	876	12085	252254.00
4.	Rupali Bank (RBL)	1972	503	4982	107234.00
	Total		3448	53978	1066343.00

Source: The Resume of the Banks & Financial Institutions in Bangladesh during 2011-2012

Table-2: List of four private commercial banks (PCBs) of first generation

Sl. No.	Name of the Branch	Year of Est.	No. of Branches	No. of Employees	Deposits in million
1.	National Bank Ltd.(NBL)	1983	15 4	3758	128216 .00
2.	City Bank Ltd.(CBL)	1983	102	2772	83817 .00
3.	United Commercial Bank Ltd. (UCBL)	1983	115	2982	139484 .00
4.	International Finance Investment & Commerce Bank Ltd. (IFIC)	1983	99	2383	73106 .00
5.	Total		470	11895	424623.00

Source: The Resume of the Banks & Financial Institutions in Bangladesh during 2011- 2012

1.2 Trend of classified loans of all nationalized commercial banks in Bangladesh (NCBs)

Nationalized commercial banks have been suffering from huge classified loans since inception of Bangladesh. Government took various actions to reduce the classified loans levels. Levels of classified loans increased up to 1998, and since then trend has been decreasing. The next table exhibits trends of classified loans levels of all nationalized commercial banks in Bangladesh from 1995 to 2014.

Table - 3: Trends of classified loans of all nationalized commercial banks (NCBs) in Bangladesh from 1995-2014

(Tk. in crore)

Year	Total Loans	Compound Growth Rate	Substandard Loans	Doubtful Loans	Bad and Loss Loans	Total Classified Loans**	% of Classified Loans
1995	19,205.77*		803.83	444.11	4705.93	5,953.87	31.00%
1996	21,792.83	13.47%	1,056.61	839.79	5203.69	7,093.49	32.55%
1997	24,350.37	11.74%	907.45	1,319.78	6677.79	8,905.02	36.57%
1998	26,635.56	9.38%	554.31	736.15	9464.72	10,755.18	40.38%
1999	28,256.93	6.09%	730.92	1,119.89	11041.39	12,892.20	39.07%
2000	30,430.91	7.69%	N/A***	N/A	N/A	11,733.79	38.56%
2001	33,029.21	8.54%	763.71	783.37	10679.99	12,227.07	37.02%
2002	36,111.00	9.33%	N/A	N/A	N/A	12,179.82	33.73%
2003	36,406.96 [†]	0.82%	N/A	N/A	N/A	10,568.94	29.03%
2004	39,350.90 [†]	8.09%	N/A	N/A	N/A	9,955.78	25.30%
2005	46,951.80 [†]	19.32%	N/A	N/A	N/A	10,024.21	21.35%
2006	50156.55	6.82%	1021	561	9922	11503.60	22.94%
2007	46177.31	-7.93%	1202	784	11803	13791.18	29.87%
2008	50178.41	8.66%	1228	757	12226	12764.15	25.44%
2009	54931.53	9.47%	783	670	10708	11746.90	21.38%
2010	68702.48	25.06%	824	409	9523	10757.26	15.66%
2011	81405.37	18.49%	667.46	561.81	7941.48	9170.75	11.27%
2012	111647.87	37.15%	3985.61	3053.22	14476.07	21514.9	19.27%
2013	100646.07	-9.85%	1234.59	1310.54	14061.11	16606.24	16.50%
2014	90983.89	-9.60%	2570.33	1464.56	16762.20	4034.89	4.43%

* Researcher has calculated the figures by using total classified loans and percentage of classified loans figure.

Source: BRPD, BB

- Notes: * All figures are at year end December
- ** Total classified loans/ Non-performing loans: Total classified loans are the summation of substandard, doubtful, and bad and loss loans.
- *** N/A: Not Available.

Table 3 presents levels of NPLs as percentage of gross loans of all nationalized commercial banks (NCBs) in Bangladesh from 1995-2014. Total loans of all NCBs in Bangladesh in 1995 were Tk.19,205.77 crore, and its corresponding classified loans were Tk.59,53.87 crore. In 2014, total loans were Tk.90983.89, and it is 373.73 percent higher than 1995. Total classified loans in 1995 were Tk.59,53.87 crore, and it increased to Tk.16606.24 crore in 2013, and it is 178.92 percent higher than 1995. In 2014, classified loan decreased to 4034.89 crore by taking crash program. In 2005, classified loans constitute 21.35 percent of total loan portfolio of all NCBs. Table also indicates that non-performing loans of NCBs were Tk.5,953.87 crore in 1995 and it gradually increased to Tk.16606.24 crore in 2013. In percentage terms it increased from 31% in 1995 to 40.38% in 1998. It was the highest (40.38%). After 1998, it gradually decreased, and in 2014 it decreased at 4.43%.

1.3 Trends of classified loans of private commercial banks (PCBs)

The history of private commercial banks in Bangladesh is not so long. After independence, the then government nationalized all private commercial banks by Presidential Order 1972. In the early eighties, government turned her stand and again encouraged private investment in the banking sector and gave license to operate private commercial banks in Bangladesh. From the very beginning of their operations, private commercial banks have been suffering from huge classified loans and in the year 1995 it reached 39.43 percent. Existence of huge non-performing loans drew attention of the government, and the government took various reform programs in financial sector. As a result, the levels of classified loans in private commercial banks has taken a downward trend from 1996 and is continuing yet. The following table exhibits the classified loans level of all private commercial banks in Bangladesh from 1995-2014.

Table-4: Trends of classified loans of all private commercial banks (PCBs) in Bangladesh from 1995-2014

(Tk. In crore)

Year	Total Loans	Substandard Loans	Doubtful Loans	Bad and loss Loans	Total classified Loans	% of classified Loans
1995	9,845.38*	492.97	780.93	2,607.77	3,881.67	39.43%
1996	11,090.50	428.74	514.65	2,913.04	3,856.43	34.77%
1997	12,610.17	215.26	443.90	3,302.79	3,961.95	31.42%
1998	14,190.65	221.02	507.09	3,915.41	4,643.52	32.72%
1999	16,709.19	129.78	508.09	3,887.40	4,525.27	27.09%
2000	20,998.51	N/A**	N/A	N/A	4,620.88	22.01%
2001	26,901.05	184.23	195.74	4,186.75	4,566.72	16.98%
2002	32,941.27	N/A	N/A	N/A	5,483.95	16.65%
2003	39,834.27 [†]	N/A	N/A	N/A	4,951.40	12.43%
2004	49,174.09	N/A	N/A	N/A	4,194.55	8.53%
2005	63,056.76	N/A	N/A	N/A	3,543.79	5.62%
2006	80085.55	683	369	3313	4365.79	5.45%
2007	98262.93	551	456	3915	4921.71	5.01%
2008	128420.74	896	578	4271	5698.59	4.44%
2009	157471.37	1060	832	4878	6176.13	3.92%
2010	204442.22	1079	875	4475	6430.37	3.15%
2011	244335.67	1302.29	1086.72	4813.11	7202.12	2.95%
2012	297717.33	2388.18	1833.47	8813.2	13034.85	4.38%
2013	329644.24	1726.25	1460.3	11129.11	14315.66	4.34%
2014	372162.12	3898.33	2385.28	15910.28	22193.89	5.96%

Source: BRPD, BB

* Researcher has calculated the figures by using total classified loans and percentage of classified loans figure.

Notes * All figures are at year end December

** N/A: Not Available

Table 4 exhibits classified loans levels of all private commercial banks (PCBs) in Bangladesh from 1995-2014. In the year 1995, total loans were Tk. 9,845.38 crore, and it increased to Tk. 372162.12 crore in 2014. It is 3680.07 percent higher than 1995. Total classified loans in 1995 were Tk. 3,881.67 crore, and it reached Tk. 22193.89 crore in 2014. It is 471.76 percent higher than that of 1995. In 1995, classified loans were 39.43 percent of total loans, and in 2014 it was 5.96 percent.

1.4 Basis for loan classification

In general the loans are repaid in installment according to bank's direction. Some loans are repaid all at a time. If any loan is not repaid, notices are sent to the customer with the consent of Head Office (HO). HO has a separate credit recovery wing. It advises the branch to take all necessary actions against the loan. Sometimes legal actions may include recovering the loan. For all types of loans a bank falls into the following four categories:

- a. Unclassified: Repayment is regular.
- b. Substandard: Repayment is irregular but has reasonable prospect of improvement.
- c. Doubtful Debt: Unlikely to be repaid but special collection efforts may result in partial recovery.
- d. Bad/Loss: Very little chance of recovery.

Table- 5: Loan Classification Categories

Classification	Types of loan				
	Agricultural short term	Continuous	Demand	Term (Up to 5 years)	Term (> 5 years)
Unclassified	12 months or below	Less than 3 months	Less than 3 months	Less than 3 months	Less than 6 months
Substandard	> 12 months but ≤ 36 months	3 months to < 6 months	3 months to < 6 months	3 months or more	9 months or more
Doubtful	> 36 months but ≤ 60 months	6 months to < 9 months	6 months to < 9 months	9 months or more	12 months or more
Bad loan	More than 60 months	9 months or more	9 months or more	12 months or more	18 months or more

Source: BRPD circular no. 10 dated 14.05.2010 and no. 16 dated 14.05.2014

(A) Objective Criteria

Continuous Loan or Demand Loan not repaid/renewed within the fixed expiry date for repayment is taken as past due/overdue from the following day of the expired date.

Determination of Past Due/Over Due:

- i. Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- ii. Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- iii. In case of any installment(s) or part of installment(s) of a Fixed Term Loan, irrespective of amounting, is not repaid within the due date, the amount of unpaid installment(s) will be termed as 'past due or overdue installment'.
- iv. The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/overdue after six months of the expiry date.

(B) Qualitative Judgment

Uncertainty or doubt in respect of recovery of any Continuous Loan, Demand Loan, or Fixed Term Loan needs classification on the basis of qualitative judgment or objective criteria. If any situational changes occur after the loan was extended or if the capital of the borrower is affected due to adverse conditions or if the value of the securities decreases or if the recovery of the loan becomes uncertain due to any other unfavorable situation, the loans are classified on the basis of qualitative judgment.

2. LITERATURE REVIEW

Avkiran (1995) found that the trend of commercial banking is changing rapidly. Competition is getting stiffer and, therefore, banks need to enhance their competitiveness and efficiency by improving performance. Normally, the financial performance of commercial banks are measured using a combination of financial ratios analysis, benchmarking, measuring performance against budget, or a mix of these methodologies. Adhikary (2006) found immediate consequence of large amount of NPLs in the banking system is bank failure as well as economic slowdown.

The causes of non-performing loans are usually attributed to the lack of effective monitoring and supervision on the part of banks, lack of effective lenders' recourse, weakness of legal infrastructure, and lack of effective debt recovery strategies. Hou (2001) said that there is no global standard to define non-performing loans at the practical level. Variations exist in terms of the classification system, the scope, and contents. Such problem potentially adds to disorder and uncertainty in the NPL issues. Non-performing loans have non-linear negative effect on banks' lending behavior. Adhikary (2008) found that the poor enforcement of laws relating to settlement of NPLs, followed by insufficient debt recovery measures on the part of the banks, has also aggravated the financial malaise, although a decrease in NPLs is noticed since the year 2000. Islam (2012), in a study on BHBFC, found that 97.6 percent of the variability in the volume of classified loans can be explained by total advances, provisions, legal charges, and spread. The variable legal charge was found to be statistically insignificant. Dash (2010) found that all the selected independent variables (Real GDP per Capita, Inflation, and Total Loans as independent variables) have significant impact on the dependent variable (Non-performing loan ratio). However, values of coefficients are not much high. Banks should control and amend their credit advancement policy with respect to mentioned variables to have lower non-performing loan ratio. Hassan & Reza (1997) prepared a study titled "Efficiency through competition comparison of commercial banks of Bangladesh in respect to several dimension of deposit". They identified that in 1983 PCBs are allowed to start the banking activities for the betterment than the services of NCBs. Practically activities of PCBs were increased day-by-day to face the challenging situation with the NCBs in Bangladesh through the deposit, loan, and other dimensions. Alam et al. (2011) in their study conclude that ranking of banks differs as the financial ratio changes. Baral JK (2005) concluded in his study that credit risk is one of the factors that affect the health of an individual bank while asset quality analysis involves taking account of the likelihood of borrowers paying back loans. The extent of the credit risk depends on the quality of assets held by an individual bank. The quality of assets held by a bank depends on exposure to specific risks, trends in non-performing loans, and the health and profitability of bank borrowers. Muniappan (2002) argues that a bank with high level of NPLs is forced to incur carrying costs on non-income yielding assets that not only strike at portability but also at the capital adequacy of a bank, and, in consequence, the bank faces difficulties in augmenting capital resources. Bonin and Huang (2001) also state that the probability of banking crises increases if financial risk is not eliminated quickly. Such crises not only lower living standards but can also eliminate many of the achievements of economic reform overnight.

3. OBJECTIVES OF THE STUDY

The main purpose of the study is to get a comparative scenario of POCL of state-owned commercial banks (SCBs) and private commercial banks (PCBs) for the last 14 years.

The other rational objectives associated with this study are as follows:

- i) to explore the current situation of POCL of SCBs and PCBs,
- ii) to test the significance difference between POCL of SCBs and PCBs,
- iii) to find out the effect of spread and loan & advances on classified loans in SCBs and PCBs of Bangladesh, and
- iv) to suggest a set of remedial measures through logical arguments.

4. METHODOLOGY

Information related to NPLs, credit policy, recovery system, default rate etc. are very much confidential to any commercial banks. Secondary data has been used in preparing this research paper. The sources of data are Bangladesh Bank Library, Credit Information Bureau, annual reports of selected banks, articles, and research papers from reputed journals. The purpose of this study is to compare the amount of classified loans and non-performing loans between state-owned commercial banks and first generation private commercial banks in Bangladesh. Data of fourteen years from 2000 to 2013 were evaluated to assess the amount of classified loans of the selected commercial banks in Bangladesh. All (four) state-owned commercial banks, which were established in 1972 in Bangladesh after liberation and four first generation private commercial banks which were established in 1983 were selected for the analysis in this study. The financial data were used to assess the amount of classified loans and non performing loans of the banks. Data were used to test the hypothesis for inference. This study uses a descriptive financial analysis to describe, measure, and compare the financial situations of the state-owned commercial banks as well as applies an econometric multivariate regression model to test the significance of variables on classified loans. The classified loan is assumed as dependent variable while spread and loan & advances are assumed as independent variables for multiple regressions. Data were analyzed by using SPSS.

5. ANALYSIS AND FINDINGS

5.1 Analysis

State-owned commercial banks have been suffering from huge classified loans since inception of Bangladesh. Government took various actions to reduce the classified loans

levels. Levels of classified loans were increased up to 1998, and since then the trend has been decreasing. The next table exhibits average percentage of classified loans levels of all state-owned commercial banks in Bangladesh from 2000 to 2013.

Table-4: Percentage of classified loan of state-owned commercial banks

YEAR	Name of Banks			
	SBL	JBL	ABL	RBL
2000	38.65	33.57	40.49	48.77
2001	38.31	30.36	37.49	35.17
2002	29.11	25.71	35.34	30.49
2003	6.23	22.32	29.57	18.28
2004	28.32	16.68	28.07	17.03
2005	22.52	11.44	28.31	16.78
2006	24.44	12.82	26.27	26.52
2007	44.59	16.38	26.83	38.86
2008	31.44	10.54	22.48	31.29
2009	27.49	8.44	19.42	20.91
2010	23.88	5.24	12.88	11.96
2011	17.80	6.23	11.07	5.94
2012	33.31	17.80	25.30	5.24
2013	30.21	11.17	17.63	5.65
Average	28.31	16.34	25.80	22.35

Source: Annual reports of the state-owned commercial banks

Percentage of classified loans of SBL is found the highest (28.31%) compared to other state-owned commercial banks followed by ABL as the second highest (25.80%), and RBL as the third highest (22.35%). JBL (16.34%) has the lowest POCL. That means JBL has the best recovery performance among the state-owned commercial banks.

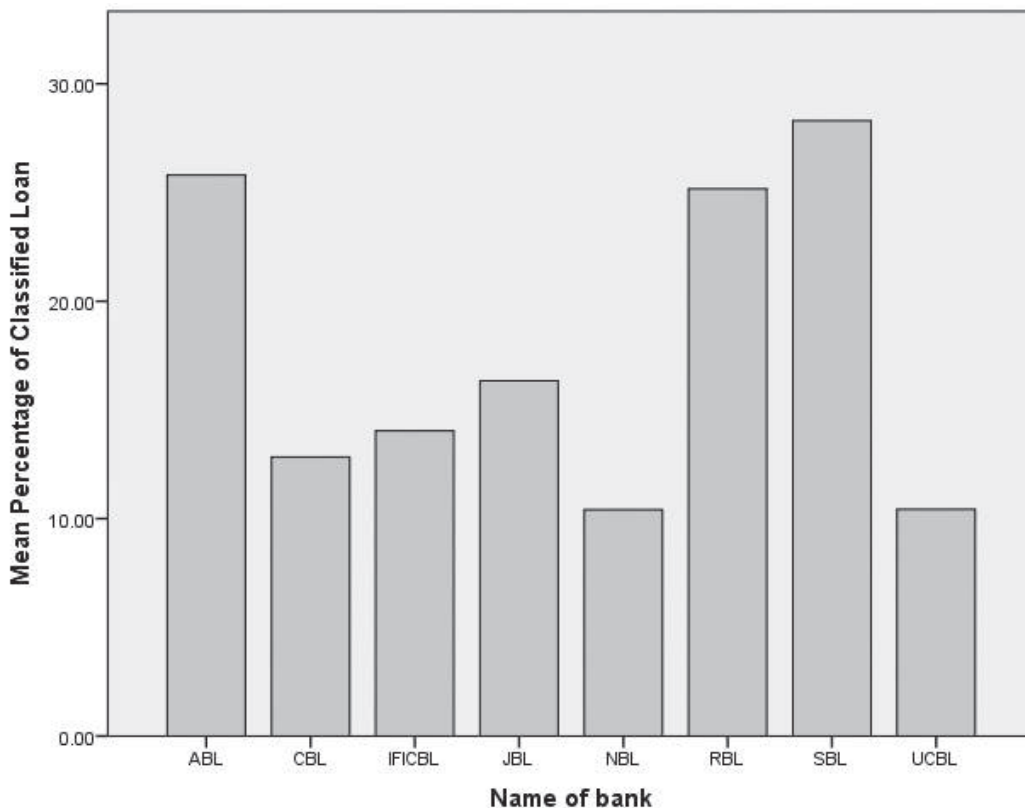
Table-5: Percentage of classified loan of private commercial banks

YEAR	Name of Banks			
	NBL	CBL	IFICBL	UCBL
2000	28.15	39.57	37.77	33.79
2001	28.84	31.17	34.07	26.96
2002	25.13	30.50	29.54	26.96
2003	17.25	14.17	24.54	18.69
2004	7.06	10.57	17.30	8.76
2005	6.01	5.73	9.65	4.46
2006	4.53	7.18	5.64	3.53
2007	5.50	6.24	8.11	4.92
2008	5.97	6.30	5.91	4.62
2009	4.07	4.87	6.14	2.63
2010	2.83	4.42	4.76	1.20
2011	2.81	3.40	3.99	1.79
2012	4.29	7.48	5.31	3.69
2013	3.27	8.07	3.77	4.03
Average	10.41	12.83	14.04	10.43

Source: Annual Reports of the private commercial banks

Percentage of classified loans of IFICBL is found the highest (14.04%) compared to other private commercial banks followed by CBL as the second highest (12.83%), and UCBL as the third highest (10.43%). NBL (10.41%) has the lowest POCL. That means NBL has the best recovery performance among the selected Private Commercial Banks.

Figure: Percentage of classified loans of state-owned and private commercial banks



Mean percentage of classified loans of state-owned commercial banks are higher than that of private commercial banks.

Group Statistics

	Type of Bank	N	Mean	Std. Deviation	Std. Error Mean
Percentage of Classified Loan	State-owned commercial banks	56	23.1973	10.96240	1.46491
	Private commercial banks	56	11.9263	11.10822	1.48440

H0: No significant difference between POCL of state-owned commercial banks and private commercial banks

From the t test we observed that value of t was 5.404 and significance level was .000 which means that our null hypothesis is rejected. That is, there is significant difference between POCL of state-owned commercial banks and that of private commercial banks.

Multiple Regressions (for state- owned commercial banks)

We have so far conducted simple regression analysis to see the extent of influence of each independent variable on the dependent variable. Now we shall conduct multiple regressions to see the influence of all the independent variables on the dependent variable and accordingly our regression model is -

$$Y = a + b_1 X_1 + b_2 X_2 + \text{error.}$$

Where, a = Constant, X_1 = Total loan and Advances, X_2 = Spread and b_1 , b_2 = Regression Co-efficient.

We developed a null hypothesis which is -

Ho: Two independent variables taken together do not affect the volume of classified loans.

From the multiple regression analysis we observed that R square is .437, F- ratio is 15.891, and significance level is .000 which means that our null hypothesis is rejected. So, it is evident that 43.7 percent of the variability in the volume of classified loans can be explained by total advances and spread

Ho: The volume of total advances does not affect the volume of classified loans.

From the regression analysis we observed that regression co-efficient is .383, and significance level is .004.

The significance level of F-ratio is .004 which means that our null hypothesis is rejected. F-test denotes that more advances tend to give rise to more classified loans.

Ho: The volume of spread does not affect the volume of classified loans.

From the analysis we observed that regression co-efficient is -.676, and significance level is .000.

Thus we observed that F-ratio is highly significant which means that our null hypothesis is rejected. F-test supports the argument that regression analysis provides reliable explanation for the behavior of the variable spread.

In fine, we can comment that the co-efficient of determination of the multiple regression is less than 1 which indicates that there are some other explanatory variables that we could not identify though the extent of influence of that or those variables is very high.

We have so far treated classified loan as dependent variable, but this variable can also exert influence on other variables such as investments, net profit before tax, and bad debt.

Multiple Regressions (for first generation private commercial banks)

We have so far conducted simple regression analysis to see the extent of influence of each independent variable on the dependent variable. Now we shall conduct multiple regressions to see the influence of all the independent variables on the dependent variable, and accordingly our regression model is -

$$Y = a + b_1 X_1 + b_2 X_2 + \text{error.}$$

Where a = Constant, X_1 = Total loan and advances, X_2 = Spread, and b_1 , b_2 = Regression co-efficient.

We developed a null hypothesis which is -

Ho: Two independent variables taken together do not affect the volume of classified loans.

From the multiple regression analysis we observed that R square is .434, F- ratio is 15.691, and significance level is .000 which means that our null hypothesis is rejected. Therefore, it is evident that 43.4 percent of the variability in the volume of classified loans can be explained by total advances and spread.

Ho: The volume of total advances does not affect the volume of classified loans.

From the regression analysis we observed that regression co-efficient is .277, and significance level is .501. The significance level of F-ratio is .501 which means that our null hypothesis is accepted. F-test denotes that advances affect classified loans slightly.

Ho: The volume of spread does not affect the volume of classified loans.

From the analysis we observed that regression co-efficient is -.919, and significance level is .030. Thus, we observed that F-ratio is highly significant which means that our null hypothesis is rejected. F-test supports the argument that regression analysis provides reliable explanation for the behavior of the variable spread.

In fine, we can comment that the co-efficient of determination of the multiple regression is less than 1 which indicates that there are some other explanatory variables that we could not identify though the extent of influence of that or those variables is very high.

We have so far treated classified loan as dependent variable but this variable can also exert influence on other variables such as investments, net profit before tax and bad debt.

5.2 Findings

- i) Percentage of classified loans of SBL is found the highest compared to other state-owned commercial banks.
- ii) Percentage of classified loans of IFICBL is found the highest compared to other private commercial banks.
- iii) JBL has the best recovery performance among the state-owned commercial banks.

- iv) NBL has the best recovery performance among the selected private commercial banks.
- v) Percentage of classified loans of state-owned commercial banks is significantly higher than that of the private commercial banks.
- vi) Spread and loan & advances have together significant impact on classified loans in both state owned commercial banks and first generation private commercial banks.
- vii) Loan & advances affects classified loans significantly in state-owned commercial banks but does not affect significantly in first generation private commercial banks.
- viii) Spread affects classified loans significantly in both state-owned commercial banks and first generation private commercial banks.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusions

Though percentage of classified loan is increasing among commercial banks, the amount of POCL is higher in state-owned commercial banks than that of private commercial banks. That is, average recovery performance of private commercial banks is higher than that of state-owned commercial banks. Spread and loan & advances have together significant impact on classified loans in both state- owned commercial banks and first generation private commercial banks.

6.2 Recommendations

To improve the debt recovery environment and solving the NPL problems of the country as well, the recommendations that might be considered are -

- * to institute a concrete NPL management strategy immediately that will be equipped with both preventive and resolution measures,
- * to institute sufficient measures to address the flow problem of bad loan effectively,
- * to decide whether to stop operations of the NCBs and DFIs, to privatize them, or to reorient them through financial engineering,
- * to ensure cooperation, sincerity, and accountability of involved parties such as plaintiffs, defendants, lawyers, and judges to make the settlement process vibrant and speedy,
- * to exercise syndicated financing technique for large loans and to minimize unhealthy competition among banks in Bangladesh,
- * to strengthen the supervisory and monitoring functions of Bangladesh Bank so as to discipline banks that engage in malpractice,
- * to develop specific tools and techniques to distinguish the willful defaulters from the genuine ones, and finally
- * to place emphasis on ethical standards in the banking profession from all corners to make the credit environment trustworthy and vibrant.

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IMPACT OF CAPITAL INVESTMENT: TOWARDS THE ACHIEVEMENT OF TOURISM DEVELOPMENT VISION 2020

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Abstract

Tourism has become one of the largest and fastest growing economic activities in recent years. In the last fifty years, tourism has emerged as a force having economic, political, and social impact which crossed the border of the nations. Tourism is very important to the economy of many countries in the world, but having immense potentiality, tourism in Bangladesh remained under developed. Bangladesh is going ahead in an effort to diversify its economy from traditional manufacturing to service sector. The industrial policy of 1999 included tourism as an industry and identified it as a Thrust Sector considering its steady growth and sustainable development. Travel & Tourism have attracted capital investment of BDT 34.3bn in 2011. This is expected to be 6.7% pa over the next ten years to BDT 69.8bn in 2022. Travel & Tourism's share of total national investment will rise 1.7% in 2022. The comparative position of Bangladesh about foreign exchange earnings from tourism sector is very much weak and lowest among some south Asian countries. It is only 0.1 bn \$ where it is 0.4 of Nepal and 1.3 of Srilanka and 4.9 of Vietnam. After 50 years of war they have achieved their expected range of development in Vietnam. We have enough prospects in tourism sector, but because of lack of proper planning and inadequate investment, we could not develop the sector up to the optimum mark. This study is an initiative to find out the impact of capital investment in tourism development in Bangladesh.

***Keywords:** Tourism vision, economic impact, capital investment, strategic development, tourism potentiality, etc.*

Introduction

Tourism is an industry which implies three "A"s that are attraction, accessibilities, and amenities. Among these three, accessibilities and amenities are very much significant. Tourism is the business or industry that provides information, accommodations, transportation, and other services to tourists. It also refers to traveling for recreational

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amusement. Tourism development refers to the sum total of actions that are aimed at boosting the position of the tourism sector of a country. It may involve aggressive marketing to target areas, establishment of new tourist attractions, or the sprucing up of existing tourist spots. Tourism development refers to all the activities associated with providing facilities for tourists in a destination. It involves activities such as skills development related to tourism². Domestic tourism is a kind of tourism whereby people from the native country travel and explore different areas within the country.

Tourism is travelling for predominantly recreational or leisure purposes, and the provision of services is to support this leisure travel. The prime factor in the tourism industry is the "Tourist". The term 'tourist' refers to people who travel and stay in places outside their usual environment for more than twenty-four hours and not more than one consecutive year for leisure, business etc. I believe that the tourism industry refers to the different types of facilities provided within a country for these "tourists". For example, hotels, air transportation and accommodation, cafes, bars, restaurants etc. All of which are used to boost the level of tourism within a country. Especially the communication system, vehicles for tourists, and extra arrangement for the tourists are necessary for the development of the industry.

The present infrastructural facilities of tourism in Bangladesh are not up to the standard of international level. Roads, railways water ways, and air traffic condition of Bangladesh are very bad. Tourist use road ways which are not comfortable and smooth. Condition of roads, traffic situation, accidental ratio, nature of vehicle etc. is the main obstacles to the development of transport by road. Rail network is also insufficient. The number of trains and coaches, availability of tickets, and reservation systems are not up to the standard level. There is a need to establish more hotels, motels, restaurants, and internal transport facilities for the easy access to the spots. At the same time, the tourism authority needs to take the necessary steps for diversity of products or services. For example, introducing new river, lake and sea cruising, Bangladesh can have a bonanza in tourism industry. Before going to advertise in the international media, the country needs to develop these facilities³.

Table 1: Tourism forecast of Bangladesh

	2011	2011	2012	2022		
	BDTBN ¹	% of total	Growth ²	BDTBN ¹	% of total	Growth ²
Direct contribution to GDP	182.5	2.2	7.3	353.7	2.3	6.1
Total contribution to GDP	381.6	4.7	7.6	773.0	5.0	6.5
Direct contribution to Employment³	1329	1.9	3.6	1840	2.0	2.9
Total contribution to Employment³	2880	4.1	3.9	4082	4.5	3.2
Visitor Export	6.9	0.5	7.3	11.7	0.5	4.8
Domestic Spending	299.2	3.7	7.0	564.4	3.6	5.8
Capital Investment	34.3	1.7	6.5	69.8	1.7	6.7

Source: World Travel and Tourism Council 2012

The table shows the future position of tourism sector in Bangladesh. Expected GDP growth is 7.35% while it's total contribution is 7.6% in 2022. Employment generation is expected to grow 1840 million in 2022.

Infrastructure problem: The present infrastructural facilities of tourism in Bangladesh are not up to international level. Roads, railways water ways and air traffic conditions of Bangladesh are not so good. Tourist use road ways which are not comfortable and smooth. Condition of roads, traffic situation, accidental ratio, nature of vehicle etc. is the main obstacles to the development of transport by road. Rail network is also insufficient. Number of trains and coaches, availability of tickets, and reservation system are not up to the standard level. We have to establish more hotels, motels, restaurants, and internal transport for the easy access to the spots. At the same time, the tourism authority needs to take the necessary steps for diversity of products or services. For example, introducing new river, lake, and sea cruising, Bangladesh can have a bonanza in tourism industry. Before going to advertise in the international media, the country needs to develop these facilities⁴.

Statement of the problem

Bangladesh, one of the largest deltas of the world, is a country of immense tourism potentiality. World's longest unbroken sandy sea beach at Cox's Bazar, mesmerizing sea beach at Kuakata, world's single largest mangrove forest - the Sundarbans, mighty rivers like the Padma, the Meghna, the Jamuna and their tributaries, forests, hills, lakes, tea gardens in Sylhet region with panoramic scenic beauty, Haor-Baor (wet land and water bodies) of Mymensingh and Sunamganj districts stretching towards the horizon are some of the tourist attractions. The wild life including the Royal Bengal Tiger, rich bio-diversity with rare animals, sites of religious importance, famous archaeological sites at Paharpur in Naogaon district, Mahasthangarh at Bogra district, Mainamati at Comilla district, the indigenous groups with their colourful and attractive life-style, their culture and heritage, traditional folk art, festivals, culture, rural society with its age-old custom, traditional local cuisine etc. could be attractive tourist products of Bangladesh. With the help of proper planning and strategy to develop the infrastructure facility and by undertaking an integrated work plan, all these tourist attractions can be made popular to the international tourist community. Thereby tourism and hospitality industry can contribute to economic development by contributing to GDP and generating employment in the society and be the number one foreign currency earning sector (Tourism Policy-2012). But the tourism related facilities are not suitable for the tourists. Say for example:

1. Transport facilities for the tourists are not at any standard level.
2. Hotel motel resorts are not sufficient for the tourists, only three five star hotels in the capital city.
3. Infrastructure facilities like road, rail, and steamer ways are not favourable for the tourists.
4. Amusement facilities are not suitable also.

In this context to achieve tourism development vision 2020 we have to ensure necessary infrastructure development with sufficient and necessary investment in tourism sector.

Objectives of the study: The major objectives of the study are to determine what should be our strategies about infrastructural development. The specific objectives of the study are as follows

- a. To find out the position of capital investment in tourism sector in Bangladesh
- b. To analysis the impact of capital investment in tourism sector in the long run

Methodology

a. Study variables: In this study, variables have been identified based on literature review.

The variable has been identified for secondary data

Dependent variable: 1. GDP direct contribution

Independent variables have been identified as 2. Capital investment

b. Survey area coverage: In this study according to objectives and propositions the amount of capital investment and effect of capital investment have been identified for survey as elaborately as possible:

c. Samples included: The research problem in present study with its objectives and hypothesis refers that data should be collected from World Travel and Tourism Council satellite account (Bangladesh)

d. Data and classification: This study has been selected variables based on secondary data.

e. Hypothesis: H_{0_0} : i.e., impact of capital investment towards development of tourism industry is not significant

f. Tools to be used: For data analysis statistical and other tools will be used in this study. The research data will be analyzed through computer using Statistical Package for Social Sciences (SPSS). A model has been prepared for finding out the impact of capital investment by Time Series (MOD_1)

Review of related literature

For Lincon, Z (2009), meeting tourism demands requires investment in infrastructure that may also meet community needs. Tourism planning must look ahead to infrastructure needs, ensure that priorities and time lines are established, and funding is obtained. There is little point in developing attractions if there is a deficiency in basic services that will lead to problems for residents or visitors. In addition, the public sector must anticipate that infrastructure needs resulting from private and public sectors will consequently suffer⁵.

Mitra (2005)⁶ described that Bangladesh does not have enough initiative to promote the country as a tourist destination. He argued that Bangladesh has to make the tourists aware of what to see, where to stay, and what to eat. He emphasized the need to develop the tourism industry. Bangladesh needs to develop the infrastructure like hotels, resorts etc. and promote more places. There should be a link between the government tourism organization and the private sector to boost up the promotional activities for the same.

For Lincon, Z (2009), tourism development, particularly in a new, remote, or rural location can include investment in new infrastructure such as roads, water and energy supply, sanitation, and communications. With careful planning such infrastructure can also bring positive benefits to the poor by providing them with basic services and opening up new and faster routes to access markets⁷.

According to Hasan, S. (2012), though the recent perception of the people of Bangladesh is very much positive about tourism, the tendency of the policy makers, lack of professionalism and efficiency and infrastructure problem, this prospective sector could not attract the tourists⁸.

Mitra (2005) described that Bangladesh does not have enough effort to promote the country as a tourist estimation. He argued that Bangladesh has to make the tourists aware of what to see, where to stay, and what to eat. He emphasized for the development of tourism industry. Bangladesh need to develop the infrastructure like hotels, resorts, promoting more places and there should have a link of the government tourism organization with the private sector to boost up the promotional activities for the name⁹.

Tourism is an industry which aims at enhancing social and geographical mobility of men by performing a variety of necessary functions for fulfilling various human motives of people with a view to earning profit¹⁰.

A Faruq et al. (2003) pointed out that government should provide infrastructural and investment incentives to inspire private investors to invest more and more in tourist attraction sites. The government should take a proper inventory of tourist sites and their locations. Physical characters should be brought under various development plans. Within the shortest possible time some selected tourist sites can be developed up to the international level which could help build up position image of the country¹¹.

Quader (2009) admits that the tourism sector is deeply problem ridden and needs massive reformation. Since beginning, the sector suffers from a lack of planning and adequate funds"

Kerr Pannel Forster (1988) mentioned that for the development of infrastructure, national airlines, and overall tourism in the country the government of Bangladesh has taken attempts to make substantial investments which require to be properly supported

by effective management and marketing activities in order to meet the policy objection and ensure a realistic return from these investments. The report also pointed out that the comfort services and management of tourism firms in Bangladesh are all below the level expected by the international tourists and the foreign community residing in Bangladesh. It has also identified the shortcomings as difficulty in obtaining the operating supplies of sufficiently high quality, poor communication system, lack of infrastructure, bad image, and, more importantly even, a lack of true professional management¹².

Ziaul haque bablu revealed in his study "Maximum tourism spots and attraction of Bangladesh exist in the coastal area, where poverty margin is also high. Tourism can be an alternative livelihood for them. Nowadays, the community involvement in tourism in the coastal area is also found increasing. This has been possible for creation of facilities by Bangladesh Parjatan Corporation and its awareness programmes. Private sectors enterprises are also coming up with , motels, and restaurant facilities¹³."

Table 2: Travel and Tourism Investment

Country	USBN\$ 2011	% share of total 2011
Malaysia	5.0	8.9
Vietnam	3.5	8.4
World	4.1	8.3
Thailand	6.1	6.9
Indonesia	14.0	5.2
India	26.9	5.1
Nepal	0.2	4.9
Srilanka	0.6	4.1
China	96.6	3.1
Bangladesh	0.5	1.7
Mayanmar	0.1	0.9

Capital investment of tourism sector in Bangladesh is very much low. The table showing the investment position among ten countries is just upper than Mayanmar. 0.5 bn \$ share of total investment is 1.7% where it is 4.9% in Nepal, 4.1% in Srilanka, and 8.4% in Vietnam. We have to think about investment in tourism sector to ensure achievement of tourism vision 2020.

Table 3: World ranking of capital investment in tourism sector

Ranking	Country	2012 % growth
9	Thailand	13.7
15	India	12.3
36	Srilanka	8.5
42	Malaysia	8.2
59	Bangladesh	6.5
61	China	6.4
62	Indonesia	6.4
71	Nepal	5.4
129	Myanmar	1.4
142	Vietnam	0.5

World ranking position of tourism investment is also not so encouraging. Bangladesh holds the position 59 about investment in tourism sector. Though the growth rate is 6.5% which is not so bad.

Time Series Model

To analyze the impact of capital investment this model has been used to find out significance level .Data has been collected from WTTC from 1989 to 2012.Twenti four years data has been used this model. In this model dependent variable is GDP contribution by capital investment in tourism sector in Bangladesh.

Model Description

Model Name	MOD_1
Dependent Variable	gdpdc
Equation	Linear
Independent Variable	Incapinv
Constant	Included
Variable Whose Values Label	Unspecified
Observations in Plots	

Case Processing Summary

	N
Total Cases	24
Excluded Cases ^a	0
Forecasted Cases	0
Newly Created Cases	0

a. Cases with a missing value in any variable are excluded from the analysis.

Variable Processing Summary

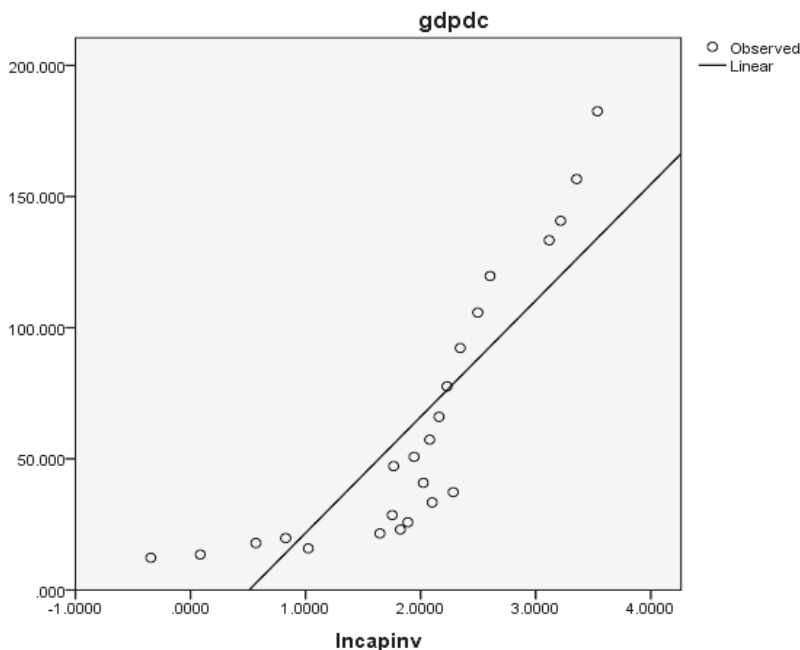
	Variables	
	Dependent	Independent
	gdpdc	incapinv
Number of Positive Values	24	23
Number of Zeros	0	0
Number of Negative Values	0	1
Number of Missing Values User-Missing	0	0
System-Missing	0	0

Model Summary and Parameter Estimates

Dependent Variable: gdpdc

Equation	Model Summary					Parameter Estimates	
	R Square	F	df1	df2	Sig.	Constant	b1
Linear	.710	53.952	1	22	.000	-22.551	44.318

The independent variable is Incapinv.



Findings

In this model of time series it is found that the impact of capital investment in GDP direct contribution is significantly positive at 5% level of significance. The curve is linear. So it can be concluded that the long term effect of capital investment in tourism sector is positive. We have to invest more to attract tourist and contribute in GDP more. Capital investment is mainly involved with accessibilities and amenities. That means roads, railways, marine ways, airline facilities, hotels, motels, resorts, parks, recreational arrangements etc. Dhaka is the capital of Bangladesh where only three 5 star hotels are available. We have to think about strategic development of infrastructural facilities, alternative communication facilities, extra vehicle facilities, priority of the booking arrangement for the tourists, constructing more, and more hotels, motels resorts etc.

We have to attract investment in tourism sector. Banks, financial institutions, and other organizations should provide necessary funds with low interest. Foreign investments should also be encouraged in tourism sector. UAE, Kuwait, Singapore, and other countries have shown their interest in tourism sector of Bangladesh. Public - Private partnership programmes should be more encouraged in tourism sector. Tourism sector should also be exempt from political unrest. Government should establish exclusive tourist zone immediately which has been declared recently so that investors may invest their capital safely in this area.

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MOBILE BANKING AND ITS PRESENT STATUS IN BANGLADESH

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Abstract

Technology is the magic wand that can do wonders in our lives. It is something that enhances the movements of our social and economic life. It changes and reshapes how we look into a situation and how we feel and build up our future. Mobile Financial Services (MFS) is an approach to offering financial services that combine banking with mobile wireless networks which enables users to execute banking transaction. It is a new term in Bangladesh and getting popularity rapidly. Most people of Bangladesh live in rural areas, and almost every family uses at least one mobile phone. So, mobile phone is an important device to provide service to them. Almost all banks are trying to provide financial service to maximum people through mobile phone. Till now, Bangladesh Bank has allowed 28 banks to start mobile banking. Among them, 18 banks have implemented their mobile banking successfully. Except two banks (BRAC and Dutch-Bangla Bank), the services and initiatives are at premature stage. The customers' awareness and readiness about mobile banking are not that much satisfactory still now. This paper intends to find out the latest status of m-banking services, to understand the awareness and readiness of customers regarding mobile-banking and to raise some issues and put some important suggestions related to the development of smooth and secured mobile-banking services in Bangladesh.

Keywords: Technology, Banking sector, Mobile banking, Growth, etc.

1. Introduction

Internet and mobile technologies are increasingly being adopted and utilized in the banking industry. This has reshaped the consumption of financial services. Electronic banking is considered a way of delivering banking services through the internet to the consumers at a reduced cost to the banking industry and improved convenience to the customers. However, there exists low internet connectivity in the developing countries

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given the costs of connection especially in rural areas, and yet banking services need to be brought closer to the population to enhance development. A viable solution here is mobile banking.

Mobile banking is a banking which provides financial services to un-banked communities efficiently at affordable cost without branch network. Providing banking and financial services, such as cash in, cash out, merchant payment, utility payment, salary disbursement, foreign remittance, government allowance disbursement, ATM money withdrawal through mobile technology devices, i.e. mobile phone, is called mobile banking.

A number of enabling technologies are being used in the delivery of mobile service applications. They include Interactive Voice Response (IVR), Short Messaging Service (SMS), Wireless Access Protocol (WAP), and stand-alone Mobile Application Clients (MAC).

Financial services have become essential for everyone in the vibrant and technology-driven economic and social makeup. About 30 percent people of the country live below the poverty line to whom having a bank account is a luxury. And about 70 percent of the population is from rural areas where minimum living standard is hardly maintained, let alone banking and financial services. Although some branches of state-owned as well as private commercial banks are available in district towns and in some upazillas, it takes time and money to visit those branches from villages. Mobile phone has changed the above scenario to a great extent. About 95 percent of the people have access to mobile phone service across the country. Mobile network operators (MNOs) have reached far-off villages with their network services. Internet service is also available in these remote areas through MNO-provided network. Moreover, users of mobile phones are improving their mobile phone literacy. And here is the emergence of mobile financial services, in other words 'mobile banking'.

The number of mobile phone users worldwide has already crossed six billion recently. In Japan, nine out of 10 people have cell-phone accounts, and in countries such as Italy, Norway, Sweden, United Kingdom, Saudi Arabia, and Malaysia the market penetration of mobile phones has already exceeded 100% (ITU ICT Indicators, 2010).

Banks play a vital role in developing the economic and social conditions of a country. The major share of the profit of banks generally comes from spread. But the

profitability of banks is under tremendous pressure because of continuous shrinking of spread. It becomes important for banks to reduce the cost per transaction for increasing spread that in turns will increase the profitability of banks. Using technology in banks reduces the cost. Banks have realized that cost of transaction drastically reduces from brick and mortar structure of the branch to electronic delivery channels like ATM, POS Terminal, Mobile phone, Internet, etc. Bank also enjoys lower overheads, establishment, premises, and maintenance costs which result in reduction of transaction cost.

Since Mobile banking offers some smart services benefiting both banks and customers compared with traditional banking system, it has become imperative to make necessary room for the scheduled banks to increase mobile banking. Among others, attractiveness of mobile banking lowers transaction cost, provides 24-hour services, ensures increased security, controls over transactions, reduces fraud risk, performs higher volume of transactions at less time, increases number and volume of value payment through banks, allows remote transactions facilities that replace physical presence of a customer in a bank branch, and increases transaction speed and accuracy. On the other hand, traditional banking is time-consuming and more costly, and, therefore, mobile banking is replacing traditional banking all over the world. In Bangladesh, mobile banking facilities are yet to be fully developed although some technology-driven products and services have been in operation over the last few years.

The intention of this article is to find out the latest status of m-banking services, raise some issues, and put some important suggestions related to the development of smooth and secured m-banking services in Bangladesh.

2. Literature Review

With the emergence of mobile telephone, the concept of mobile banking is gaining momentum. Low transaction cost is one of the main reasons why mobile banking is getting popularity. According to Diniz (1998) internet banking provides the lowest transaction cost in USA of \$0.01 whereas other delivery channels like ATM and phone banking cost \$0.27 and \$0.52 respectively. In India transaction cost in an old generation bank is Rs. 256 while it is of Rs. 150 of a new generation computerized bank. ATM transaction costs Rs. 27, phone banking has a cost of Rs. 15 whereas transaction costs through internet is least at only of Rs. 11 (Bhasin, 2003). Bangladesh

also shows a reduction of transaction cost as a result of using computer technology. Here, transaction cost is \$3.33 (Tk. 200.00) for a manual branch, \$2.5 (Tk. 150.00) in a computerized branch [Rahman 2003] and \$ 0.6 (Tk. 40.00) for ATM (Shirin, 2010). On the other hand, in USA, transaction cost is only \$1.14 in a computerized branch of a bank (Diniz, 2003). Mobile phone transaction costs only \$0.16 in USA.

Rahman (2003) provides statistics on the use of electronic devices in banking activities of Bangladesh from which it is shown that the initial cost of mobile banking may be high, but it can be recovered within a few years. This indicates that the introduction of mobile banking is profitable for the banks. From the point of view of profitability, his study supports the assertion that the adoption of mobile banking in banking activities helps in generating higher profit.

According to a Study by the Entrust USA (2011), some of the largest U.S. banks -- Bank of America, Citibank, Wachovia, Washington Mutual, Wells Fargo, and ING Direct - are providing mobile banking services that give one access to one's accounts wherever one is. Like regular online banking, the mobile service allows consumers to transfer funds, check balances, make bill payments, and look up branch locations from their mobile devices.

In Europe, mobile penetration rates are around 80%, and Germany is the largest European mobile market with 50 million mobile users (Forrester, 2009). In Europe, mobile banking trends are similar to those in the United States-as many as 12 percent of Europeans take advantage of some mobile banking. However, adoption rates remain low and, at this time, it is predominantly used for simple SMS (Short Message Service) text messages. A much smaller number, only 4 percent, are actually accessing mobile banking (Hoehle, 2009).

A study of Infogile (2010) found that when Reliance Infocomm, India rolled out its CDMA network (at the time the mobile market in India was still in its infancy, and data services were almost never heard of), it made sure that all handsets supported Java. The Reliance application platform, also known as R-World brought Java compatibility even to the lower end phones.

In terms of the evolution of services being offered on mobile applications, South Korea is showing the way. The big push came when LG Telecom Ltd., the smallest of Korea's three mobile service providers, teamed up with the Kookmin bank to launch

the 'Bank on' service. Under this scheme mobile users were able to use smart chips embedded in cell phones for accessing all of the transactions and enquiry based services. The chip-based service automated the authentication of users when they accessed their bank's financial services to make the whole process much faster and convenient. The icing on the cake came with the ability of these chip enabled cell phones to be used simultaneously as cash cards. By October, 2004 there were already about 100,000 infrared readers adapted to take payment directly from mobile phone handsets in Korea. Users can now use their cell phones to pay for everything, from restaurant bills, travel tickets, merchandise, and even haircuts (Infogile, 2007).

3. Objectives of the Study

The basic objectives of the study are

- i. to represent the technological issue and business model related to mobile banking,
- ii. to explore the current mobile telecommunication infrastructure of Bangladesh,
- iii. to understand the awareness and readiness of customers regarding mobile banking,
- iv. to evaluate the current status of banks to facilitate mobile banking in Bangladesh and
- v. to raise some suggestions for improving mobile banking operation in Bangladesh.

4. Data and Methodology of the Study

This paper is mainly based on secondary data. Some primary information has been collected from banks through interview and telephonic discussion. A good number of literatures have been reviewed to sharpen the thought on mobile banking and its different facets in the context of Bangladeshi banks. Information relating to the readiness of the mobile communication infrastructure of the country and banks has been collected from different sources such as Bangladesh Bank publications and reports and websites of different banks and BTRC (Bangladesh Telecommunication Regulatory Commission). Information is also collected from several daily newspapers, Wikipedia, and other internet resources. Various policies and circulars of Bangladesh Bank related to mobile banking have also been consulted for preparing this paper.

5. Analysis and Discussion

5.1 Conceptual Framework of Mobile Banking

Mobile Banking refers to provision and alignment of banking and financial services with the help of mobile telecommunication devices. The scope of offered services may include facilities to conduct bank and stock market transactions, to administer accounts, and to access customized information. According to this model mobile banking can be said to consist three inter-related concepts:

- * Mobile Accounting
- * Mobile Brokerage
- * Mobile Financial Information Services

Most services in the categories designated Accounting and Brokerage are transaction-based. The non-transaction-based services of an informational nature are, however, essential for conducting transactions. For instance, balance inquiries might be needed before committing a money remittance. The accounting and brokerage services are, therefore, offered invariably in combination with information services. Information services, on the other hand, may be offered as independent module (http://en.wikipedia.org/wiki/Mobile_banking).

5.1.1 Mobile Banking Business Model

A wide spectrum of mobile/branchless banking models is evolving. However, no matter what business model, if mobile banking is being used to attract low-income populations in often rural locations, the business model will depend on banking agents, i.e., retail or postal outlets that process financial transactions on behalf of telcos or banks. The banking agent is an important part of the mobile banking business model since customer care, service quality, and cash management will depend on them. Many telcos will work through their local airtime resellers. However, banks in Colombia, Brazil, Peru, and other markets use pharmacies, bakeries, etc.

These models differ primarily on the question that who will establish the relationship (account opening, deposit taking, lending etc.) to the end customer, the Bank or the Non-Bank/Telecommunication Company (Telco). Another difference lies in the nature of agency agreement between the Bank and the Non-Bank. Models of branchless banking can be classified into three broad categories - Bank Focused, Bank-Led, and Non bank-Led.

Bank-focused model - The bank-focused model emerges when a traditional bank uses non-traditional low-cost delivery channels to provide banking services to its existing customers. Examples range from use of automatic teller machines (ATMs) to internet banking or mobile phone banking to provide certain limited banking services to banks' customers. This model is additive in nature and may be seen as a modest extension of conventional branch-based banking.

Bank-led model - The bank-led model offers a distinct alternative to conventional branch-based banking in that customer conducts financial transactions at a whole range of retail agents (or through mobile phone) instead of at bank branches or through bank

employees. This model promises the potential to substantially increase the financial services outreach by using a different delivery channel (retailers/ mobile phones), a different trade partner (telco / chain store) having experience and target market distinct from traditional banks, and may be significantly cheaper than the bank-based alternatives. The bank-led model may be implemented by either using correspondent arrangements or by creating a JV between Bank and Telco/non-bank. In this model customer account relationship rests with the bank.

Non-bank-led model - The non-bank-led model is where a bank has a limited role in the day-to-day account management. Typically its role in this model is limited to safe-keeping of funds. Account management functions are conducted by a non-bank who has direct contact with individual customers.

5.1.2 Mobile Banking Services

Through mobile technology a bank can provide different types of services online to the customers. M-banking services are stated in-details in the following tables (Table 1 and 2):

Table 1: Different types of m-banking services

Account information	<ul style="list-style-type: none"> i. Mini-statements and checking of account history ii. Alerts on account activity or passing of set thresholds iii. Monitoring of term deposits iv. Access to loan statements v. Access to card statements vi. Mutual funds / equity statements vii. Insurance policy management viii. Pension plan management ix. Status on cheque, stop payment on cheque x. Ordering cheque books xi. Balance checking in the account xii. Recent transactions xiii. Due date of payment (functionality for stop, change, and deleting of payments) PIN provision, Change of PIN and reminder over the internet xiv. Blocking of (lost, stolen) cards xv. Withdrawal at banking agent xvi. Deposit at banking agent
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Payment, deposits, withdraw and transfer	<ul style="list-style-type: none"> i. Domestic and international fund transfers ii. Micro-payment handling iii. Mobile recharging iv. Commercial payment processing v. Bill payment processing vi. Peer to peer payments
Investments	<ul style="list-style-type: none"> i. Portfolio management services ii. Real-time stock quotes iii. Personalized alerts and notifications on security prices
Support	<ul style="list-style-type: none"> i. Status of requests for credit, including mortgage approval, and insurance coverage. ii. Check (cheque) book and card requests iii. Exchange of data messages and email, including complaint submission and tracking iv. ATM location
Content Services	<ul style="list-style-type: none"> i. General information such as weather updates, news ii. Loyalty-related offers iii. Location-based services

Table 2: Types of mobile banking services

	Push based	Pull based
Transaction based		<ul style="list-style-type: none"> o Fund Transfer o Bill Payment o Other financial services like share trading
Enquiry based	<ul style="list-style-type: none"> o Credit/Debit Alerts. o Minimum Balance Alerts o Bill Payment Alerts 	<ul style="list-style-type: none"> o Account Balance Enquiry o Account Statement Enquiry o Cheque Status Enquiry o Cheque Book Requests o Recent Transaction History

5.1.3 Core Architecture of Mobile Banking

Figure 1 shows the basic architecture of m-banking operations. Four participants are involved in accomplishing the m-banking services:

- * Core banking applications that contain account information
- * SMS mobile banking applications that interfaces with the SMS network
- * Bulk SMS service provider application that sends SMS to the wireless carrier
- * The wireless carriers who transport the messages to the mobile handset
- * The handset that is the end user interface to the bank.

There are two ways that a bank may choose to communicate with customers using SMS over the internet.

1. The bank proactively sends information like promotional messages and transaction alerts to its customers.
2. The customers' request information from the bank and the bank sends the response as an SMS message.

Banks may proactively send the information to customers in the following ways:

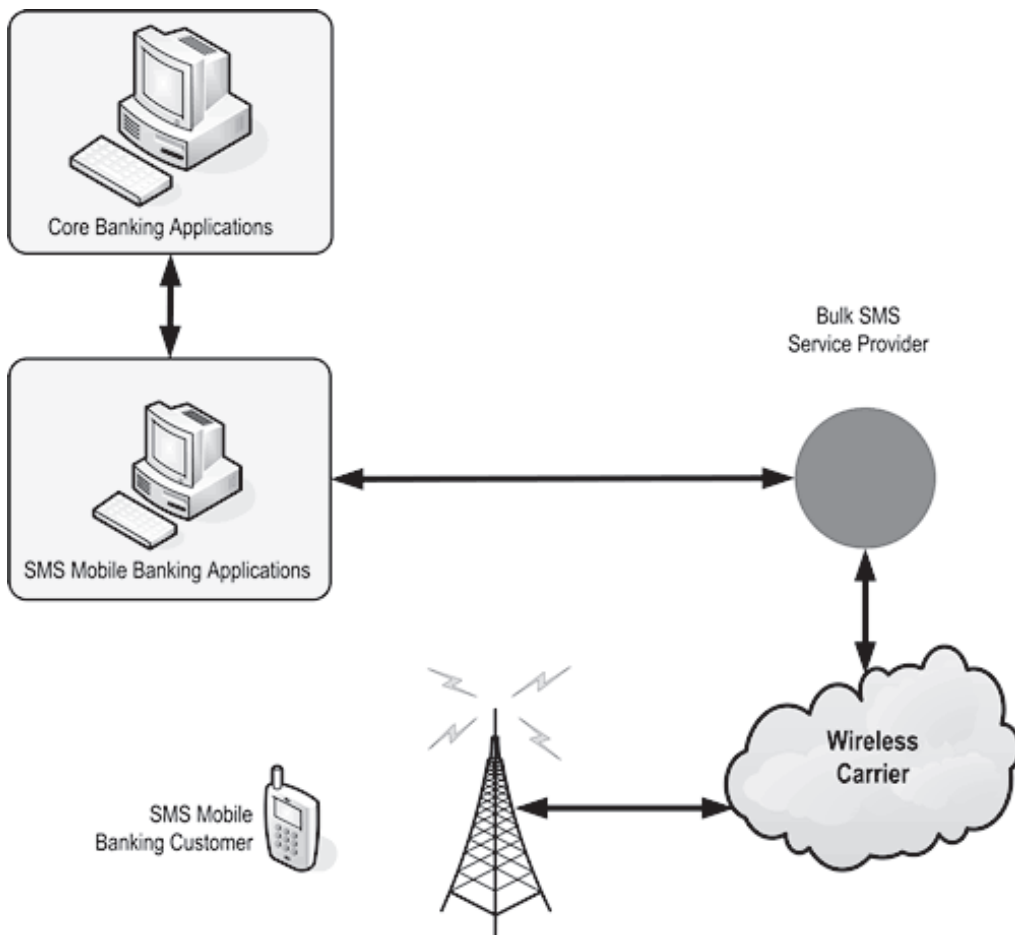
* E-mail to mobile (E2M)

In this method, the bank first sends an e-mail to a mobile banking application installed on the bank's network. The application receives the mail containing the message along with the mobile number and sends these contents in a specified format over to the bulk SMS service provider. The SMS service provider forwards the message to the wireless carrier which, in turn, sends the messages to the customers.

* Database to mobile (D2M)

Here, a mobile banking application is installed on the banks' network that continuously polls a bank's database. Whenever a relevant event occurs like the crediting of a salary account - the application detects a change in the database and triggers an SMS message to be sent based on the details in the table. This application also sends the contents in a specified format over to the bulk SMS service provider. The message after reaching the SMS service provider is forwarded to the wireless carrier, which, in turn, sends the message to the customers.

Banks can also send data on requests made by the customers. A customer sends a request message to the bank with a pre-defined transaction code to the wireless carrier providing the GSM service. The wireless carrier in turn sends the message to the SMS service provider. The SMS service provider forwards the request to the mobile banking applications running in the bank's network. These mobile banking applications, in turn, interface with the core banking applications to service the customer request. The response is then sent back to the customer.

Figure 1: Core Architecture of Mobile Banking

5.1.4 Technologies Behind Mobile Banking

Technically speaking, most of these services can be deployed using more than one channel. Presently, mobile banking is being deployed using mobile applications developed on one of the following four channels.

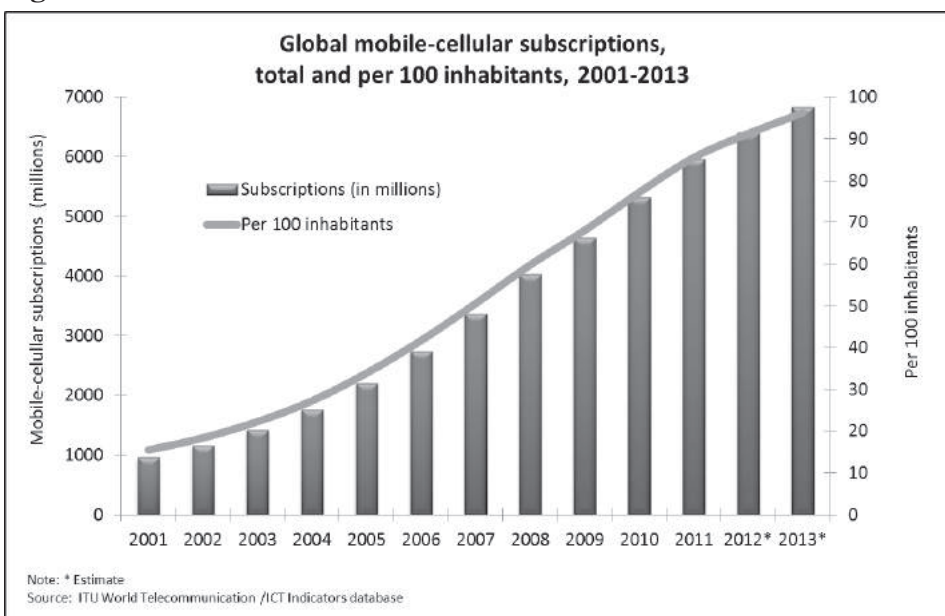
1. IVR (Interactive Voice Response)
2. SMS (Short Messaging Service)
3. WAP (Wireless Access Protocol)
4. MAC (Mobile Application Clients)

5.2 Mobile Telecommunication Infrastructure in Bangladesh

The proliferation of mobile telephone has brought dramatic changes in Bangladesh. Mobile Teledensity, which stood at less than 1% ten years ago, has surpassed 47% mark in May, 2011 (BTRC). More than 70% of the population of Bangladesh lives in rural areas where access to formal financial services is difficult. Less than 15% of Bangladeshis are connected to the formal banking system whereas over 60% has mobile phones (June 2013, Report of Bkash Limited and BTRC). Mobile penetration that reached the remotest interiors across Bangladesh has united most of the unwired community. The phenomenal growth triggered by deep mobile penetration has become the ultimate choice of the Bangladeshi people to stay connected.

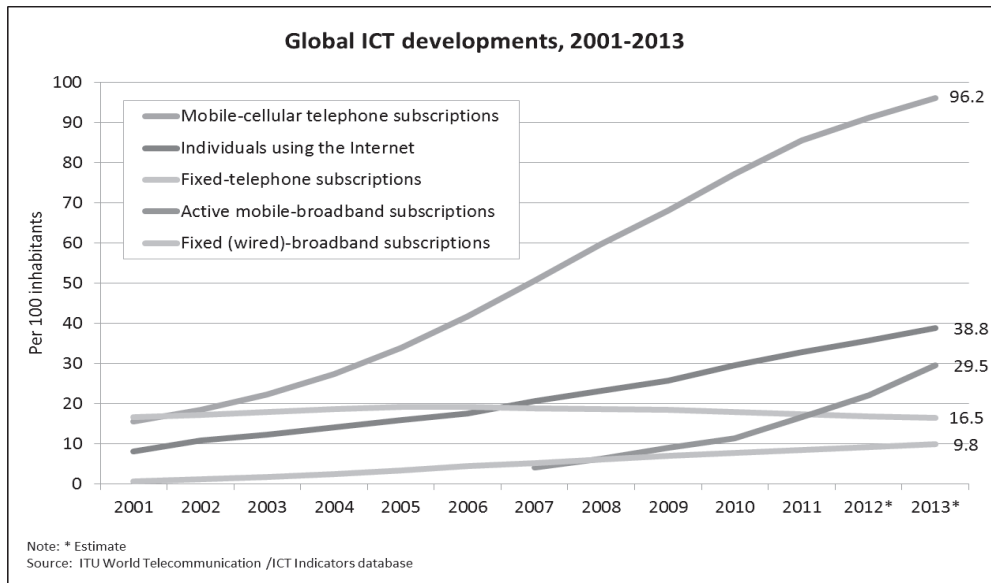
According to ITU (2012), position of Bangladesh in the World Mobile Penetration index is 166th, (63.76 per 100 inhabitants). Top position is carried by Macao, China (284.34 per 100 inhabitants). Among the SAARC countries Bangladesh is in 6th position, whereas Maldives and Nepal hold the first and eighth position respectively. At the end of June, 2013, global cellular subscriptions crossed 6835 million, and 96.3 out of 100 inhabitants holds a mobile phone in the world (Figure: 2 and 3). According to figure 3, rate of mobile users is increasing rapidly compared to other channels, which indicates glorious prospects of m-banking and m-commerce in the world.

Figure 2: Global Mobile Subscriber



Source: ITU, 2013

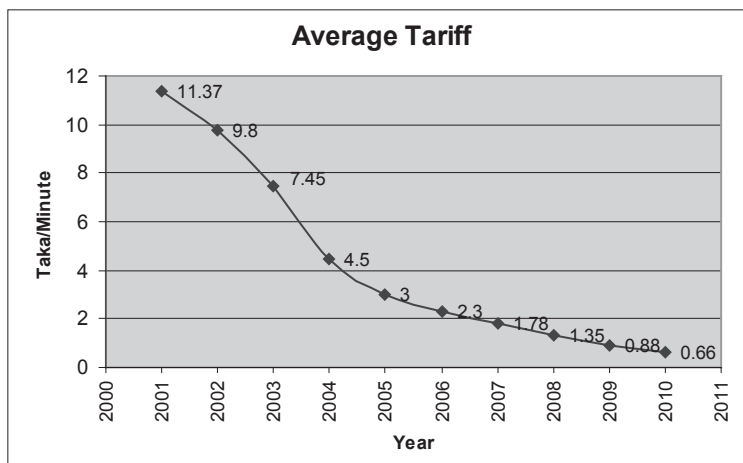
Figure 3: Global ICT Development (2001 - 2013)



Source: ITU, 2013

In Bangladesh, liberalization of the mobile phone sector led to large increases in the accessibility of telecommunications to consumers due to low tariff costs. BTRC has been able to fix call charges for all cellular phone operators and has been able to bring all the companies under a uniform regulatory framework. The mobile operators' call charges now range between a maximum of Tk 2 and minimum of Tk 0.25 per minute. It is evident from the graph (Figure: 4) that in 2001 the average call charge was 11.7 Tk/minute, whereas in April, 2010 it has come down to 0.66 Tk/minute.

Figure 4: Average Tariff (2001-2010)



Source: BTRC

5.3 Mobile Phone Subscribers in Bangladesh

The total number of mobile phone subscribers has reached 110.675 million at the end of September 2013. The mobile phone subscribers are shown below:

Table 3: Total Number of Active Subscribers by Operators

Operators	অপারার বঁনংপত্রনবং
Grameen Phone Ltd. (GP)	46.042
Banglalink Digital Communications Limited	28.101
Robi Axiata Limited (Robi)	24.829
Airtel Bangladesh Limited (Airtel)	8.033
Pacific Bangladesh Telecom Limited (Citycell)	1.330
Teletalk Bangladesh Ltd. (Teletalk)	2.340
Total	110.675

*Subscribers in Millions

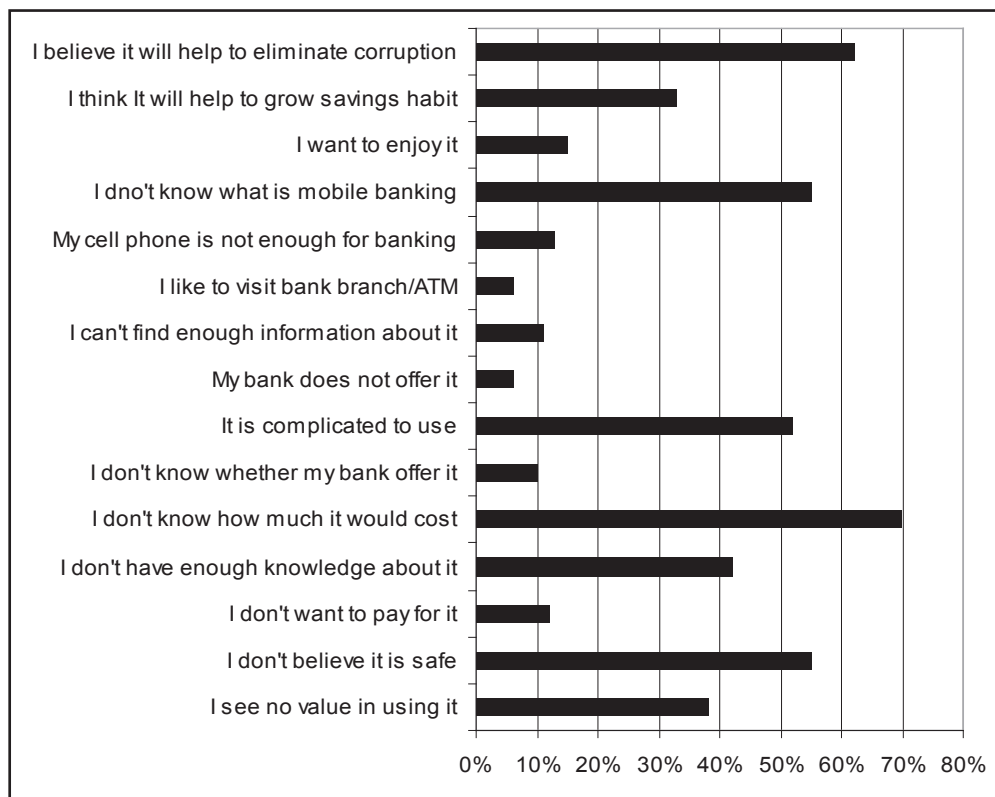
**The above subscribers' numbers are declared by the mobile operators

Source: BTRC, September 2013

5.4 Customers' awareness and readiness status of Bangladesh

The unbanked people targeted for mobile banking are very much poor and illiterate. Moreover, they have not high technical skill regarding mobile channels and handset operations. But mobile booming in Bangladesh indicates that users have at least minimum basic knowledge to operate the set. Initially, this basic knowledge can be applied in mobile banking operations. At least understanding, sending, and receiving text message (SMS) and to read out menus (USSD) is a must in most cases. Language may be a great barrier, as message and menu is totally based on English. Though SMSs of mobile banking services will have a fixed format, we can assume that within a very short period of time customers will be able to understand the operational details with the help of mobile agents.

BIBM conducted a survey through several questions to know the status of customers' awareness about mobile banking operations. The following graph (Figure 5) summarizes the output.

Figure 5: Customers' Awareness Regarding Mobile Banking

Source: BIBM Survey 2011

From the graph it is clear that people have mixed reaction about mobile banking. About 55% respondent said that they have no idea about mobile banking and its use. Moreover, they are afraid of the security of their money. Around 62% respondents believe that it will help to develop our country and corruption may be eliminated. 42% of the respondents said that they have no clear knowledge about the technology. About 38% of them are not aware about the benefits also. Most of them said that they have not yet heard about this new banking technology. In this scenario, it is not surprising that over 52% of the respondents think that it is complicated to use. While interviewing, it was found that awareness about mobile banking services was higher among urban people. While overall awareness remains very low, people are keen to try out mobile banking. 15% of the respondents evinced interest in the services. Given the convenience factor-the fact that mobile banking can be used from anywhere in the country as long as one can send and receive SMS.

5.5 Central Bank Regulation of Mobile Financial Services

Following several years of deliberations and ad hoc permissions on MFS, the Department of Currency Management and Payment Systems of Bangladesh Bank issued "Guidelines on Mobile Financial Services (MFS) for the Banks" on 22 September 2011 which were subsequently amended on 20 December 2011. These guidelines state that only a bank-led model will be permitted. For Bangladesh Bank this means that a customer's account, termed "Mobile Account", will rest with the bank and will be accessible through the customer's mobile device. This mobile account will be a non-chequing account classified separately from a standard banking account.

The guidelines permit the following services, subject to specific bank proposals to and clearances by Bangladesh Bank:

- Disbursement of inward foreign remittances
- Cash in/out using mobile account through agents/Bank branches/ ATMs/ MNO's outlets
- Person to Business Payments (utility bill payments or merchant payments)
- Business to Person Payments (salary disbursement, dividend, and refund warrant payments, vendor payments)
- Government to Person Payments (elderly allowances, freedom-fighter allowances, subsidies)
- Person to Government Payments (taxes, levy payments)
- Person to Person Payments P2P (One registered mobile account to another registered mobile account)
- Other Payments (microfinance, overdraft facility, insurance premiums, deposit pension scheme deposits)

5.6 Current Status of Mobile Banking in Bangladesh

Mobile banking subscribers' base has created a milestone in the country crossing 10 million-mark by November 11, 2013 according to the data of Bangladesh Bank. In September, 2013 Mobile banking subscribers were 8.93 that was increased to 9.98 million in October, 2013. The number of the mobile banking users was just around 0.5 million in April 2013 and it doubled in next seven months. Starting the mobile financial service in 2010, the sector experienced a tremendous growth in three years, as said in a circular of the bank on November 14, 2013. The central bank said the mobile financial service has become popular to the people due to its flexible nature and availability. The services -- money transfer, cash in & cash out, giving salary & allowance, payment of

utility bill, and merchant payment--are mainly offered under mobile banking. At present, 19 banks, out of 28 banks taking approval of the central bank, have introduced mobile financial service. Of them, Brac Bank subsidiary-BKash and Dutch Bangla Bank are in leading position for providing mobile banking service. The central bank mentioned that in October 2013, there were 23 million transactions worth Tk 50.96 billion (Tk. 5096 crore). Average transaction amount per day was Tk1.7 billion. Of the transaction, cash in was Tk 21.64 billion, cash out was Tk 19.95 billion and Person to Person (P2P) transaction was Tk 7.78 billion. Table 4 represents the latest information regarding Mobile Financial Services.

Table 4: Mobile Financial Services (MFS) Comparative Summary Statement of September, 2013 and October, 2013

Serial no.	Description	Amount (in September, 2013)	Amount (in October, 2013)	Change in Percentage
1.	No. of approved Banks	28	28	-
2.	No. of Banks started to convey the service	18	19	5.55%
3.	No. of agents	1,34,337	1,46,955	9.39%
4.	No. of registered clients	89.26 lac	99.78 lac	11.79%
5.	No. of active accounts	36.91 lac	40.88 lac	10.76%
6.	No. of total transaction	2A3,35,986	2,35,58,533	(-)3.19%
7.	Total transaction in taka	5,078.39 Crore BDT	5095.88 Crore BDT	.34%
8.	No. of daily average transaction	8,11,200	7,85,284	(-)3.19%
9.	Average daily transaction in taka	169.28 Crore BDT	169.86 Crore BDT	.34%
10.	Additional Information	Amount	Amount	Change in Percentage
a.	Inward Remittance	3.87 Crore BDT	4.57 Crore BDT	18.08%
b.	Cash In transaction	2,218.32 Crore BDT	2,164.67 Crore BDT	(-) 2.42%
c.	Cash Out Transaction	1,970.81 Crore BDT	1,995.17 Crore BDT	1.23%
d.	P2P transaction	749.84 Crore BDT	778.36 Crore BDT	3.80%
e.	Salary Disbursement (B2P)	18.80 Crore BDT	30.52 Crore BDT	62.34%
f.	Utility Bill Payment (P2B)	.777 Crore BDT	1.05 Crore BDT	35.13 %
g.	Others	115.97 Crore BDT	121.54 Crore BDT	4.80%

Source: Payment System Department, Bangladesh Bank, 2013

Up to March 2012, eighteen banks have been granted permission to introduce MFS by Bangladesh Bank. Thirteen banks have launched MFS and of these five are licensed to offer a range of service beyond inward foreign remittances. Following table shows in details:

Table 5: Summary of MFS Permission Granted - March 2012

BANK	TECHNOLOGY PLATFORM	MNO PARTNERSHIPS	LAUNCH DATE	REGISTERED CUSTOMERS	AGENTS	TRANS-ACTIONS (CRORE TAKA)
Trust Bank	Genweb2	Teletalk	Aug-10	1,104	329	0.17
Dutch Bangla Bank	Sybase 365	Airtel, Banglalink, Citycell, GrameenPhone	May-11	172,020	3,181	88.29
BRAC Bank/bKash	Fundamo (Visa)	Banglalink, Robi, GrameenPhone	Jul-11	237,423	5,383	118.51
Mercantile Bank	SMG	GrameenPhone	Feb-12	1,392	170	0.10
Bank Asia	iPay	Not required	Mar-12	0	30	0.01
First Security Islami Bank	Progoti Systems		Mar-12			
Citi N.A						
Sonali Bank	Digital Technologies					
Prime Bank	SMG		Mar-12			
Bangladesh Commerce Bank	iPay		Mar-12			
Janata Bank	Transaction Solution					
TOTAL				442,289	9,093	207.08
INTERNATIONAL REMITTANCES PERMISSION ONLY						
Eastern Bank	Joint with Banglalink	Banglalink, Robi	Apr-10	293	1,386	35.96
Dhaka Bank	Comviva	Banglalink	Apr-10	594	1,786	11.47
AB Bank		Citycell	Sep-10	-	116	0.04
Southeast Bank		GrameenPhone	Jun-11	-	200	-
Premier Bank			Sep-11	-	182	0.01
NCCBL		GrameenPhone				
Standard Bank		GrameenPhone				
TOTAL				887	3,670	47.48

Source: Bangladesh Bank, 2012

According to BIBM Survey (2011), the following Table (Table 5) shows the status of first nine banks providing different mobile banking services countrywide.

Table 6: List of First 09 Banks with Mobile Banking Services

	Cash in/ Cash Out	P2B Payments	B2P Payments	G2P Payments	P2G Payments	P2P Payments	Others (DPS, Insurance, Microfinance etc.)	Inward Foreign Remittances
TBL	/	/	/	/	/	/	/	/
DBBL	/	/	/	/			/	/
BRAC	/	/	/	/		/	/	/
MBL	/	/	/	/	/	/	/	/
EBL	/	/	/	/	/	/	/	/
DBL								/
ABBL								/
PBL								/
BAL	/					/		/

5.7 Operational Control for Mobile Banking Services

Regarding transaction process control to avoid risks, all of the banks implemented a set of restrictions controlling the maximum amount per transaction and total number of transactions per day. They are in a wait and see status for further control if required as mobile banking is in the initial stage, and they are actually piloting the system. Bangladesh Bank has established limits on P2P transactions of taka 10,000 per day and 25,000 per month. These amounts are subject to change from time to time at the discretion of Bangladesh Bank. Table 7 carries out the information about controls applied by different banks.

Table 7: Process/Operational Control for Mobile Banking Services

	DBBL	BRAC	TBL
Cash-in frequency per day	5	5	5
Cash-out frequency per day	5	5	5
Cash-in / cash-out amount per transaction	5000	30000	10000
Cash-in frequency per month	20	150	30
Cash-out frequency per month	20	60	30
Money transfer per day		20	5
Money transfer per month		600	150

Source: Author's Survey 2012

6. Recommendation and Conclusion

Regarding investment and return, though the initial cost is very high for mobile banking implementation, all of the banks are thinking about long term return. The minimum and maximum investment (fixed cost) in introducing mobile banking is reported as Tk. 20 million and Tk. 800 million, respectively. Moreover, average variable cost is about 12% of fixed cost. Service charges and maintenance cost are also 10% and 15% of the above, per year respectively.

The major challenges that banks have been facing related to mobile banking adoption are software crisis within an affordable cost, lack of proper ICT professionals especially for mobile banking, weak policy and marketing strategies, non co-operation of carrier services, more operational cost, and non-educated customers, and poor management support. One of the banks reported that bureaucracy and lack of leadership including delay in policy decision are also great problems.

About the future of the mobile banking in Bangladesh, 33% of the CTOs explained its bright future and agreed with the strong potential of it, 44% said that the task is not as easy as the dream, 22% hoped that it would take long time, and the rest of the respondents claimed that they are in confusion about the future prospect.

There are different types of model in mobile banking. Banks are largely free to adopt anyone. But security, operational control, and available technology in users' handsets

must be consistent with the knowledge of customers in selecting the right model. In this scenario, transformational mobile banking can be accomplished through a careful appraisal, introduction, and management of operational controls (including user education) necessary to offset the higher technical risks inherent in choosing ubiquitous but less secure technologies. Regarding transaction process control to avoid risks, all the banks can implement a set of restrictions, controlling the maximum amount per transaction and total number of transactions per day. Banks can wait and see the status for further control if required as mobile banking is in the initial stage.

Revenue sharing is a great concern among MNOs, banks, and agents. MNOs are demanding higher rate per transaction that will increase the transaction cost and hamper the mission of mobile banking. Bangladesh Bank along with BTRC, MNOs, and commercial banks can take initiatives to settle this problem. Though agents are the key operators to increase the growth of mobile banking, they should be properly benefited. Commercial banks should encourage them by giving reasonable portion of revenue.

The unbanked people targeted for mobile banking are very much poor and illiterate. Moreover, they don't have high technical skill regarding mobile channels and handset operations. But mobile booming in Bangladesh indicates that users have at least minimum basic knowledge to operate the set. Initially, this basic knowledge can be applied in mobile banking operations. At the minimum, understanding, sending, and receiving text message (SMS) and to read out menus (USSD) is a must in most cases. Language may be a great barrier, as message and menu are totally based on English. Though SMS of mobile banking services will have a fixed format, we can assume that within a very short period of time customers will be able to understand the operational details with the help of mobile agents. But at this initial stage, transaction related problems, dispute resolve, and customer care are a great concern. To face these challenges, commercial banks providing mobile banking services should have a call center to provide 24-hour services to serve the targeted group, as they are illiterate and have poor knowledge in technology. Proper training should be given to the agents for better understanding and operations of mobile banking. As a result, agents will be able to give proper support and guidelines to the customers. To resolve any dispute, customers can get help from the call center of respective bank. In case of any non-cooperation and harassment, customers can directly communicate with Bangladesh Bank's help desk just dialing 16236 from any mobile. BB has established separate department called FI (Foreign direct investment in Bangladesh) and CSD(Common service department) to ensure prompt and reliable services (dispute resolve) to banks customers.

For the development of mobile banking infrastructure, most of the CTOs opined that money is not a problem for them but procedures of expenditure is not an easy task. Policies of the banks are not so friendly; a great deal of time is required for purchasing technology. Sometimes, it becomes impossible to purchase necessary instruments within the estimated time and budget. Tender and retender procedures sometimes pose the main obstacle. Due to delay in procurement process, existing technology becomes obsolete, and new tech products arrive which creates another problem for implementation. The proper knowledge of management and their co-operation, including govt. guidelines and regulations are also the main challenges for them. Top level management has vital role to implement mobile banking in banks for enhancing business. However, in reality, there is a gap between top level management and IT management in decision making and planning processes. Banking authorities (BB, BIBM, and ABB) can take initiatives to minimize the distance between both parties. BB and BIBM can jointly conduct workshops, round table discussions, and seminars on IT and Banking business development for the top level executives of banking sector to motivate them in this respect.

However, with high potential of mobile banking, Bangladesh Bank as the regulator of banking and financial sector, government of Bangladesh, MNOs, agents / pay points, and the scheduled banks together need to come forward with necessary initiatives for successful development of mobile banking in Bangladesh. Both individual and joint efforts are needed to overcome the constraints in promoting mobile banking in the country.

List of Abbreviations

Abbreviation	Term
ABB	Association of Bankers, Bangladesh
ABBL	AB Bank Limited
ATM	Automated Teller Machine
BAL	Bank Asia Limited
BB	Bangladesh Bank
BIBM	Bangladesh Institute of Bank Management

BRAC	Bangladesh Rural Advancement Committee
BTRC	Bangladesh Telecommunication Regulatory Commission
CDMA	Code Division Multiple Access
CTO	Chief Technology Officer
DBBL	Dutch-Bangla Bank Limited
DBL	Dhaka Bank Limited
EBL	Eastern Bank Limited
GSM	Global System for Mobile Communications
ICT	Information and Communications Technology
ITU	International Telecommunication Union
J2ME	Java 2 Platform, Micro Edition
MAC	Mobile Application Clients
MFS	Mobile Financial Services
MBL	Mercantile Bank Limited
MNO	Mobile Network Operator
PBL	Prime Bank Limited
PIN	Personal Identification Number
POS	Point-of-Sale
SAARC	South Asian Association for Regional Cooperation
SIM	Subscriber Identity Module
SMS	Short Message Service
TBL	Trust Bank Limited
Telco	Telecommunication Company
USSD	Unstructured Supplementary Service Data
WAP	Wireless Application Protocol

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THE EFFECT OF CAPITAL STRUCTURE ON THE PERFORMANCE OF SQUARE PHARMACEUTICALS LIMITED OF BANGLADESH

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Abstract

This study aims at analyzing the impact of Capital Structure on the growth and development of Square Pharmaceuticals Limited. The study has been conducted based on secondary data. Annual reports of Square Pharmaceuticals Company were the sources of secondary data in this regard. Optimal Capital Structure is that which maximizes stock price and minimizes the cost of capital. Different theories prescribe differently on the existence of optimum Capital Structure. Practically differences disappear when interest is tax deductible, and market imperfections are found. The effect of Capital Structure on the performance of Square Pharmaceuticals Ltd. is satisfactory due to good Earning Per Share (EPS), dividend, price earnings ratio, and low level of bank borrowings. The company should try to control both financial and business risks through prudent use of investible funds and generating maximum cash flows leading to continuous business growth. Capital structure is determined out of a static tradeoff between tax advantage of debt and the risk of bankruptcy. The empirical research offers little support for this. The old hypothesis is receiving increasing attention for emerging new view on capital structure. Managers have a packing order or preference for financing. These are internal equity, debt, and external equity. Asymmetric information restricts equity financing because such issues are interpreted as signs that stock is overpriced, motivating managers to sell stock during this time, and it leads to sharp decline in stock price.

Keywords: *Capital Structure, optimum capital structure, cost of capital, financial leverage, wealth maximization, and business risk, etc.*

Introduction

Capital structure is the mix of the long term sources of funds used by a firm. The major objective of capital structure decisions is to maximize the market value of the firm through an appropriate mix of long term sources of funds. This mix, called the optimal capital structure will minimize the firm's overall cost of capital. Financial

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structure is the mix of all items that appear on the right side of the balance sheet. Proper mix of the long term sources of funds is a vital factor. If the firm's cost of capital is affected by the degree to which it uses financial leverage, capital structure management is important. The relationship of the two is that Financial Structure - Current Liabilities = Capital Structure. There are seven approaches to the management of capital structure. These are mainly taken as Net Operating Income approach, Net Income approach, Traditional approach, Modigliani and Miller approach, Signaling approach, Pecking Order Hypothesis, and Hamada Equation (Kolb 1983).

The net operating income approach suggests that the firm's overall cost of capital, k_0 , and the value of the firm's market value of debt and stock outstanding, V , are both independent of the degree to which the company uses leverage. The key assumption with this approach is that k_0 is constant regardless of the degree of leverage. Unlike the net operating income approach, the net income approach suggests that both the overall cost of capital, k_0 and the market value of the firm, V , are affected by the firm's use of leverage. The critical assumption with this approach is that k_t and k_e remain unchanged as the debt/equity ratio increases. The traditional approach to valuation and leverage assumes that there is an optimal capital structure and that the firm can increase its value through leverage. This is a moderate view of the relationship between leverage and valuation that encompasses all the ground between the NOI approach and the NI approach (Gitman, 1990).

Square Pharmaceuticals Ltd. was incorporated on November 10, 1964 under the Companies Act 1913, and it was converted into a Public Limited Company in 1991. It offered its share to the public with the approval of the Securities and Exchange Commission in the month of December, 1994. The Shares of the company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The company owns and operates modern Pharmaceuticals factories and produces and sells Pharmaceuticals drugs and medicines. The company has a separate division to operate a modern Basic Chemical Factory and produces and sells Basic Chemical Products. The company has an Agro base division producing and selling Agro based products. The company has also a pesticide division producing and selling pesticide products. The elements of financial statements have been measured on "Historical Cost" convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principle and practice in Bangladesh in compliance with the Companies Act 1994, the Securities and Exchange Rules 1987, listing regulations of Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), and International

Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and Bangladesh Accounting Standard (BAS). Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements (Square, 2012).

Objectives of the Study

The objectives of the study are to highlight the effect of capital structure on the performance of the Square Pharmaceuticals Limited during 2007-2008 to 2011-2012 and arrive at conclusions for the achievement of optimum capital structure.

Rationale for the Study

Debt capital and equity capital make up a firm's capital structure. This can be assessed by using financial ratios like debt ratios, time interest earned ratio, fixed payment coverage ratio etc. Capital structure is one of the most complex areas of financial decision due to its inter relationships within other financial decision variables. For the attainment of wealth maximization, assessment of capital structure is important through the relationships of risk, return, and value of the firm. Much controversy has developed over whether a firm can affect its total valuation (debt plus equity) and its cost of capital by changing its financing mix. The traditional approach to capital structure and valuation assumes that there is an optimal capital structure and that management can increase the total value of the firm (and market value per share) through the judicious use of financial leverage. Modigliani and Miller (MM), on the other hand, argue that in the absence of taxes and other market imperfections, the total value of the firm and its cost of capital are independent of capital structure. MM's position, same as the net operating income (NOI) approach, is based on the notion that there is a conservation of investment value. No matter how you divide the investment value pie between debt and equity claims, the total pie (or investment value of the firm) stays the same. Therefore, leverage is said to be irrelevant. Behavioral support for the MM position is based on the arbitrage process. Bankruptcy and agency costs work to the disadvantage of financial leverage, particularly extreme financial leverage. In a world of corporate income taxes, there is a substantial advantage to the use of debt, and we can measure the present value of the tax-shield benefits of debt. This advantage is lessened with tax-shield benefits, uncertainty, particularly if financial leverage is high.

We know that there is an optimal capital structure that balances the firm's benefits and cost of debt financing. The major benefit of debt financing is tax shield. The costs of debt financing include the probability of bankruptcy, agency costs, imposed by lenders, and asymmetric information, which causes firms to raise funds in a pecking order so as to send positive signals to the market and thereby increase shareholder wealth (Finnerty 1990). Different studies have been done on Capital Structure Management of different industries in Bangladesh as reviewed in the present study. However, no such specific study has been done by other researchers. This study will be highly beneficial to the policy makers regarding the capital structure decisions, financing of investment needs, controlling business risk and financial risk, trade-off between debt equity ratios and some other relevant issues in manufacturing sector like Square Pharmaceuticals.

Review of Related Studies

Solaiman (1990) says, "Improvement in the financial leverage with reference to financial planning and control is an important technique in the hands of decision makers to influence capital structure, cost structure, and profit plan. Financial decision based on leverage can improve the capital structure management of any firm".

Jabed Hossain (1995) suggests that in order to improve capital structure management, BSFIC management should review the prevalent system of long-term financing. The corporation should increasingly use equity finance. This would help improve debt-equity mix which is top heavy at present. The government should also think of divesting equity of the corporation in a phased manner. This would also tend to improve the overall efficiency of the corporation through private participation. In reality, the net worth position, debt-equity mix, and financial performance of the sugar group of BSFIC is so vulnerable that the government has no other option left other than divesting equity. Time is ripe now to take and implement disinvestment decision in consonance with broad global market economy.

Sarfaraz Nawaz et al (2007) observe that performance of the company is highly satisfactory due to efficient managerial activities, increasing earnings, and good management of capital structure. Alam (2010) studies four pharmaceutical companies including the present one and finds that it is the second probable sector that contributes to our national economy. Therefore, government sector and private sector should invest huge amount in this prospective sector. Nazrul Islam (1990) finds that financial leverage is the important tool of managing capital structure. If a firm is making gain on its borrowing due to favorable financial leverage, the share holders get higher earnings

per share than in the absence of debt financing. A sound capital structure of a firm is significant because an unsound capital structure affects the profitability of the firm. The improvement of capital structure is a must for the increase of earnings of a firm. This is possible through proper planning and control of debt equity ratio, measuring business risk, financial risk, fair attitude of management, and use of financial management techniques. Chowdhury and Chowdhury (2010) observe that the influence of debt equity structure on the value of the shares of different listed companies in Bangladesh. It covered four sectors of the industries that are engineering, food and allied, fuel and power, and chemical and pharmaceuticals. They found a strong positive co-relation between capital structure and firm's value. Khairul Alam (2013) analyzes the impact of a firm's specific factor on capital structure decision of 44 sample firms of Dhaka Stock Exchange. Findings profitability, collateral, and liquidity-have significant impact on leverage. Dividend Payment and size are not significant explanatory variables of leverage. Sayeed (2010) studied 46 companies listed in Dhaka Stock Exchange for seven years. He observes that agency costs are negatively affecting the total debt ratios of the companies. Bankruptcy cost and profitability are irrelevant in determining leverage ratios, but the size has a positive impact on long term debt ratios value of assets. Value of assets positively influences debt ratios. Industry characteristics also have a significant impact on debt ratios. Lima (2009) finds out the factors determining capital structure choice of pharmaceutical companies in Bangladesh. She finds that growth rate, operating leverage, tangibility, and debt service capacity are positively related with capital structure whereas agency cost of equity and bankruptcy risks show negative co-relation. Agency cost theory and static trade of theory facilitate to describe the capital structure mix of the pharmaceutical companies in Bangladesh. Rocca et al (2009) analyzes the financing strategies of multi business firms. They found that the two types of diversification related or unrelated had opposite effects on debt. Related diversification strategy is associated with lower debt ratios, and it has a negative influence on leverage. Unrelated diversity is associated with higher debt uses, and it has a positive effect on debt. They concluded that capital structure decisions of unrelated diversified firms try to reach their target optimum debt level, but related diversified firms adjust more slowly towards their target optimum debt level.

Theoretical Framework of the Study

Capital refers to the long term funds of a firm. All of the items on the right hand side of balance sheet excluding current liabilities are sources of capital. Debt capital is all long term borrowings incurred by the firm, and equity capital is the long term funds

provided by the owners. Controversy began in the late 1950s regarding optimal capital structure, and yet there is no resolution. Traditional approach is that an optimal capital structure exists but M M approach is that there is no optimum capital structure. Franco Modigliani and M.H. Miller are the pioneers of MM approach. According to the traditional approach, value of firm is maximized when the cost of capital is minimized. If EBIT is constant, the value of the firm is maximized by minimizing the weighted average cost of capital

$$V = EBIT/K_e$$

Capital structure must be consistent with the business risk and financial risk. Business risk acts as input of capital structure decision process and financial process, and financial risk is its output. We know that business risk is unable to cover its operating costs. Greater the firm's operating leverage and the use of fixed costs, higher would be business risk. Revenue stability and cost stability also affect business risk. Business risk is not affected by capital structure decisions. Higher the business risk, the more careful the firm needs to be in designing its capital structure. Firms having high business risk follow less highly levered capital structure and vice versa. Business risk depends mainly on demand variability, sales price variability, input price variability, ability to adjust output prices for changes in input prices, operating leverage etc. The firm's capital structure directly influences the financial risk. We know that financial risk is unable to cover required financial liabilities. Once fixed cost financing debt is more in capital structure, greater would be financial leverage and risk. Risk and earning per share are the basic factors for decision making. As financial leverage increases, cost of debt also increases due to the increased risk of not being able to meet the fixed charges. Financial leverage increases the potential return to common stock holders, and it increases the potential variability in earning per share.

Methodology of the Study

The study follows five years' operational data of the Square Pharmaceuticals Limited of Bangladesh. The ratio analysis is conducted in a form of time series analysis and also uses some statistical technique to measure the effect of capital structure on the performance of the company. It follows mainly secondary data that are collected from the annual reports of the company. Extensive library work is done to develop the conceptual and theoretical base of the study. Selected indicators have been used to focus the structure of capital and its major determinants.

Data Analysis and Interpretations

Table 1
Square Pharmaceutical Company's Operational Indicators of Capital Structure

(Tk in thousands)

Particulars	2011-12	2010-11	2009-10	2008-09	2007-08	Mean	SD	CV
Net Assets Value (NAV)	16,266,884	1,381,779	11,554,380	9,949,398	8,417,041	9,513,896	5,415,037	57
Total Current Assets	6,745,507	7,022,214	4,774,311	3,843,513	4,411,836	5,359,476	1,433,908	27
Total Assets	21,453,785	1,944,440	15,029,500	13,251,243	12,703,127	12,876,419	7,033,592	55
Non-Current Liabilities	935,966	958,511	1,258,376	660,977	785,242	919,414	224,403	24
Current Liabilities	4,252,935	4,668,189	2,216,744	2,640,869	3,500,845	3,455,916	1,037,631	30
Total Liabilities	5,186,901	5,626,700	3,475,120	3,301,846	4,286,087	4,375,331	1,262,035	54
Total Bank Borrowings (Debt)	3,002,471	3,761,330	2,231,167	2,279,694	3,569,280	2,968,788	708,658	24
Share Holders Equity	16,266,884	13,817,709	11,554,380	9,949,398	8,417,041	12,001,082	3,112,535	26
Debt to Equity Ratio	0.18	0.27	0.19	0.23	0.42	0.26	0.10	37

Source: Annual reports of the Company from 2007-08 to 2011-12

Table 1 shows that mean values of net assets was Tk. 9,513,896 during 2007-2008 to 2011-2012. SD and CV were 5,415,037 and 57 respectively. Mean value of total assets was Tk. 12,876,419 during 2007-2008 to 2011-2012. SD and CV were 7,033,592 and 55 respectively. Mean value of total current assets was Tk. 5,359,476 during 2007-2008 to 2011-2012. SD and CV were 1,433,908 and 27 respectively. Mean value of total current liabilities was Tk. 3,455,916 during 2007-2008 to 2011-2012. SD and CV were 1,037,631 and 30 respectively. Mean value of total bank borrowings was Tk. 2,968,788 during 200-2008 to 2011-2012. SD and CV were 7086577 and 24 respectively. There had been increasing trends in net asset value that is equity position of the company. There were also increasing trends in total assets, accompanied by lower growth in long term bank borrowings. This helped the decreasing debt equity ratios during the period under study. Debt equity ratio have also declining trend during the period except in 2010 - 2011.

Table 2
Impact of Capital Structure on Earning

Particulars	2011-12	2010-11	2009-10	2008-09	2007-08	Mean	SD	CV
Current Ratio	1.59	1.50	2.05	1.45	1.26	1.69	0.29	19
Shares Outstanding	26,483,476	19,617,390	15,090,300	12,072,240	8,942,400	16,441,161	6,857,117	42
Face Value Per Share	10.00	100.00	100.00	100.00	100.00	82	40	49
Dividend (Cash)	0.25	0.30	0.35	0.40	0.40	0.34	0.07	19
Net Assets Value Per Share (NAV)	61.42	704	777	832	558	586.48	311	53
NET Operating Cash Flow Per Share	13.76	146.95	176.51	164.87	86.20	117.66	67.20	58
EPS -Earning Per Share (SPL)	10.94	95.61	78.84	71.37	52.18	61.79	32.42	52
EPS - Earning Per Share (Consolidated)	13.66	123.00	94.29	77.72	57.61	73.26	41.03	56
EPS at Oriental Capital at IPO	2,897.71	2,532.05	2,087.87	1,890.05	1389.86	2,159.51	581.77	27
Quoted Price Per Share-DSE	237.30	3,272.00	3,581.00	2,953.00	4,110.00	2,830.66	1511.21	53
Quoted Price Per Share-CSE	237.80	3,261.00	3,597.00	2,923.00	4,107.00	2,825.16	1,511.03	53
Price Earnings Ratio-DSE (Time)	21.69	25.35	33.65	30.46	58.35	33.90	14.42	43
Price Earnings Ratio-CSE (Time)	21.74	25.26	33.80	30.34	58.30	33.89	14.41	43
Number of Shareholders	53.29	54,278	40,797	42,258	31,688	33,815	20,513	61

Source: Annual reports of the Company from 2007-08 to 2011-12

Table 2 Shows that mean value of current ratio was TK. 1.57 during 2007-2008 to 2011-2012. SD and CV were 0.29 and 19 respectively and also show that mean value of dividend was Tk. 0.34 during 2007-2008 to 2011-2012. SD and CV were 0.07, 19 respectively. Mean value of earning per share was Tk. 62 during 2007-2008 to 2011-2012. SD and CV were 32, 52 respectively. It further shows that mean value of quoted price per share was Tk. 2830 during 2007-2008 to 2011-2012. SD and CV were 1511, 53 respectively. Finally, mean value of price earnings ratio was Tk. 33.90 during 2007-2007 to 2011-2012. SD and CV were 14, 42 respectively. Dividend payment had a declining trend, and there was declining price of share during the period. Price earnings ratio and net operating cash flow per share had also declining trends. This had a negative impact on the market value of the firm.

Table 3
Profitability Indicators of the Company

(Tk in thousands)

Particulars	2011-12	2010-11	2009-10	2008-09	2007-08	Mean	SD	CV
Turnover (Gross)	18,592,856	15,576,488	13,279,142	11,366,598	9,565,716	13,676,160	3,541,631	26
Value Added Tax	2,538,431	2,105,063	1,816,563	1,545,801	1,307,872	1,862,746	481,077	26
Turnover (Net)	16,054,425	13,471,424	11,462,258	9,820,797	8,257,844	11,813,349	3,060,681	26
Gross Profit before Tax	3,978,939	3,414,752	2,825,069	2,511,259	1,868,634	2,919,731	813,570	28
Net Profit after Tax	289,711	2,532,055	2,087,872	1,890,053	1,381,863	1,636,311	858,593	52
% of Gross Profit to Sales	21.40	21.92	21.27	22.09	19.53	21.24	1.02	5
% of Net Profit to Sales	1.55	16.25	15.72	16.62	14.44	12.92	6.41	50
% of Gross Profit to Total Assets	18.54	17.56	18.79	18.95	14.71	17.71	1.76	10
% of Net Profit to Total Assets	1.35	13.02	13.89	14.26	10.87	10.68	5.38	50
Turnover of Total Assets	.86	.80	.88	.85	.75	.83	0.05	6
ROI (%) of the company	1.35	13.02	13.89	14.26	10.87	10.68	5.38	51
Equity multiplier	1.31	14.07	1.30	1.33	1.50	3.90	5.68	146

Source: Annual reports of the Company from 2007-08 to 2011-12

Table 3 Shows that mean values of value added tax was Tk. 1,862,746 during 2007-2008 to 2011-2012. SD and CV were 481077 and 26 respectively. Mean value of turnover (Net) was Tk. 11,813,414 during 2007-2008 to 2011-2012. SD and CV were 3,060,682 and 26 respectively. Mean values of gross profit was Tk. 2,919,731 during 2007-2008 to 2011-2012. SD and CV were 813,560 and 28 respectively. Finally, it shows that mean values of net profit after tax was Tk. 1,636,311 during 2007-2008 to 2011-2012. SD and CV were 8,58,593 and 53 respectively.

Percentage of average gross profit to sale was 21.24 and net profit to sale was 12.92 during the period. Percentage of gross profit to total asset was 17.71 while that of net profit was 10.68 during the period under study. Average ROI was 10.68% during the period. Equity multiplier shows that average equity multiplier was 3.9, and it had a declining trend during the period except in 2010-2011.

Major Findings

Debt equity position of the company is highly satisfactory. Liquidity ratio is also satisfactory. Payment of dividend in cash and stock was also up to the mark. There had been increasing turnover, value added tax, total assets, net assets during the period. There was also decline in bank borrowings during 2011-2012. As a result debt equity ratio improved in the period. Factors influencing capital structure are mainly growth rate of future sales, stability of future sales, competitive structures in the industry, asset makeup of the individual firm, attitude of owners and management toward risk, control position of owners and management, lenders' attitude toward the industry and a particular firm etc. Other relevant factors are extent of profitability and growth rates, tax incentives favoring the use of debt over equity, the average debt ratios for firm in industry, pro forma tie ratios at different capital structure under different scenarios, reserve borrowing capacity, existence of asymmetric information, clientele effect, signaling effect, capital market perfection, bankruptcy risk issue costs, and burden of personal taxes Keown (2005).

Conclusions

To help maximize the value of a firm, the financial manager must minimize financing costs by choosing the appropriate types and proper amount of fund sources. The capital structure is decided as a result of determining the costs and benefits of alternative financing plans attributes and restrictions of each source, risk and earnings impact on the firm, relationship and trade off between investment opportunities and financing capacity etc. The optimal capital structure is the combination of debt and equity that provides the highest total value of a firm since this also provides the highest return for the owners and the lowest average cost of capital. Guidelines for the optimal ranges come from the professional investment community like institutional lenders, investment bankers and rating agencies. This is taken as complementary theory. The use of stock is a negative signal whereas using debt is positive or at least a neutral signal. The efficiency of capital structure management of the company is satisfactory due to increasing earnings, growth in total and net assets, and decline in bank borrowings. Earnings per share, dividend, price earning etc, were also consistent during 2007-2008 to 2011-2012 with a little decline in the latter. Still average of the period was up to the mark. The optimum capital structure is that which maximizes the price of the firm's stock and shows a debt ratio that is lower than the one that maximizes earning per share. If the actual debt ratio is below the target level, expansion capital should be collected by issuing debt, but if the debt ratio is above the target, equity should be collected. Virtually, capital structure policy is a nice tradeoff between risk and return.

Suggestions

Management should be more alert in managing total assets liabilities and use of the available operating cash flows. Increasing equity growth through productive investment of funds, availing the tax shield on bank interest, reducing the weighted average cost of capital, and dependence of bank borrowings can develop sound management of capital structure. This needs good use of recently developed sophisticated financial management techniques for productive management of capital funds of a business.

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A REVIEW OF THE GROWTH AND PROGRESS OF THE INSURANCE COMPANIES OF BANGLADESH IN THE LAST DECADE

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Abstract

Insurance business is playing a vital role in the economic sector of different developed and developing countries. Insurance companies of Bangladesh are currently staying far behind whereas companies of similar or neighboring countries are growing faster. Insurance business is very prospective in a densely populated country like Bangladesh. Adopting some effective measures initiated by different participants and stakeholders can make the insurance companies more profitable and successful. In this paper it is tried to assess the growth and progress of insurance companies of Bangladesh in the last decade. Some recommendations have also been suggested for developing insurance business in the country.

Keywords: *Insurance premium, life insurance, general insurance, settlements of claim, etc.*

Introduction

Insurance is an issue that touches the life of each of us especially with the growing modernization, urbanization, and uncertainty of human life. The present research topic deals with commerce, economics, and insurance. Insurance has evolved in itself a separate discipline with growing significance and need of insurance cover, both life as well as mediclaim, and also general insurance. Commercially, insurance sector provides much needed capital for industrial sector through capital formation. From economics point of view, insurance drives the wheels of economy to higher growth and development.

With largest number of life insurance policies in force in the world, insurance happens to be a mega opportunity in Bangladesh. In Bangladesh, insurance is generally considered as a tax-saving device instead of its other implied long term financial benefits. Through the enactment of Insurance Corporation Act VI, 1973 two

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corporations, namely the Sadharan Bima Corporation for general insurance, and the Jiban Bima Corporation for life insurance in Bangladesh were established on 14th May, 1973. The government allowed the private sector to conduct business in all areas of insurance for the first time in 1984. The insurance market now consists of 62 companies: two state owned companies (Jiban Bima Corporation for life insurance, and Sadharan Bima Corporation for general insurance), forty three general insurance, and seventeen life insurance companies in the private sector.

Globalization and liberalization of the insurance sector and subsequent entry of local and foreign players in the sector have posed new challenges and opened up new frontiers for the Bangladesh insurance sector. Sadharan Bima Corporation and Jiban Bima Corporation acted as a duopolist in the market for more than a decade, but now the private insurance companies have already acquired significant percent of the market share in the business. After the liberation and globalization of the insurance sector, high rate of inflation, stagnating growth prospects, losses in private life insurance companies, and unclear policy regime are collectively posing a great challenge to insurance sector as a whole. Against this background, it has become necessary to review the growth and progress of the insurance companies of Bangladesh in the last decade.

Objectives of the Study

Against the above background, the present study focuses on the following objectives:

1. to critically evaluate the role and performance of insurance companies of Bangladesh during the last decade,
2. to analyze the growth of life insurance companies of Bangladesh in the last decade, and
3. to suggest and recommend measures for tapping untapped insurance potentials of Bangladeshi population.

Research Methodology

The growth and development of insurance players were analyzed by comparing the quantitative parameters like number of policies, profitability, branch network, number of agents, products offered, claims settled, etc., while qualitative parameters were analyzed by interviewing policy holders and seeking their response in terms of customer satisfaction and customer delight. Considering the nature of respondents, the following techniques of collecting primary data has been used:

Utility Justification

Questionnaire: Questionnaire method is used to collect first-hand basic information regarding profile of various categories of respondents and collecting qualitative data which cannot be extracted otherwise from the secondary sources. Questionnaire has helped to extract opinion of respondents about the qualitative performance indicators of insurance companies and their performance.

Opinionnaire: Opinionnaire was used to check the authenticity and relevance of data collected through questionnaire. Opinionnaire also provided greater insight into the problem under consideration. Opinionnaire has been used to collect specific opinions, attitudes, and views of agents and employees of companies to establish the authenticity of responses given by policy holders.

Limitations of the Study

The present study is restricted by time, cost, and geographical constraints and, therefore, the results of the study cannot be treated as generalizations. Although an attempt has been made to cover all the aspects related to the Bangladesh insurance sector, the possibility still exists that the technical aspects may not be comprehended to the full extent. However, the suggestions and recommendations at the end will go a long way in establishing a conducive playground for the companies for better tapping of untapped opportunities in the market. At the same time, the results of the study will open new frontiers for young researchers to carry this study further.

- (a) Geographic Limitation: Geographically the sample was collected from cities such as Dhaka, Chittagong, Rajshahi, Khulna, Barishal, and Jessore only.
- (b) Time Limitation: Data from the year 2000 to the year 2012 was considered for the present study.

Present Scenario

Considering what is happening in outside world, especially in other similar or neighboring countries, our insurance industry still needs to go a long way. In insurance sector, governance model is weak, product base is shallow, risk taking ability is low due to low capital base, and premium income is low with low market penetration. There are instances of major corruption with regard to premium collection, reinsurance, claim settlement etc. There are also instances of insider trading, director's manipulation, and lack of control. The quality of manpower is quite poor, and no major investment or focus was put in for their development.

The number of insurance companies operating in Bangladesh reached 58 in 2005. With total combined life and non-life insurance market premiums of approximately Tk 20 billion, Bangladesh ranks seventy-eighth in the world and has a world market share of 0.01 percent. Per capita spending on insurance is only \$ 2.30. Insurance premiums as a percentage of GDP remain low at 0.57 per cent. However, the market has been steadily growing at a double-digit rate. In 1986, the total premium income of private sector insurance companies was Tk 280 million. In 2004 it rose to TK 20.31 billion, of which life insurance premiums amounted to Tk 14.09 billion and general insurance premiums Tk 6.22 billion. Gross premium income of private and public companies reached Tk 6.22 billion in 2005, up from Tk 5.1 million in 2003. In order to ensure long-term growth and sustainability in income, insurance companies in Bangladesh are building up reserves and assets. The total reserves and assets of the insurance companies increased by 6.59 percent and 23.46 percent respectively in 2005, when compared with 2004.

Bangladesh insurance market is still small with a combined life and non-life insurance market premium of \$ 814 million in 2009. The industry ranked 68th in the world with a paltry 0.02% share in the global insurance industry. Per capita insurance spending is only \$ 5.2. Insurance penetration (premium as a % of GDP) remains low at 0.9% (0.7% for life insurance and 0.2% for non-life). The growth of non-life insurance companies in 2009 was 10.4%, and life sector grew at an impressive rate of 26.7%.

However, though the global insurance market declined, Bangladesh has seen a significant growth over the last few years. Growth in the industrialized countries was 2.8% for life and 0.6% for non-life insurance whereas emerging markets grew at a rate of 4.2% for life and 2.9% for non-life insurance.

Total premium income of private sector life insurance companies in Bangladesh in the year 2010 was Tk. 54.7 billion, which represented a growth of 19.02% over that of 2009 (Tk. 45.96 billion). Rise in premium income of private sector life insurance business both in the 1st year and the renewals was due to the expansion of life business in the country through introduction of micro insurance like Sujhan Bima, Greeho Sanchaya Bima, Gana Grameen Bima, Loko Bima, Jana Bima, Palli Bima, Islami Khudra Bima, Group Bima, and Wage Earners' Group Insurance scheme etc. The life fund of private insurance companies increased to Tk. 134.93 billion as on 31st December 2010, registering an increase of 28.32%.

The total investment made by the private sector life insurance companies in the year 2010 was Tk. 113.14 billion, an increase of 29.97%. The total assets of the private sector life insurance companies stood at Tk. 152.93 billion as on the 31st December 2010, an increase of 29.58%.

The gross premium income of non-life private sector insurance companies increased from Tk. 12.28 billion in 2009 to Tk. 14.88 billion in 2010, a growth of 21.16%. The total investment made by the private sector general insurance companies in the year 2010 was Tk. 17.11 billion. The total assets of non-life insurance companies stood at Tk. 33.37 billion and that of Shadharan Bima Corporation at Tk. 11.21 billion in 2010.

Findings

Insurance is a social sector and, therefore, has remained the monopoly of State. However, with the sweeping changes in the global and Bangladeshi outlook, the same has been deregulated. This is offering great opportunities and posing new challenges to the vast untapped insurance potential in the country in general and the public sector giant Jiban Bima Corporation and Sadharan Bima Corporation of Bangladesh in particular. Against this background and objectives, followings are the findings of this research.

1. In spite of the performance of private insurance companies in the post liberation era, the Jiban Bima Corporation and Sadharan Bima Corporation have maintained its top position and will continue to maintain it in future.
2. Private insurance companies are finding it difficult to get a foothold in the Bangladeshi market where insurance is still considered to be an instrument of investment and tax-saving rather than a security.
3. The entry of private insurance players with foreign equity participation has created unhealthy competition in the sector which will adversely affect the interest of consumers.
4. Consumers are still loyal to the state-owned Jiban Bima Corporation and Sadharan Bima Corporation of Bangladesh and are really very slow in shifting their loyalty to the private insurance companies.

Recommendations

There should be vigorous campaign throughout the country to make the people aware of the utility and prospects of buying insurance. Bangladesh is a densely populated country, and most of the people in our country are poor. They would definitely go for insurance for the security and the risks covered by the insurance. Therefore, the prospects of insurance are very high in Bangladesh if the following measures can be adopted:

First of all, there is no alternative of quality service. Insurance, being a service rendering entity, must provide quick services. Policyholders are highly dissatisfied with service of JBC and SBC. Due to poor quality services, public corporations are losing market. In order to ensure their continuity, such corporation must pay adequate attention to their quality of service. Private companies also need to put their all out efforts to improve the quality of service so as to strengthen their position.

Secondly, the government should eliminate the difficulty in licensing procedure and should not delay in the approval of new companies if all the requirements are fulfilled. It will help not only increase volume of business but also solve the problems of unemployment.

Finally, the policy holders are very much worried about the settlement of claims. Ordinary people also consider it the main constraint. Therefore, insurance companies should settle the claims as quickly as possible to create a healthy public image. For this purpose the claim settlement procedure can be simplified, and the insurers can provide proper written guidelines of claim settlement to the policyholders.

If the above steps are taken, more and more people in Bangladesh will be interested in buying insurance.

Conclusion

With globalization and liberalization, the insurance sector has been facing a great deal of changes. The present study aims at critically analyzing the growth and progress of insurance companies of Bangladesh in the last decade, its present status, and future trends. The study assumes a great significance in the present context when some of the private insurance companies are incurring losses. Even the gestation period of these private companies is getting prolonged due to stringent rules and uncertain policy regime for these companies. Under this situation, it is of great significance to analyze

the growth and progress of insurance companies in Bangladesh. The suggestions and recommendations which are drawn from the analysis will go a long way in establishing a fair playground for insurance sector for a better tapping of opportunities which was previously untapped in the market.

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THEMATIC REVELATION DISSOLVING IN A POWERFUL SILENCE IN ALICE MUNRO'S THREE STORIES

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Abstract

This article aims at finding out how Alice Munro presents life in her stories avoiding stunningly new appearances, similar to those experienced by the reader in his/her real world. Moreover, the aim of this paper is to analyze how the stories come to an end and how the remarkable endings impact the reader's mind. This article will also try to find out how Munro, using such techniques throughout her canon, has changed our understanding of what we can achieve in the short story.

Keywords: *Revelation, passion, realization, regeneration, consciousness, etc.*

According to Oxford Advanced Learner's Dictionary, "reveal" means to make something known to somebody or to show something that previously could not be seen. As the short stories of Alice Munro have their own particular features, they have drawn special attention from the reader. For this, several of her stories have been selected for evaluation. This study intends to focus the thematic presentation as well as the effects of the ending of each story separately.

In view of some common as well as particular features, the short stories of the Canadian writer Alice Munro attract critical attention. For the outstanding qualities of her short stories, Alice Munro, one of the most famous short story writers of present day world literature, has already been awarded the Nobel Prize in literature in 2013. There are many remarkable features of her stories that have drawn the attention of literary critics towards her writing. For example, the length of her stories is generally more expanded than that of many other stories as seen in many anthologies and

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magazines. Moreover, Alice Munro presents life in her stories not in their very stunningly new appearances, similar to those experienced by the reader in his/her real world. In this regard, Joyce Carol Oates says that from the beginning of her career in 1968 with the collection of her short stories "Alice Munro has concentrated on short fiction that explores the lives of fairly undistinguished men and women- but particularly women- who live in southwestern rural Ontario." (Oates 1986) She opines that though Munro's tonal palette has changed considerably over more than forty years of her career, her fictional techniques have not changed greatly, nor has the range of her characters.

Alice Munro writes stories that have the moral, emotional, and sometimes historical density of other writers' novels. As remote from the techniques and ambitions of what is currently known as 'minimalist' fiction as it is possible to get and still inhabit the same genre, she gives us fictitious worlds that are mimetic paradigms of utterly real world yet are fictions, composed with so assured an art that it might be mistaken for artlessness. While evaluating her as a short story writer, John Updike (1996) has said:

The Canadian writer Alice Munro has managed to earn a sizable literary reputation on the strength of her short stories. This is not an easy feat; Raymond Carver was the last American to do it, and Donald Barthelme before him, with Eudora Welty and Flannery O'Connor and Katherine Anne Porter making their names when short fiction was still a prime component of popular magazines. Ms. Munro's stories, which began to appear in *The New Yorker* about 20 years ago, were from the start characterized by ambition: a well-meditated complexity and multiplicity of plot, an intense clarity of phrase and image, an exceptional psychological searchingness and honesty. There was a grittiness to Ms. Munro, and a bold reach.

The most remarkable feature of the short stories of Alice Munro is the manner in which she closes the stories. She drops the ending in such a way that the reader does not need to be shocked violently, nor can he be surprised utterly discovering any stunning revelation in front of his dazzled sight. Rather the writer silently draws the ending line before the reader who comes gradually to realize what reality appears to unfold in front of his eyes. There is no noise of violent explosion of any type to startle the reader, nor is the ending without any message at all. She really has something worthy to present.

According to Jonathan Franzen (2004), one of the contemporary American prominent fiction writers and critics, "Alice Munro has a strong claim to being the best fiction writer now working in North America." In respect of the ending revelation of the stories of Alice Munro, it can be said that the moments that she pursues are not moments of realization; they are moments of fateful, irrevocable, dramatic action. And what this means for the reader is that he cannot even begin to guess at a story's meaning until he has followed every twist; it is always the last page or two that switches all lights on. He goes on saying that he likes the stories of Alice Munro because they are usually set in the living memories. If she does not say anything, the reader can himself go to know.

English short story writer, novelist and poet A S Byatt (2013) pays homage to Munro mentioning her stylistic dexterity. She says, "She (Munro) has done more for the possibilities and the form of the short story than any other writer I know. You can never tell what she is going to say next - or what you the reader are going to feel next - from line to line."

Great writers generally do not try to express their opinions openly through their work of art. Alice Munro does not take any public role as a writer because it seems to her that if a writer tries to express his or her opinion, s/he may appear to do fraudulence to the reader.

In the middle of the story "Boys and Girls" (Munro 1968) included in the collection *Dance of the Happy Shades*, the protagonist comes to realize that, at her eleventh year, the word 'girl' sounds different to her. Formerly, the word seemed to resemble the word 'child'. It meant then what she was, but now it turns out to mean what she should be. This premonition gets maturity at the last stage of the story. Her father was a fox farmer who used to make their living from growing foxes and killing them afterwards for their skin. He would feed his foxes flesh of other cattle like horses. All through her childhood the protagonist was always doing the work that boys would do, and she acted the way they did. Her mother and grandmother disliked it very much, but she just did not care. Therefore, in order to irritate them she kept on doing what she wanted. As for the theme of the story, Munro is trying to make the reader understand that gender identity is natural and inevitable, even though accepting each gender takes on a different role in the story.

Once her father slaughtered a horse for his foxes, and he did not have to face any problem in doing so because that horse was timid in nature. On another day when he was to make food for his foxes out of a mare, he had to face hazards because the mare was very wild in nature. He somehow captured it in a pen even from where it tried to run away, and the girl out of whim opened the door of the pen when she found that the mare was trying desperately to go out. Her father forgave her mistake though she had allowed the mare to go out of their pen. The ground of her father's pardon was that she was a girl. This irritating truth at first made her protest, but she succumbed to keeping silent. Her silence was supported by the expression- "may be" because she termed the comment of her father to be true as she went to finish.

"Never mind," my father said. He spoke with resignation, even good humor the words which absolved and dismissed me for good. "She's only a girl," he said/ I didn't protest that, even in my heart. Maybe it was true.' (Munro 1968)

No emotional flood ran around though really she felt shocked, and even shed tears. Her realization was full and bitter having no evaporating spirals of sorrow.

As in many other stories of Alice Munro like this one, the reader can see the strengths, intelligence, and capacity of a character to bear the weight of the situation. Alice Munro never judges her characters, however, never allows her clarity of vision to diminish her compassion; she only aspires to show the reader how they live.

In many of her stories, passion is the thing that focuses a character's mundane existence, the magnet that, for better or for worse, draws together disparate elements of their lives.

"Red Dress - 1946" (Munro 1968) is the eleventh story in Alice Munro's first short story collection, *Dance of the Happy Shades*. In this story the thirteen-year-old narrator is uncomfortably stepping out of the safe boundaries of childhood. She is terrified but at the same time, she is tiring under the watch of her somewhat frail and oppressive mother. She is conscious to become an adult, to leave her mother, not to become like her mother.

When the story begins, the narrator's mother is busy sewing a fairly complicated red dress. She has good ideas, we are told, but she is not really an expert sewer. Disappointed to the point of feeling victimized, the narrator watches her mother toil away while she is getting to her feet with a woeful creaking and sighing, all the while making one or the other remark.

The dress is for the upcoming Christmas Dance, which the mother and the best friend Lonnie are looking forward to. The narrator is not expecting so because she does not want to go.

She assumes that the old building, with its rock-walled clammy basements and black cloakrooms and pictures of dead royalties and lost explorers, is full of the tension and excitement of sexual competition, and in this, in spite of daydreams of vast success, she has premonitions of total defeat. Something has to happen, to keep her from the dance. It is not clear to us or the narrator herself why she feels so certain that she should fail. Perhaps, she will blame her mother's red dress, but that cannot be it; she has never been comfortable at school: she says that she was close to despair at all times. Moreover, she apprehends that there is something mysterious with her, something that cannot be put right.

This insight comes in a moment of mortification, but she has long suspected that something mysterious is wrong with her, even if she can ever put her finger on it. To get out of the dance, then, to avoid the shame of defeat, at night she opens her window to the cold: her throat and bronchial tubes are supposed to be weak. As she sits there, she prays for herself to be blue with cold, but the day of the dance comes, and she remains healthy. And her dress looks beautiful on her.

At the dance we see even better just how muddled the narrator's desires are when she sees the boys and girls: the girls stand beside them, resting their hands casually on male sleeves, their faces bored, aloof and beautiful. She herself also longed to be like them. She may long for a boyfriend, but we get the sense that even more she longs for this kind of security, the ability to be bored rather than terrified.

In that dance she cannot find a partner for a long time. A senior boy, named Mason, who is a leader of the students, starts dancing with her, but after a short while he leaves her.

Despite what appears to be the confirmation of her worst fears about herself, fears cause her to take refuge in a bathroom stall where she is determined to wait out the dance. Also taking refuge in the bathroom is Mary Fortune, an older girl who has suffered the same defeat as she has; she can see that, but she is full of energy and self respect. Mary says that she finds the girls who cling to boys silly. The narrator thinks that listening to Mary she feels the acute phase of her unhappiness passing. After sharing a cigarette, Mary suggests that they should leave. The narrator feels

empowered; she has never thought that she would be capable of leaving, though surely she has been tempted. When Mary offers her a smoke in the back of the janitor's closet, she takes it and enjoys it, and enjoys even more Mary's self-confident conversation. She even accepts Mary's invitation to go down to Lee's and have a hot chocolate.

However, just as they are about out of the door, the narrator is asked to dance by a boy who is not forced. While a moment before she felt invigorated by the possibility of escape, she now feels invigorated by this reason to stay. Mary leaves anyway; the boy takes the narrator home. Then he turns back to town, never knowing that he has been her rescuer, that he has brought her from Mary Fortune's territory into the ordinary world.

Just the ordinary world, a world of boys, of convention, of safety gets even more interesting when the narrator gets home and finds her mother waiting in the kitchen. Her mother is just sitting and waiting for her to come home and tell her everything that has happened. And she will not do it; she never will disclose her secrets to her mother. The girl's dress is red, but her mother's dress, when she was a little girl, was blue. Furthermore, now her mother's physical ailments, her bulging veins, are blue. Lonnie is also slightly frail, described as light-boned, pale and thin; she has been a blue baby. Lonnie's own dress for the Christmas Dance is blue. And, it is the narrator who pictures her chest and throat turning blue, the cold, grayed blue of veins under her skin. This frailty, this submissiveness, is what the narrator seems to want when she gets to the dance, and it is what she is grateful to have found when the boy escorts her home. She has let pass one opportunity to leave the ordinary world, and yet when she gets home, she again feels how oppressive her mother can be, and she will never tell her mother what happened at the dance.

But when she sees the waiting kitchen, and her mother in her faded, fuzzy Paisley kimono, with her sleepy but doggedly expectant face, she understands what a mysterious and oppressive obligation she has, to be happy, and how she has almost failed it, and will be likely to fail it, every time, and she will not know. Later she says that she has been to a dance, and a boy has walked her home and kissed her. It was all true. It seems to her that her life was possible.

Its self-deprecating manner barely masks, however, a couple of life's inevitable betrayals: one, when she brushes off Mary Fortune, and the second, when she reveals

her natural desire to shed her mother. The red dress is a little bit of a red herring, the issue in this story not being a question of style or a question of awkwardness; it is the question of how, when push comes to shove, we are inclined to put people aside, like a less than stylish red velvet dress. This is, of course, one of Munro's great themes.

The story's last sentence drops the mask and reveals the darker side: her mother will not know because the girl has decided to keep some things to herself, a natural and necessary step. But there's more to it. In later stories, it will become clear that the mother is in fact not only embarrassing to the girl, but rigidly oppressive, and casting the mother off becomes the great subject. Even before the closing sentence of this story it seems plausible that the girl has found a friend, at least there is an indication, but while entering the house, the girl finds her mother's expectant figure eagerly waiting for her success, and she feels at the core of her heart that she has failed though remains sure that she will go on keeping it a secret to her mother. There is no stormy shock on the part of the girl, nor is there any curt failure, at least in the superficial narration.

"Postcard" (Munro 1968) is the tenth story in Alice Munro's first short story collection, *Dance of the Happy Shades*. Helen, the protagonist of this story, is at the post office, sick of the cold weather, and in the mail is a letter, only a postcard for which she has been waiting for three weeks. It is a strange picture and a strange note from Clare, her boyfriend of some years, who has been in Florida on his annual trip to visit Porky, his sister, though really Isabelle and her husband. Helen never goes with him. Helen says that she had a feeling that they did not like her although Clare said that it was her baseless imagination. She goes on saying that whenever she had talked to Porky, she would make some mistake. Of course, she knows that it serves her right for trying to talk the way she never normally talks in Jubilee. That means trying to impress her because she was a MacQuarrie, after all her lecturing mother that they (Helen's family) were as good as them.

The MacQuarries have been the rich family in Jubilee for some time, bringing them envy and scorn. Clare is twelve years older than she, after all, and she does not ever remember him except as a grown-up man. This is not the only place where Helen is presented as a child, though she has got to be something over thirty.

Helen's relationship with Clare is strange and sad. They have been together for long fourteen years, ever since Helen graduated from high school and was left behind by Ted Forgie, a boy with a tragic life who eventually left Helen behind and sent her a

typed letter that basically said he was never coming back, though Helen managed to grasp onto some hope due to a few of the words. She says that when he went away she just turned into a sleepwalker. Apparently, no one has been able to wake her up. This may be one of the reasons Helen is presented as a child; she has never really been awake enough to grow up.

Clare is one of the consequences of her sleepwalking after Forgie left her perhaps because Helen would not give him the affection he desired: she says that they used to go up on Sullivan's Hill, and he talked about how he had lived with death staring him in the face and he knew the value of being close to another human being, but all he had found was loneliness. He said he wanted to put his head down in her lap and weep, but all the time what he was doing was something else.

Clare proposed soon after they started seeing each other, but she told him that she was not interested in marriage and could offer only friendship. He said okay, but he would bide his time. They still go on seeing each other all the time. This does not mean that she has awakened. On the contrary, the following passage depicts her as very distanced, perhaps giving us an insight into what went on when Forgie put his head in her lap: Clare did not expect anything more from her, never expected anything, but just to lie there and let him, and she got used to that. She looked back and thought if she was a heartless person, just to lie there and let him grab her and love her and moan around her neck and say the things he did, and never say one loving word back to him. She never wanted to be a heartless person, and she was never mean to Clare, and she did let him do as he wished.

But, may be, as the winter is ending so is this period of sleepwalking. When Helen puts Clare's postcard into a keepsake box, she pulls out Ted Forgie's letter, wonders why she has had it all these years, and proceeds to destroy it. Shockingly, news gets around that Clare is coming home married to a girl from Nebraska, some friend of Porky's; Clare is also large, but we have not considered what this means, other than confirming what we already know, which is that Clare and his family are wealthy and live freely.

We might think that Helen, though shocked and disoriented, would at least feel some freedom from her loveless relationship. The next day when she goes to work in the department store, she predicts that it will be a big day for Children's Wear. She works in the Children's Wear department, another tie to her own childish tendencies. She proves to be right as women from all over come to the store that day to purchase something like a pair of socks.

However, what exactly is happening, and why is all of the attention focused on Helen? Clare arrived back in town the night before, after all, and he even has a new wife everyone should be getting to know. No, there is some bit of gossip and blame that is focused on Clare, the one who did not jump soon enough, the one who childishly kept Clare at arm's length, foolish enough to think she was doing him a favor.

Well, it is true. Helen was cold and distant and did not offer Clare much in the way of mutual affection. Of course, she told him this from the beginning. He is the one who kept coming around, and if over the years Helen has finally accepted the inevitability of their marriage: she did not love Clare, and from what we see here she never indicated that she did, not even during sex that brings up another reason we can blame Helen of.

Now Helen is used to Clare, perhaps waking up to some kind of love, and once again is left picking up the pieces while the man moves on, with no explanation but may be did not have any. If there was anything he could not explain, well, he would just forget about it.

When Helen says that what she will never understand is why, right now, seeing Clare MacQuarrie as an unexplaining man, she felt for the first time that she wanted to reach out her hands and touch him, maybe that she feels this way because now she can finally respect or love him. However, it can also be possible that she now wants what she cannot have. Again, it maybe a part of her thawing out that she threw out Forgie's letter and that she is finally waking up from fourteen years of sleepwalking.

The most logical explanation for that insight at the end is one that is rather sentimental. She realizes that he owes her no explanation because everyone is right: Clare moved on from Helen because she was cold and unresponsive. She has woken up to her failure to show love, which somehow makes her yearn to show love.

Helen, who is telling us the story, appears to have received the postcard in question from her lover, and yet she concerns herself not at all with the message on the back. The reader sees it for what it is: a card that is three weeks late, the picture on the front like what a man would send to a buddy and slightly offensive, and on the back, a baffling, not quite grammatical message. The whole thing appears off-base, even insulting: Helen never gives the ridiculous message or the odd picture any thought; she merely thinks of its arrival as her due - this man owes her a post card. Why Helen has not gone on the trip with the man is never adequately revealed by Helen, although later the reader can see she is afraid of his family, afraid of looking lower class, afraid of being vulnerable.

The story also depends upon the fact that although Helen is the narrator, she hardly understands her own story. Gradually, we realize that Helen's misunderstanding of the message in the card is typical of her complete misunderstanding of her situation. But, in addition, we gradually realize that this self-centered narrator is not actually the main character; it is her lover who, in the end, will have had the greater epiphany, or at least, the greater escape.

The postcard in question shows a motel with a sign out front depicting a probably buxom woman saying, "Sleep at my place!" (Munro, 1968) The garbled message on the reverse says, "I didn't sleep at her place though it was too expensive. Weather could not be better. Mid-seventies. How is the winter treating you in Jubilee? Not bad I hope. Be a good girl. Clare." (Munro, 1968)

As kind of a way to pass the time until Ted returns (fourteen years, by one accounting), and perhaps, also as a kind of off-kilter revenge, she took up with a local moneyed prince: unmarried, plump, chatty, and jockey Clare MacQuarrie. When Clare quite soon after asked her to marry him, she said to him not to bother her, she did not want to think about getting married. She also observed that if she had not been in a stupor about Ted, she might never have bothered with Clare at all.

However, as the years go by, she begins to think of marriage as the proper, eventual payment for having put up with Clare, never seeing that he has, so to speak, moved on. There was a big grand house, after all. She does not think it at all strange for her to remark: she used to look down at his balding head, and listen to all his moaning and commotion and think what she can do now except being polite.

This is a stone-cold-woman who thinks it right to just lie there and let him, and a woman for whom pleasure lies elsewhere. This is also a woman to whom it has never occurred that Clare might have liked a little help with his ailing mother. Instead, Helen goes through the dining room silver while Clare is tending to the old lady. What she looks forward to in marriage is lording it over the folks at the department store where she works.

Life being what it is, Helen's beauty turns out not to be enough to hold Clare, given her iced-over heart. Winter in Canada appears to be her natural element.

The story plays with the entitlement that some children are given, like crowns, by their mothers, and the way these children do not grow up, both Helen and Clare being still tied to their mothers. No small thing that Helen works at King's Dep't Store and Clare

works at the Queens Hotel. They are childishly all mixed up, looking for love in all the wrong places, and still tied to their mothers.

Helen claims that Clare is a non-explaining man. Actually, he has explained himself. Early on, he wanted to marry her. Later, he writes, for the world to read, that he did not sleep at her place though it was too expensive. Perhaps, he is saying he chooses not to marry Helen because she has cost him too much already. It is nothing that he has bought her a car. It is at great cost that he has allowed himself any satisfaction with a woman who has treated him with such disdain, letting him have sex with her as she does.

In fact, with this message sent as a postcard, he informs his whole home town that he finally gets it: Helen is not his lover, she is his kept woman, and she is expensive. She has cost him quite a bit: money, position, children, companionship, self-respect, and, most of all, satisfying, mutual physical love. Regarding the epiphanies - Clare has escaped.

Regarding Helen's epiphany - after Clare has humiliated her with this wedding, she realizes that it is the first time she has wanted to touch him. And yet, the nature of that touch is not clear.

As for the story's structure, she does not finally understand the postcard she received that she has been a kept woman, that she is "winter", that it is Clare's wedding announcement to his buddies, that he does not miss her, and that he wants her to let him be.

"Postcard" is surprising and entertaining. But the story does not inquire into universals the way "Boys and Girls" does. It does not linger, in the manner of "Images," and it does not awe as does "Walker Brothers Cowboy." But it is flawless, rippling entertainment with sharp bite.

Writers do have responsibilities: all serious writers make continual, painful efforts, to get as close as they can to what they see as reality, the shifting complex of reality of human experience. A serious writer is always doing that, not attempting to please people, or flatter them, or offend them. Using such techniques throughout her canon, Munro has changed our understanding of what can be achieved in the short story. We stumble out at the stories' end, marveling at the beguiling relationship between fiction and reality. Unlike so many characters in contemporary fiction, Munro's characters do not assume that they can continually reinvent themselves. They tend to stay in touch with distant family members, childhood friends; they acknowledge, however reluctantly, the ways in which their pasts have shaped their futures. In her depictions of

their lives, Alice Munro, too, reveals how a character is formed over time, how choices turn into patterns, and how patterns are repeated with infinite variations over the course of a lifetime. She situates her characters in a meticulously observed world, catches them in those unguarded moments that reveal their secrets and their fears, and in doing so, gives the reader a privileged glimpse into their hearts. All these things are true to the nature of her stories, but with dexterous skills she avoids creating large waves of reaction, at least seemingly.

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POLITICS OF POWER: A POSTCOLONIAL READING OF JULY'S PEOPLE

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Abstract

Written in 1981, July's People is set in a future South Africa in which the blacks have finally overthrown their white oppressors through the use of extreme violence. The society that cradled apartheid has been destroyed, as the black militias battle the white army for control. The novel centers around the Smales, a liberal white Johannesburg family, and their flight from their war-torn home to their black servant July's tribal village in the nation's interior wilderness. This turning of the tables of dependency in the family and the servant's relationship like Hegelian dialectical materialism metaphorically foreshadows the remaking of history or decolonization in South Africa. By putting the text into the colonial and racial context, this article aims at exploring how power circulates and corrupts; and how all such inversions or reversals of power-play affect the familial relationship of the Smales and these aliens' racial relationship with the natives.

Keywords: *Power, colonization, racism, apartheid, master/slave relationship, decolonization, etc.*

Using Historical materials, Michel Foucault argues that the forms of power that are at play have undergone a transformation over the past few centuries. Being written in the realistic context of 1970s, Nadine Gordimer's July's People is a novel visioning the inversion of the colonial and the subsequently racial power-play in South Africa whose history since the advent of colonization till 1990s had been nothing but a chronicle of racism, violence, bloodshed, slavery, oppression, and exploitation of the South African blacks by the white English colonizers, in general. In this novel, the Smales may feel a sense of guilt. However, is their guilt for the lower status of blacks in society or because they do not necessarily want to give up their privileges? These are the questions Gordimer wants us to ponder. However, to thinkers like Foucault or Fanon,

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if one does not actively try to revolt against exploitive institutions, a person is, therefore, indicted in the institutions' injustices. In the narrative, the blacks become revolutionary, and the whites are placed aside. Thus, the whole scenario turns into a subverted topsy turvy situation: now the blacks become powerful whereas the whites powerless; slaves replace masters' position and vice versa; the blacks are in relaxed mood, while the whites are struggling for existence; the blacks become oppressors, while the whites oppressed. Using the text in title as the primary source and the related literature reviews as the secondary source of information, in this essay the researchers aim at exploring how all such inversion and manipulation of the racio-political power-play affect the refugee Smales in the county of July's people and, thus, metaphorically foreshadow the re-making of history or decolonization in South African context. Here, the hypothesis is that the Smales' displacement to July's village and their subsequent reliance on him as their translator and protector dramatize an inversion of power that suggests Hegelian dialectical collapsing of the Smales' prior position of dominance and July's prior position of subordination, i.e., master/slave relationship.

As the plot unfolds, we come to know that the Smales were the members of a suburban upper middle class white family living in the midst of South African turmoil. Recently the racial war in the form of decolonization has forced them to flee from their home. When the rebel black armies in Soweto and other areas of South Africa revolted against the government and the white minority through attacking the radio and television stations and burning their homes, the Smales needed to get out quickly. Their servant July with whom they always treated well and had a very uncommon relationship offered to guide the victim family to his remote village. The Smales, having no other options, accepted July's offer and ran in haste and confusion to the dearth village. They knew little of the drastic adjustments they would have to make in order to survive in July's rustic village. This essay reflects how this adjustment soon threatens their relationship with one another on the one hand and their family's structure on the other.

It also explores the true horror and terror these peoples' experience, especially the dethroned Smales in the deteriorating context. In fact, conflicts arise mostly with Maureen when she realizes that her role is changing due to the inversion of the colonial and racial power-play.

Ironically, at the social level the present relationship of the Smales family (especially Maureen and Bam) with their servant July implies the relationship of dependence, defiance, communication, and miscommunication. It also dramatizes the broader

political, economic, and sexual power dynamics underscoring the white's racial rule of 'apartheid' and the black's resistance to it. In other words, the 'master/slave' relationship translates or maps onto comparable relationships of power. We would relate their relationship with the historical moment of revolutionary transition in which Gordimer has written; and thereby analyze her novel from dialectical materialistic perspective. Again, from Marxist point of view, a culture or race is determined to be 'powerful' in terms of money. And the more materials it possesses, very often the more it exploits that race/culture whose possession of money/material is less than itself. Thus, the economic distinction creates the class division, and the inevitable power-struggle arises. In this context, the whites are greatly shocked at the adverse situation where they have lost their powerful position as colonizers and are trying to adjust with this inversion of power-play. In fact, here the power relations of society are revealed as hollow.

Now as the balance of power shifts, the former masters and the former servant must rethink the structure of their new relationship, and the Smales must be confronted with their most basic assumptions about the way the blacks and the whites should interact. In this regard, Gordimer employs a paradoxical mingling of 'continuity' and 'change' in order to introduce the Smales' unsettling immersion into a foreign class structure. The setting changes: an abrupt transition between "the knock on the door" (Gordimer 1), and the non-equator that follows ("no door") not only foregrounds the correspondence between the place and the formation of identity but also introduces the inversion of power that characterizes the Smales' new dependence on July. In other words, whereas the "master bedrooms" of Johannesburg provide a setting in which the Smales exercise authority over July, their displacement to his village suddenly invests July a degree of power over them like Hegelian 'Dialectical Materialism'. And yet July's broken English in the first line of the fiction "You like to have some cup of tea?" (Gordimer 1) underscores the language barriers that somewhat limit his recourse to the power.

Again, among the many implications of the master-slave dialectic, there is the idea of having reciprocity or mutual dependence between the master and the slave; rather than a blanket opposition of dominance to subordination. The slave ironically shares with the master's power, because the master defines himself only in opposition to the slave. According to Hegelian dialect, the 'thesis' of the Smales and the 'antithesis' of July are merged into a 'synthesis' in which both fashions depend upon each other for the formation and legitimization of identity. The master-servant relationship and its

complicated systems of dependency and complicity, thus, function perhaps as a metonymy for the broader power struggles that can be 'displaced' or mapped onto other contexts-namely the relationship between the colonizer and the colonized, the white and the black.

The impact of power-reversal and consequently the material deprivation and difficulty of adjusting to dependency on their former servant July also leads to Bam's and Maureen's losing their self-image as independent, gracious, powerful, and liberal citizens. First, Bam and Maureen lose a sense of each other as husband and wife; then they lose their sense of personal identity. Bam changes from the active and powerful personality to the passive and defeated one. Similarly Maureen, after several unsuccessful attempts to create a sense of place for herself in the African village, opts for a radical rejection of her current position through her dash for the "helicopter" (symbol of revolution and escape), leaving her family behind and forgetting her responsibilities to them. Besides, regarding displacement of power, Bam feels disoriented and disturbed. But as a practical man he tries to cope with the situation more than others of his family. In contrast, Maureen, the most miserable victim of disorientation, can never leave her racial trait that resides inside herself. However, feeling alienated and uprooted, both always feel a sense of escape from this degrading and inverted status.

Thus, Bam and Maureen react to their situation in extreme ways, some similar and some dissimilar. The most radical adjustment in which the couple has the greatest trouble in accepting-is their newfound subservience to July. He has become their host, their savior, and their keeper. When July realizes the power he now holds, he takes advantages of the situation. Whether it is done intentionally or unintentionally, it is hard to decipher. Bam and Maureen are extremely frustrated over their loss of superiority and control, and their true racist views are uncovered and made far more obvious than when they were living in the city. Despite the fact that the Smales are the most intellectual people in the black community in which they now reside, they remain subservient to the villagers and have almost no influence over them.

Now we would focus on the universal phenomenon that power corrupts and circulates, and, thus, affects human psychology. In this regard, it is used both as a means of oppression and resistance/vengeance. Here, it is apparent in July who uses and abuses power in different circumstances. It is as if the inversion of power and strength emerged as a blessing (for him) from God as a reward of the black's having been

oppressed, degraded, and subordinated by the whites for hundreds of years. Therefore, several objects in the novel can be invested with symbolic significance. For instance, Gordimer presents Bam's gun and the yellow bakkie along with its keys as objects that represent power in the narrative. At the beginning of the plot the Smales family owns these objects; and as the plot develops, their grasp on these objects of power becomes more fragile; and July and other blacks assume the ownership of those objects. So, the transfer of ownership, like the parallel transfer that occurs in Johannesburg, is uncomfortable for the whites involved. July also experiences a sort of discomfort as he gains power in the form of the keys.

The characters in the novel are continually forced to negotiate with one another about the new circumstances, and Gordimer makes use of the awkward communication between the whites and the blacks that results from a new power-structure and the language barrier between them to illustrate the discomfort of that negotiation. In Gordimer's words: "There was the moment to ask him [July] for the keys. But it was let pass" (Gordimer 58). Again, the inversion of power-play is evident from July's assertion of self-power regarding the bakkie:

"If they catch you, without a license . . .

He laughed . . . Who's going to catch me? The white policeman is run away when the black soldiers come that time. Sometime they take him. I don't know . . . No one there can ask me where is my license. Even my pass, no one can ask me any more. It's finished.'" (Gordimer 59)

In fact, after July laughs and talks about how he is not to blame for vehicular violation as there is no longer any white system of authority to stop him, the conversation becomes extremely difficult. July does not come right out and tell Bam and Maureen that he can do what he pleases, whatever they might say. July masks his revolt against the Smales' (by this time non-existent) authority by talking around it. He acts as though there were an understanding they have reached together, that he is only acting as if he had taken control of the bakkie; but that it, in fact, still belongs to them.

Thus, the key symbolizes the inversion of the power relationship between the blacks and the whites. It must also suggest that the key is just to enter into something and to initiate the new power-structure, but a long way is still remaining to pass. He makes it clear that he is in possession of the power now, or at least capable of being in possession of something which amounts to the same thing. The keys and the car are

July's if he wants them to have, though he returns them at the end of this exchange. The scene in which he returns these, Gordimer depicts it in such a way that July seems to lend the car to the Smales for the time being.

Meanwhile, there is a look back in anger situation when Bam discovers that July has taken the bakkie without his permission. Bam reacts like a typical alpha male: "Bam got up and had the menacing aspect of maleness a man has before the superego has gained control of his body . . ." (Gordimer 39). But nothing comes from Bam's attempt to be the big man; he comes to realize the futility of any violent action in his current situation. Deprived of his last and most potent means of male authority, Bam drifts into a maternal role: not loving one, but detached one. For instance, in his final scene Bam appears to serve food to the children wordlessly. The silence with which he performs this motherly duty creates a sense of detached resignation, almost as if Bam were mourning for his manhood. On the other hand, Maureen renounces virtually all her motherly responsibilities, experiencing an "explosion of roles" (Gordimer 117) and cannot adapt like the other members of her family with the environment and starts losing her mind. Thus, being unable to make a sense of her life or fit into the village (e.g., the "gumba-gumba" gathering took no more notice of her than of the dogs and children), she gradually loses her rational faculty and becomes disoriented. And when the helicopter arrives, she is certain that she is tired, filthy and helpless. Having suffered from existential crisis, she runs after it in the absence of any meaningful identity.

The visit to the Chief of July's community is another significant event in the narrative. July lets Bam drive this time, which is an unusual and rather important change. Bam thinks that the Chief is going to expel him and his family from the black community in which they have found refuge, but decides against telling his wife or family about it in order to keep them calm. July introduces Bam to the Chief saying: "Chief, this is the master" (Gordimer 111), an expression which the Smales absolutely hate. This is another implication to the sudden shift in power and change in the relationship between the Smales and July that have occurred because of the visit to the Chief. The meeting is, in fact, over the gun which is still another possession of the Smales signifying power that is soon to be lost by the whites and gained by the blacks.

A few days later, Bam's gun is stolen from its hiding place in the hut. Bam is completely caught off guard because he feels that no one in the village knows where it was, which reiterates his ignorance towards the fact that in the village there is no privacy. Maureen becomes angry and leaves her husband in the hut to go and inquire

about the theft. She finds July near the bakkie and argues with him that Daniel must have taken it. July claims to know nothing about the gun or Daniel's whereabouts, but finally breaks down and tells Maureen that Daniel left to join the black army a few days earlier. The last piece of their possessions has been stripped and the Smales wonder if this feeling of worthlessness and inferiority is something that July, his people, and the entire black community have been experiencing all along. Maureen, unlike her husband Bam, is unable to control her feelings and emotions in reaction to the situation. Thus, by the end of the novel all authority and power, symbolized by the bakkie and the gun, have been transferred to July's people. So Bam weeps openly in front of his children. Besides, he and Maureen interact "as divorced people might" (Gordimer 140). Their relationship becomes one composed of indeterminate pronoun: "Her. Not 'Maureen'. Not 'His wife'" (Gordimer 105). Maureen goes to July and demands that he return the weapon. This time she approaches him as one conscious of a shared past that can never be reclaimed. Maureen accuses July of stealing rubbish from her home too. All he can manage in response is, "You" before slipping into the eloquence of his native tongue: "I must know who is stealing your things . . . You make too much trouble for me. Here in my home too . . . Trouble, trouble from you. I don't want it any more. You see?" (Gordimer 151). Clingman aptly characterizes July's furious venting as an aching gun barrage of words. July's weapon hits its mark. Maureen understands the meaning although she knows no word. Similarly, how powerless now Smales are, is evident from July's statement (at the beginning) to his people: "They can't do anything. Nothing to us any more" (Gordimer 21). In reality, the Smales have limits as though they were criminals locked in prison and being punished. They are bound to the village by the restrictions of the events surrounding them, e.g., the bombings, the riots, and the fires. Likewise, July is also disgusted and bored with Smales towards the end. It is apparent as he protests against Maureen's suspicion of his counter-revolutionary (or neo-imperialist) people about the missing of the gun, which was, in fact, the emblem of colonial authority and power.

Again, whereas earlier in the novel Maureen's English "broke the cadences" (Gordimer 20) of July's language, here the tables of linguistic power are turned. July's native cadences surrounded Maureen, leaving her for the most part powerless. Gordimer nonetheless empowers July with a language of revolutionary mobilization: "his face flickering powerfully" (Gordimer 152). The passage itself functions as the root of the power-play inversion between the Smales and July. Besides, whereas earlier July had been content to communicate with the Smales by a minimal series of monosyllabic English answers, here he reclaims the agency of native language in order to assert his new authority over them.

To conclude, by restating Foucault, power circulates within institutional context and here it is South Africa. And when power is inverted, it greatly affects the psychology of those who exercised or manipulated it before; and often we cannot but sympathize with them. On the other hand, those who achieve it newly at the cost of blood are naturally willing to manipulate it as a means of revenge for their lifelong exploitations by the exploiters. In brief, *July's People* is a story of the reactions, adaptations, and survival of Bamford and Maureen Smales to the life they have found in a black village after being thrown away from their middle-class white neighborhood. On the one hand, Bam's adjustment to the new life with July's people is much easier than that of Maureen because he can handle the situation rationally by attempting to become a part of the community without letting his emotions get the best of him. Maureen, on the other hand, cannot adjust to the reversed situation and becomes insane because she cannot accept a life without 'superior' racial identity. In other words, this alteration in her life style is completely unbearable, and she cannot survive without the power, control, and luxuries she once had. As a result of the radically different reactions and adaptations of Bam and Maureen to the life with July's people, their relationship with one another is almost disintegrated. Thus, the overall impact of inversion of the colonial and racial power-play in this visionary narrative is negative, horrifying, and pessimistic. In other words, the future society Gordimer leaves us with is one of absolute chaos and unmitigated hatred. Even reasons for potential optimism (like July so graciously trying to help his former employers despite the shade of their skin) are lost as time progresses and old foundations crumble.

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FAILING ASPECTS OF HUMAN RELATIONSHIP IN A PASSAGE TO INDIA

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Abstract

Human relation is a universal aspect of human beings, and, certainly, it has the same appeal from the beginning of the human races. However, maintaining an all-true and pleasant bond is almost impossible as human beings living side by side are basically guided and influenced by various personal, social, political, and religious factors. E. M. Forster's A Passage to India depicts this very aspect of the evolution of human civilisation in a simple but interesting way. The novel contains a lot of characters from two races. The characters are also forced by their own interests and motives which are sometimes personal and very often religious and political. Most of the characters never get scopes to look at the beauty and sublimity of a true human relation; rather their outlooks are often determined by the narrow sense of politics distorted religions. Surely, characters like Fielding and Mrs. Moore have a keen interest to develop a true human relationship with Doctor Aziz coming out of the restriction of religion and politics. However, such efforts also turn to ashes because of politics. Thus, the novel fails to establish or reestablish a genuine human relation, essential for a peaceful world.

Keywords: *Human relation, community, mutual understanding, Indians, Englishman, etc.*

A meaningful and authentic relationship is certainly long cherished and deeply desired since when humans have started living together under the canopy called society, started verbal communication, and started sharing emotion and passion to get relief and to give relief from the pains and pangs of everyday life, to assure and to get assured from all insecurities and helplessness. The issue of human relation has become more dominant and focal after the First World War as in that war the world had to suffer huge massacre causing indescribable human miseries. However, the questions are how much a relationship can be successful, which factors can promote a meaningful and surviving

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human relationship, and which issues can affect a true human relationship. These are some questions which E.M. Forster raises tirelessly in the novel *A Passage to India*, a title suggesting an endeavor to establish a relationship with the Indians by the British rulers both in personal and political levels. Here Forster has focused on the basics of a deep human relationship and the causes of its breakdown. In fact, the novelist has perceived that human relation is indeed guided and controlled by some important factors which bring people to close contact of each other and sometimes compel them to part from each other even though they may have a strong personal feeling of understanding with each other.

Throughout the text Forster maintains the idea that the relationship among the races is not harmonious and warm. It does not have any humanistic ground, a yardstick mainly responsible for developing human relation. E. M. Forster presents the conflict between the Indians and the English and among the Indians themselves highlighting the associated problems and weaknesses existing among the characters. Differences in religion, culture, languages, tastes, temperament, and the like create an engulfing gap among them.

In *A Passage to India*, Forster presents various communities conflicting with each other such as the English people vs. the native Indians and Hindus vs. Muslims. After introducing many characters from each community and narrating many events, the writer shows us the clash both physical and psychological among the different sects. The development of such discordance in relation does result from any immediate rash action; rather it has surely a long politico- historical connection. The Indian subcontinent at that time was mainly Hindu dominated. With the passage of time this territory went under the control of the Muslims. But that was certainly an outcome of atrocity and bloodshed. The Hindus started to be persecuted, cornered and ultimately offended both physically and psychologically. Naturally, they did not take the situation easily- rather all these things resulted in an outbursting dissatisfaction among them.

They became vindictive and hostile to the Muslims, and throughout the ages this hostility grew deeper and deeper. Meanwhile, the British appeared in the scene and snatched the power. Naturally, hostility got a new dimension giving forth the development of a triangular clash among the Hindus, the Muslims, and the British. And the fundamentals of the development of human relation, e.g. patience, inter-assurance, fellow-feeling, justice and equal participation in basic human rights started to be ignored and defied. In this situation it was simply impossible for the Muslims, the

Hindus, and the British to come to the point of understanding and developing a humanistic relationship.

The British colonisers began to behave just like the masters with cruelty and harshness in handling the Indians. Rony Heaslop, a city magistrate, Mr. and Mrs. Turton and Major Callendar are the representatives of the master-minded English colonisers. Their insolent and snobbish mentality rose to such an extent that even thinking to develop a true human relation with the Indians was out of their imagination. Surely, they were not supposed to do so, as they had the mission to rule the country through exploitation, persecution, and creating division among the Indians. The city magistrate Rony Heaslop frequently appears as a haughty and excessively snobbish person who was antagonistic to the Indian people. As a government official his ceaseless intention was to create pressures on the Indians. He is here from the British Empire to rule the country forcefully. His intention becomes uncovered when he continues his long discussion with his mother, Mrs. Moore, and says:

"I am out here to work, mind, to hold this wretched country by force. I'm not a missionary or a Labour member or a vague sentimental sympathetic literary man. I'm just a servant of the Government;" (Forster 69)

Thus, he is taught and ordered not to show any sympathy, courtesy, and humanity to the subjugated Indians. It was the policy of subjugators to rule and control the country with a mighty hand. This policy creates the mass discontent, and finally it leads to the clash between these two races. Rony Heaslop often takes pride in saying that the English rulers in India were not obliged to behave pleasantly towards the natives as they strongly believed that it was their duty to keep law and order with coercion. Naturally, harmony in relation between the rulers and the ruled is shattered. In the same way Major Callendar, the Civil Surgeon, harassed his subordinate, Mr. Aziz, in every possible way. In Chapter Two Dr. Aziz is called in by Major Callendar, but when Aziz arrives there he finds that Mr. Callendar is out without keeping any message for him. As Aziz discloses it to Mrs. Moore:

"...and Major Callendar interrupts me night after night from where I am dining with my friends and I go at once, breaking up a most pleasant entertainment, and he is not there and not even a message." (Forster 44)

Thus, the Indians are frequently dishonoured and Aziz's voice reveals his anger when he talks about Mrs. Callendar's uncivilized action:

"She has just taken my tonga without my permission." (Forster 44)

However, there is an invisible wall between the rulers and the ruled. It intensified the racial tensions and problems already existing between them. The Indians have no right to enter into the club even as a guest. When Mrs. Moore intends to invite Aziz to the club Aziz says: "Indians are not allowed into Chandrapore Club even as guests." (Forster 45). While that was the reality, development of a human relationship was simply impossible. In fact, in the master-thane relationship humanity, compassion and feeling for others' needs, rights, and sentiment are often missing.

The attitude of the English women, who were much more snobbish in their attitude to the Indians than their male counterparts, also plays a significant role in the development of hostility among them. The wife of the Collector audaciously remarked that the Indians should be made to crawl from the city to the caves on their hands and knees as punishment for being insubordinates. In the Bridge-party Mrs Turton felt hesitant in meeting the Indian ladies when she was goaded by her husband to go towards them. She cried out:

"Oh those purdah women! I never thought any would come. Oh dear!" (Forster 61)

All these godly approaches of the English and their insulting behaviour towards the Indians make a gulf in the relationship between the two nations. The conflict takes an extreme form and physical reality immediately after the cave incident when Aziz is alleged of an attempt to assault Adela Quested in the Marabar Caves. The English and the Indians stand face to face. Here Aziz is to face a trial, and both the Hindus and the Muslims stand on the same platform as a single nation.

In fact, the so called crime of Aziz gives the ruling class enough material for his character assassination. All the English but Fielding unanimously declared him guilty even before the trials started. The Superintendent of Police unearthed some private correspondence of the doctor to find evidence of his moral lapses. The English in a body wanted to make him a scapegoat and thus take an upper hand upon all the Indians. Only in this case the Indians approached a unified show and joined together to put up a stiff to the attempt of the ruling class to magnify the very trivial incident. The Nawab Bahadur was their leader who financed the scheme of defense. The college students held demonstrations against the city Magistrate. When Adela withdrew the charge and admitted her mistake, the trial had to be dropped and the accused discharged. The student and the others were then happy and exhibited it through processions and celebrations. The Nawab Bahadur renounced his title and became mere Mr. Julfikar.

Thus taking Aziz's case as a national issue both the Hindus and the Muslims came to a close contact at least for the time being. Forster writes:

"Another local consequence of the trial was a Hindu-Muslim entente. Loud protestations of amity were exchanged, and there went with them a genuine desire for a good understanding." (Forster 264)

However, this picture was not always the same. Though these two (the Hindus and the Muslims) races are sometimes united for some national causes, they had communal malice among themselves. The novel conveys a vivid depiction of this unexpected and pathetic picture. Religion becomes a vital factor behind the abnormal relations among the characters of *A Passage to India*. The difference of religion sometimes creates some sharp barriers on the way of a good relationship among the characters. At the same time the sense of humanity and universal affinity overcome the restrictions imposed by religion and lead them to a mutual understanding. But a deep relationship among the Indians and the English becomes almost impossible. Dr. Aziz, the central male character of the novel, frequently manifests an anti-Hindu predisposition. He deliberately picks a quarrel with his colleague Doctor Lal and describes him to Mrs. Moore as 'a slack unpunctual fellow'. He constantly connects Hindu with cow-dung. The Muslim festival of Muharram regularly produces riots. Aziz, later, is uncertain how much of the Hindu festival, Gokul Ashtami, he is supposed to witness. Aziz's such prejudice had an ample negative impact on the development of a natural humanistic relation between him, a representative of the Muslims, and the Hindus.

However, the clash between these two communities was not only confined in two religions, but it included culture, dress-up, language, meal, and the like. For these the Indians fail to enjoy the eternal union which is a very important factor for the collective development of a country. It is to be mentioned that the subsequent division of the Indian subcontinent on the basis of bi-racial doctrine was surely an expression of narrowness and parochialism resulting in a deep furrow in building up bondage among the Indians. Even among the Hindus themselves there exists the problem of caste and sects. Very often they become involved in racial riots. Forster remarks:

"The fissures in the Indian soil are infinite: Hinduism, so solid from a distance, is riven into sects and clans." (Forster 289)

Nevertheless, here are some relations that surpass those barriers and come to a close contact of each other. Aziz is a bit stable in his friendship with Mrs. Moore whom he takes into confidence and with whom he shares a lot about his bitter experiences with the English. However, this is indeed one of the most enduring relationships in the

novel, though they are different in their age, religion, and nationality. In fact, in their relationship and understanding, religion and nationality play absolutely a very insignificant role. A sense of humanity and affinity is the guiding force which has led them to a mutual understanding. Mrs. Moore first met Aziz in a mosque where he had gone to draw his sorrow over the humiliation suffered at the hands of his boss, Major Callendar. When she was entering into the mosque, Aziz was trying to stop her from her entrance saying: "Madam this is a mosque, you have no right here at all; ...This is a holly place for the Moslems." (Forster 42). However, Aziz was finally convinced and overwhelmed observing the sense of responsibility, humanity, and tolerance of Mrs. Moore. Mrs. Moore says: "God is here." (Forster 42). Her warm behavior towards Dr. Aziz brought them very close to each other. Aziz realized that she was not the type of other British ladies or Christians; rather she was a human who could encompass every other religion or nationality with her heart. Mrs. Moore later said that Aziz was her true friend. When Aziz takes her and Miss Quested to the caves, he feels quite overwhelmed by the sentiment of friendship that he feels for the older lady. On this occasion he would even sacrifice his life to make her happy. In fact, the meeting at the mosque was the only encounter between Mrs. Moore and Aziz worth any significance. After this encounter, they meet twice -once at Fielding's tea party and later on at the picnic to the caves. Thus the "secret understanding of the heart" which took place at the mosque was further developed at the subsequent meetings, and their friendship was cemented.

Mrs. Moore is certain that Aziz is not guilty of the charge that has been brought against him and says so to Miss Quested, but, for some secret reasons, she does not defend Aziz publicly and promptly accepts her son's suggestion to go back to England. On her way back to England she dies. But even after her death she had a great positive influence on Aziz. He abandoned the idea of demanding compensation from Adela when he was reminded that Mrs. Moore would not have approved of it. Thus the love between a young Indian doctor and an old English woman is to endure out of time and beyond death: "...she had stolen to the depths of his heart and he always adored her." (Forster 306). Thus their relationship outstrips the usual concept of a relationship.

The understanding and friendship between Dr. Aziz and Fielding also crosses the narrow boundary of nationality, religion, and the question of the rulers and the ruled. The friendship of Aziz and Fielding, though intended mainly to illustrate the impossibility of an adjustment or understanding between the Indians and the English, has also to be studied at a personal level. This friendship becomes intimate and deep

but it does not last. Aziz and Fielding take an instant liking to each other. Aziz is drawn towards Fielding in spite of his general hostility towards the English, while Fielding quickly becomes fond of Aziz in spite of the marked racial prejudice among the members of the English communities against the natives. Aziz attends Fielding's tea party, and Fielding visits Aziz during the latter's illness because he feels solicitous about his friend's state of health. On this occasion Aziz shows Fielding his wife's photograph, thereby showing his faith in the Englishman who has won his heart. Aziz finds that Fielding is truly warm-hearted and unconventional. Forster describes the new bond between the two:

"But they were friends, brothers. That was settled, their compact had been subscribed by the photograph, they trusted one another, affection had triumphed for once in a way." (Forster 133)

Fielding stands by Aziz in the hour of crisis in the latter's life. He alienates himself from his own community, however, he does not budge an inch from the position he has taken up as a champion of Aziz as he truly thinks him to be innocent. On this occasion, Fielding has to pay a heavy price in terms of goodwill of his community which he loses by his advocacy of the Indian, but he is not at all sorry. Thus, his friendship for Aziz overcomes all differences of racial, religious and cultural outlook. Later he is even able to dissuade Aziz from pressing his claim for compensation from Miss Quested.

However, the friendship of Aziz and Mr. Fielding is not ever fresh and harmonious. Aziz fosters a lot of suspicions in his mind regarding Fielding. Even Fielding begins to doubt whether there can be any friendship between him and Aziz. When he visits Italy on his way to England, he realizes that no real understanding between the two civilizations of the East and the West is possible. When Aziz and Fielding happen to meet in the state of Mau, Aziz is emphatic and categorical in saying that he does not want any friendship with any English man and English women. Aziz also says:

"We may hate one another but we hate you most." (Forster 316)

Aziz says that a friendship between an Englishman and an Indian will be possible only when India becomes free. Thus, though the relationship of Aziz and Fielding is primarily a successful one, it finally turns to be a futile one because of the question of the rulers and the ruled.

Thus, the novel does not stir up any meaningful and lasting human relation. Few characters aspire to build it, but because of the inevitable factors ingrained in the setting they live in, their attempts do not succeed. While talking with Mr. Aziz, the Collector pronounces: "and during those twenty five years I have never known anything but disaster result when English people and Indians attempt to be intimate socially. Intercourse, yes. Courtesy, by all means. Intimacy, never, never." (Forster 173-74) However, the only sustainable relation exists between Dr. Aziz and Mrs. Moore, and probably it is because of the generosity, acute sense of responsibility, patience, motherliness, and other positive qualities of Mrs. Moore. Ebbatson R. and Neale C. observe, " if the local plot of the novel is to be regarded as metaphorical, it is also possible to read Forster's portrayal of friendship between Englishman and Indian as being less immediately compelling than acting as an expression of the difficulties of friendship between men, a question which so preoccupied Forster personally." (Ebbatson and Neale 118)

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...ত্ৰিভুজ ১৯৩৯ চনত প্ৰতিষ্ঠাপিত হৈছিল। ইয়াৰ পিছত ১৯৪৮ চনত গণপ্ৰজাতান্ত্ৰিক প্ৰজাতন্ত্ৰ স্থাপন কৰাৰ লগতে ১৯৭১ চনত পূৰ্ব প্ৰদেশৰ পৰা পৃথক হোৱাৰ লগত ইয়াৰ অঞ্চলটোও পৃথক হৈছিল। ১৯৭১ চনত পূৰ্ব প্ৰদেশৰ পৰা পৃথক হোৱাৰ লগত ইয়াৰ অঞ্চলটোও পৃথক হৈছিল। ১৯৭৬ চনত পূৰ্ব প্ৰদেশৰ পৰা পৃথক হোৱাৰ লগত ইয়াৰ অঞ্চলটোও পৃথক হৈছিল। ১৯৭৭ চনত পূৰ্ব প্ৰদেশৰ পৰা পৃথক হোৱাৰ লগত ইয়াৰ অঞ্চলটোও পৃথক হৈছিল।

গাৰ্হামি এল্‌জিভিকালি প্ৰতিষ্ঠাপিত হৈছে। ইয়াৰ লক্ষ্য হৈছে প্ৰতিষ্ঠাপিত হোৱাৰ লগতে ইয়াৰ অঞ্চলটোও পৃথক হৈছিল। ১৯৭৬ চনত পূৰ্ব প্ৰদেশৰ পৰা পৃথক হোৱাৰ লগত ইয়াৰ অঞ্চলটোও পৃথক হৈছিল। ১৯৭৭ চনত পূৰ্ব প্ৰদেশৰ পৰা পৃথক হোৱাৰ লগত ইয়াৰ অঞ্চলটোও পৃথক হৈছিল।

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AbMvgx bq, tm Zvi wczvi AbMvgx etj Zv†K w†Œi Zvi wkKvi n†Z nq| wczv†K D×vi K†i tm
mgŸ hv†vq gbw"i K†i | tj v†Kiv Zvi tšKv d†Uv K†i iv†L th d†Uv, †j v AvUv w†q AvUKv†bv
_v†K| j wL` †i emiNi l ZvivcwZ KgRvi d†Uv K†i iv†L A†_P †j v†f| Guv†K gbmvi AvÁv
etj Pvj v†bv nq| Guvl GK ai†bi fÆwq thLv†b †`eZv bq, Av†Q gvb†li l ošj| j wL` i†K
nZ"vi Rb" `ex ŒgZvi cw†e†Z"e"envi Kiv n†q†Q `††vPvix ivRŒwZK †KŠkj | gbm
ZvivcwZi †Q†j†K Lp Kivi ŸwK w†q†Q, weev†hvM"v Kb"v†K j wÁZ Kivi fq †`wL†q†Q|
Gfv†e buUKwU cvjvYK_vq chŒwMZ bv n†q AvaybK Rxe†PZbvmg× n†q D†v†Q|

j wL` i†K mc"sk†bi ci ZvMv evUvUv cPxb ms"††i dj | bvix l g` w†q `††ivqvb† i
gvZvj K†i ivLv n†q†Q, GB d†K cŒek K†i†Q Kvj mvc| GLv†b wkec†vb mgv†R gbmvi
RqMv_vi ga" w†q ga"†Mi cj"l ZwšK mgv†R bvixi RqMvb ewYŒ n†q†Q| gbm hv K†i†Q
Zv Ab"vqŒG Ab"v†qi Kv†Q Pwĩ Z_v Av" k"cj"l gv_v bZ Ki†Z cv†i bv| mZ"mUvbx Pwĩ evi
evi gvi †L†q†Q ZeyZvi Avcmnxb K†É D" Pwĩ Z n†q†Q :

Pwĩ \ wke-f³ Awq, mZ" c†_ P†j" Rxe†b Áv†bi Av†j v cŒZwZKi†Yi cŒvm t††q"†Q, GB
tgv†i cw†Pq| me"ŒL†q" w"†Q ZeyP"vsgyo Kvbx†i w†K†U bZ nB bvB, GB tgv†i cw†Pq|⁴

Pwĩ †K ewY†R" th†Z evav †`qv nq ClŒ Kvi†Y, Pwĩ i tšKwWye `†fvweK w†q†g n†q†Q wKŠy
Gu†K gbmvi KxwZ"etj MY" Kiv n†q†Q bu†K| GLv†b l tj ŠwKK gvnvZŒ ewYŒ n†q†Q cvjvYi
Avk†q| gbm GLv†b AZ"vPvix kv††Ki cŒxK| l w†K wke mZ" l tmš"†hP cŒxK| w††ei
f³†K gbmvi f³iv cQ` K†i bvŒmsNvZ GLv†b| GLv†b N†U†Q b"v†qi mv†_ Ab"v†qi, m†Z"i
mv†_ wq"vi ŒŒ| GLv†b wke Ges `MŒ gv†S ZZxq kw³ gbmvi cŒek N†U†Q mgv†R"ev" x
†PZbv †_†K| mZ"mUvbx Pwĩ evi evi ciwRZ n†q†l thLv†b gv_v bZ K†iwb, tmLv†b †`eZvi
gvn†ZŒi ††q etov n†q D†v†Q gvbweK gj"†eva| w††ei cŒZ fw³i ††q mZ"mUvbx Pwĩ i
cŒZ cv†K†i mnvbfwZ l gj"†eva cŒj n†q† l†v:

Pvü \ Rxeþb w_K"v A¼ KI"v KI"v wkevBtq tcŠQ"vtZ PvB, tm_v wkevB tqtj bv| Avi wkevtqi A¼ KI"v KI"v Rxeþb tcŠQ"vtZ PvB, t`wL Rxeb tqtj bv|⁵

Ø:ØB thLvþb bvUþKi cÖY, tmLvþb mZ" Avi AmþZ"i Ø:Ø h_v_©Aþ_©bvUKxqZv mjo KiþZ mg_© nþqtQ G bvUþK| teújv GLvþb msMögx l mZx bvixi cÖZxK hviv cÖZwbqZ mgvRþK welgy³ KiþZ Pvq, j wL> i bvgK mgvR thLvþb weþl RRw Z| PæúKbMixi `y RvMÖ -Ae"vi eYÖv teújvi KþU:

teúj v\ `ögxþi m½wZ j q"v wî Kvj RvMi nq"vñ
Rixqþbi gš;LþR wdwí te Ašþ |
LþRe tKv_vq, Kþe, G wel bwiqqv hvte....
PæúKbMixi etov Avkvi mšwb,
tm AwR cwj Xtj" weLwb`þ tNvti,⁶

t`ex wntmte gbmvi tKvþbv gnË; tbB hvi KvþQ Pvü ewYK ciwRZ nþZ cvþi | gbmvtK tej cvZv w`þq evg nvtZ cRv t`qv gbmvi cÖZ Nyvi B ewntcKvk gvþ |

wkþei gvbmKb"v gbm v welnix t`exiþc `þM"vqx Avmb tctZ tPþqwQj wKšygz"evmxi cRv wfbæZv nevi bq| dtj Qj bvi Avkþ wbtq Elv l Awbi"þxi bvtP Zvj f½ KþiþQ tm| gvbeZvi Kj"vtY Elv l Awbi"x mZevþi i tkleþti teújv l j wL> i nþq Rbþj vf Kþi | l B cÖPxbZg cvjv G Kvþj i bvixi l Rxeb-hšyvi Rxeš-AvLvþb ifcvšwi Z Kþi | gZ j wL> i þK wbtq `xN[©] hvþvcþ_ teúj vtK hþ KþiþZ nþqtQ KvgvZj cv"l thšbj vj mvq eþ nþq_vKv `þMþ t`eZvt` i mþ½ :

teújv \ tZwîk tKwüi tmB KvþgvrmK tPvtLi mgtL th bvP tbtP"vQñkþi i, tm eo Akxj | tKv_vl Zv wkwL bvB | t`wLwb tKv_vl | Zeyþb Avgwi Ašþ w_K"v Avgwi cÖKwZ nvtZ ai"v Avgvti wKlvþq w`j ÑþKgtb ZvK"vtZ nþe, tKgtb t`LvþZ nþe wbtRi kixi, tKgtb thñl t! Avi tmB bvtPi wFZþi mvq ewþþKi Kb"v tmB th teújvñtmB th, Zwg hvþi t`þL"wtj weevþni w`þb, tm teújv gi"v tMj |⁷

Aetþl me evav Rq Kþi `ögx j wL> imn Pvü m`vMþi i gZ Oq cþîi Rxeb wdwíþq GþbtQ teújv| Pvü wdti tctþtQ mBwWov| mBwWov Avi m`vMþi i tQþþ i wbtq kþi Kþj wdiþ etU teújv wKšyRq KiþZ cviþ bv cv"l Zšj mgvRcwZ, AvZþq-`Rb, GgbwK `ögx j wL> i l teújvi mZxZ; wbtq cÖæZj j | cv"l Zþšj bMæþPniv t`þL Rxeþbi me gvþb nwiþq tþjv Kþš-wea"teújv AvZþbþbi c_ tetQ wþj |

k=ϕιγί mĒiī `k̄tKi mvgwRK I ivR%awZK cUfug weivZ KtiQb GB bvUtK| GLvtb
 cvjYi beRbϕ NtUtQ| evsjvi tj ŠiKK HwZin̄i cwi t̄cŃŃtZ gbmV-Pvt̄ i Mí eū cŌPxb|
 t̄`exi cRv cŌvtii Df̄i t̄k̄ ewYZ GB Kwnub Kvj μtg tj vKcvY cwiYZ ntqtQ|
 mgvRieÁvtbi `w̄t̄KvY t̄t̄K GB Kwnub cvjY etj Awf̄wZ ntj I bvUtKi gtā gbmV tKv_vl
 cŌŃŃf̄vte Dcw̄Z bq| Aj t̄ŃŃ t̄t̄KB tm Kwnubi MwZ w̄bqšY KtiQ| gtā eis t̄`Lv t̄MtQ
 Zvi AbPi t̄ i t̄K| Pvt̄ i mgȳ hv̄Iv G bvUtK ūmZ̄ mŪvtbŃi cŌZi f̄c| mgvRcwZ t̄ i GtZ t̄Nvi
 AvciĒ| dtj Pvi t̄K bvbwea lohtš; w̄bcw̄ZZ ntZ nq| P=úKbMtii ivR%awZK Aw̄ i Zv G
 bvUtKi gj cUfug Ges Pvt̄ i m̄t̄½ gbmvi I Zvi AbPi t̄ i ØØ i PbwUtK bvUKxq , Ym=úbæ
 Kti Ztj t̄Q|

gbmvi m̄t̄½ Pvt̄ i wēt̄iva, Pvt̄ i civRq I bwZ̄ x̄Kvi N̄wgt̄_i GB Kivvt̄gvUKz AŃŃŃet̄i t̄LB
 bvŪKvi w̄bgŃŃ KtiQb t̄`f̄k I t̄`Kvtj Aw̄ i ivRbwZ Ges f̄qven mvgwRK cwi t̄ek| G
 mgt̄q Av̄ t̄k̄P Rb̄ Gw̄t̄q Avmv ZrKvj xb h̄emgvt̄Ri GKUv weivU Ast̄ki mvt̄_ cŌÁ c̄exYivl
 GKvYZv̄ t̄Nvi Yv Kti t̄kl ch̄S̄-weaŸ̄-I wech̄-ntqtQb| Pvt̄ i mvt̄_ th me c̄exY hv̄Iv m̄t̄½x
 ntq̄Qj Giv gj Z Zvi vB| Zvt̄ i GB w̄ktei mŪvtb Z_v m̄t̄Z̄ i mŪvtb cw̄o t̄` I qvt̄K Z̄` b̄xšb
 ivRk̄w̄³ t̄gt̄b t̄bq̄w̄b, eis GB mZ̄ mŪvbxhv̄I t̄ i t̄K h_v m̄=ē w̄bM̄pxZ, j w̄ÁZ Ggb w̄K w̄b̄ōŸ
 KitZ Zrci ntqtQ|

cŪvcjvY wgt̄_i j ovBUv w̄Qj w̄kecRK P̄` ai ebg mc̄Ń ex gbmvi | Avmtj j ovBUv gbmvi
 mvt̄_ bq, eis bvUtK t̄`Lv̄bv ntqtQ gbmvi I w̄ktei cRw̄i t̄ i gtā j ovB| KviY gbmV I w̄ke
 `R̄t̄bB GLvtb Ab̄cw̄Z| m̄Zivs w̄ktei Ab̄Ńt̄ii mvt̄_ gbmvi Ab̄Ńi ej vUv Aw̄K h̄w̄³ h̄ȳ³
 etj gtb nq, hv̄ I ej v ntqtQ ØØUv gub̄Ńl i mvt̄_ t̄`exi | t̄kl ch̄S̄-Gw̄ aḡR_v ntq DVt̄Z
 cv̄t̄w̄b, eis i f̄c w̄b̄t̄q̄t̄Q tj vKR cvjY| mgKvj t̄K wgt̄_i t̄gvōt̄K R̄w̄t̄q ivL̄t̄j I gvt̄S gvt̄S
 Kx̄f̄vte t̄c̄š̄i w̄YK cŃj t̄ci Av̄ t̄Y t̄f̄` Kti Zv Av̄Z̄c̄Kv̄k KtiQ c̄h̄½ μtg Zvi I `GKw̄
 bḡlv wePv̄h̄[Ⓢ]

w̄ke`vm\ ŌRw̄gt̄Z tēt̄mv bv evcv, w̄kKo MRv̄te| Av̄Kv̄t̄k I ovi mva, cvZvtj w̄m̄v̄te| Ō (c̄ēPb)⁸
 j nbv\ Ōth msm̄v̄ti hZ tekx `x̄N̄R̄ym c̄to| tmB̄t̄L̄t̄b j ²x Z̄t̄Zv hvB-hvB Kti | Ō (c̄ēPb)⁹

wgt̄_ Ūw̄RK cwi YwZ bv_vKtj I bvUtK Pvi A_ev teūjvi cwi YwZ Ki "Yi m̄vZ̄K| Pvi ewYK
 iv̄t̄Ńi ŃŃŃZv̄m̄x̄t̄ i D̄t̄c̄ŃŃv Kti tēw̄i t̄q̄w̄Qj gn̄vmgt̄_` ūmZ̄`ÁvbŌŃGi mŪvtb| w̄Kš̄ȳtm m̄v̄d̄t̄j` i
 DcK̄t̄j t̄c̄š̄Ōv̄t̄Z cv̄t̄w̄b| Kvj x̄` Ńn Zvi me t̄b̄Š̄Kv hv̄Iv x̄m̄n W̄te t̄Mt̄Q| `x̄N̄R̄vj c̄ti w̄d̄t̄i Gt̄j I
 Pvi Av̄Z̄Ńj `vq̄b KtiQ GB etj N̄ŌAw̄g ḠAv̄ w̄edj gub̄Ńl | Ō¹⁰ t̄`t̄k̄ t̄divi ci I Zvi R̄xeb
 m̄gm̄`v̄ḡȳ³ nq̄w̄b, eis k̄Ī`c̄t̄ŃŃi K̄rm̄v̄q R̄w̄Uj Zv Avi I ew̄x̄ t̄c̄t̄q̄t̄Q| mevB Zvt̄K Z̄`w̄M KtiQ;
 Ggbw̄K `x̄ mbKvl Aw̄f̄t̄hv̄t̄Mi ZR̄Ńx Ztj t̄Q| mZ̄` cŌZ̄Ńv̄q w̄edj teūjvl t̄kl ch̄S̄-w̄g_v̄i
 mvḡt̄b ci w̄RZ ntq R̄xeb t̄t̄K w̄bēŃmb w̄b̄t̄q̄t̄Q|

bvUtki tkl gntZPvui Avevi cmo t` q tmB omZ`oi tLvtRB-OG AvUvti P`akbMlx Zeycmo t` q wktei mUvtb| cmo t` I Ncmo t` I N0|¹¹ P` g` x tmb ,b etj tQb :

k`vgt GKvtj i gvbli gvbmetei e`Abvq ZvtK AtpKuv e`vcK Awfe`w³tZ, AtpKLwb we`x`gvvq D` fwmZ Kti w`tqtQb| Zvi bvUK ZvB gbmvi Og¹/₂ Mv_v0 bq Opvi ewYtki cvj v0; tmLvtb gbmvi Aj t`q` c0ZbwqKv Avi bvqK P` ai m`vMi | vgt_i Pv`i m¹/₂ GB bvUtki Pv`i GBwUB epEg cv`R`; t`eZvi Zj bvq gvb|tk tenk ,i`ZcY`Kti Ztj GfvteB bvU`Kvi cvj wUtk AvaybK mwinZ`i wBR`^gh`vq e`wAZ Kti tQb|¹²

mbKvi Pwi t`i gta`I AvaybK RxebhS`yVB cwi j w`qZ| Zvi K_vq 0KtZvUv th w0v Avig, Avi KtZvUv th gvZv0¹³ | vgt_i mbKvi gta` c`f`tm0, c`f`tkvK I ``exkw³i c0Z fiv³ Qvov Avi wKQB j`q` Kiv hvq bv| wKSy-bvUtki mbKv gbmvi cRv Kiv mEj| mc`sktb mS`fbi wbg0 gZi nlqvq gbmvi I ci t`vta tdtU cto| th teuj vtK gvI KtqK c0i AvtM tm AvxaeP Kti w0j 0Rb`GtqWZ0 ifc, c`f`i gZi ciciB ZvtKB Avevi mv`qvr 0gbmvi fucYx0 etj t`vva cKvk Kti tQ| GB AS00 mbKvi Pwi t`K Kti Ztj tQ GKvSB AvaybK, hvi gta` c0Zdij Z ntqtQ mgmvvqK t`kKvtj i wtkl gvIv|

bvUtki tktl teujv I j`wL`tii AvZ`hbbI h`m0Z`xKx Ges mgKvjxb c0Rtb`i Ae`q`vqZ cwi YvgtKB gL` Kti tZvtj | GLvtb j`wL`i ntq I tV tmKvtj i Zi`Y c0Rtb`i c0Zvba | AvaybK j`wL`i mZ`mUvtb cmo t`evi Rb` evertK t0Yv t`q| wKSyG AvKv`qvtK e`³ Kivi cwi Yvtg tml gbmvi Avt`vvtki wKvi nq| ZvB weevn evmtiB mc`sktb Zvi gZi Ntu mvgwRK c0Zwsmvi cwi Yvtg|

vgt_ teujv j`wL`tii vgt_b Ntu tQ kwS-I m`Li ga` w`tq| gZi `qvi t`tk Zvt`i t0y weRqx tefk wdti GtmtQ| k`vgt`i bvUtk Zvt`i vgt_b Ntu tQ gZi ga` w`tq| gZi Ntu tQ AcPvqZ, Ae`q`vqZ, weaY`-GK th`ebkw³i | cwi tktl Pv`i c0Z`xKx-Awfhvb c0vY Kti tQ AvaybK gvbli Avcmnx b gtbvfvteK; thLvtb Pv`i Zvi Av`k`_tk mvgvb` wePiz bq| GB gvbweK weRq tNvl Yv bvUtki gta` bZb Kti Rb`w`tqtQ cvvtYi |

gbmvgtzj AvtQ i`aB cvvY| Pv`i ewYtki gta` AvtQ RxebtPZbv| bvtgi gta`I AvaybKZv j`q`Yxq| vgt_ Pv`i bvg Pv`i m`vMi | wKSy-AvaybK Rxebtevam`ub0k`vgt m`vMi tK cwi YZ Kti tQb ewYtk| k`vgt`i bvtgi mvt_ Pv`i m`vMi i Ace`vgj j`q`Yxq| k`v`wke, vgt`=eUz wktei eUz Pv`i m`vMi | tj LtKi wbtRi bvtgi mvt_ GB Ace`vgj I vgt_i Abj 1/2 ntq bvUKtK cYzv `vb Kti tQ| Pv`i ewYtki gvtS Avi GKwU k`vgt`i A_ev k`vgt`i gta` Avti KwU Pv`i ewYK Awm`vi Am`e bq| GLvtbB Ntu tM tQ Pwi t`i AvaybKvqb Z_v cvvtYi AvaybKvqb|

Z_mf

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- 5| H, c, 128
- 6| H, c, 115
- 7| H, c, 128
- 8| H, c, 40
- 9| H, c, 52
- 10| H, c, 50
- 11| H, c, 131
- 12| P`gj x tmb_B, c0_3, c, 221
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mnvqK MŠ

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VALUE STREAM MAPPING FOR IMPROVEMENT IN PRODUCTION OF A FOOD PRODUCING FACTORY

A Theoretical Model Building Approach

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Abstract

Value Stream Mapping (VSM) is one of the most powerful lean manufacturing tools used for quick analysis of products and information flow through a manufacturing system from door to door. This versatile and powerful method is used to visualize product flows as snapshot; it just describes the production behavior within specific period from the total production time which some time causes a misleading during lean tools implementation. Moreover, value stream mapping is a kind of technique that helps to understand and streamline production processes. This paper outlined with a case study of a food producing factory, the production process path is visualized by mapping the current state value stream. After tracking the production process of a medium-sized order, problems affecting the delivery time are identified and the causes are analyzed. A future state value stream map is created and an optimization scheme is suggested, with which the production cycle is expected to be shortened from 9.75 minutes to 8.35 minutes, representing a 12% reduction. Value stream mapping is proved as a useful technique to shorten delivery time and reduce production costs.

Objectives

- 1. To study the process of current state map for performance evaluation.*
- 2. To design a future state map that will reduce the lead times.*
- 3. To estimate the inventory of the current and future state value streams.*

Introduction

Lean manufacturing is a strategy with the objectives of achieving the shortest possible cycle time by eliminating waste. The concept of lean manufacturing is taken or derived

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from Toyota Production System with key concepts of increasing the value added work which is done by eliminating waste and reducing incidental work. The term "lean manufacturing" was introduced in the US in the year 1990 by Womack. Lean manufacturing formerly known as Toyota Production System was introduced through the book "The Machine That Changed The World" written by James Womack, Daniel T. Jones, and Daniel Roos. In general, lean manufacturing utilizes very little amount of human effort, energy, space, and investment as the word "lean" depicts. (Wikipedia)

Next, waste is one of the problems in manufacturing, and eliminating waste is very important and essential. Waste is also known as Muda and was originally originated in Japan. There are seven kinds of waste namely: Transport, Inventory, Motion, Waiting, Over-processing, and Over-production. The elimination of waste should first start from understanding the type of waste and where it exists.

On the other hand, Value Stream Mapping is a method of visually mapping the flow of materials and information from the time products come in the back door as raw material, through all manufacturing process steps and off the loading dock as finished products. Mapping is a critical initial step in lean conversions, and, thus, it can remove unexpected problems. Mapping out the activities in a production process with cycle times, down times, in-process inventory, material moves, and information flow paths will help visualize the current state of the process activities and guide it towards the future desired state. The process includes physically mapping "current state" while also focusing on where it would be, or "future state" map, which can serve as the foundation for other Lean improvement strategies. VSM can serve as a starting point to help management, engineers, production associates, schedulers, suppliers, and the customers recognize waste and identify its causes.

The goal of this project is to reduce the lead time and to increase throughput of products which have more demand in place like a small restaurant. To go through the goal, we had to start with an evaluation of how the increased throughput and the shorter lead time would benefit by changing some aspects of the process. The result of reduction of lead time is lower capital investment towards inventory.

Literature Review

This article outlines a tool - value stream mapping (VSM) - that will help industrial engineers enlighten managers who still support obese manufacturing techniques and allow them to see the light of lean manufacturing. Ever since Jim Womack, John

Krafcik, and colleagues at MIT's International Motor Vehicle Program introduced the term 'Lean Manufacturing' in 1987, thousands of companies around the world have adopted the improvement methodology and its tools, first pioneered by Toyota Motor Corp. Yet despite impressive achievements by companies that have implemented Lean, many discrete manufacturers have not pursued Lean Improvement Methods, even though these tactics typically provide large returns with initial low-cost investments. Then, too, even discrete manufacturers that have adopted Lean often realize only small, local benefits, unable to generate the lasting and widespread benefits earned by companies such as Toyota. Taiichi Ohno (1988), Womack et al (1990), Womack and Jones (1998, 2005), Daniel. T. Jones.(2006), Rother and Shook (1999), and Peter Hines and Nick Rich (1997) have studied the implementation of Value Stream Mapping effectively. In real meaning, Value Stream Mapping (VSM) is a revelation tool oriented to the Toyota version of Lean Manufacturing (Toyota Production System). It helps to understand and simplify work Processes using the tools and techniques of Lean Manufacturing. The goal of VSM is to identify, demonstrate and decrease waste in the process. The Waste being any activity that does not add value to the final product is often used to demonstrate and decrease the amount of 'waste' in a manufacturing system. VSM can thus serve as a starting point to help management, engineers, production associates, schedulers, suppliers, and customers recognize waste and identify its causes. As a result, Value Stream Mapping is primarily a communication tool, and is also used as a strategic planning tool and a change management tool. Toyota have been benefiting since 1940's, from Material and Information Flow Mapping (Value stream mapping). Womack and Jones (1998) and Moore (2006) have stated that the organizations of many types are implementing lean manufacturing, or lean production practices to respond to competitive challenges.

They have mentioned that lean initiatives can be taken up in the fields of automotive Sector, aerospace, and consumer goods industries around the world. Moore has discussed various realization tools of Lean Manufacturing+ which can be integrated in the industries. Rother and Shook (1999) have discussed that Value Stream Mapping (VSM) is used to define and evaluate the current state for a product value stream and design a future state focused on reducing waste, improving lead-time, and improving workflow. The whole use of VSM appears to be increased since the publication of "learning to see" by Rother and Shook (1999). One of the exceptional characteristics of VSM in comparison with other process analysis techniques is that one map depicts both material and information flow that controls the material flow. The focus of VSM is on a product "value stream" (all actions required to transform raw materials into a finished product) for a given "product family" (products that follow the same overall production steps).

Dolan et al (2002) have extended the applications of lean production techniques in the electronics manufacturing perspectives. Hyer (2002) has implemented Lean manufacturing in the office service and administrative processes.

Statement of the Problem

The food industry is a place where long lead time affects the capital in the commercial market, and the price of the commodity also plays a vital role. The process, chosen, is the making of sandwich where product retrieval is difficult and reducing the lead time also is a big advantage. The varying market prices are also a challenging task in food industry.

The long lead times lead to lot of work in process which may lead to a great deal disadvantages such as increase in cost. Minimizing inventory is also required in the present market scene because having more inventory also means that the cost involved is more, and the space occupied is more in addition to that there are many factors such as it has an effect on customer demands as it reduces flexibility.

Work Done by Other Companies

VSM has demonstrated to be very effective in organizations that make use of large and complex assembly line manufacturing processes. The automobile manufacturing companies are most likely the best examples as far as the value of VSM is concerned. Top automobile companies such as Ford and Toyota have productively implemented VSM in their industrial processes, which have in turn helped these companies in manufacturing high quality products while reducing costs at the same time. Although concepts of VSM are applicable in all types of manufacturing organizations, companies, other than automobile companies, may find it a little difficult to implement VSM word for word. Some consultants also feel that benefits associated with VSM are sometimes over-hyped when it comes to implementing VSM in non-automotive companies. Personal opinions may vary but what is certain is that VSM does help in reducing waste if implemented properly.

The way Toyota uses VSM is different from the conventional thinking; they focus mainly on avoiding over-production. VSM begins by listing all the operations and classifies them into value added activities and non-value added activities (including waste). The application of VSM in the TPS identifies not only VA/NVA for waste elimination but also the status of their lead time in the supply chain from incoming parts to finished goods delivery.

Therefore, why has Toyota Motor achieved such significantly high-performance while GM, Ford, and Chrysler (the Big 3 of US) still show decreasing market share despite applying TPS or Lean related production for over ten years? Most companies aim at immediate strategies which attain piece-meal improvements and shorter financial goals. For short-term financial goals, most companies, including the Big3, build more products than demand through mass production. This traditional approach always results in over production at a tremendous extra cost such as warehousing cost for vehicles and the storage of CKD (completed knock down) parts. Moreover, the Big3 approach conceals many quality issues in the supply chain. Through continuous waste elimination with LSC, the VSM application aims at no over production. The needed fundamental changes are built into the enterprises system and working culture with long-term philosophy.

What should be done and why?

The process of making the product was known, but the problem was that there were many things in the process that led to waste of inventory and longer lead times. To provide all the ingredients required by the kitchen staff to make the sandwich and to provide customer a large range of selection as well as efficient and quick service. Hence, as discussed earlier, we are implementing value stream mapping to make the process more efficient.

Before implementing VSM which will have the above benefits such as eliminating the waste before identifying the source of waste, we need to have discussions, group activities brainstorming, and hands on exercises. The current state and future state maps also help us to eliminate waste and identify waste.

Benefits of Mapping

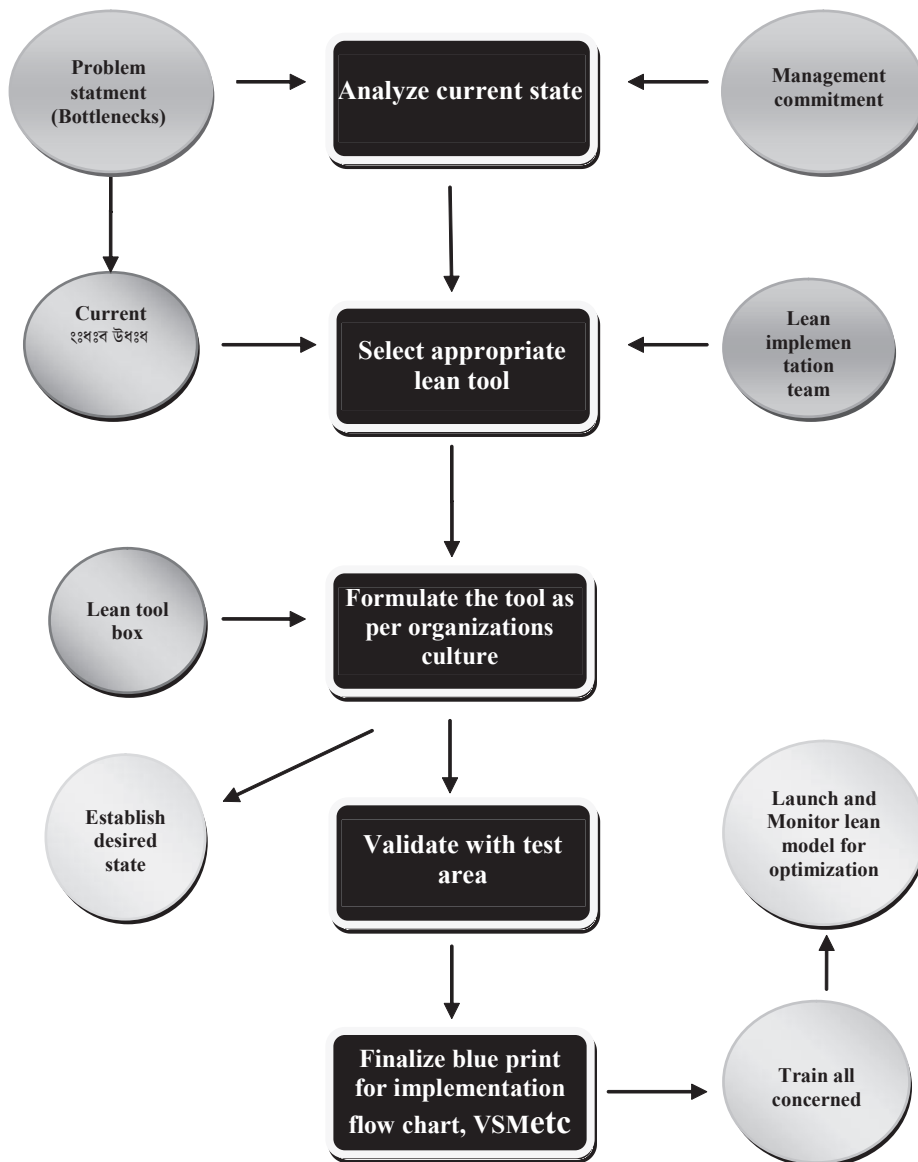
VSM helps visualizing more than just the single-process level, i.e. assembly etc. It is much more useful than quantitative tools and layout diagrams that produce a tally of non-value added steps, lead time, and distance traveling the amount of inventory.

Benefites of Value Stream Mapping

1. Helps visualize the production process at the plant level, not just at the single process level,
2. Helps you see more than waste it helps you see the sources of waste in your value stream,
3. Shows the linkage between the information flow and the material flow,

4. Makes decisions about the flow apparent, so that you can discuss them,
5. Forms the basis of an implementation plan,
6. Ties together lean concepts and techniques to enable improvements that show up in your organization's bottom line, and
7. Helps to estimate the inventory requirement of the current and future state value streams.

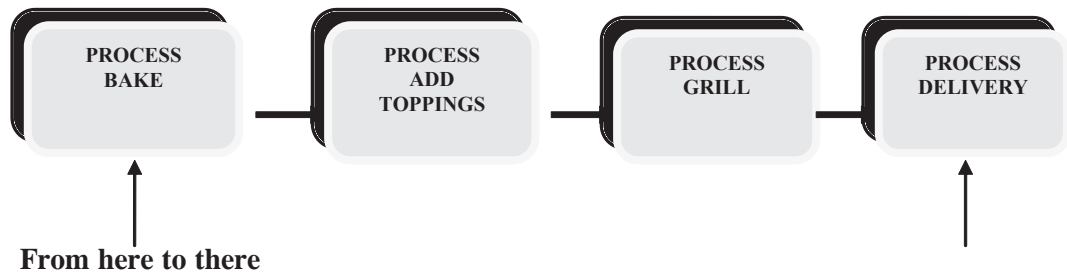
Execution Model For The Value Stream Mapping



VSM Project

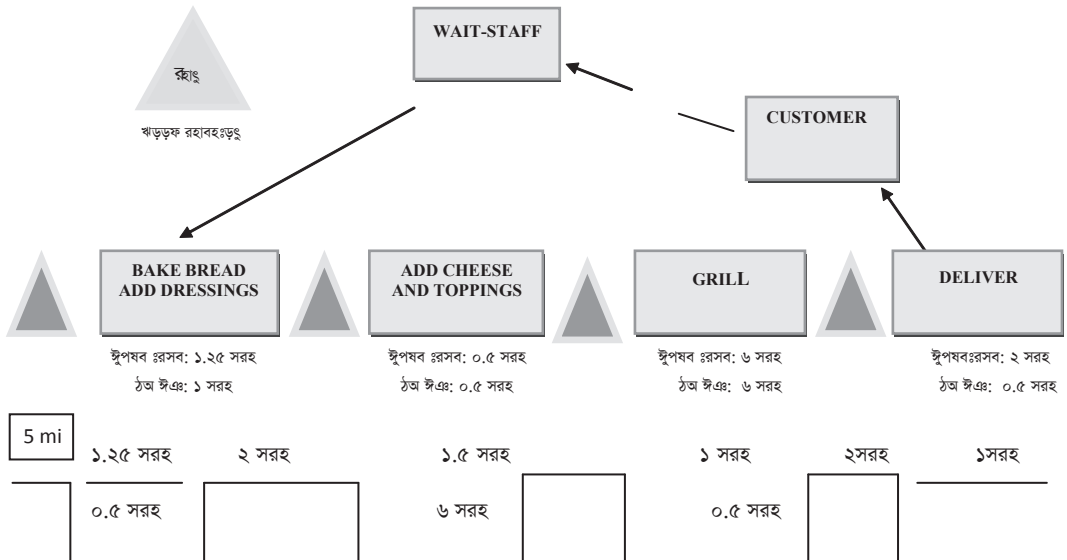
The scope of the sandwich-making value stream map is from the time the customer places an order to the time that the sandwich is delivered to the customer's table. The current process has a particular pattern the customer places the order to the wait-staff, and the order is collected, then the bread is baked as per order, and the dressing is added. Then the order is sent to the station where the cheese and the toppings are added to the sandwich, and it is sent to the next station where it should be grilled for a specific amount of time and should be delivered to the customer. There are both value added and non-value added activities where the non-value activities are in the baking and the delivering process.

The figure below shows the current state process and the cycle times with value added cycle time (VA CT) and non-value added cycle times.



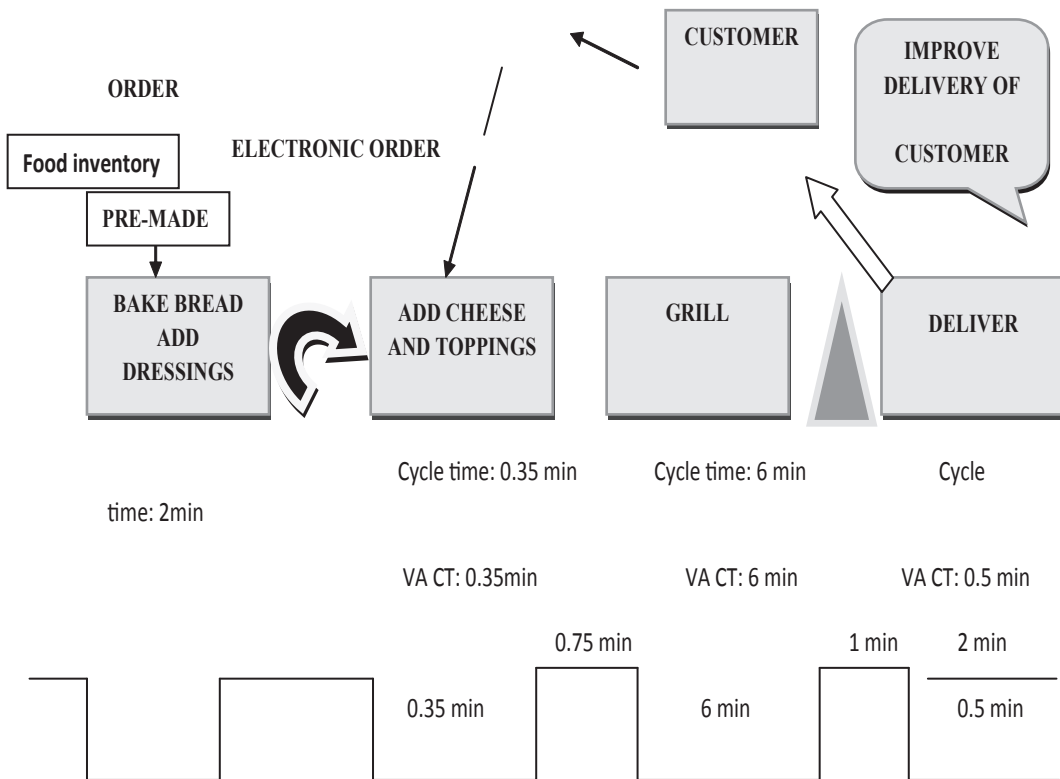
$$\text{LEAD-TIME} = \text{CYCLE TIME} + \text{DELAY TIME}$$

Current State Map:



এগুড়ঃধষ পুপষব ঞসব = ৯.৭৫ সরহ
 এগুড়ঃধষ ঠঅ পুপষব ঞসব = ৮ সরহ
 এগুড়ঃধষ ঘঠঅ পুপষব ঞসব = ১.৭৫ সরহ
 খবধফ ঞসব = ১৯.২৫ সরহ
 ডগচ ঞসব = ১৪.২৫ সরহ

ঋঁৎব বঃধঃব গধঢ়



এগুড়ঃধষ পুপষব ঞসব = ৮.৩৫ সরহ
 এগুড়ঃধষ ঠঅ পুপষব ঞসব = ৬.৮৫ সরহ
 এগুড়ঃধষ ঘঠঅ পুপষব ঞসব = ১.৫ সরহ
 খবধফ ঞসব = ১০.১ সরহ
 ডগচ ঞসব = ১০.১ সরহ

The improvements made from the current map to future map is that the cycle time is reduced, this is done by transferring the orders directly to the toppings station from the wait-staff which reduces a lot of time, and non-value added time is also reduced. In addition, the bread is baked in advanced and the dressing is added to it much prior to the orders are made as per average demand so that they are premade and the retrieval is also easy. From the toppings station to the grill there is first in first out policy used so that the customers are served as per the order they have come in. There is a connection made from the delivery section to the customer. Hence it makes the process much easier. The waste such as transportation and waiting is reduced as customers get their orders much faster and also the delivery is faster. Inventory is also reduced as the bread is premade and motion of employees from the wait staff to bake station and from bake station to topping station is eliminated by the use of electronic transfer.

Customers need to be satisfied such as:

- * Fresh food
- * Quick service
- * No queues

The techniques of lean are applied such as the processes are made more value streamed by adding an electronic order transfer and by making few essential things in advance which can be used in the process very quickly and efficiently. The use of FIFO and adding connectors for better delivery to the customer shows the use of lean techniques.

Calculations

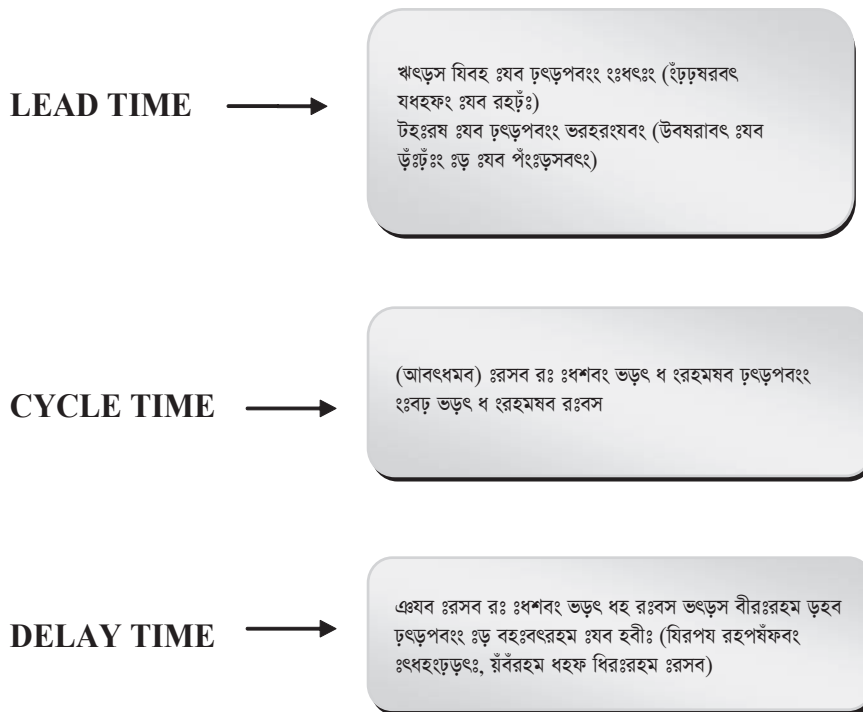
From the above two systems we have calculated the time as well as other co-efficient regarding this. Because the more accuracy on calculation the more expectation of having better future state mapping.

Types of Measures

- a) Efficiency b) Effectiveness c) Adaptability
- a) Efficiency: The amount of resources required to deliver the customers' requirements effectively
- b) Effectiveness: How well we satisfy the customers' requirements
- c) Adaptability: How well we can react to varying customers' requirements.

VSM focuses on efficiency measures:

- a) Time (people and process) b) Inventory (material)



Total Cycle Time

$$1.25 + 0.5 + 6 + 2 = 9.75 \text{ minutes}$$

Value-added: what the customer wants, and is prepared to pay for

* Total value added time: $1 + 0.5 + 6 + 0.5 = 8 \text{ minutes}$

* Total non-value added time: 1.75 min

Lead time = sum of the lead times for all the processes (value & non value added)

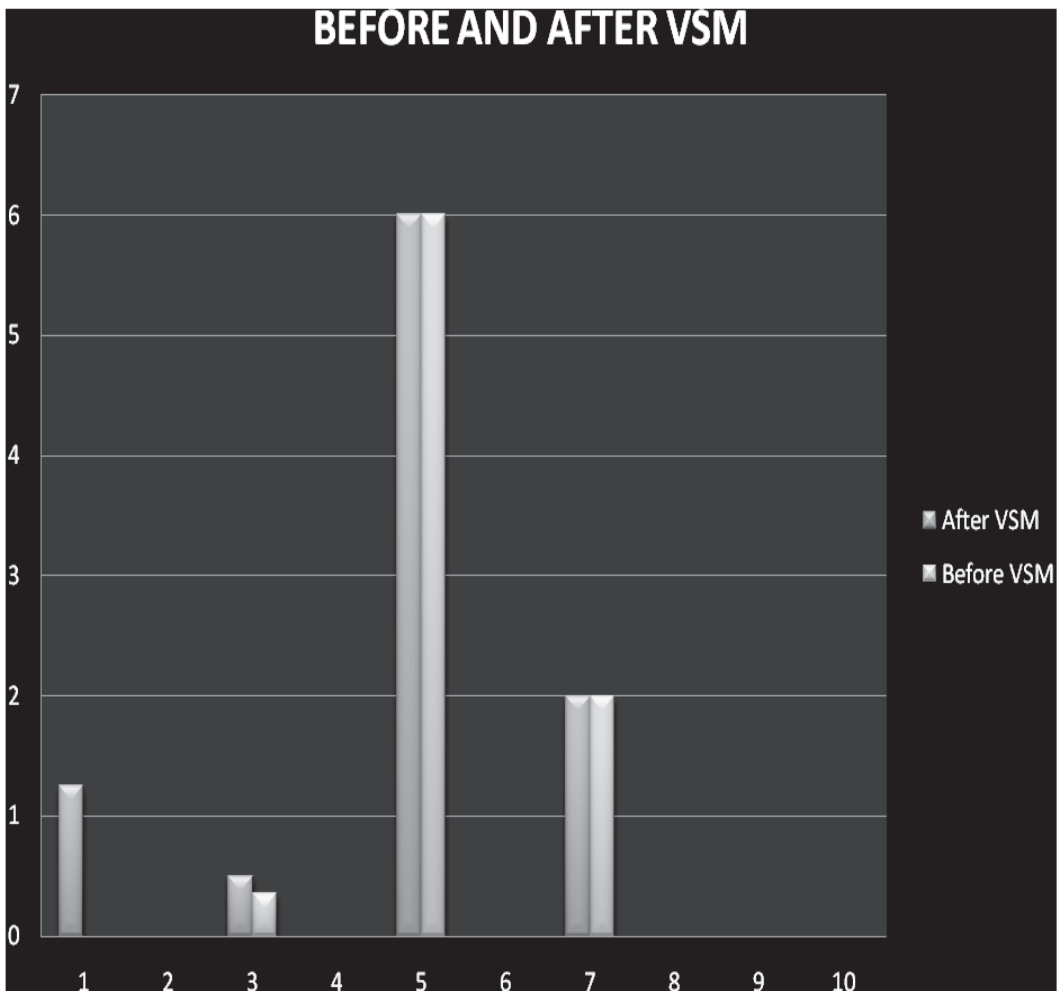
$$\text{Lead time} = 5 + 1.25 + 2 + 0.5 + 1.5 + 6 + 1 + 2 = 19.25 \text{ min}$$

Value added time = sum of the times for all the value added activities

Non value added time = sum of the times for all the non-value added times

* Work-in-process = 14.25 min

* Cycle Time Comparison:



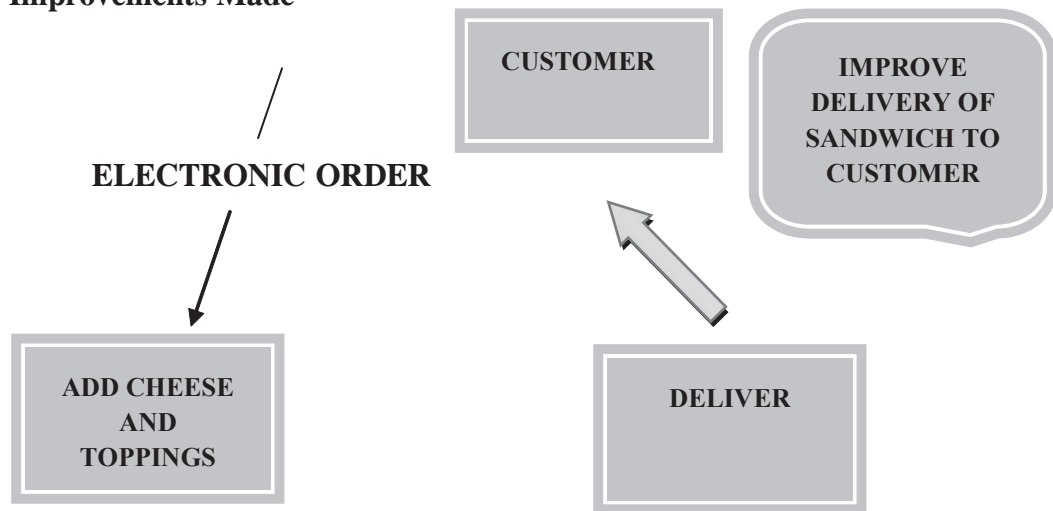
The figure shows the reduced cycle times from 1.25 from 0 min as the bread is pre-made. In the second step the time is reduced from 0.5 to 0.35 as the orders are directly sent from the wait-staff to station to add toppings and the retrieval is easy, the cooking time remains the same.

The total cycle time is reduced from 9.75 min to 8.35 min

The lead time is from 19.25 to 10.1

The WIP is changed from 14.25 to 10.1 which is ideal.

Improvements Made



The improvements made are that the electronic order transfer is used and the placement of connectors between the delivery and the customer for improved efficiency and easy processing.

Saved production cost:

The reduction of lead time and the cycle time as shown earlier helps in the reduction cost, and the use of connectors also help in the reduction of cost for transport and reduce waiting.

Conclusion

The process of VSM started with the understanding of the current process. Then there were calculations made such as cycle time calculation, lead time calculations etc. Moreover, there were many group activities and discussions made. There was identification of waste such as motion, transport and wait, value and non-value added process, and the time involved for each. Thereafter, as the current process was examined, there was a design for the future state map which has developed already. Moreover, there were many changes made such as the addition of electronic transfer which makes the process much faster, and it reduces motion. There was an addition of pre-made bread which reduces the wait from one station to the other and reduces the cycle time as it is easy for retrieval of process. Also, there was a technique of FIFO which helped to serve the customers who have placed the order. The cooking time remained the same. Lastly, the delivery was made much easier by adding a connector who contributes for serving the customer faster and efficiently. Last but not the least, the cycle time and the lead time are reduced as a result of the changes made and the use of lean techniques.

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