

# Indian economy set for a near double-digit contraction this fiscal year

REUTERS, Bengaluru

The Indian economy will suffer its deepest contraction on record this fiscal year and recent government stimulus does not go far enough to significantly boost activity depressed by the coronavirus pandemic, according to economists polled by Reuters.

With over 7.6 million coronavirus infections, India is the second worst hit country in the world after the United States and the spread shows no signs of abating.

While the government has removed most restrictions imposed on businesses to slow the spread of the virus, the Reserve Bank of India issued gloomy economic forecasts earlier this month but kept interest rates unchanged citing rising inflation.

That puts the onus on the government, which last week announced another round of fiscal stimulus to boost demand by \$10 billion.

But the Oct. 13-21 poll of 55 economists showed they were more pessimistic about this fiscal year's outlook than just two months ago.

Nearly 90 per cent of economists, 34 of 39, who responded to an additional question said the latest government stimulus was not enough to boost the economy significantly.

"While the measures introduced to push consumer spending and capital expenditure are clearly innovative within the confines of fiscal prudence,



Workers stitch garments at a factory of an apparel shop in Jaipur, India on October 20.

they do little to move the needle significantly in terms of the growth outlook this (fiscal) year," said Sakshi Gupta, senior economist at HDFC Bank.

After shrinking a record 23.9 per cent in the April-June quarter, the Indian economy was forecast to contract 10.4 per cent and 5.0 per cent in the third and fourth quarter, respectively and merely stabilize in the first three months of 2021.

That compares with contractions of 8.1 per cent and 1.0 per cent, respectively, and 3.0 per cent growth forecast in August.

For the current fiscal year ending March 31, Asia's third-largest economy

was predicted to shrink 9.8 per cent, more than the RBI's latest 9.5 per cent projection, and 26 of 55 economists saw a contraction of 10 per cent or more for the year.

The poll marks the seventh consecutive downgrade to this year's outlook and if confirmed, would be the weakest annual economic performance since records began six decades ago.

Although the economy was expected to grow 9.0 per cent and 5.7 per cent next fiscal year and in FY 2022-23, respectively, all but one of 36 economists with a view said it would take at least a year for Indian GDP to reach pre-COVID-19 levels.

# UK borrowing exceeds forecasts

REUTERS, London

Britain's government borrowing in the first half of the financial year was more than six times higher than before the COVID pandemic, official figures showed on Wednesday, taking public debt to its highest since 1960.

Public borrowing in September alone totalled 36.101 billion pounds (\$46.90 billion), above all forecasts in a Reuters poll of economists, although August's figure was revised down by more than 5 billion pounds to 30.113 billion pounds. The increased borrowing took total public debt further above the 2 trillion pound mark to 2,060 trillion pounds or 103.5 per cent of GDP, its highest on this measure since 1960, the Office for National Statistics said.

Driven by a surge in coronavirus-related spending and a fall in tax revenue after the biggest economic hit since at least the 1920s, borrowing

from April to September totalled 208.5 billion pounds, over six times more than for the same time in 2019.

Britain's Office for Budget Responsibility predicted in August that borrowing would reach a record 372 billion pounds by the end of this financial year, equivalent to 18.9 per cent of gross domestic product, the most since World War Two.

Borrowing to date is below what the OBR pencilled in for this point in the tax year, though the ONS data does not yet include the cost of defaults on government-backed COVID loans which the OBR has factored in.

Spending risks rising again in the second half of the financial year as lockdown restrictions return to much of the United Kingdom, pressuring the government to offer extra support to closed businesses and their workers.

"The OBR's forecast for public borrowing of 372 billion still looks about

right," said Samuel Tombs, chief UK economist at Pantheon Macroeconomics. Ratings agency Moody's downgraded Britain's sovereign credit rating on Friday to the same level as Belgium's and the Czech Republic's, warning that Britain "effectively has no fiscal anchor".

But financial markets have shrugged off rising borrowing, and 10-year government borrowing costs of around 0.2 per cent are only slightly above an all-time low struck at the start of the pandemic. Economists polled by Reuters expect the Bank of England to launch a further 100 billion pounds of bond purchases next month, adding to the 300 billion pounds announced since March.

Britain's government had aimed to set out a three-year plan for public spending next month, but said on Wednesday this would only cover one year due to COVID uncertainty, with exceptions for schools, healthcare and some infrastructure.

**কুমিল্লা বিশ্ববিদ্যালয়**  
কোটবাড়ী, কুমিল্লা

**Corrigendum of e-Tender Notice**

This is for information and necessary action to all concerned that the following amendments have been made to the **e-tender notice ID No. 503983**, Date: 20.10.2020 "Supply & Installation of Computer Lab Item for Faculty and Department of Comilla University".

Name	Publication in advertisement	Corrigendum or have to read
Tender/Proposal Security (Amount in BDT)	750000.00	75000.00

All other terms & conditions of the **e-Tender ID No. 503983**, Date: 20.10.2020 will remain unchanged.

Sd  
**Engr. S.M. Shahidul Hasan**  
Superintending Engineer  
Comilla University  
GD-1684

## American Airlines posts third straight quarterly loss

REUTERS

American Airlines Group Inc reported a third straight quarterly loss on Thursday, hurt by a slump in travel globally due to the COVID-19 pandemic.

The company said its third-quarter cash burn rate was about \$44 million per day, compared with about \$58 million a day in the second quarter.

The airline industry, hard-hit by the virus outbreak has so far failed to secure another \$25 billion bailout to help protect jobs and cover payroll costs.

The company posted a net loss of \$2.40 billion, or \$4.71 per share, in the third quarter ended Sept. 30, compared with a profit of \$425 million, or 96 cents per share, a year earlier.

On an adjusted basis, the company lost \$5.54 per share. Total operating revenue fell to \$3.17 billion from \$11.91 billion.

American Airlines ended the third quarter with \$13.6 billion in available liquidity.

## China's fiscal revenues rise 4.7pc in third-quarter

REUTERS, Beijing

China's fiscal revenues grew 4.7 per cent in the third quarter from a year earlier, reversing a 7.4 per cent drop in the previous quarter, the finance ministry said on Wednesday, as the country's economic recovery picked up pace.

China's economy in the July to September quarter expanded by 4.9 per cent from a year earlier, weaker than analyst expectations but faster than the second quarter's 3.2 per cent growth.

For the first nine months of the year, fiscal revenues fell 6.4 per cent from a year earlier to 14.10 trillion yuan (\$2.12 trillion), while fiscal expenditures dropped 1.9 per cent to 17.519 trillion yuan, the ministry said.

Liu Jinyun, a finance ministry official, told a briefing that tax receipts could get a boost from China's continued economic rebound in the fourth quarter.

"The decline in accumulative fiscal revenues will gradually moderate," he said.

The government is on track to cut taxes and fees by more than 2.5 trillion yuan in 2020, including 1.88 trillion yuan in the first eight months, the ministry said.

**Government of the People's Republic of Bangladesh**  
Local Government Engineering Department  
Office of the Upazila Engineer  
Pabna Sadar  
Pabna  
[www.lged.gov.bd](http://www.lged.gov.bd)

Memo No. 46.02.7655.000.07.001.18/580 Date: 21.10.2020

**e-Tender Notice: 05/2020-2021 (LTM)**

e-Tender invited in the National e-GP (<http://www.eprocure.gov.bd>) for the procurement of undermentioned work:

Sl No.	Tender ID No.	Package description	Last selling date and time	Closing date & time
1.	494604	Repair & Maintenance of Ataikula Union Parishad Bhaban under Pabna Sadar, Pabna.	12/11/2020 12.00am	12/11/2020 13.00pm

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and online hard copies will be accepted. To submit e-GP tender registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered banks branches up to 12.00pm date 12/11/2020. Further information and guidelines are available in the National e-GP System Portal and from e-GP helpdesk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

Sd  
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GD-1683

**গণে হাসিনার দর্শন**  
বাংলাদেশের উন্নয়ন

**Government of the Peoples' Republic of Bangladesh**  
Local Government Division  
Income Support Program for the Poorest (ISPP)-JAWTNO Project  
DPHE Bhaban, Level 8  
14 Shaheed Captain Mansur Ali Sarani, Kakrail, Dhaka 1000.

Memo No. ISPP/PMU-102/Internal Audit Firm (part-2)/2016/ Date: October 21, 2020

**REQUEST FOR EXPRESSION OF INTEREST For Internal Audit**

The Income Support Program for the Poorest (ISPP)-JAWTNO Project, the "Program" - a co-responsibility cash transfer (CCT) safety net program, implemented by the Local Government Division, that will provide income support to the poorest pregnant women/mothers and their two children up to 5 years in 444 Union Parishads in 43 Upazilas in Mymensingh and Rangpur Division, with the objectives of: (a) increasing mothers' use of child nutrition and cognitive development services, and (b) enhancing local level government capacity to deliver safety nets.

02. The Government has received a Credit from the International Development Association (the "Bank") an amount equivalent to US\$300 million, after cancellation of US\$50.00 million which stands US\$250.00 million at present, towards the cost of the Income Support Program for the Poorest, which includes a technical assistance component that will support and facilitate implementation of the CCT program for targeted beneficiaries, including enhancing local-level government capacity and monitoring and evaluation. The Government intends to apply a portion of the proceeds of this Credit for procuring services of a qualified Internal Audit Firm.

03. The Income Support Program for the Poorest (ISPP)-JAWTNO Project under The Local Government Division of the Ministry of Local Government, Rural Development and Cooperatives now invites eligible Audit Firms to submit their Expressions of Interest (EOI) for the above contract package for providing the required services. Interested Audit Firms must provide information with documentary evidences indicating that they are qualified to perform the services (brochures, copy of its original registration, description of assignments of similar nature, experience in similar conditions, availability of appropriate professional qualifications and experience among staff, etc.). The EOIs received will be evaluated on the basis of the following:

- Registration of the Firm
- Age of the Firm
- Qualification and experience of professional and staffs assigned to this service.
- Experience of the Firm in similar assignments especially World Bank funded project
- Experience of the firm in other similar jobs/activities/services
- Support services of the Firm

04. The Internal Audit Firm shall support the project in the achievement of its goals by:

- An assessment of the adequacy of the project's financial management system, including internal controls. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls exercised by the project and suggestions of improvement, if any.
- Ascertain the extent of level of compliance with established policies, plans and procedures including those agreed under the legal agreement.
- Review the cash transfer systems and procedures and also monitor the reconciliations of cash transfer to beneficiary with the MIS report, BPO statements & Project Accounts;
- Review the beneficiary enrollment activities and procedures and ascertaining the extent of level of compliance with ISPP establish policies, plans and procedures under legal agreement with the contracted firm.
- Review the services provided to the ISPP beneficiaries like Ante Natal Care (ANC), Growth Monitoring Promotion (GMP), Child Nutrition and Cognitive Development (CNCD) by the Community Clinics (CC), Community Facilitators (CF) under hired NGO BRAC and SPA as per contract agreement.
- Verify the procurement plans and procedures whether those are implemented in accordance with the government procurement rules and World Bank guidelines;
- Review and verify the recruitment of project staff and selection procedures with the compliance of World Bank and Government system.
- Review and verify the appointment of Consultants and selection procedures with the compliance of World Bank and Government system.
- Verifying that the funds received under the project have been used in accordance with the financing agreement, with due attention to economy, efficiency and utilized only for the purposes for which the financing was provided.
- Review whether budgeting & accounting practice meets established International/National standards.
- Verify the expenditures charged under the Project are eligible for financing, correctly classified and all necessary supporting documents, records, accounts and contracts have been kept in respect of all Project transactions/activities.
- Confirm an appropriate system of accounting and financial reporting exists, on the basis of which SOE claims/IUFRs are prepared and submitted for reimbursement.
- Examine & evaluate the adequacy of manpower for sound & effective operation of the Project.
- Justify the proper utilization of manpower appointed in the Project including National Consultant(s).
- Ascertain the reliability of integrity, controls, security and effectiveness with the system.

05. Special attention of interested Firms is drawn to paragraph 1.9 of the World Bank's *Guidelines for Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers (January 2011)* which sets forth the World Bank's policy on Conflict of Interest (COI).

06. Internal Audit Firm may associate with other Firm in the form of a joint venture to enhance their qualifications. Firms which intend to participate in JV should submit information for each partner, which will be assessed independently regardless of capacity/experience of the other partner. In case of a joint venture all members of such association should have real and well-defined inputs to the assignment and it is preferable to limit the total number of Firms in the association to a maximum of 3 (three).

07. Firms be selected in accordance with **Fixed Budget Selection (FBS)** procedures set out in the *Guidelines for Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers (January 2011)*. Only shortlisted Firms will be invited to the next stage of Request for Proposal (RFP).

08. All EOIs (**one original copy and two duplicate copies**) must be submitted in a sealed envelope. Firms shall submit their EOIs by **4.00 pm on November 19, 2020** in a sealed envelope clearly marked "Request for Expression of Interest (REOI) for Selection of Firm for conducting "Internal Audit" (Contract Package # SF-5) to the undersigned by hand/courier service /guaranteed express service through the post office. No EOI will be received through e-mail.

09. Any attempts to unduly persuade the procuring entity by any applicant will be ground for disqualification. The authority reserves the right to accept or reject any or all the EOIs without assigning any reason whatsoever. The EOI notice and ToR are available on the following websites: [www.ispplged.gov.bd](http://www.ispplged.gov.bd)

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