

Star BUSINESS

Bangladesh Bank Governor Ahsan H Mansur urged banks to be compassionate when dealing with farmers who fail to repay loans

Story on B4



Fixing boards of ailing banks is first step for good governance

BB governor says in interview

MD MEHEDI HASAN

Reconstituting the board of directors of ailing banks is the first step towards bringing good governance and discipline to the banking sector, according to Bangladesh Bank Governor Ahsan H Mansur.

The country's central bank has already reconstituted the board of some banks in which S Alam Group held a majority stake, Mansur said in a recent interview with The Daily Star.

The eminent economist was appointed as governor of the Bangladesh Bank on August 14. He replaced Abdur Rouf Talukder, who stepped down from the post following the ousting of the Sheikh Hasina-led Awami League government on August 5.

Of the banks with reconstituted boards, S Alam Group held a roughly 80 percent stake in Islami Bank Bangladesh, Social Islami Bank, Global Islami Bank and Union Bank.

The central bank governor said they will take over the shares of S Alam Group against its liabilities to these banks in order to sell them and return depositors' funds.

The boards of two other lenders -- National Bank and United Commercial Bank -- were also reformed.

Mansur informed that, in most cases, they are reconstituting the preliminary board of ailing banks. Regarding the selling of S Alam's shares, he said this would allow new sponsor directors to come to



Although the unrest stemming from nationwide protests is fading and shopping centres have opened their doors, customer footfall has not picked up. Recent floods, alongside persistently high inflation, have also impacted consumer behaviour. As such, shopping centres and malls remain relatively desolate. The photos were taken in Farmgate yesterday. PHOTO: PRABIR DAS

Business activities yet to come back on track

JAGARAN CHAKMA

Flash floods across parts of the country, the lingering effects of recent nationwide political upheaval, and persistent inflationary pressure have prevented business activities from getting back on track, according to businesspeople.

As uncertainty and fear are still clouding people's minds, they are not interested in shopping, businesspeople said.

However, they believed business activities would gradually return to normalcy, saying that there was no alternative but to wait for better days.

"The months-long political unrest stemming from the student movement, coupled with recent floods, caused sales and demand to drop to inadequate levels. So, businesses are enduring a difficult time," said Tapan Sengupta, deputy managing director of BSRM, a leading steel manufacturer.

He said that sales of construction materials usually decline in the rainy season, with demand for steel significantly reduced during the monsoon months.

"However, various elements have emerged and hampered business in nearly all sectors."

Since demand from clients and dealers has declined substantially, BSRM has only been partially running its production units in order to avoid a stockpile of goods, he informed.

Sales will not improve until consumer confidence is restored, and development projects are resumed, he opined.

Rupali Chowdhury, managing director of Berger Paints Bangladesh, said domestic

consumption of fast-moving consumer goods and construction materials has declined significantly since last year.

"The recent unrest added to this, which is unfavourable for business growth," she said.

Consumers are uninterested in spending money on non-essential products in the current situation, she noted.

Chowdhury, also a former president of the Foreign Investors' Chamber of Commerce and

fundamental reason for the decline in sales.

Inflation hit 11.66 percent in July this year, the highest in at least 13 years, while food inflation soared to at least a 10-year high of 14.1 percent, according to the Bangladesh Bureau of Statistics.

"Later, unrest and flash floods exacerbated the situation," he said.

However, Hoque believes the situation will gradually improve as the political situation becomes more stable.

Mohammed Amirul Haque, managing director of Premier Cement Mills PLC, said the business situation had been beyond anyone's control since mid-July.

"Demand declined significantly due to the monsoon season and also because customers are yet to regain confidence. In this situation, we are running the manufacturing units partially," he said.

"Despite having no control over the situation, we are trying to do our best to handle the challenges," Haque added.

He also stressed the need for policy support from the interim government.

MA Jabbar, managing director of DBL Group, said factories in Mymensingh's Bhaluka area and Gazipur's Kashimpur locality are contending with an acute gas and power supply crisis.

"In this situation, we are running the factories with diesel to ensure power, which increases the cost of production," he said.

Although demand is slow at the moment, manufacturers may be unable to ensure adequate supply as production is being hampered due to the gas crisis, he added.

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Governor says...

- BB will reconstruct boards of ailing banks to bring good governance
- New sponsor directors could be from Bangladesh or abroad
- Honest people with strong financial condition are required as sponsors
- BB will go after the assets of borrowers like S Alam
- BB will ask for support from World Bank to get back laundered money

the boards.

"The new sponsor directors could be from home or abroad. Shares will be available for all investors," Mansur added.

However, the central bank governor also said they will ensure that only fit and proper people assume the post.

"Honest people with strong financial condition are needed as sponsor directors for ailing banks," he said. "We will go after the assets of borrowers or directors like S Alam if needed."

Regarding the recovery of laundered money, Mansur said the Bangladesh Bank and other related authorities will speak with counterparts abroad to bring back the funds.

"We will also seek support from the World Bank," he added, informing that the US government was interested in helping in this regard.

"We will not give up anything we can recover."

Furthermore, Bangladesh is already in talks with the International Monetary Fund (IMF) and other multilateral agencies for additional loans.

READ MORE ON B3

Banks to quote a maximum of Tk 120 per USD

STAR BUSINESS REPORT

The treasury heads of banks in Bangladesh yesterday decided to quote Tk 120 per US dollar as the maximum exchange rate for the greenback or its equivalent in other currencies.

The decision was reached in a virtual meeting featuring the treasury heads of 40 banks.

A treasury head of a private commercial bank told The Daily Star that the decision was taken based on the crawling-peg exchange rate.

"We took the decision to avoid anomalies in the foreign exchange market," he added.

The central bank introduced the crawling-peg in early May this year, moving away from administered rates of US dollars, in a bid to gradually allow demand and supply

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White paper to assess extent of corruption

Says Debapriya Bhattacharya

STAR BUSINESS REPORT

The committee tasked with formulating a white paper on Bangladesh's economy will assess the extent of corruption in the country and identify the reasons behind it, according to Debapriya Bhattacharya, a distinguished fellow at the Centre for Policy Dialogue (CPD).

However, he said that it would not identify any individuals involved.

"Many people think it is a committee to catch corrupt people, but that is not its purpose. Instead, it will explain why corruption occurred and to what extent," he said.

"The government has its own agencies for finding those responsible."

Bhattacharya, team leader of the 12-member committee tasked with preparing a white paper on the state of the economy, was speaking at a press briefing after the committee's first meeting at the Planning Commission in Agargaon yesterday.

Asked whether the committee would publish the names of corrupt individuals, he said it was out of the question.

Regarding the main tasks of the

committee, he said they will highlight the challenges in managing the economy and present its true state with data. The report will not detail why these challenges arose, but some indications will be provided.

"At the same time, we will offer some hints on how to overcome these challenges," Bhattacharya said.

It will also mention measures that can safeguard the country from plunging into such a crisis in the future.

It will not evaluate the activities of the previous government, but will make recommendations to the current government to avoid repeating past mistakes.

He also informed that the newly formed committee would only discuss the country's mega projects instead of all development projects.

"We are not going to discuss all development projects. We will review the mega projects. If it is necessary to examine any specific project in detail, we will do so," he said.

"We will review the necessity of undertaking these mega projects and the

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External deficit falls to three-year low

Analysts term it positive

STAR BUSINESS REPORT

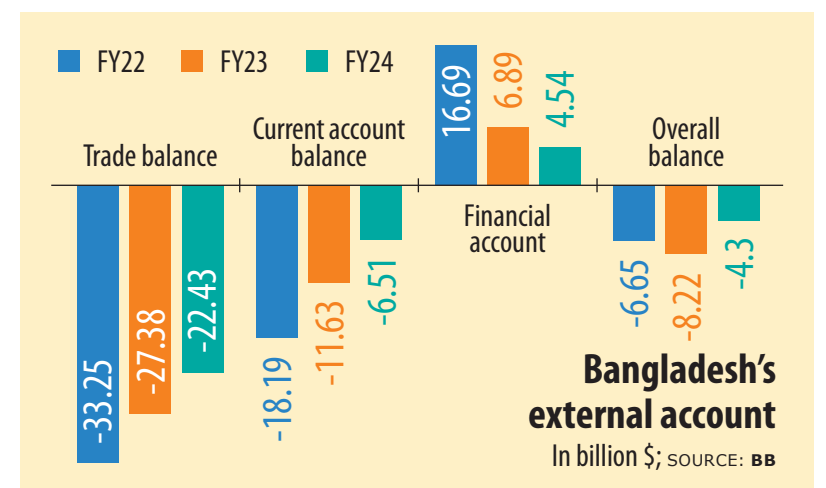
Bangladesh's overall external deficit nearly halved in fiscal year (FY) 2023-24, hitting the lowest mark in three years, a positive development which is expected to ease the pressure on forex reserves and reduce exchange rate volatility.

At the end of FY24, the overall external deficit stood at \$4.3 billion, down 48 percent year-on-year from \$8.2 billion a year ago, according to Bangladesh Bank data on the Balance of Payments, which records a country's transactions with the rest of the world.

The current account balance, which includes inflows and outflows to and from a country through exports, imports, interest payments and remittances, also improved in FY24, which ended on June 30.

The BB said the current account deficit narrowed to \$6.5 billion in FY24 from \$11.6 billion a year ago, reflecting a 44 percent year-on-year fall.

Trade imbalance declined 18 percent year-on-year to \$2.24 billion in FY24 despite a fall in export earnings. This was because import



contractions helped to cut the deficit.

"Overall, this is a positive development," said Monzur Hossain, research director of the Bangladesh Institute of Development Studies (BIDS).

He said the reduction in the overall deficit may foster stability in the exchange rates, adding that the pressure on foreign exchange reserves will also reduce.

"At the same time, the concerning

aspect is that stability is coming at the cost of imports," Hossain said, adding that this would have implications on industries and consumption.

Amid consistent shortfalls of foreign exchange and declining forex reserves, the central bank, on various occasions since 2022, has discouraged imports of non-essential or luxury items.

"It would be good to relax imports

READ MORE ON B3

SBAC Bank, GP sign deal on transactions and promotional services

STAR BUSINESS DESK

SBAC Bank recently signed an agreement with Grameenphone to provide transaction and promotional bulk SMS and value-added digital services.

Habibur Rahman, managing director and chief executive officer of the bank, and Asif Naimur Rashid, chief business officer of the telecom operator, penned the deal in Dhaka, according to a press release.

Mohammad Shafiqul Azam, head of the bank's digital banking division, Md Fakhrul Islam, manager of IT operations, and Md Feroj Chowdhury, head of agent banking division, were present.

M Shaon Azad, director and head of large accounts of the mobile operator, Md Shakhawat Hossain Khan, head of sub-segment, Farah Diba, manager of bidding, and Mahnoor Tabassum, manager of accounts, were also present.



Habibur Rahman, managing director and chief executive officer of SBAC Bank, and Asif Naimur Rashid, chief business officer of Grameenphone, pose for photographs after signing an agreement in Dhaka recently.

PHOTO: SBAC BANK

StanChart Saadiq Bangladesh wins multiple awards

STAR BUSINESS DESK

Standard Chartered Saadiq Bangladesh has been recognised as the country's "Islamic Bank of the Year", "Best Islamic SME Bank", and "Best Islamic Retail Bank" at The Asset Triple A Islamic Finance Awards 2024.

This year, Standard Chartered Saadiq won a total of 38 awards.

The franchise has also been globally recognised as the "Sukuk Adviser of the Year" and "Best Islamic Bank for Digital Innovation".

Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, said: "These achievements underscore our dedication to providing best-in-class Shariah compliant financial solutions and the trust our clients place in us to provide services that align with their values."

The franchise has also been globally recognised as the "Sukuk Adviser of the Year" and "Best Islamic Bank for Digital Innovation"

"With strong support from policy and regulatory bodies, we have been able to enhance our offerings and promote financial inclusion, ensuring that more people have access to Islamic banking services."

"Under the guidance of the bank's Global Shariah Board with recognised international scholars, we will continue to innovate and lead the Islamic banking industry with integrity and excellence," he added.

The Asset Triple A Islamic Finance Awards are the most prestigious awards in what has rapidly become one of the most promising niches in global finance. The Asset adopts a rigorous approach in selecting the best Islamic institutions and transactions across the world.

Standard Chartered Saadiq is the only international Islamic banking proposition in Bangladesh for both retail and corporate clients.



AMM Moyeen Uddin, deputy managing director of Dhaka Bank, hands over a cheque worth Tk 2 crore to Faruk E Azam, adviser to the disaster management and relief ministry, at the Bangladesh Secretariat in Dhaka yesterday.

PHOTO: DHAKA BANK

Dhaka Bank donates Tk 2cr for flood victims

STAR BUSINESS DESK

Dhaka Bank donated a financial relief package worth Tk 2 crore for flood-affected people in various districts of the country.

The sum was deposited to the Chief Advisor's Relief and Welfare Fund and will be mobilised to meet the essential needs of the victims.

AMM Moyeen Uddin, deputy managing director of the bank, handed over a cheque to Faruk E Azam, adviser of the ministry of disaster management and relief, at the Bangladesh Secretariat in Dhaka, according to a press release.

Additionally, the bank gave away various food and relief items to 2,500 families in the flood-hit Feni, Chhagalnaiya, Sonaimuri, Gunoboti and other areas from the bank's corporate social responsibility fund.

Sadiqul Islam becomes Social Islami Bank chairman

STAR BUSINESS DESK

M Sadiqul Islam, a professor of the department of finance at the University of Dhaka, was elected chairman of Social Islami Bank yesterday while Md Anisul Hoque, representative of Hamdard Laboratories (Waqf) Bangladesh, got the post of vice-chairman.

The board of directors organised a meeting at the bank's head office in Dhaka to elect the chairman and vice-chairman to safeguard depositors' interest and ensure good governance within the bank, according to a press release.

Maksuda Begum, former executive director of the Bangladesh Bank, was elected as chairman of the EC Committee,

and Md Rezaul Haque, sponsor director, was elected chairman of the risk management committee.

Chartered Accountant Md Anwar Hossain was elected chairman of the board audit committee of the bank.

Md Morshed Alam Khondoker, an independent director, was present.

Md Anisul Hoque, representative of Hamdard Laboratories (Waqf) Bangladesh, attended the meeting as a director in line with approval from the Bangladesh Bank.

Bangladesh Bank reformed the bank's board on August 25 to ensure good governance. With the formation of a new board, the bank hoped the trust of clients would start to be restored, the press release added.

ACI Motors stands by Sena Kalyan Sangstha in helping flood victims

STAR BUSINESS DESK

ACI Motors recently provided a portable generator to Sena Kalyan Sangstha to ensure emergency power for flood-affected people in Dalba in Cumilla's Chaudagram upazila.

Bangladesh is facing a devastating flood that has left many homeless, without food, and struggling to meet essential needs.

Understanding the critical importance of uninterrupted power during such a crisis, ACI Power Solution has supplied a portable generator to Sena Kalyan Sangstha, according to a press release.

This generator will be used to meet urgent needs, provide lighting at night, and power essential electronic devices in the area. ACI Power Solution is committed to ensuring uninterrupted power supply by providing international-standard products and 24/7 after-sales service.

"We are dedicated to serving the country and meeting all essential needs," the press release added.

Prime Bank, Toyota-Navana strike deal on EMI facility

STAR BUSINESS DESK

Prime Bank recently signed a partnership agreement with Toyota-Navana Limited, an authorised distributor of brand-new Toyota vehicles in Bangladesh.

Md Nazeem A Choudhury, deputy managing director of the bank, and Md Ali Ehsan, head of after-sales operations at Toyota-Navana Limited, penned the deal at the bank's corporate office in the capital's Gulshan, according to a press release.

Under the agreement, the bank's credit cardholders will enjoy EMI facilities on after-sales services from the automobile company.

Tamanna Quadry, head of priority banking of the bank, MM Shahidul Islam Munir, head of sales operations, and Shaikat Ahmed, head of strategic planning and insights of the automobile company, were present alongside senior officials from both organisations.



Md Nazeem A Choudhury, deputy managing director of Prime Bank, and Md Ali Ehsan, head of after-sales operations at Toyota-Navana Limited, pose for photographs after signing an agreement at the bank's corporate office in the capital's Gulshan recently.

PHOTO: PRIME BANK



M Sadiqul Islam, newly-elected chairman of Social Islami Bank, presides over a board meeting of the bank at their head office in Dhaka yesterday. The bank's board of directors was recently reformed by the Bangladesh Bank.

PHOTO: SOCIAL ISLAMI BANK

WEST ZONE POWER DISTRIBUTION CO. LTD.
(An Enterprise of Bangladesh Power Dev. Board)
Office of the Chief Engineer
Bidyut Bhaban, 35 Boyra Main Road, Khulna
Ph: 01766690800, Fax: 02477-730484

Memo No: 27.22.4785.008.74.001.24/2156 Date: 27.08.2024

e-Tender Notice (NCT)

e-Tender for the office of the Chief Engineer (P&D) invites in the National e-GP system Portal (www.e-procure.gov.bd) for the procurement of following goods:

Sl	Tender ID	Name of Tender	Last Selling and Closing Date & Time
1	1010985	Supply, Delivery, Installation, Testing & Commissioning of Server, SAN Storage, Network Switch, 42U Server Rack set and Windows server license pack under West Zone Power Distribution Company Ltd., Khulna.	25-Sep-2024 12:00:BST 25-Sep-2024 15:00BST

This is an Online Tender, Where only e-tender will be accepted in the National e-GP System Portal and no offline/hard copies will be accepted.
To submit e-Tender, registration required in the National e-GP System Portal (www.e-procure.gov.bd).
The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered Bank.
Further information and guidelines are available in the National e-GP System Portal and e-GP help desk (helpdesk@e-procure.gov.bd).

Chief Engineer (P&D), WZPDCL, Khulna.

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
OFFICE OF THE EXECUTIVE ENGINEER
EDUCATION ENGINEERING DEPARTMENT
SATKHIRA

TENDER NOTICE NO: 02/e-GP/EED/SAT/REV/4931- SHED/TMED/5974-TMED Dated: 29.08.24
e-TENDER NOTICE Procurement Method: OTM/LTM (NCB)

e-Tender is invited in the National e-GP system portal (<http://www.e-procure.gov.bd>) for the procurement of the following works:

SL No	Tender ID	Name of Works	Last Selling (Date & Time)	Closing / Opening (Date & Time)
1.	939634	Construction of Vertical Extension of 2nd, 3rd & 4th Floor with 05-Storeyed Office Building of Education Engineering Department District Office In/c Sanitary, Water Supply & Electrification Works at Office of The Executive Engineer, Sadar Upazila Under Satkhira District. (2021-2022)	22.09.2024 16:00	23.09.2024 11:00
2.	1008528	Repair & Renovation Works of Prayer Room at Satkhira Govt. Technical School & College, Sadar, Satkhira. (2023-2024)	17.09.2024 16:00	18.09.2024 11:00
3.	1008529	Repair & Renovation Works of Incomplete Works, Toilet Block RAC Building (1st Floor) & Internal Road at Satkhira Govt. Technical School & College, Sadar, Satkhira. (2023-2024)	17.09.2024 16:00	18.09.2024 11:00
4.	1008530	Repair & Renovation Works of Magura Pirshah Jaynuddin Dakhil Madrasha, Tala, Satkhira. (2023-2024)	17.09.2024 16:00	18.09.2024 11:00
5.	1008531	Repair & Renovation Works of Kashipur Islamia Dakhil Madrasha, Tala, Satkhira. (2023-2024)	17.09.2024 16:00	18.09.2024 11:00
6.	1008532	Repair & Renovation Works of Satani Kushkhali Dakhil Madrasha, Sadar, Satkhira. (2023-2024)	17.09.2024 16:00	18.09.2024 11:00

This is an online Tender, where only e-Tender will be accepted in the National e-GP portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (<http://www.e-procure.gov.bd>) is required. The fee's for downloading the e-Tender Documents from the National e-GP System portal have to be deposited, online through any registered Bank's branches. Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@e-procure.gov.bd).

(Ringkon Biswas)
Executive Engineer
Education Engineering Dept.
Satkhira

Bank and BO accounts of owners of Moshihor Securities to be blocked

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) yesterday decided to block bank accounts and beneficiary owner's (BO) accounts belonging to the directors and managing director of Moshihor Securities Ltd.

The decision was made after the regulator uncovered a deficit in the brokerage house's consolidated customers' account (CCA).

The CCA account contains all the money that has been given to brokerage houses by customers but has not yet been used to buy shares.

The regulator also asked law enforcement agencies to take necessary steps to ensure that the directors and managing director of the company cannot go abroad.

The decision was taken during a commission meeting held at its head office in the capital yesterday. The regulator also formed a five-member investigation committee to prepare a comprehensive report on the situation. The committee will submit the report within 45 working days.

Mohammad Emdadul Haque, deputy director of the BSEC, will lead the committee. Two representatives each from the Dhaka Stock Exchange and Central Depository Bangladesh were also included in the committee.

Stocks rise buoyed by circuit breaker reset

STAR BUSINESS REPORT

Stock markets' indexes in Bangladesh rose for a second consecutive day yesterday as investors made fresh bets on blue chip and large-cap shares, gaining confidence from an increase in the circuit breaker's lower limit.

The stock market circuit breaker determines the extent to which the price of a stock can increase and decrease in a day.

The Bangladesh Securities and Exchange Commission reset the lower limit at 10 percent from 3 percent for publicly traded companies on Wednesday alongside taking a number of decisions.

The upper limit has been kept unchanged at 10 percent.

The change gave investors and industry people hope that the market forces, meaning demand and supply, would be better able to play out and determine stock prices.

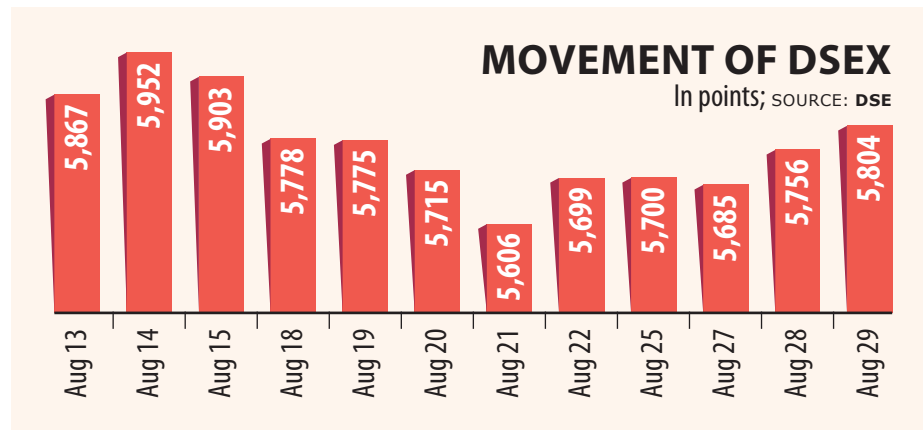
As a result, the DSEX, the benchmark index of Dhaka Stock Exchange (DSE), rose 47.70 points, or 0.83 percent, from that the day prior to close at 5,804.

Likewise, the DSES index for the Shariah-based companies grew 6.90 points, or 0.56 percent, to 1,241 and the DS30 index of the blue chip firms increased 6.78 points, or 0.32 percent, to 2,124. At Chittagong Stock Exchange, the CASPI, the broad index of the port city bourse, edged up by 117.72 points, or 0.72 percent, to settle at 16,520.

Of the issues undergoing trade at the DSE, prices of 298 rose, 67 declined and 32 did not witness any price movement.

In its daily market update, UCB Stock Brokerage pointed out that the day's turnover stood at Tk 963 crore, which was an increase of 7.19 percent.

The total market turnover of block trades,



meaning high volume transactions in securities that are privately negotiated and executed outside of the open market, stood at Tk 30.81 crore, representing 3.2 percent of the day's total turnover.

The pharmaceuticals sector dominated the turnover chart accounting for 16.91 percent of the daily total market turnover.

BAT Bangladesh topped the turnover list with a rise of 1.40 percent, followed by MJL Bangladesh (0.20 percent) and Olympic Industries (3.39 percent).

Sector-wise, non-bank financial institutions (NBFI), information technology (IT) and ceramics became the top three to close in the positive, according to the daily market update by Shanta Securities.

Telecom, pharmaceuticals and miscellaneous were the three sectors that closed in the negative.

Shares of companies like Prime Bank, LafargeHolcim Bangladesh, Khan Brothers PP Woven Bag Industries, IFIC Bank, Confidence Cement, Orion Infusion, Bangladesh Steel Re-Rolling Mills and

Fortune Shoes drew a lot of investors, according to LankaBangla Financial Portal.

Moreover, Deshbandhu Polymer, ADN Telecom, Investment Corporation of Bangladesh, Meghna Pet Industries, Central Insurance Company and Legacy Footwear also fared well.

Tung Hai Knitting & Dyeing and Fortune Shoes jointly took the top spot on the gainers' chart rising 10 percent.

However, none of the companies saw a double digit growth in share prices.

Grameenphone, Square Pharmaceuticals, Islami Bank Bangladesh, National Bank, Beacon Pharmaceuticals, Linde Bangladesh, Marico Bangladesh, City Genins, United Commercial Bank and Uttara Bank did not perform that well.

Shahjibazar Power Company shed the most, losing three percent.

Khulna Power Company, City Insurance, Sonali Paper & Board Mills, Usmania Glass Sheet Factory, Linde Bangladesh, Marico Bangladesh and Al-Haj Textile Mills also suffered losses.

Humaira Azam becomes MD of LankaBangla Finance

STAR BUSINESS DESK

Humaira Azam, who was the first female to become managing director (MD) and chief executive officer of a bank or non-bank financial institution (NBFI) in Bangladesh, recently joined LankaBangla Finance as its MD.

Humaira had been serving as managing director and CEO of Trust Bank Limited prior to her new charge, according to a press release.

With 34 years of experience in the financial industry, she is known for her exceptional ability to drive business turnarounds and deliver outstanding leadership in challenging and multicultural environments.

Her vast expertise spans corporate and commercial banking, foreign trade, treasury, retail banking, special assets, branch banking, Islamic banking, credit management, capital management, financial institutions and securities.



Humaira Azam

STOCKS	
DSEX ▲	CASPI ▲
0.82%	0.71%
5,804.41	16,520.23

COMMODITIES	
Gold ▲	Oil ▲
\$2,522.88	\$74.45
(per ounce)	(per barrel)



Sharif Zahir elected as UCB chairman

STAR BUSINESS REPORT

Sharif Zahir has been elected as the chairman of United Commercial Bank (UCB).

The election took place at a board meeting of the bank yesterday at the bank's corporate office.

Additionally, Tanvir Khan has been elected as executive committee chairman, Md Shazzad Hossein as vice-chairman, Md Yusuf Ali as chairman of the risk management committee, and Obaidur Rahman as chairman of the audit committee.

White paper to assess

FROM PAGE B1
government's ability to repay associated loans."

Regarding the banking sector, Bhattacharya said there will be a separate commission to evaluate it.

The committee will prepare the white paper following a critical evaluation of government data, existing reports and research papers from local think tanks and global institutions. Members will also meet with stakeholders both within and outside Dhaka.

The committee will share interim reports periodically over a three-month period.

"Mega projects and their liabilities will be a major focus of the discussions," the central bank governor said.

External deficit falls

FROM PAGE B1
once the exchange rate stabilises," said Hossain.

Md Deen Islam, an associate professor of economics at the University of Dhaka, said the fact that the deficit was narrowing in the overall balance of payments in the FY24 marked a significant improvement.

Another positive is that foreign direct investment has also seen a slight uptick.

"These positive developments are largely attributed to the perception of increased stability following the January 2024 elections," Islam said.

"However, whether this trend will continue depends on the interim government's performance and the confidence of the public, particularly the business community, in its ability to govern effectively."

Despite these improvements, he said, some concerning trends have emerged.

"Both exports and imports have been declining over the past few fiscal years," he cautioned.

Furthermore, in FY24, the surplus in the financial account decreased by more than \$2 billion.

"However, with changes to the administration and a focus on greater transparency and accountability, it is anticipated that more foreign assistance will follow, along with an increase in remittances, potentially improving the overall balance further in FY25 and beyond," Islam concluded.

Ashikur Rahman, a senior

economist at the Policy Research Institute of Bangladesh, said a reduction in the external account's overall deficit was expected.

This is because the central bank has allowed a market-based interest rate and sharp depreciation of the local currency, the taka, following the introduction of the crawling peg in the first half of this calendar year.

"As a result of lifting the curbs, interest rates were allowed to become market based. The impact of that is being seen in the financial account. Funds are flowing in," he said.

"There were fears related to the exchange rate. Now, it is likely to be stable in the coming months. But we need some additional external financing for full currency stabilisation."

Business activities

FROM PAGE B1
Jabbar said such issues had become a new headache for investors, adding that they would think several times before expanding their businesses or making fresh investments.

Khورشed Alam, director of sales and marketing at Akij Ceramics Ltd, said the business situation is yet to come back on track as the overall condition is not suitable for customers.

"There were no sales between July 15 and August 15 due to the student movement. Recently, flash floods also impacted businesses," he added.

Alam hopes that business activities will come back on track within one-and-a-half months.

Development, Dr Kazi Iqbal, senior research fellow at the Bangladesh Institute of Development Studies, and Dr M Tamim, a professor at the Bangladesh University of Engineering and Technology.

The other members are: Dr Mohammad Abu Eusuf, a professor of development studies at the University of Dhaka, Professor Mustafizur Rahman, distinguished fellow of the CPD, Dr Selim Raihan, a professor of economics at the University of Dhaka, Dr Sharminid Neelormi, professor of economics at Jahangirnagar University, Dr Tasneem Arefa Siddiqui, founding chair of the Refugee and Migratory Movements Research Unit, and Dr Zahid Hussain, former lead economist of the World Bank.

Fixing boards of ailing banks is first step

FROM PAGE B1
"We are thinking about foreign loans to create some breathing space and have discussed with the IMF to access their funds," Mansur said.

Bangladesh is also holding discussions with the World Bank for additional budget support, sectoral support lending or programme lending.

"Additionally, we have started talking with the Asian Development Bank (ADB) and are hopeful that the multilateral lenders will allow funds to help rebuild our forex reserves," Mansur added.

The country's foreign exchange reserves stood at \$20.48 billion as

per the IMF calculation on August 21, showed central bank data.

The forex reserves have been falling for the last three years as the outflow of foreign currencies exceeded inflow.

Regarding the country's economic situation, the Bangladesh Bank governor said the first problem is cost disruption while the second is flooding across the country.

"The country is facing lots of supply chain disruptions that we cannot control. We can only try to control the demand side. And the new government is trying to do that."

Mansur also said bank interest rates have been market-driven since May as prescribed by the IMF and

various economic experts.

The former government was forced to remove the single-digit ceiling on interest rates and allow them to be market-driven while also doing the same for foreign exchange rates.

The forex market has become more stable since then, he said. "I am hopeful that exchange rate stability will prolong as global commodity price shocks are not there."

Regarding remittances, Mansur said the inflow is positive and they will see if it sustains in coming days.

"Remittance inflow in the first 20 days of this month is much higher compared to the same period last year," he added.

Banks to quote

FROM PAGE B1
to determine the exchange rate. However, the BB widened the band of the crawling peg, a predefined range for exchange rate fluctuations, from 1 percent to 2.5 percent on August 18 to increase the inflow of foreign currencies.

The meeting also decided that the interbank cash rate will be Tk 120 per

dollar. Also, the bills for collection (BC) rate of all banks can be a maximum of Tk 120.

At the meeting, it was also decided that banks will follow the Bangladesh Bank circular regarding the encashment of export proceeds.

Additionally, the treasury heads

will meet once or twice a week to monitor the implementation of these decisions and share their views on the market's condition.

Furthermore, a committee will be formed later to monitor the movement of market rates, escalate deviation if any, and coordinate among banks for developing an effective forex market.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার				
বাংলাদেশ পুলিশ				
পুলিশ সুপারের কার্যালয়, দিনাজপুর				
www.police.gov.bd				
তারিখ: ২৯/০৮/২০২৪খ্রিঃ				
পুনঃ দরপত্র বিজ্ঞপ্তি নং-০১/২০২৪-২০২৫				
পিপিএ, ২০০৬ ও পিপিআর, ২০০৮ এবং এ সংক্রান্ত তৎপরবর্তী সংশোধিত বিধি-বিধান মোতাবেক ২০২৪-২০২৫ অর্থ সনে দিনাজপুর জেলা পুলিশের নিম্নোক্ত লট-ভিত্তিক (সরবরাহ/মেরামত) কাজ সম্পাদনের জন্য ঠিকাদার নির্বাচনের লক্ষে দেশের অগ্রহী প্রকৃত বাবাসারী/সরবরাহকারী/সংশ্লিষ্ট ঠিকাদারী প্রতিষ্ঠানের নিকট হতে সীলগালাবদ্ধ খামে প্রতিযোগিতামূলক দরপত্র পুনঃ আহ্বান করা যাচ্ছেঃ				
১	মন্ত্রণালয়/বিভাগ	:	স্বরাষ্ট্র মন্ত্রণালয়/জননিরাপত্তা বিভাগ।	
২	সংস্থা	:	জেলা পুলিশ, দিনাজপুর।	
৩	দরপত্র সম্পাদনকারী প্রধান	:	পুলিশ সুপার, দিনাজপুর।	
৪	দরপত্র সম্পাদনকারী জেলা/সংস্থা	:	দিনাজপুর।	
৫	দরপত্রের সূত্র নম্বর ও তারিখ	:	এ অফিসের স্মারক নং-৩৪৫২/ই তাং-১৩/০৭/২০২৪খ্রিঃ।	
৬	দরপত্রের পদ্ধতি	:	উন্মুক্ত দরপত্র পদ্ধতি (OTM)।	
৭	বাজেট ও অর্থের উৎস	:	পুলিশ হেডকোয়ার্টার্স, ঢাকা হতে এ জেলার অনুকূলে সংশ্লিষ্ট কোড/খাত-এ বরাদ্দপ্রাপ্ত অর্থ।	
৮	দরপত্র প্রকাশের তারিখ	:	৩০/০৮/২০২৪ খ্রিস্টাব্দের মধ্যে।	
৯	দরপত্র সিডিউল প্রান্তির সর্বশেষ তারিখ ও সময়	:	০৫/০৯/২০২৪খ্রিঃ অফিস চলাকালীন সময়ের মধ্যে।	
১০	দরপত্র জমা দেয়ার সর্বশেষ তারিখ ও সময়	:	০৮/০৯/২০২৪খ্রিঃ ১২.০০ ঘটিকা পর্যন্ত।	
১১	দরপত্র খোলার তারিখ ও সময়	:	০৮/০৯/২০২৪খ্রিঃ ১৩.০০ ঘটিকার মধ্যে উপস্থিত দরদাতাদের সম্মুখে (যদি কেহ থাকেন)।	
১২	দরপত্র মূল্যায়নের তারিখ ও সময়	:	০৯/০৯/২০২৪খ্রিঃ ১১.০০ ঘটিকায়।	
১৩	দরপত্র সম্পাদনকারী অফিস ও ঠিকানা	:	পুলিশ সুপারের কার্যালয়, দিনাজপুর।	
১৪	দরপত্র সিডিউল প্রান্তির স্থান	:	১. পুলিশ সুপারের কার্যালয়, দিনাজপুর, ২. পুলিশ সুপারের কার্যালয়, জিআরপি, সৈয়দপুর ও ৩. রেঞ্জ ডিআইজির কার্যালয়, রংপুর।	
১৫	দরপত্র গ্রহণ ও খোলার স্থান	:	পুলিশ সুপারের কার্যালয়, দিনাজপুর।	
১৬	দরপত্রদাতার যোগ্যতা ও দরপত্রের সাথে যে সকল কাগজপত্র জমা দিতে হবে	:	দরপত্রদাতারঃ ১. ঠিকাদারী প্রতিষ্ঠানের মালিকানা সনদপত্র, ২. জাতীয় পরিচয়পত্র, ৩. দরপত্র জামানত, ৪. হালনাগাদ ট্রেড লাইসেন্স, ৫. হালনাগাদ আয়কর সার্টিফিকেট, ৬. হালনাগাদ ভ্যাট রেজিস্ট্রেশন সার্টিফিকেট, ৭. সাম্প্রতিক ব্যাংক সলভেন্সি সার্টিফিকেট ও ৮. সংশ্লিষ্ট কাজের অভিজ্ঞতার সনদপত্র (থাকতে হবে)।	
১৭	দরপত্র আহ্বানকারী কর্তৃপক্ষের নাম	:	শাহ ইফতেখার আহমেদ পিপিএম-বার।	
১৮	দরপত্র আহ্বানকারী কর্তৃপক্ষের পদবী	:	পুলিশ সুপার, দিনাজপুর।	
১৯	কাজের বিবরণী/নামঃ			
লট নং	কাজ/সরবরাহ কাজের নাম	দরপত্র সিডিউলের মূল্য (অফেরতযোগ্য)	দরপত্র জামানতের পরিমাণ	সংশ্লিষ্ট কাজ/সরবরাহ কাজ সমাপ্তির সময়সীমা
১	দিনাজপুর জেলা পুলিশের মোটরযানের কাঁচামাল ও খুচরা যন্ত্রাংশ সরবরাহ কাজ।	৮০০/-	১,৮০,০০০/-	২০২৪-২০২৫ অর্থ সনে ছাড়াও পরবর্তী অর্থ সনের ঠিকাদার নির্বাচন না হওয়া পর্যন্ত।
২	দিনাজপুর জেলা পুলিশের মোটরযানের কাঁচামাল ও খুচরা যন্ত্রাংশ সংযোজন/মেরামত কাজ।	৫০০/-	৪০,০০০/-	
২০	বিশেষ জ্ঞাতব্যঃ	ক. আশোচ্য দরপত্র বিজ্ঞপ্তির অনুচ্ছেদ ১৬-এর উপ অনুচ্ছেদ ১ হতে ৮ (৬ ব্যতীত)-সংশ্লিষ্ট সনদপত্রের অনুলিপি সহ ব্যক্তি বা প্রতিষ্ঠানের প্যাডে স্বত্বাধিকারীর স্বাক্ষরযুক্ত আবেদনের মাধ্যমে দরপত্র সিডিউল সংগ্রহ করা যাবে। খ. মালিক ব্যতীত প্রতিিনিধির মাধ্যমে দরপত্র দলিলাদি ক্রয়ের ক্ষেত্রে নমুনা স্বাক্ষরসহ অথরাইজেশন কপি জমা দিতে হবে। গ. দরপত্রদাতাকে খামের উপর লট নং, কাজের বিবরণ ও নিজ নাম/প্রতিষ্ঠানের নাম-ঠিকানা (মোবাইল ফোন নম্বরসহ) উল্লেখ করতে হবে। ঘ. এ সংক্রান্ত টিইসি-র সুপারিশ যথাযথ কর্তৃপক্ষের অনুমোদন-সাপেক্ষে কার্যবাহী করা হবে। এ-বিষয়ে কোন আপত্তি গ্রহণযোগ্য হবে না। ঙ. দরপত্র বিজ্ঞপ্তিতে উল্লিখিত সময়ের মধ্যে সংশ্লিষ্ট কাজ/সরবরাহ কাজ সম্পাদন করতে হবে। চ. দরপত্র সংক্রান্ত অন্যান্য তথ্যাবলী সিডিউল ছাড়াও নিম্নস্বাক্ষরকারীর কার্যালয় হতে জানা যাবে। ছ. দরপত্র আহ্বানকারী কর্তৃপক্ষ (নিম্নস্বাক্ষরকারী) কোন কারণ দর্শানো ব্যতিরেকে যে কোন দরপত্র গ্রহণ বা যে কোন সময় যে কোন/সকল দরপত্র বাতিলের ক্ষমতা সংরক্ষণ করেন।		

২৯/০৮/২০২৪

শাহ ইফতেখার আহমেদ পিপিএম-বার

বিপি-৭৭০৬১১৯৬৮১

পুলিশ সুপার, দিনাজপুর

ফোন-০২৫৮৯৯২৫০০৩, ফ্যাক্স-৩৩১৬

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GD-297

ICCB suggests interim govt adopt six reforms

STAR BUSINESS REPORT

The International Chamber of Commerce Bangladesh (ICCB) has come up with six recommendations for the interim government to bring about reforms in the country's banking, tax, trade and business activities.

ICCB President Mahbubur Rahman provided the proposals to Finance Adviser Salehuddin Ahmed at his office in the Sher-e-Bangla Nagar area of Dhaka on Tuesday.

One suggestion is for bringing about significant reforms in the banking sector, including ensuring full autonomy of Bangladesh Bank and formulating a plan for the reduction of non-performing loans (NPLs), says an ICCB press release.

Strict punitive measures must be taken against willful defaulters and efforts should be put in to recover money illegally taken out of the country and to prevent a single person or business from securing ownership

One suggestion is bringing about significant reforms in the banking sector, including ensuring full autonomy of Bangladesh Bank

at multiple banks, as per another advice.

One recommendation is for bringing about reforms in the National Board of Revenue through the establishment of two separate wings – one for policymaking and another for tax, customs duty and VAT collections.

The ICCB also suggested expanding the tax net, enabling online submission of income tax returns and fully digitalising the taxation process.

One advice was for updating commercial laws to fully digitalise processes for engaging in international trade, such as issuance of invoices and signing of contracts, to reduce the scope for fraudulence and money laundering.

Regarding the energy sector, the ICCB proposed ensuring reliability in power supplies for industries.

It also suggested strengthening the Bangladesh Petroleum Exploration and Production Company by enhancing its capacity for the exploration of new gas reserves, which would subsequently reduce the need for costly LNG and LPG imports.



PHOTO: STAR/FILE

Bangladesh Bank has set a target to disburse Tk 38,000 crore in loans for agricultural and rural development in fiscal year 2024-25.

Put yourself in farmers' shoes

BB governor tells banks dealing with agri borrowers in difficulties

STAR BUSINESS REPORT

Bangladesh Bank Governor Ahsan H Mansur yesterday urged banks to be compassionate, humane and empathetic when dealing with farmers who fail to repay loans for genuine and understandable difficulties.

"...to understand the situation farmers are in, put yourself in their shoes," he said, quoting a former official of International Monetary Fund (IMF).

"If we look at the situation from the farmer's angle, we will automatically behave humanely," he added.

He was responding to a journalist citing instances of farmers being harassed by being handcuffed and tied with a rope around the waist when being taken to court for failing to repay loans of Tk 5,000 to Tk 1,000.

Meanwhile, people defaulting on substantial amounts of loans are going scot-free, said the journalist.

"Borrowers should be viewed through the humanitarian lens. Because anyone can fall in difficulties at any time irrespective of whether they are big or small (in terms of wealth and influence). So, the humanitarian aspect is very important," said Mansur.

There could be cases where a farmer's death or any other



difficulty was causing suffering for his family due to his loans, he said.

"Will it be useful by harassing the family members by putting rope around their waist?" he asked.

Borrowers can default on loans for a variety of reasons and strict enforcement of the law may not always be reasonable, he said.

Loans which farmers are genuinely unable to repay should be written off instead of being kept in the records for years, said Mansur.

"I would say that the matter should be resolved humanely on getting to know about the

genuine reason," he said.

Mansur further said farmers often end up requiring assistance when intending to avail loans and this is where they fall victim to harassment from "brokers".

So, banks should ensure that they reach the loans directly to the farmers, he said.

"We will conduct a study on whether the brokers are getting the loans or the farmers to understand the ground reality. Then, we will take steps accordingly. The brokers will be dealt with an iron fist if necessary," he said.

The interaction took place at the central bank, which

announced the Agricultural and Rural Credit Policy for FY25, by setting a target for disbursing Tk 38,000 crore in loans for agricultural and rural development in fiscal year 2024-25.

The target is 8.57 percent higher than that of the previous year.

Banks disbursed Tk 37,154 crore in agricultural and rural loans against a target of Tk 35,000 crore last fiscal year, meaning they exceeded the target by 6.15 percent.

Of the loan target set for the ongoing fiscal year, the state-owned commercial and specialised banks have been tasked with disbursing Tk 12,615 crore while private and foreign commercial banks Tk 25,385 crore.

A bank must use its own networks, such as branches, sub-branches and agent banking, contract farming or any other relevant linkage to achieve at least 50 percent of its credit disbursement targets.

The rest can be disbursed through its partnerships with other lenders.

Moreover, 60 percent loans should go to the crop sector, 13 percent fisheries and 15 percent livestock.

Managing directors of various banks and officials of Bangladesh Bank were present on the occasion.

Navigating Bangladesh's crossroads

MAHTAB UDDIN AHMED

Human nature has an innate tendency to escalate demands once an initial concession is made, and thus, the saying goes "If you let someone sit, he wants to eat; if you let him eat, he wants to sleep". This adage holds significant relevance to the recent events in the political arena in Bangladesh after August 5. While the appointment of an interim government led by the esteemed Professor Muhammad Yunus has sparked a wave of public optimism, it has also encouraged certain groups within society to push for their own interests, with the potential to destabilising the government and, in the process, jeopardising the collective dream of a better Bangladesh.

At present, Bangladesh is undoubtedly at a critical juncture. The political corruption, financial irregularities, nepotism and all possible governance irregularities of the past 15 years have eroded public trust in the government. The interim government has been swift in making crucial changes, appointing competent individuals with a clean image to key positions in the government, earning widespread approval, as it signals a move towards transparency and accountability.

However, the road ahead is marred with potholes, as the country is wrestling with countless crises left behind by a corrupt despot: a struggling banking sector, a volatile capital market, dwindling foreign exchange reserves, rising inflation, and an ongoing energy crisis. Additionally, low foreign direct investment (FDI) as a result of the high cost and struggles of doing business in Bangladesh, rampant corruption, strained relations with neighbouring countries, and natural disasters like unexpected floods further complicate the situation.

It is imperative to know who is backing these impatient factions surfacing with all kinds of demands now after remaining silent for decades and playing no role in the student led movement.

In my recent article, "Beneficiaries in a Crisis", I highlighted these issues, foreseeing their advent. There are various theories suggesting a third force backing this group.

It is crucial for the government to remain hawk-eyed and ensure that these opportunists do not jeopardise the hard-earned freedom of the people. When the right people unite for a good cause, as in the case of the interim government, any challenge

can transform into opportunities. Now, the question is how the interim government can work together with citizens to navigate these challenges. The answer lies in learning from countries that have faced similar situations and adopting best practices that have proven effective. While each nation's context is unique, valuable lessons can still be drawn from their experiences.

South Korea's shift from dictatorship to democracy in the late 1980s highlights the role of an interim government in ensuring transparency and engaging civil society. Establishing independent bodies, like an anti-corruption agency, restored trust and stabilised the economy—an approach our interim government can adopt for key sectors like banking, energy and judiciary.

Tunisia's post-Arab Spring transition emphasised dialogue and inclusivity, uniting political factions and civil society to draft a widely supported constitution. This approach prevented polarisation and secured broad support. Bangladesh's interim government should similarly engage all stakeholders, including civil society and business, to build consensus on the nation's future direction.

Rwanda's post-genocide recovery focused on economic reforms and fighting corruption, streamlining business regulations, investing in infrastructure, and enforcing strict laws. These efforts attracted foreign investment, spurring rapid growth. Bangladesh can emulate this by simplifying regulations, improving infrastructure, and combating corruption to boost economic growth.

Given the current severity of socio-economic challenges, it is crucial for political parties to allow the interim government to address these issues effectively. The interim government is positioned to tackle these challenges in ways that a political government may not be able to do so.

The success of the interim government depends not only on its ability to implement reforms but also on public support. As citizens, it is crucial to exercise patience and avoid making unreasonable demands that could derail the government's efforts. Bangladesh's problems today did not emerge overnight, and neither will the solutions.

The author is the founder and managing director of BuildCon Consultancies Ltd



Huawei posts 34.3% rise in first-half sales

AFP, Beijing

Chinese tech giant Huawei said Thursday that sales surged in the first half of the year, even as it struggles under the weight of sanctions that have deprived it of technology from the United States.

The Shenzhen-based company has for several years been at the centre of an intense technological rivalry between Beijing and Washington, with US officials warning its equipment could be used to spy on behalf of Chinese authorities – allegations it denies.

Since 2019, the sanctions have cut Huawei off from global supply chains for technology and US-made components, hampering its production of smartphones at the time.

On Thursday it posted sales of \$58.72 billion in January-June, an on-year increase of 34.3 percent. That compares with 3.1 percent growth in the same period last year. It did not break down net profit. Huawei is a private company that is not publicly traded and is therefore not subject to the same obligations as other companies to publish detailed results. The firm's profit margin reached 13.2 percent in the period, down from 15 percent a year earlier, it said. It did not provide other financial details.

"We grew our revenue in the first half of 2024 by making the most of opportunities in digitalization, intelligence, and decarbonization," a Huawei spokesperson said.

"Our consumer and intelligent automotive solution businesses grew rapidly," they said, adding "our ICT infrastructure, cloud, and digital power businesses remained steady."

Moody's raises India's growth forecasts, Fitch affirms rating

REUTERS, Mumbai

Moody's raised India's growth projection for 2024 and 2025 citing signs of improving rural demand, while Fitch affirmed the country's sovereign credit rating, the agencies said in separate releases on Thursday.

Moody's now expects India's economy to expand 7.2 percent in 2024 from 6.8 percent previously, while growth for 2025 is pegged at 6.6 percent versus 6.4 percent.

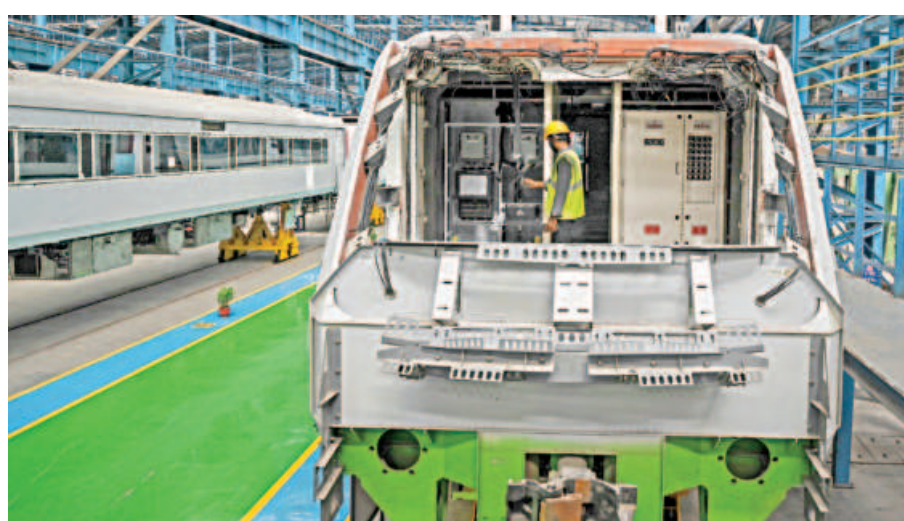
"These forecast changes assume strong broad-based growth and we recognize potentially higher forecasts if the cyclical momentum, especially for private consumption, gains more traction," Moody's said.

The agency noted that both industrial and services sectors have demonstrated strong performance, with the services PMI consistently above 60 since the start of the year.

"Household consumption is poised to grow as headline inflation eases toward the RBI's target. Indeed, signs of a revival in rural demand are already emerging, on the back of improving prospects for agricultural output amid above-normal rainfall during the monsoon season,"

Moody's said.

The agency also said it expects the capex cycle to gain more steam amid rising capacity utilization, upbeat business sentiment and the government's continued thrust on infrastructure spending.



A worker checks lines of cables inside the cockpit of a locomotive coach at the Integral Coach Factory in Chennai. India's growth prospects depend on how well the country can productively tap its substantial pool of labour, Moody's said.

PHOTO: AFP/FILE

Over the medium- and longer-term, India's growth prospects depend on how well the country can productively tap its substantial pool of labour, Moody's said.

"While employment generation and skill development are government priorities, the extent to which India reaps

a demographic dividend will depend on whether and how well these policies succeed," the agency said.

"Nevertheless, 6 percent-7 percent growth should be possible purely on the basis of present conditions."

Meanwhile, Fitch affirmed India's long-term foreign currency issuer rating at 'BBB-' with a stable outlook, citing a strong medium-term growth outlook.

The agency said the growth outlook will continue to drive improvement in structural aspects of its credit profile, including India's share of GDP in the global economy as well as its solid external position.

Strengthening fiscal credibility from meeting deficit targets, along with enhanced transparency and buoyant revenues have increased the likelihood that government debt can follow a modest downward trend in the medium term, it added.

"Nevertheless, fiscal metrics remain a credit weakness, with deficits, debt and debt service burden all high compared to 'BBB' range peers. Lagging structural metrics, including governance indicators and GDP per capita, also weigh on the rating," Fitch said.