

Star BUSINESS



Abrupt ouster of Ahsan H Mansur draws sharp criticism

JAGARAN CHAKMA and MD MEHEDI HASAN

The government's abrupt cancellation of Ahsan H Mansur's appointment as governor of Bangladesh Bank (BB) yesterday has drawn sharp criticism from stakeholders, including economists and bankers.

The manner of his departure, without prior notice and amid protests by a faction of central-bank officials, has raised more eyebrows than the decision itself.

Mansur was appointed in August 2024 for a four-year term until 2028 by the interim administration that followed the ouster of Sheikh Hasina's government.

Speaking to The Daily Star, Mansur said he was not informed by high-ups of the government in advance. He learned of his replacement from television news and later left the office.

Economists and analysts said Mansur's tenure coincided with a period of economic strain. Foreign-exchange reserves had fallen sharply, the taka was volatile and import pressures were mounting.

Supporters credit him with attempting to steady the macroeconomic situation— rebuilding reserves, easing exchange-rate distortions and initiating long-delayed banking reforms. These included nudging weak banks towards mergers, tightening governance and pushing for the creation of an asset management company to deal with bad loans.

The reforms signalled an effort to restore discipline in the sector.

M Masrur Reaz, chairman and CEO of Policy Exchange Bangladesh, called the abrupt leadership change at BB "institutionally troubling".

An elected government, he noted, has the authority to appoint and dismiss leadership at the regulatory institution. But the timing and process matter. "Central banks, especially in crisis periods, require strong technical expertise and strategic understanding."

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Reaz described the former governor as an effective policymaker who helped stabilise macroeconomic fundamentals, advance bank mergers, reform the Money Loan Court framework and push for an asset management company.

He cautioned that the departure of a technically competent governor may send negative signals about institutional stability.

Meanwhile, in a social media post yesterday, Md Deen Islam, an economics professor at the University of Dhaka, said, "Bangladesh appears to be sliding backward. What happened at Bangladesh Bank today is alarming, and the government's response raises even more serious concerns."

He described the change in leadership as alarming and questioned the appointment of a garment industrialist – and standing committee chair of the Bangladesh Garment Manufacturers and Exporters Association – as governor.

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Stabilised economy, but many reforms left unfinished

Economists credit departing governor Ahsan H Mansur with diagnosing financial ills, and tackling distressed assets, though long-term restructuring remains incomplete



MAJOR INITIATIVES UNDER AHSAN H MANSUR

- Conducted forensic audits of banks to assess financial health
- Oversaw merger of five struggling banks
- Enacted Bank Company Act and Deposit Protection Act
- Stabilised exchange rate
- Raised policy rate to curb inflation

INDICATORS	WHEN HE ASSUMED OFFICE IN AUG 2024	LATEST
Policy rate	9%	10%
Exchange rate (BDT/USD)	119.68	122.20
Gross reserves	\$25.92b	\$35.04b
Reserves (in BPM6)	\$15b	\$30.3b
Inflation (%)	10.49	8.58 (Jan)
NPL (in lakh crore)	2.11 (Jun)	6.44 (Sept 2025)



AHSAN HABIB

When Ahsan Habib Mansur assumed office in the second week of August 2024 following a mass uprising, the financial reality was precarious.

Cheques of some banks were bouncing, many ATMs across the country were shuttered while others were awaiting routine cash supply, and the balance sheets of nearly a dozen banks were hollowed out.

Remittances and export receipts were lacklustre, commodity prices were on a wild ride, and the country had barely enough dollars to cover three months of essential imports.

By the time he left office yesterday and subsequently announced his abrupt resignation, the financial situation had somewhat stabilised,

though many economic wounds were yet to be fully healed.

During his roughly 18-month tenure as the governor of the Bangladesh Bank (BB), Ahsan H Mansur, a former International Monetary Fund (IMF) economist, was able to diagnose the economy's ills, but he could not complete his reform agenda, according to economists and top bankers.

When Mansur took charge, gross reserves were \$25.92 billion, and reserves as per the BPM6 count were \$15 billion. Understandably, foreign exchange management was a particular area of his focus.

Mansur worked to strengthen reserves while bringing a more market-based exchange rate, a condition linked to the ongoing loan package by the IMF.

By the time he stepped down, gross reserves had risen to \$35.04 billion, while the amount was \$30.3 billion as per the BPM6 count. And the exchange rate has stabilised at Tk 122.20 per dollar.

Controlling inflation was another priority. It was 10.49% in the month he took office. He pursued a tight monetary policy and raised the policy rate to 10 percent swiftly after assuming office.

However, the former governor had to inject funds into ailing banks to protect depositors.

Inflation fell to 8.58 percent by January 2026, though supply-side constraints meant the decline fell short of expectations.

The banking sector presented a deeper challenge. Around a

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Who is the new governor of Bangladesh Bank?

REFAYET ULLAH MIRDHA

The government yesterday appointed Md Mostaqur Rahman, a garment entrepreneur, as the governor of Bangladesh Bank for four years, replacing Ahsan H Mansur.

Rahman, born in 1966, is the managing director of the Fatullah-based sweater company Hera Sweaters Ltd.

He qualified as a cost and management accountant from the Institute of Cost & Management Accountants of Bangladesh (ICMAB) in 1992.

He also holds a Bachelor of Commerce (Honours) and a Master's degree in Accounting from the University of Dhaka.

As a garment manufacturer, he is a member of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

He was also part of the Bangladesh Nationalist Party's central election steering committee formed to operate during the national polls on February 12.

Rahman is a member of the Real Estate and Housing Association of Bangladesh (REHAB), the Association of Travel Agents of Bangladesh (ATAB), and the Dhaka Chamber of Commerce and Industry (DCCI), and he has served on several important committees.

He has worked closely with regulators, including Bangladesh Bank and the Chittagong Stock Exchange Ltd, and chaired the BGMEA standing committee on Bangladesh Bank.

Business leaders expect the new governor to understand their daily challenges because he is also a businessman. They said some previous governors listened to business concerns but could not take practical action, possibly because they did not fully understand the scale of those challenges.

With over 30 years of leadership experience, Rahman is a senior financial governance specialist skilled in corporate finance, export economics, institutional governance, and financial systems management.



BB cancels transfers of 3 officials

STAR BUSINESS REPORT

Within hours of ousting Ahsan H Mansur and appointing a new governor, the Bangladesh Bank (BB) transferred five officials and reinstated three previously transferred officials back to their posts.

The five transferred officials are Md Zabdul Islam, Md Shahid Reza, Md Bayazid Sarker, Gazi Md Mahfuzul Islam – all holding director posts – and Md Kamrul Islam, an additional director. Their transfers were ordered yesterday through a notice issued by the central bank's human resources department.

On Tuesday, three central bank officials were transferred. They were Nawshad Mustafa, general secretary of the pro-Awami League 'Nil Dal' at BB and director of the SME Special Programmes Department; AKM Masum Billah, president of the Bangladesh Bank Officers' Welfare Council elected from Nil Dal; and Golam Mostafa Shrabani, general secretary of the council.

However, an amendment was issued by the same department yesterday, reinstating them to their previous posts.

Earlier on Monday, they were served show-cause notices for holding a press conference in violation of staff rules and commenting on policy decisions. The order for their transfer came a week after a section of BB officials, under the banner of the Bangladesh Bank Officers' Welfare Council, held a press conference on the BB premises.

At the press briefing, called suddenly on February 16, officials described Ahsan H Mansur's position as "autocratic" on several issues, including the merger of weaker banks with EXIM Bank and Social Islami Bank and the initiative to grant digital bank licences.

Tax return deadline may be extended to March 31

STAR BUSINESS REPORT

The National Board of Revenue (NBR) is likely to extend the income tax return deadline by another month to March 31, marking the fourth extension this year.

As of yesterday, only 39.08 lakh taxpayers had filed their returns online for the assessment year 2025-26, while nearly three lakh had submitted returns offline, according to NBR data.

In total, only 33.6 percent of the country's 1.25 crore taxpayer identification number (TIN) holders have filed returns. Last year, around 45 lakh taxpayers submitted their returns.

A senior NBR official, speaking on condition of anonymity, said the board has received multiple requests from stakeholders – including lawyers, businesspeople and professional bodies – to extend the current February 28 deadline.

"We are considering at least a one-month extension. A formal order is expected soon, as the proposal has been sent to the finance minister for approval," the official said.

Explaining the slower submission rate, the official

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Operated by ACI Logistics Limited, Shwapno has more than 836 stores nationwide to cater to a growing middle class seeking convenient shopping.

PHOTO: MEHEDI HASAN

Shwapno taps Japan's Mitsui funds to strengthen footing

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Shwapno, the country's largest supermarket chain, plans to reduce financing costs and improve services through a strategic partnership with Japan's Mitsui & Co Ltd and fresh investment from its parent company, ACI PLC.

The company signed an agreement yesterday with Mitsui to receive foreign currency-denominated convertible loans at

low interest rates from the Japanese trading and investment firm.

The loans will be provided through Mitsui's Singapore-based subsidiary, Mitsui & Co Asia Pacific Pte Ltd, subject to regulatory approvals, according to a press release.

The partnership will operate under a structured convertible loan facility, the statement added.

Operated by Advanced Chemical Industries (ACI) Logistics Limited

(ACIL), Shwapno runs more than 836 stores across the country, serving a growing middle class that prefers convenient shopping.

Although its customer base and turnover are rising, the retail chain has yet to post a net profit despite recording an operating profit.

ACI has been posting losses partly due to losses at Shwapno, driven by high financing costs and rising bank loans that have

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HSBC earnings top forecasts

AFP, Hong Kong

Banking giant HSBC posted better-than-expected 2025 earnings on Wednesday thanks to a strong performance in its wealth business while it pressed ahead with sweeping overhauls to streamline its structure and cut costs.

Chief executive Georges Elhedery hailed "a year of decisive action and swift execution, which is reflected in our strong performance. Each of our four businesses performed well and we have strong momentum across the bank".

The firm saw pre-tax profit fall US\$2.4 billion to US\$29.9 billion last year, it said in a filing with the Hong Kong Stock Exchange. That beat an estimate of US\$28.9 billion, according to Bloomberg News.



Profit attributable to shareholders came in at US\$21.1 billion last year, from US\$22.9 billion in 2024.

Elhedery added that the bank was "raising our ambition and targeting a 17 percent (return on tangible equity) or better, excluding notable items, in each year from 2026 to 2028".

"We are also targeting year-on-year revenue growth over the same period on the same basis, rising to five percent in 2028."

The firm said the drop in 2025 pre-tax profit was mainly down to a US\$4.9

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