

**Independent Performance Evaluation (IPE)  
Report  
on  
Bangladesh Parjatan Corporation  
For 2021-22**

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## Executive Summary

Finance Division, Ministry of Finance is implementing the programme “Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)”. The Scheme of Strengthening of State-owned Enterprises’ Governance is one of the components of SPFMS program. The objective of the scheme is to strengthen the governance of State-owned Enterprises (SOEs) and Autonomous Bodies (ABs). For this purpose, an Independent Performance Evaluation Guideline (IPEG) of SOEs and ABs has been prepared and approved by the Finance Division to evaluate the performance of SOEs and ABs independently. Based on selection parameters of IPEG, Monitoring Cell of Finance Division has selected 10 SOEs and ABs to conduct Independent Performance Evaluation for the fiscal year 2021-22.

Bangladesh Parjatan Corporation is included in the list of 10 selected SOEs/ABs for Independent Performance Evaluation (IPE) for FY 2021-22. As per the result of IPE of Bangladesh Parjatan Corporation for FY 2021-22 has obtained a weighted average score of 2.33 out of 4.00 and is graded ‘Good’.

### 1. Introduction

Bangladesh Parjatan Corporation was established by the President’s Order 143 of 1972. Recently Bangladesh Parjatan Corporation Order, 1972 was amended by Bangladesh Parjatan Corporation (Amendment) Act, 2022. The corporation is assigned with an objective to promote and develop tourism industries in Bangladesh. The entity also works to provide standard services to tourists as well as to create world-class tourism facilities in the country. The entity plays an important role in socio-economic development, creates job opportunities and reduces poverty by advancing the tourism sector in Bangladesh. Corporation now operates and maintains 34 units including hotels, tourism training institutes, motels, holiday complex, restaurants, cafeterias, picnic spots, bars, etc. Besides, under Private Management Contract, the entity leased 16 commercial units such as restaurants, bars, motels, children’s amusement parks. Corporation provided training to 1,281 participants on different tourism related subjects during evaluation period.

With an aim to provide tourism facilities in 17 districts the corporation spent Tk. 407.20 million during FY 2021-22 to implement 10 projects under Annual Development Program. The entity also completed extension works of National Hotel and Tourism Training Institute (NHTTI) and increased its capacity. Different modernization works of Hotel Abakash, renovation works of several hotels, motels, resorts and picnic spots were completed during evaluation year. The Ministry of Civil Aviation & Tourism has oversight responsibility for Bangladesh Parjatan Corporation.

## **2. Role and Functions**

Main functions of Bangladesh Parjatan Corporation:

- I. promote and develop tourism in Bangladesh;
- II. provide facilities to carry out all activity's ancillary to tourism;
- III. provide tourism related information in and outside Bangladesh;
- IV. encourage and develop domestic tourism;
- V. publish leaflet, brochure, books etc.for promoting tourism in the country;
- VI. operate and manage duty-free shops;
- VII. organize group tours for the tourist;
- VIII. establish training institutes for the persons engaged or ancillary to tourism to create skilled manpower for tourism sector.

## **3. Core Business**

- i. Create infrastructure facilities for tourism within the country;
- ii. Acquire, establish, construct, arrange, provide, and run hotels, restaurants, rest houses, picnic spots, camping sites, theatres, amusement parks and facilities for waterskiing and entertainment for tourists;
- iii. Arrange proper training to create efficient manpower as well as provide standard service to the tourist;
- iv. Take initiative to encourage Public Private Partnership investment for the expansion of the tourism industry in Bangladesh.

#### 4. Evaluation Parameters

**Criteria: Business and Governance**  
**Indices:A. Business Strategy and Social Responsibility**

**Table 1(a): Standards of Indices A**

FY 2021-22

Serial No.	Indicators & Sub-indicators	* Standard						
		Types of Measurement	Weight for Sub-indicators	Grade: Excellent Score: 4	Grade: Very Good Score: 3	Grade: Good Score: 2	Grade: Fair Score: 1	Grade: Under-performing Score: 0
1	<b>Entity Strategy</b>							
	1a. Entity Strategic Plan	QL	5	91-100%	81-90%	71-80%	41-70%	Below 41%
2	<b>Growth Trajectory</b>							
	2a. Net Income Growth	QN	3	10.00% or more	9.00% to 9.99%	8.00% to 8.99%	7.00% to 7.99%	Below 7.00%
	2b. Sales Growth	QN	3	12.00% or more	10.00% to 11.99%	8.00% to 9.99%	6.00% to 7.99%	Below 6.00%
	2c. Innovative/Other Growth	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
3	<b>Efficiency of Project</b> Implementation/ Project Goal Achievement:  • Percentage of estimated target achieved"	QN	5	91-100%	81-90%	71-80%	41-70%	Below 41%
4	<b>Social Contribution</b> •Environmental Contribution •CSR/WPPF •Training/Volunteering	QL	5	91-100%	81-90%	71-80%	41-70%	Below 41%

**Table 1(b): Achievement of Indices A**

Serial No.	Indicators & Sub-Indicators	Types of Measurement	Weight for sub-indicators	Actual Performance	Achievement		Basis of Performance Measuring
					Grade	Score	
1	<b>Entity Strategy</b>						
	1a. Entity Strategic Plan	QL	5	88.00%	Very Good	3	Note 1
2	<b>Growth Trajectory</b>						
	2a. Net Income Growth	QN	3	101.51%	Excellent	4	Audited Financial Statements (AFS) Note 2
	2b Sales Growth	QN	3	62.63%	Excellent	4	AFS
	2c. Innovative/Other Growth	QL	4	88.00%	Very Good	3	Note 3
3	<b>Efficiency of Project Implementation/ Project Goal Achievement:</b> • Percentage of estimated target achieved	QN	5	86.98%	Very Good	3	Annexure -1 SL 27 & 28
4	<b>Social Contribution</b> • Environmental Contribution • CSR/WPPF • Training/Volunteering	QL	5	82.00%	Very Good	3	Note 4
Sub-Total			25				

**Note-1:** With a view to developing the tourism sector at a global standard the entity has undertaken a large number of projects based on the National Tourism Policy such as build eco-tourism zone, rural and youth tourism, community-based tourism, hotels, motels, training centers, etc. During FY 2021-22, Bangladesh Parjatan Corporation is implementing 10 projects in different places of the country. Corporation's projects are aligned with National Strategic plans, Government Policy Directives of FYPs, SDGs, Perspective plan 2041, and Bangladesh Delta Plan 2100.

**Note-02:** The corporation has earned Net Profit of Tk. 0.796 million during FY 2021-22, but due to impact of COVID 19 Pandemic the entity has incurred Net Loss of Tk. 52.54 million in FY 2020-21. So, compared to previous fiscal year Net Income Growth in FY 2021-22 has increased significantly.

**Note-3:** Bangladesh Parjatan Corporation formed an innovative team among the employees to create ideas for showcasing the entity's improvement of performance, increase in efficiency and easy & standard services for the tourists. Based on innovative showcasing ideas the entity:

- i. launched a website for Rooftop restaurant;
- ii. providing service information by using chatbot to the customer through Facebook Messenger and other apps;
- iii. Implemented online checking system of National Hotel & Tourism Training Institute (NHTTI) issued certificates.

**Note-4:** The corporation has undertaken the following social/environmental activities during FY 2021-22:

- I. Before establishing commercial units, the corporation takes an environment clearance certificate from Department of Environment to ensure environmental compliance. In addition, the corporation has undertaken different forestation programs for all units that will have positive impact on the environment.
- II. National Hotel & Tourism Training Institute (NHTTI) of the corporation has conducted the following training courses during FY 2021-22:
  - National certificate course on 6 subjects for 525 participants.
  - Diploma certificate course on 5 subjects for 292 participants.
  - Short term course on various topics for 464 participants.

### Indices: B. Operational Efficiency

**Table 2(a): Standards of Indices B**

FY 2021-22

Serial No.	Indicators & Sub-indicators	* Standard						
		Types of Measurement	Weight for Sub-indicators	Grade: Excellent Score: 4	Grade: Very Good Score: 3	Grade: Good Score: 2	Grade: Fair Score: 1	Grade: Under-performing Score: 0
1	<b>Service Delivery</b>							
	1a. Service Benefit & Accessibility	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
2	<b>Labor Productivity</b>							
	2a. Added Value per Employee (million Tk.)	QN	3	Tk.3.00 million or more	Tk. 2.50 to 2.99 million	Tk.2.00 to 2.49 million	Tk.1.50 to 1.99 million	Below Tk. 1.50 million
3	<b>Capital Productivity</b>							
	3a. Added Value per Tk. Value of Assets	QN	3	Tk. 0.30 or more	Tk. 0.28 to 0.29	Tk. 0.26 to 0.27	Tk. 0.24 to 0.25	Below Tk. 0.24
	3b. Added Value Per Tk. Value of PPE	QN	3	Tk. 1.75 or more	Tk. 1.50 to 1.74	Tk. 1.25 to 1.49	Tk. 1.00 to 1.24	Below Tk. 1.00
4	<b>Production</b>							
	4a. Inventory Turnover (Times)	QN	3	12 or more	10 to 11	8 to 9	6 to 7	Below 6
	4b. Asset Turnover (Times)	QN	3	0.45 or more	0.40 to 0.44	0.35 to 0.39	0.30 to 0.34	Below 0.30
	4c. Capacity Utilization (%)	QN	3	91-100%	81-90%	71-80%	41-70%	Below 41%
Sub-total			25					

**Table 2(b): Achievement of Indices B**

Serial No.	Indicators & Sub-Indicators	Types of Measurement	Weight for sub-indicators	Actual Performance	Achievement		Basis of Performance Measuring
					Grade	Score	
1	Service Delivery						
	1a. Service Benefit & Accessibility	QL	4	85.00%	Very Good	3	Note 5
2	Labor Productivity						
	2a. Added Value per Employee (million Tk.)	QN	3	Tk. 2.47 million	Good	2	AFS
3	Capital Productivity						
	3a. Added Value per Tk. Value of Assets	QN	3	Tk. 0.28	Very Good	3	AFS
	3b. Added Value Per Tk. Value of PPE	QN	3	Tk. 1.62	Very Good	3	AFS
4	Production						
	4a. Inventory Turnover (Times)	QN	4	7.48	Fair	1	AFS
	4b. Asset Turnover (Times)	QN	4	0.34	Fair	1	AFS
	4c. Capacity Utilization (%)	QN	4	43.79%	Fair	1	SL-42 of Annexure -1
Sub-total			25				

**Note-5:** The entity implemented the following automation facilities for the stakeholders:

- i. Introduced Online Booking System for hotels and motels.
- ii. Implemented Mobile Banking, Merchant Accounts and Credit Cards facilities for commercial units of the corporation.
- iii. Introduced online payment gateway system.
- iv. Introduce "Unit Managers" Face Book Close Group for monitoring the commercial unit's activities regularly.
- v. Introduced a Grievance Redress System (GRS) to ensure corporate governance.



## Indices: C. Financial

**Table 3(a): Standards of Indices C**

**FY 2021-22**

Serial No.	Indicators & Sub-indicators	* Standard						
		Types of Measurement	Weight for Sub-indicators	Grade: Excellent Score: 4	Grade: Very Good Score: 3	Grade: Good Score: 2	Grade: Fair Score: 1	Grade: Under-performing Score: 0
<b>i. Financial</b>								
1	Operating profit	QN	2	Tk. 10.00 million or more	Tk. 8.00 to Tk. 9.99 million	Tk. 6.00 to Tk. 7.99 million	Tk. 4.00 to Tk. 5.99 million	Below Tk. 4.00 million
2	Profit before Tax	QN	2	Tk. 8.00 million or more	Tk. 6.00 to Tk. 7.99 million	Tk. 4.00 to Tk. 5.99 million	Tk. 2.00 to Tk. 3.99 million	Below Tk. 2.00 million
3	Return on Assets (%)	QN	2	3.00 % or more	2.50 %to 2.99 %	2.00 %to 2.49 %	1.50 %to 1.99 %	Below 1.50%
4	Return on Sales (%)	QN	2	10.00% or more	8.00%to 9.99%	6.00% to 7.99%	4.00% to 5.99%	Below 4.00%
5	Return on Equity (%)	QN	2	4.00% or more	3.50% to 3.99%	3.00%to 3.49%	2.50%to 2.99%	Below 2.50%
6	Net Worth Growth (%)	QN	2	17% or more	15%to 16%	13% to14%	11% to12%	Below 11%
7	Capital Budget Utilization (%)	QN	2	91-100%	81-90%	71-80%	41-70%	Below 41%
<b>ii. Financial Risk</b>								
1	Debt Equity Ratio (Times)	QN	2	1.50 or less	1.51 to 2.00	2.01 to 2.50	2.51 to 3.00	More than 3.00
2	Debt to Assets (Times)	QN	2	0.60 or less	0.61 to 1.00	1.01 to 1.40	1.41 to 1.80	More than 1.80
3	Debt Coverage Ratio (Times)	QN	2	2.00 or more	1.75to 1.99	1.50to 1.74	1.25to 1.49	Below 1.25
4	Current Ratio (Times)	QN	2	2.00 or more	1.75to 1.99	1.50to 1.74	1.25to 1.49	Below 1.25
5.	Accounts Receivable Period (Days)	QN	2	90 days or less	91 days to 110 days	111 days to 130 days	131 days to 150 days	More than 150 days
6.	Accounts Payable Period (Days)	QN	2	90 days or less	91 days to 110 days	111 days to 130 days	131 days to 150 days	More than 150 days
<b>iii. Transactions with Govt.</b>								
1	Fees & Charges Paid	QN	2	91-100%	81-90%	71-80%	41-70%	Below 41%
2	Debt Service Liabilities Paid	QN	2	91-100%	81-90%	71-80%	41-70%	Below 41%

**Table 3 ( b): Achievement of Indices C**

Serial No.	Indicators & Sub-Indicators	Types of Measurement	Weight for sub-indicators	Actual Performance	Achievement		Basis of Performance measuring
					Grade	Score	
<b>i. Financial</b>							
1	Operating profit	QN	2	Tk. (45.73)million	Under Performing	0	AFS
2	Profit before Tax	QN	2	Tk. 0.80 million	Under Performing	0	AFS
3	Return on Assets (%)	QN	2	0.02%	Under Performing	0	AFS
4	Return on Sales (%)	QN	2	0.07%	Under Performing	0	AFS
5	Return on Equity (%)	QN	2	0.03%	Under Performing	0	AFS
6	Net Worth Growth (%)	QN	2	15.93%	Very Good	3	AFS Note 6
7	Capital Budget Utilization (%)	QN	2	28.29%	Under Performing	0	SL-27,28 of Annexure -1
<b>ii. Financial Risk</b>							
1	Debt Equity Ratio (Times)	QN	2	0.17	Excellent	4	AFS
2	Debt to Assets (Times)	QN	2	0.14	Excellent	4	AFS
3	Debt Coverage Ratio (Times)	QN	2	24.31	Excellent	4	AFS
4	Current Ratio (Times)	QN	2	1.96	Very Good	3	AFS
5	Accounts Receivable Period (Days)	QN	2	571	Under Performing	0	AFS
6	Accounts Payable Period (Days)	QN	2	958	Under Performing	0	AFS
<b>iii) Transactions with Government</b>							
1	Fees & Charges Paid	QN	2	100%	Excellent	4	SL-35,36 of Annexure -1
2	Debt Service Liabilities Paid	QN	2	30.30%	Under Performing	0	SL-33,34 of Annexure -1
Sub-total			30				

**Note 6:** Net Worth Growth increased in FY 2021-22 due to Government grant increased compared to previous fiscal year.

## Indices: D. Corporate Governance Practices

**Table 4(a): Standards of Indices D**

FY 2021-22

Serial No.	Indicators & Sub-indicators	* Standard						
		Types of Measurement	Weight for Sub-indicators	Grade: Excellent Score: 4	Grade: Very Good Score: 3	Grade: Good Score: 2	Grade: Fair Score: 1	Grade: Under-performing Score: 0
1	<b>Commitment to Corporate Governance:</b> <ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Ethics</li> <li>• Key policies of Board</li> <li>• Board structure</li> <li>• Employees service rules/ regulations</li> <li>• Appointment of Board Secretary</li> </ul>	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
2	<b>Board Practices:</b> <ul style="list-style-type: none"> <li>• Composition of Board of Directors and number of meetings held</li> <li>• TOR of board</li> <li>• Number of independent Board Directors</li> <li>• Name &amp; Number of board committees and number of meetings held</li> <li>• Number of board decisions that have been implemented</li> </ul>	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
3	<b>Transparency and Disclosure:</b> <ul style="list-style-type: none"> <li>• Board of directors and Senior managers name and biographies</li> <li>• Audited financial statement</li> <li>• Citizen charter</li> <li>• APA</li> <li>• Code of conduct</li> </ul>	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
4	<b>Control Environment and Process:</b> <ul style="list-style-type: none"> <li>• Entity's internal control systems for different departments</li> <li>• Internal audit procedure and reporting authority</li> <li>• Entity's computer-based management information system (database)</li> <li>• Any authority of the board to mitigate the entity's emergency situation</li> <li>• Measures taken for safe working environment in the entity's premises</li> </ul>	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
5	<b>Performance against the key Indicators of APA<sup>1</sup>:</b> <ul style="list-style-type: none"> <li>• Total Performance score achieved on APA</li> </ul>	QN	4	100%	90%	80%	70%	60%

<sup>1</sup>Standard of APA Indicator is set on the basis of Annual Performance Agreement (APA) Guideline.

**Table 4 (b): Achievement of Indices D**

Serial No.	Indicators & Sub-Indicators	Types of Measurement	Weight for sub-	Actual Performance	Achievement		Basis of Performance Measuring
					Grade	Score	
1	Commitment to Corporate Governance	QL	4	85%	Very Good	3	Note 7
2	Board Practices	QL	4	81%	Very Good	3	Note 8
3	Transparency and Disclosure	QL	4	91%	Excellent	4	Note 9
4	Control Environment and Process.	QL	4	82%	Very Good	3	Note 10
5	Performance against the key Indicators of APA	QN	4	88.06%	Good	2	Score of APA for FY 2021-22
Sub-total			20				
Grand Total (A+B+C+D):			100				

\* Standard for Financial and Non-Financial indicators are set on the basis of IPE process (Section 5, page 11).

**Note-7:** The entity has its own act. It follows code of conduct, rules and regulations, employees service rules, citizen charter as corporate governance. The corporation has a corporate secretary.

**Note-8:** The entity's board of directors comprises 11 (Eleven) members that includes President and 10 (ten) members. 2 (two) are independent directors from non- government organizations who are directly and institutionally associated with the tourism industry. All board of directors are appointed by the Government. During FY 2021-22, one (1) board meeting was held and eighteen (18) board decisions have been implemented.

**Note-9:** The entity discloses Acts, Rules, Audited Financial Statement, name and biographies of Board Directors, Senior Managers, Citizen Charter and APA on its website.

**Note-10:** Bangladesh Parjatan Corporation has undertaken the following measures to control environment and process during 2021-22:

- i. Bangladesh Parjatan Corporation has an internal audit department/section to check, verify and examine the bills/ invoice, various payment and collection for the authenticity of transactions.
- ii. Ensures all safety measures for the safe working environment in all units as instructed by government time to time.
- iii. Introduced E- nothi for official filling
- iv. Installed CCTV Camera in entity's all hotels and motels to ensure guest's safety.
- v. Implemented E-GP for all government Purchases.
- vi. Follows The Public Procurement Act, 2006 and The Public Procurement Rules 2008.

## **5. IPE Process**

- I. Performances of non-financial indicators of Bangladesh Parjatan Corporation has been evaluated on the basis of information and documents of the inception report provided by the corporation.
- II. Actual performance of non-financial indicators is determined by the collective decision of ERT members.
- III. According to IPEG, actual financial performances of the corporation are to be evaluated on the basis of national best practices/standard. However due to non-availability of such standard and similar entities in the country, Corporation's financial performance was compared with its last five years' performance on respective financial indicators.
- IV. Performances of all financial indicators are evaluated based on audited financial statements.
- V. Measurement tools used for financial indicators are suggested based on IPEG.
- VI. Grade and score are given as per IPEG.

## 6. Performance Evaluation Results

### Bangladesh Parjatan Corporation Fiscal Year: 2021-22

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score (%)
a	b	c	d	e	f
<b>A</b>	<b>Business Strategy and Social Responsibility:</b>	<b>25</b>			
1	Entity Strategy: • Entity Strategic Plan		5	3	0.15
2	Growth Trajectory: 2a. Net IncomeGrowth		3	4	0.12
	2b. SalesGrowth		3	4	0.12
	2c. Innovative/Other Growth		4	3	0.12
3	Efficiency of Project Implementation/ Project Goal Achievement: • Percentage of estimated target achieved		5	3	0.15
4	Social Contribution: • Environmental Contribution • CSR / WPPF • Training / Volunteering		5	3	0.15
<b>Sub Total</b>			<b>25</b>		<b>0.81</b>
<b>B</b>	<b>Operational Efficiency:</b>	<b>25</b>			
1	Service Delivery: • Service benefits and Accessibility		4	3	0.12
2	Labor Productivity: 2a. Added Value Per Employee		3	2	0.06
3	Capital Productivity: 3a. Added Value Per TK Value of Assets		3	3	0.09
	3b. Added Value Per TK Value of PPE		3	3	0.09
4	Production:				
	4a. Inventory Turnover		4	1	0.04
	4b. Asset Turnover		4	1	0.04
	4c. Capacity Utilization		4	1	0.04
<b>Sub Total</b>			<b>25</b>		<b>0.48</b>

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score (%)
C	<b>Financial:</b>	30			
	<b>i. Financial Performance:</b>				
1	Operating profit		2	0	0.00
2	Profit before tax		2	0	0.00
3	Return on assets		2	0	0.00
4	Return on Service Revenue		2	0	0.00
5	Return on equity		2	0	0.00
6	Net worth growth		2	3	0.06
7	Capital budget utilization		2	0	0.00
	<b>ii. Financial Risk:</b>				
1	Debt equity ratio		2	4	0.08
2	Debt to assets		2	4	0.08
3	Debt coverage ratio		2	4	0.08
4	Current ratio		2	3	0.06
5	Accounts receivable period		2	0	0.00
6	Accounts payable period		2	0	0.00
	<b>iii. Transactions with Government:</b>				
1	Fees & charges paid		2	4	0.08
2	Debt Service Liabilities Paid		2	0	0.00
	<b>Sub Total</b>		<b>30</b>		<b>0.44</b>

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score (%)
D	<b>Corporate Governance Practices:</b>	20			
1	Commitment to Corporate Governance: <ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Ethics</li> <li>• Key policies of Board</li> <li>• Board structure</li> <li>• Employees service rules/ regulations</li> <li>• Appointment of Board Secretary</li> </ul>		4	3	0.12
2	Board Practices: <ul style="list-style-type: none"> <li>• Composition of Board of Directors and number of meetings held</li> <li>• TOR of board</li> <li>• Number of independent Board Directors</li> <li>• Name &amp; Number of board committees and number of meetings held</li> <li>• Number of board decisions that have been implemented</li> </ul>		4	3	0.12
3	Transparency and Disclosure: <ul style="list-style-type: none"> <li>• Board of directors and Senior managers name and biographies</li> <li>• Audited financial statement</li> <li>• Citizen charter</li> <li>• APA</li> <li>• Code of conduct</li> </ul>		4	4	0.16
4	Control Environment and Process: <ul style="list-style-type: none"> <li>• Entity's internal control systems for different departments</li> <li>• Internal audit procedure and reporting authority</li> <li>• Entity's computer-based management information system (database)</li> <li>• Any authority of the board to mitigate the entity's emergency situation</li> <li>• Measures taken for safe working environment in the entity's premises</li> </ul>		4	3	0.12
5	Performance against the key Indicators of APA: <ul style="list-style-type: none"> <li>• Total Performance score achieved on APA</li> </ul>		4	2	0.08
	<b>Sub Total</b>		<b>20</b>		<b>0.60</b>
	<b>Grand Total (A+B+C+D)</b>	<b>100</b>	<b>100</b>		<b>2.33</b>



## **7. Interpretation of Results**

As per Independent Performance Evaluation Bangladesh Parjatan Corporation scored 2.33 out of 4.00 in the year 2021-22.

**7. (A)**The performance of the corporation is graded “Excellent” in the following areas:

- Transparency and Disclosure
- Debt Equity Ratio
- Sales Growth
- Net Income Growth
- Debt Coverage Ratio
- Debt to Assets

The performance of the corporation is graded “Very Good” in the following areas:

- Service Delivery
- Innovative/Other Growth
- Entity Strategic Plan
- Social Contribution
- Board Practices
- Control Environment and Process
- Corporate Governance
- Capital Productivity
- Net Worth Growth
- Efficiency of Project Implementation
- Current Ratio

The performance of the corporation is graded “Good” in the following areas:

- Labour Productivity
- Annual Performance Agreement (APA)

The performance of the corporation is graded “Fair” in the following areas:

- Assets Turnover
- Inventory Turnover
- Capacity Utilization

The performance of the corporation is graded “Under Performing” in the following areas:

- Return on Sales
- Return on Equity
- Return on Assets
- Capital Budget Utilization
- Accounts Receivable Period
- Accounts Payable Period

## **7. BOther important aspects of Performance during FY 2021-22:**

- i. The entity has incurred operating loss of Tk 45.73 million.
- ii. The entity earned net profit of Tk 0.796 million.
- iii. Entity Debt Equity Ratio (Times)0.17 indicates low leveraged.
- iv. Current Ratio (Time) 1.96 which indicates entity is in a well position to meet it current liabilities in due period.
- v. Corporation Paid Fees Fine & Charged Tk 6.58 million and DSL Tk 2.00 million to GoB.

## **8.Findings from the Audit Report 2021-2022**

In the Bangladesh Parjatan Corporation Audit Report 2021-22, Auditors emphasized and expressed their opinion on the following areas:

- i. Book-keeping: Auditors suggested that unit wise Balance Sheet should be prepared for proper disclosure of financial position of all units along with the consolidated financial statement. (Annual Report 2021-22, Page 2)
- ii. Internal Audit: Corporation's internal audit department did not complete their audit work of some large units within the fiscal year due to manpower shortage. (Annual Report 2021-22, Page 2)
- iii. Accounting Software: Corporation has implemented Integration of Automation system of Bangladesh Parjatan Corporation Software since 2014-15. However, auditors could not find existence of it in the books of accounts. (Annual Report 2021-22, Page 2)
- iv. Bank Book: Some unit of the corporation now keeping their collection accounts in their register instead of collection bank book. (Annual Report 2021-22, Page 2)
- v. Assets Register: Corporation maintaining assets register without mentioning purchase price/cost. (Audit Report 2021-22, Page-3)
- vi. Sundry Creditors and Debtors: Some units did not maintain Creditors & Debtors Register separately. All units should keep Creditors & Debtors register by mentioning name, date, bill number and amount for maintaining proper accounts (Audit Report 2021-22, Page 3)
- vii. Income Tax Provision: The Corporation shows Tk. 16.61 million as Income Tax Provision in their Balance Sheet for a long period. But management did not provide proper explanation/reason in this regard. (Audit Report 2021-22, Page 7 & 15)

## **9. Recommendation for Performance Based Incentives**

Bangladesh Parjatan Corporation has obtained a weighted score of 2.33 out of a scale 4.00 and is graded “Good”. Therefore, IPEC recommended non-financial incentive for the employees of the Corporation. Also, a certificate from Finance Division may be awarded to Bangladesh Parjatan Corporation for being graded “Good” in IPE for the FY 2021-22.

## **10. Recommendation**

To improve the performance of Bangladesh Parjatan Corporation the following recommendations are made based on the finding of IPE.

- a) The corporation should have long term plan and implement eco-tourism, rural tourism, and community tourism in the country;
- b) The entity should take initiative to implement the Enterprise Resource Planning (ERP) system;
- c) The entity should take different business promotional program to increase its hotels and motels occupancy rate by providing various attractive offers and increases facilities for the customers.
- d) The corporation should take customer feedback and based on that should offer competitive package facilities which may help to recover its operational loss and increase their income.
- e) The entity is advised to assess effectiveness of existing training program and take measures to boost up tourism.
- f) Bangladesh Parjatan Corporation should prepare unit wise annual financial statements and incorporate those in the consolidated financial statement with a view to making disclosure of financial position of the units.
- g) The entity should maintain Asset Register with cost/price and implement accounting software for disclosure of accounts.

## **11. Conclusion**

Based on Audited Financial Statements, data and documents of Bangladesh Parjatan Corporation, Independent Performance Evaluation (IPE) report has been prepared for FY 2021-22. In the report it is found that the corporation’s financial performance during FY 2021-22 is not satisfactory and non-financial performance has improved to last fiscal year. Hence, to improve the overall performance of the corporation, the entity should take effective measures to reduce their operating loss. Corporation should also implement all undertaken projects to develop community based and eco-tourism that will help to create employment opportunity, socio-economic development, GDP growth and reduce poverty of Bangladesh.

## Annexure-1

**Bangladesh Parjatan Corporation**  
**Financial & Other Information**

Amount in BDT

Serial No	Statement of Financial Position (Balance Sheet)	Evaluate Fiscal Year	Previous Fiscal Year
		2021-22	2020-21
1	Current Assets:		
	i. Inventories		
	• Stock	70,471,377	136,641,966
	ii. Investments	280,243,774	263,718,193
	iii. Receivable:		
	• Trade	60,403,468	48,082,815
	• Others		
	iv. Cash and Cash Equivalent	300,998,129	182,038,802
	v. Others Current Assets	105,249,549	84,410,631
2	Total Current Assets (i + ii + iii + iv)	817,366,297	714,892,407
3	Total Non-Current Assets		
	• Property, Plant & Equipment (PPE)	592,710,345	640,417,406
	• Capital Work in Progress	2,085,279,427	1,676,059,121
	• Other non-current assets		
4	Total Assets (2+3)	3,495,356,069	3,031,368,934
5	Current Liabilities:		
	i. Payables:		
	• Trade	170,432,047	178,318,257
	• Others	229,747,402	167,165,751
	ii. Other Current Liabilities	16,607,524	16,607,524
6	Total Current Liabilities (i+ii)	416,786,973	362,091,532
7	Non-Current Liabilities:		
	i. Long Term Loans/Debts	85,467,000	87,467,000
	ii. Deferred Liabilities		
	iii. Other Non-Current Liabilities		
8	Total Non-Current Liabilities (i + ii + iii)	85,467,000	87,467,000
9	Total Liabilities (6+8)	502,253,973	449,558,532
10	Equity:		
	i. Share Capital	66,622,880	66,622,880
	ii. Grants	3,036,369,264	2,624,318,998
	iii. Retained Earnings/(Loss)	(109,890,048)	(109,131,476)
11	Total Equity (i+ii+iii)	2,993,102,096	2,581,810,402
12	Total Equity and Liabilities (9+11)	3,495,356,069	3,031,368,934

## Annexure 1

Serial No	Statement of Profit or Loss and Other Comprehensive Income (Income Statement)	2021-22		2020-21	
		Amount	Percentage	Amount	Percentage
13	Net Sales Revenue	1,196,976,580	100%	736,021,394	100%
14	Less: Cost of Services	774,421,394	64.70%	420,908,758	57.19%
15	Gross Profit/(Loss) (13-14)	422,555,186	35.30%	315,112,636	42.81%
16	Less: Operating Expenses:				
	i. Administrative Expenses	468,289,540		384,301,242	
	ii. Marketing Expenses				
17	Total Operating Expenses (i + ii)	468,289,540	39.12%	384,301,242	52.21%
18	Operating Profit/(Loss) (15-17)	(45,734,354)	(3.82%)	(69,188,606)	(9.40%)
19	Add: Non-Operating Income	46,529,684		16,650,720	
20	Less: Financial Expenses				
21	Less: Other Non-Operating Expenses				
22	Net Profit/(Loss) before Tax (18+19 – 20-21)	795,330		(52,537,886)	
23	Less: Provision for Tax				
	i. Current tax				
	ii. Deferred tax				
24	Net Profit/(Loss) After Tax (22-23)	795,330		(52,537,886)	

## Annexure 1

Serial No	Other Information	Evaluate Fiscal Year	Previous Fiscal Year
		2021-22	2020-21
25	Credit Sales	38,586,776	27,876,745
26	Credit Purchases	64,944,410	67,279,394
27	Capital Budget Allocation	85,890,000	70,275,000
28	Actual Capital Expenditure	24,298,000	86,536,000
29	Dividend Payable		
30	Dividend Paid		
31	Taxes Payable		
32	Taxes Paid		
33	Debt Service Liabilities (DSL) Payable	6,600,000	6,600,000
34	Debt Service Liabilities (DSL) Paid	2,000,000	3,000,000
35	Fees, Fine and Charges Payable	6,575,000	5,793,000
36	Fees, Fine and Charges Paid	6,575,000	5,793,000
37	New Government Investment:		
	• Equity		
	• Debts/Loan		
38	Total Government Fund Transferred to SOE/AB under the following heads:		
	• Grants	412,050,266	187,890,000
	• Subsidies		
	• Other Transfer (Specify)		
39	Operating Cash Surplus/(Deficit)	160,426,577	84,697,525
40	Added Value	962,743,999	776,805,368
41	Employees cost includes wages, salaries, bonus, provident fund contribution and other allowances	468,289,540	384,301,242
42	Capacity Utilization (%)	43.79%	52.96%
43	Input use Efficiency (%)		
44	Number of Employees (Nos)	367	411
45	Performance score achieved on APA	88.06%	85.72%

