

**Independent Performance Evaluation (IPE)**  
**Report**  
**on**  
**Khulna Development Authority (KDA)**  
**For 2021-22**

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## Executive Summary

Finance Division (FD), 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). Independent Performance Evaluation Guideline (IPEG) for SOEs and ABs has been prepared, approved and uploaded in the FD website by the Finance Division to evaluate the performance of SOEs and ABs independently. Based on selection parameters mentioned in IPEG, Monitoring Cell (MC) of Finance Division has selected 10 SOEs and ABs to conduct Independent Performance Evaluation for the fiscal year 2021-22. Khulna Development Authority (KDA) is one of those selected SOEs/ABs. As per the result of IPE of KDA for FY 2021-22, it has obtained a weighted average score of 2.87 out of 4.00 and is graded ‘Good’.

### 1. Introduction

Khulna Development Authority (KDA) was established by an ordinance of 1961 for the development and better planning of Khulna City and its surrounding areas. Later on, KDA ordinance 1961 was replaced by Khulna Development Authority Act 2018. KDA is assigned to construct road, parks and develop residential, commercial as well as industrial plots in Khulna City, Dalutpur Industrial City and adjacent areas. The Ministry of Housing and Public Works has the oversight responsibility for KDA.

KDA plays an important role to develop Khulna as a planned modern city of Bangladesh. During FY 2021-22 Khulna Development Authority approved 1,391 building plans, issued 1358 NOC for land uses which was 89.25% higher and 24.69% less respectively compare to the previous FY 2020-21. Plot allotment during 2021-22 was 20 and in previous year it was 42. Besides in FY 2021-22, the entity has completed multipurpose Khulna KDA Rest House Project at a cost of Tk. 77.30 million.

### 2. Role and Functions

Khulna Development Authority(KDA) mainly performs the following functions:

- i. Responsible to develop residential, commercial & industrial plots in Khulna City, Dalutpur Industrial City and adjacent areas.
- ii. KDA construct roads, link roads, bypass roads, bridges, foot over bridges, culverts, buildings, commercial complex, bus terminals, community centers, parks, etc. as assigned by Government.
- iii. Issues NOC (No Objection Certificate) for land use within KDA area.
- iv. Approves the building construction plan of Khulna city/KDA area.
- v. Also, responsible to control unauthorized and illegal construction in Khulna city and its surrounding areas.

### **3. Core Business**

- i. Responsible to prepare Master Plan, Detailed Area Plan and Structure Plan for the KDA jurisdiction.
- ii. Responsible to mitigate the housing problem of Khulna city by implementing different plans to extend the residential area in the city and surrounding areas.
- iii. Responsible to execute, supervise and finance the development projects of KDA.

#### 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	6	91-100%	81-90%	71-80%	41-70%	Below 41%
2	<b>Growth Trajectory</b>							
	2a. Net Surplus Growth	QN	2	25% or more	20% to 24%	15% to 19%	10% to 14%	Below 10%
	2b. Service Revenue Growth	QN	2	20% or more	15% to 19%	10% to 14%	5% to 9%	Below 5%
	2c. Other Growth	QL	3	91-100%	81-90%	71-80%	41-70%	Below 41%
3	<b>Efficiency of Project Implementation/ Project Goal Achievement:</b> • Percentage of estimated target achieved"	QN	6	91-100%	81-90%	71-80%	41-70%	Below 41%
4	<b>Social Contribution</b> • Environmental Contribution • CSR	QL	6	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	6	93.00%	Excellent	4	Note 1
2	<b>Growth Trajectory</b>						
	2a. Net Surplus Growth	QN	2	(35.23%)	Under Performing	0	Audited Financial Statements (AFS)
	2b. Service Revenue Growth	QN	2	10.46%	Good	2	AFS
	2c. Other Growth	QL	3	82.00%	Very Good	3	Note 2
3	<b>Efficiency of Project Implementation/ Project Goal Achievement:</b> • Percentage of estimated target achieved	QN	6	99.39%	Excellent	4	Note 3
4	<b>Social Contribution</b> • Environmental Contribution • CSR	QL	6	91.00%	Excellent	4	Note 4
Sub-Total			25				

**Note-1:**With an aim to develop the Khulna city, KDA has undertaken Detailed Area Plan for a long period of 2031. KDA has formulated a master plan and a structured framework for the development of the city.Keeping this in view, KDA has undertaken different development projects for Residential, Commercial and Industrial Plots, as well as construction plan such as road, bridges, buildings, commercial complex etc. for Khulna, Nawpara, Mongla and Rupsha areas.In addition, KDA strategic plan includes a comprehensive package of Physical, economic, social, and environmental policies regarding urban development over a longer period of time with a view to increasing economic activities in and around Khulna. So, the entity's strategic plan is aligned with National Strategic Plan, Government Policy Directives of FYs, SDGs, Perspective plan 2041 and Bangladesh Delta Plan 2100.

**Note-2:**KDA has implemented the following automation facilities for the stakeholders:

- i. Application submission for building construction/structure plan.
- ii. Decision of KDA on building construction plan is communicated through SMS.
- iii. Application submission for NOC on land uses and decisions of KDA are informed through SMS.
- iv. System generated Information Slip regarding land mutation purpose.
- v. System generated Possession letter for plot and stall.
- vi. Online application and reply for plot/stall allotment.

**Note-3:**Based on entity's 99.39% project implementation rate against financial targets during FY 2021-22.

**Note-4:**KDA has undertaken following social/environmental activities during FY 2021-22 to prevent from environmental pollution:

- Dustbin, Septic Tank and Shock Wall to be constructed compulsorily within the building area.
- Secondary Transfer Point (STP) to be built for multistoried building.

KDA operates KDA School & College and KDA Jame Masjid under CSR program.

## 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	5	91-100%	81-90%	71-80%	41-70%	Below 41%
2	<b>Labor Productivity</b>							
	2a. Added Value per Employee (million Tk.)	QN	5	Tk. 1.0 million or more	Tk. 0.85to0.99 million	Tk. 0.70to0.84 million	Tk. 0.55to0.69 million	Below Tk. 0.55 million
3	<b>Capital Productivity</b>							
	3a. Added Value per Tk. Value of Assets	QN	5	Tk. 0.05 or more	Tk. 0.04to 0.049	Tk. 0.03to 0.039	Tk. 0.02to 0.029	Below Tk. 0.02
	3b. Added Value Per Tk. Value of PPE	QN	5	Tk. 0.05 or more	Tk. 0.04to 0.049	Tk. 0.03to 0.039	Tk. 0.02to 0.029	Below Tk. 0.02
	<b>Production</b>							
4	4a. Asset Turnover (Times)	QN	5	0.05 or more	0.04to 0.049	0.03to 0.039	0.02to 0.029	Below 0.02
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	<b>Product, Service Delivery</b>						
	1a. Product Service Benefit & Accessibility	QL	5	88.00%	Very Good	3	Note 5
2	<b>Labor Productivity</b>						
	2a. Added Value per Employee (million Tk.)	QN	5	Tk. 0.58 million	Fair	1	AFS
3	<b>Capital Productivity</b>						
	3a. Added Value per Tk. Value of Assets	QN	5	Tk. 0.02	Fair	1	AFS
	3b. Added Value Per Tk. Value of PPE	QN	5	Tk. 0.03	Good	2	AFS
4	<b>Production</b>						
	4a. Asset Turnover (Times)	QN	5	0.04	Very Good	3	AFS
Sub-total			25				

**Note-5:**KDA has undertaken following measures to provide easy service delivery to the stakeholders:

- One stop service center
- Installed software for:
  - maintaining correct information regarding premium installment, interest, arrear/due payment etc.
  - issuing online payment clearance certificate and NOC for land uses.

**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	Surplus of Income over Expenditure	QN	2	Tk. 10 million or more	Tk. 8 to Tk. 9 million	Tk. 6 toTk. 7 million	Tk. 4 toTk. 5 million	Below Tk. 4 million
2	Surplus before Tax	QN	2	Tk. 110 million or more	Tk. 105 toTk. 109 million	Tk. 100 toTk. 104 million	Tk. 95 toTk. 99 million	Below Tk. 95 million
3	Return on Assets (%)	QN	2	2% or more	1.75%to1.99%	1.5%to1.74%	1.25%to1.49%	Below 1.25%
4	Return on Service Revenue (%)	QN	3	35% or more	30%to 34%	25% to29%	20% to24%	Below 20%
5	Return on Equity (%)	QN	2	2% or more	1.75%to 1.99%	1.50%to1.74%	1.25%to1.49%	Below 1.25%
6	Net Worth Growth (%)	QN	3	1.00 % or more	0.75%to 0.99%	0.50%to 0.74%	0.25%to 0.49%	Below 0.25%
<b>ii. Financial Risk</b>								
1	Debt Equity Ratio (Times)	QN	3	1.50or 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	3	0.60or less	0.61 to 1.00	1.1 to 1.4	1.41 to 1.8	More than 1.8
3	Current Ratio (Times)	QN	3	2.00 or more	1.75to 1.99	1.50to 1.74	1.25to 1.49	Below 1.25
<b>iii. Transactions with Govt.</b>								
1	Contribution Paid	QN	3	91-100%	81-90%	71-80%	41-70%	Below 41%
2	Taxes Paid	QN	4	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-	Actual Performance	Achievement		Basis of Performance measuring
					Grade	Score	
<b>i. Financial</b>							
1	Surplus of Income over Expenditure	QN	2	Tk. (62.45) million	Under Performing	0	AFS
2	Surplus before Tax	QN	2	Tk. 134.12 million	Excellent	4	AFS
3	Return on Assets (%)	QN	2	1.39%	Fair	1	AFS
4	Return on Service Revenue (%)	QN	3	38.92%	Excellent	4	AFS
5	Return on Equity (%)	QN	2	1.48%	Fair	1	AFS
6	Net Worth Growth (%)	QN	3	0.86%	Very Good	3	AFS
<b>ii. Financial Risk</b>							
1	Debt Equity Ratio (Times)	QN	3	0.06	Excellent	4	AFS
2	Debt to Assets (Times)	QN	3	0.058	Excellent	4	AFS
3	Current Ratio (Times)	QN	3	5.67	Excellent	4	AFS
<b>iii. Transactions with Govt.</b>							
1	Contribution Paid	QN	3	66.67%	Fair	1	Annexure 1 SL 29 & 30
2	Taxes Paid	QN	4	100%	Excellent	4	Annexure 1 SL 31 & 32
Sub-total			30				

## 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                             <ul style="list-style-type: none"> <li>• Internal audit procedure and reporting authority</li> <li>• Entity's computer-based management information system (database)</li> </ul> </li> <li>• Any authority of the board to mitigate the entity's emergency situation                             <ul style="list-style-type: none"> <li>• Measures taken for safe working environment in the entity's premises</li> </ul> </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	82%	Very Good	3	Note 6
2	Board Practices	QL	4	83%	Very Good	3	Note 7
3	Transparency and Disclosure	QL	4	91%	Excellent	4	Note 8
4	Control Environment and Process.	QL	4	81%	Very Good	3	Note 9
5	Performance against the key Indicators of APA	QN	4	94.60%	Very Good	3	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 10).

**Note-6:**The entity has its own Act. It follows KDA Employees Service Rules 1990, KDA Employees Pensions Rules 2003. KDA Employee's Retirement Act 2003 and Citizen Charter as corporate governance. KDA has a corporate secretary for board.

**Note-7:**The entity's board of directors comprises 23 (Twenty-three) members nominated by GOB. The board includes a chairman and four members as regular directors. Among the other eighteen members of board four are independent directors in which one shall be Town Planner and one woman. In FY 2021-22 four (4) board meetings were held and twenty seven (27) board decisions have been implemented. KDA has no board committee.

**Note-8:**The entity discloses its own Acts, Rules, Audited Financial Statement, names and biographies of Board Directors, Senior Managers, Citizen Charter, APA on its website.

**Note-9:**KDA has undertaken the following measures to control environment and process during 2021-22:

- i. KDA has an Audit Section to establish internal control system for different sections that directly report to Chairman.
- ii. The audit Section verifies and examine the bills, claim and various payments for authenticity of transactions as well as find out irregularities and misappropriation of entity's fund.
- iii. KDA board has the authority to mitigate the emergency situation.
- iv. The entity maintains various software, E-filing, E-tendering systems under computer-based management and information system.
- v. Installed firefighting equipment at the office building for fire safety.
- vi. Set up CC camera for monitoring the whole office building's security.
- vii. Maintains all safety rules.

## 5. IPE Process

- i. Performances of non-financial indicators of Khulna Development Authority (KDA) has been evaluated on the basis of information and documents of the inception report provided by KDA.
- ii. Actual performance of non-financial indicators is determined by the collective decision of ERT members.
- iii. According to IPEG, actual financial performances of KDA 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, KDA'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

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
A	<b>Business Strategy and Social Responsibility:</b>	25			
1	Entity Strategy: • Entity Strategic Plan		6	4	0.24
2	Growth Trajectory: 2a. Net Surplus Growth		2	0	0.00
	2b. Service Revenue Growth		2	2	0.04
	2c. Other Growth		3	3	0.09
3	Efficiency of Project Implementation/ Project Goal Achievement: • Percentage of estimated target achieved"		6	4	0.24
4	Social Contribution: • Environmental Contribution • CSR / WPPF • Training / Volunteering		6	4	0.24
	<b>Sub Total</b>		<b>25</b>		<b>0.85</b>

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score (%)
B	<b>Operational Efficiency:</b>	25			
1	Service Delivery: • Service benefits and Accessibility		5	3	0.15
2	Labor Productivity: 2a. Added Value Per Employee		5	1	0.05
3	Capital Productivity: 3a. Added Value Per TK Value of Assets		5	1	0.05
	3b. Added Value Per TK Value of PPE		5	2	0.10
4	Production: a. Asset Turnover		5	3	0.15
	<b>Sub Total</b>		<b>25</b>		<b>0.50</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	Surplus of Income over Expenditure		2	0	0.00
2	Surplus before tax		2	4	0.08
3	Return on assets		2	1	0.02
4	Return on Service Revenue		3	4	0.12
5	Return on equity		2	1	0.02
6	Net worth growth		3	3	0.09
	<b>ii. Financial Risk:</b>				
1	Debt equity ratio		3	4	0.12
2	Debt to assets		3	4	0.12
3	Current ratio		3	4	0.12
	<b>iii. Transactions with Government:</b>				
1	Dividend/Contribution paid		3	1	0.03
2	Taxes paid		4	4	0.16
	<b>Sub Total</b>		<b>30</b>		<b>0.88</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	3	0.12
	<b>Sub Total</b>		<b>20</b>		<b>0.64</b>
	<b>Grand Total (A+B+C+D)</b>	<b>100</b>	<b>100</b>		<b>2.87</b>

## 7. Interpretation of Results

As per Independent Performance Evaluation (IPE) Khulna Development Authority Scored 2.87 out of 4.00 in the year 2021-22.

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

- Entity Strategic Plan
- Social Contribution
- Return on Sales
- Debt Equity Ratio
- Transparency and Disclosure
- Efficiency of Project Implementation
- Debt to Assets
- Current Ratio

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

- Service Delivery
- Board Practices
- Control Environment and Process
- Annual Performance Agreement (APA).
- Net Worth Growth
- Corporate Governance.
- Other Growth
- Assets Turnover.

The performance of KDA is graded “Good” in Service Revenue Growth.

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

- Capital Productivity
- Return on Equity
- Return on Assets
- Labour Productivity

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

- Net Income Growth
- Capital Budget Utilization

**7. (B)**Other important aspects of Performance during FY 2021-22:

- i. KDA has incurred operating loss of Tk.62.45 million.
- ii. The entity earned net Profit (after tax) of Tk.100.59 million.
- iii. KDA Current Ratio (Time) 5.67 which indicates entity is in a well position to meet its current liabilities in due period.
- iv. KDA paid Taxes Tk.33.53 million
- v. KDA paid Tk. 10.00 million as Contribution to GoB.
- vi. The entity received Tk. 350.00 million as grant from GoB against different development projects.



## **8. Findings from the Audit Report 2021-22**

In KDA Audit Report 2021-22 the following anomalies are found:

- a) KDA did not maintain Deferred Tax Account. (Audit Report 2021-22, Page 18).
- b) The authority did not provide Fund Flow Statement in KDA Audit Report.
- c) In Audit Report, Fund Accounts shows Tk. 6,797.12 million without disclosing Capital, Reserve & Retained Earnings etc.

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

Khulna Development Authority has obtained a weighted score of 2.87 out of a scale 4.00 and is graded "Good". Therefore, IPEC recommended non-financial incentive for the employees of KDA. Also, a certificate from Finance Division may be awarded to KDA for being graded "Good" in IPE for the FY 2021-22.

## **10. Recommendation**

To improve the performance of KDA the following recommendations are made based on the finding of IPE:

- a) To improve operative income of KDA:
  - i. Automation process should be implemented for all types of revenue collection to provide reliable and quick service to the stakeholders.
  - ii. Based on Detail Area Plan, KDA should develop more residential area for the people of Khulna city, Mongla, Nawapara and Rupsha to mitigate housing problem.
  - iii. It should take steps to increase revenue of its markets, bus-terminal and community Center.
- b) KDA is advised to form Board Committees such as Audit Committee, Remuneration and Nomination Committee for internal control and compliance.
- c) Financial Statements of the KDA appear to have been prepared without due attention to IFRS. Financial Statements need to be prepared in accordance with applicable IAS and IFRS to improve financial discipline, disclosure and reporting.

## **11. Conclusion**

Based on Audited Financial Statements, data and documents of Khulna Development Authority (KDA), Independent Performance Evaluation (IPE) report have been prepared for FY 2021-22. In the report it is found that KDA's financial and non-financial performance has improved compared to last fiscal year. Therefore, for overall performance improvement of KDA, the entity should extend its jurisdiction by developing more residential areas for the people of Khulna city, Mongla, Noapara and Rupsha to fulfill their housing needs as well as to increase its regular income.

**Khulna Development Authority (KDA)**  
**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		
	• Material	78,673	46,261
	• Accessories/ Supplies	0	0
	• Work-in-Progress (WIP)	0	0
	• Others (including spare parts)	0	0
	• Finished goods	0	0
	ii. Receivable:		
	• Trade	0	0
	• Others	0	0
	iii. Cash and Cash Equivalent	2,342,772,557	2,276,065,395
	iv. Others Current Assets	25,369,570	15,034,869
2	Total Current Assets (i+ii+iii+iv)	2,368,220,800	2,291,146,525
3	Total Non-Current Assets		
	• Property, Plant & Equipment (PPE)	4,846,824,861	4,861,129,054
	• Investments	0	0
	• Other non-current assets	0	0
4	Total Assets (2+3)	7,215,045,661	7,152,275,579
5	Current Liabilities:		
	i. Payables:		
	• Trade	0	0
	• Others	0	0
	ii. Other Current Liabilities	417,926,864	413,292,716
6	Total Current Liabilities (i+ii)	417,926,864	413,292,716
7	Non-Current Liabilities:		
	i. Long Term Loans/Debts	0	0
	ii. Deferred Liabilities	0	0
	iii. Other Non-Current Liabilities	0	0
8	Total Non-Current Liabilities (i+ii+iii)	0	0
9	Total Liabilities (6+8)	417,926,864	413,292,716
10	Equity:		
	Fund Account	6,797,118,797	6,738,982,863
11	Total Equity	6,797,118,797	6,738,982,863
12	Total Equity and Liabilities (9+11)	7,215,045,661	7,152,275,579

Serial No	Statement of Profit or Loss and Other Comprehensive Income (Income Statement)	2021-22		2020-21	
		Amount	Percentage	Amount	Percentage
13	Net Service Revenue	258,453,299	100%	233,981,662	100%
14	Less: Cost of Services	172,726,752	66.83%	110,501,031	47.23%
15	Gross Surplus/(Deficit) (13-14)	85,726,547	33.17%	123,480,631	52.77%
16	Less: Operating Expenses:				
	i. Administrative Expenses	148,174,604	57.33%	146,990,017	62.82%
	ii. Marketing Expenses	0		0	
17	Total Operating Expenses (i+ii)	148,174,604	57.33%	146,990,017	62.82%
18	Operating Profit/Surplus/(Deficit) (15-17)	(62,448,057)	(24.16%)	(23,509,386)	(10.05%)
19	Add: Non-Operating Income	196,566,753		230,582,181	
20	Less: Financial Expenses	0		0	
21	Less: Other Non-Operating Expenses	0		0	
22	Net Surplus/(Deficit) before Tax (18+19-20-21)	134,118,696		207,072,795	
23	Less: Provision for Tax	33,529,674		51,768,199	
	i. Current tax	33,529,674		51,768,199	
	ii. Deferred tax	0		0	
24	Net Profit/(Loss)/Surplus/(Deficit) After Tax (22-23)	100,589,022		155,304,596	

Serial No	Other Information	Evaluate Fiscal Year	Previous Fiscal Year
		2021-22	2020-21
25	Credit Sales	0	0
26	Credit Purchases	0	0
27	Capital Budget Allocation	569,000,000	268,500,000
28	Actual Capital Expenditure	37,464,161	7,735,694
29	Dividend Payable	15,000,000	20,000,000
30	Dividend Paid	10,000,000	15,000,000
31	Taxes Payable	33,529,674	51,768,199
32	Taxes Paid	33,529,674	51,768,199
33	Debt Service Liabilities (DSL) Payable	0	0
34	Debt Service Liabilities (DSL) Paid	0	0
35	Fees, Fine and Charges Payable	0	0
36	Fees, Fine and Charges Paid	0	0
37	New Government Investment:		
	• Equity	0	0
	• Debts/Loan	0	0
38	Total Government Fund Transferred to SOE/AB under the following heads:		
	• Grants	350,000,000	499,125,000
	• Subsidies	0	0
	• Other Transfer (Specify)	0	0
39	Operating Cash Surplus/(Deficit)		
40	Added Value	119,157,488	152,222,231
41	Employees cost includes wages, salaries, bonus, provident fund contribution and other allowances	148,174,604	146,999,017
42	Capacity Utilization (%)	0%	0%
43	Input use Efficiency (%)	0%	0%
44	Number of Employees (NoS)	199	210
45	Performance score achieved on APA	94.60%	94.74%

## Schedule - 2

## Non-financial Information format

Sl.	Particulars	
<b>A</b>	<b>Enterprise Information and Legal Framework</b>	
2	Sector	
3	Name of Entity	Khulna Development Authority
4	Number of Subsidiaries	Nil
5	Number of Branches	
6	Website	<a href="http://www.kda.gov.bd">www.kda.gov.bd</a>
7	Email Address	<a href="mailto:kda@kda.gov.bd">kda@kda.gov.bd</a>
8	Year of Incorporation	1961
9	Governing Law	Kda Act, 2018
10	Other relevant Governing Laws & Regulations	Kda Employees service rules, 1990 Kda Employees retirement rules, 2003 Kda Employees Pension Regulation, 2003
11	Incorporation Structure	x
12	Listed in the Stock Exchange	N/A
<b>B</b>	<b>Ownership and Shareholder Protection</b>	
14	Administrative Ministry	Ministry of Housing and Public Works
15	Structure of Organization	Semi-Government(Autonomous Body)
<b>C</b>	<b>Strategy and Governance Information</b>	
17	Board of Directors (Number disaggregated by gender and profile)	23 (Twenty Three)
18	Qualification of Board Members	Described in KDA Act 2018
19	Number of Independent Director	4
20	Chairman to be Independent of Board	
21	Board Committees	
22	Number of Board Meetings held	4 in one years
23	Board Sitting Fees	2,000/- (Two Thousand)
24	Executive Management	
25	Selection process of Board Members	Described in KDA Act 2018
26	Strategic Plan/Public Policy Goal (copy required)	a) Ensure all the services &

		<p>facilities according to projected population up to 2031.</p> <p>b) Preserve highly proficient cultivable land to ensure agricultural production.</p> <p>c) Encourage industrialization for productivity and employment generation.</p> <p>d) Making healthy city to ensure sustainable development.</p> <p>e) Protection of water body for water supply &amp; drainage.</p>
27	Innovative work (Description)	<p>a) Online payment collection system for installment of land, NOC (No Objection Certificate), Building plan approval fee and others</p> <p>b) Giving NOC for land use housing, commercial loan and others and building plan through online system within mentioned time</p> <p>c) Providing kiosk for self operated information of land, building plan and other services of KDA.</p>
28	Project Completion Rate: Actual Achievement /Target	53 Projects completed since inception
<b>D</b>	<b>Ownership Structure</b>	
30	Govt. Shareholding	N/A
31	Private Shareholding	N/A
32	Others	N/A
<b>E</b>	<b>Fiscal and Financial Discipline</b>	
34	Who are the Primary Lenders to the Enterprise	N/A
<b>F</b>	<b>Controls, Transparency and Disclosure</b>	
36	Latest Audited Financial Statement	Attached in online
37	Audited by	A. MANNAN & CO.
38	Risk Assessment Report	Good
39	Internal Control	Yes
40	Timely public disclosure of financial statements	Timely disclosure by website.(www.kda.gov.bd)

41	Measures for safe working Environment/Process (Description)	Employees can work here in safe environment. They work here without mental agony. They get there benefits in time. So, they work satisfactorily.
<b>G</b>	<b>Human Resources</b>	
43	Number of employees	199
44	Number of New Job Creation (Regular, Internship, etc.)	Nil
<b>H</b>	<b>Employee and Social Welfare</b>	
46	CSR, WPPF, Provident Fund, Gratuity Fund etc.	Financing KDA College. Provident Fund, Group Insurance. Benevolent Fund, Pension Find Available.

**Note: Above mentioned non-financial information to be provided for IPE.**