

Independent Performance Evaluation (IPE) Report
on
Bangladesh Parjatan Corporation
For 2022-23

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Executive Summary

The Finance Division of the Ministry of Finance is implementing the "Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)." One of the key components of this program is the "Strengthening of State-owned Enterprises' Governance" scheme, which aims to strengthen the governance of State-owned Enterprises (SOEs) and Autonomous Bodies (ABs). To achieve this, the Finance Division has developed and approved an Independent Performance Evaluation Guideline (IPEG) for SOEs and ABs to evaluate their performance independently. Based on selection parameters of IPEG, Monitoring Cell, Finance Division has selected 10 (ten) more SOEs and ABs in addition to previously selected 10 (ten) SOEs/ABs in total 20 (twenty) SOEs/ABs to conduct Independent Performance Evaluation for the fiscal year 2022-23.

Bangladesh Parjatan Corporation has been evaluated for two consecutive years and is among the 20 selected State-Owned Enterprises (SOEs) and Autonomous Bodies (ABs) for Independent Performance Evaluation (IPE) for FY 2022-23. According to the evaluation results, the corporation achieved a weighted average score of 2.54 out of 4.00, earning a "Good" grade.

1. Introduction

Bangladesh Parjatan Corporation was established under the President's Order No. 143 of 1972. Recently, the Bangladesh Parjatan Corporation Order, 1972, was amended through the Bangladesh Parjatan Corporation (Amendment) Act, 2022. The corporation's prime objective is to promote and develop the tourism industry in Bangladesh. It is also tasked with providing quality services to tourists and creating world-class tourism facilities across the country. According to the latest MUNDI Index, Bangladesh ranks 141st among 188 countries in the tourism sector. The draft Tourism Master Plan projects the creation of 7.285 million employment opportunities in the tourism sector by 2030. The corporation plays a significant role in the socio-economic development of the country by generating job opportunities and alleviating poverty through advancements in tourism. The corporation currently operates and maintains 31 (thirty-one) units, including hotels, motels, holiday complexes, restaurants, cafeterias, tourism training institutes, picnic spots, and bars. Additionally, 24 (twenty-four) commercial units, such as restaurants, bars, motels, and children's amusement parks, have been leased under private management contracts. During the evaluation period, BPC provided training to 948 participants on various tourism-related topics. To enhance tourism facilities in FY 2022-23, BPC undertook seven projects under the Annual Development Program. These projects include constructing new hotels, cottages, convention halls, restaurants, children's amusement parks, youth inns, picnic sheds, and swimming pools. Moreover, renovation work was completed on 10 hotels, motels, resorts, and picnic spots during the same period. The Ministry of Civil Aviation and Tourism oversees Bangladesh Parjatan Corporation, ensuring alignment with national tourism goals and strategies.

2. Role and Functions

The main functions of the Bangladesh Parjatan Corporation are as follows:

- i. Foster the growth and development of the tourism industry in Bangladesh.
- ii. Facilitate activities related to tourism by providing necessary infrastructure and services.
- iii. Offer tourism-related information both within Bangladesh and internationally.
- iv. Promote and support the growth of domestic tourism.
- v. Publish materials such as leaflets, brochures, and books to enhance tourism promotion efforts.
- vi. Operate and manage duty-free shops for tourists.
- vii. Arrange group tours for tourists to enhance their travel experience.
- viii. Set up institutes to train individuals involved in tourism and related fields, creating skilled manpower for the sector.

3. Core Business

- i. Establish and enhance infrastructure facilities to support tourism across the country.
- ii. Acquire, construct, and manage hotels, restaurants, rest houses, picnic spots, camping sites, theatres, amusement parks, water skiing facilities, and other entertainment venues for tourists.
- iii. Provide specialized training to develop skilled manpower and ensure high-quality services for tourists.
- iv. Encourage investments through Public-Private Partnerships (PPP) to drive the growth and expansion of Bangladesh's tourism industry.

Section: iv Evaluation Parameters

4. Evaluation Parameters

Criteria: Business and Governance

Indices: A. Business Strategy and Social Responsibility

Table 1(a): Standard of Indices A

FY 2022-23

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	Entity Strategy							
	Entity Strategic Plan	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
2	Growth Trajectory							
	2a. Net Income Growth	QN	4	20.00% or more	15.00% to 19.99%	10.00% to 14.99%	5.00% to 9.99%	Below 5.00%
	2b. Sales Growth	QN	4	10.00% or more	8.00% to 9.99%	6.00% to 7.99%	4.00% to 5.99%	Below 4.00%
	2c. Innovative/Other Growth	QL	3	91-100%	81-90%	71-80%	41-70%	Below 41%
3	Effective Implementation of Public Policy Implement activities to achieve policy goal	QL	3	91-100%	81-90%	71-80%	41-70%	Below 41%
4	Efficiency of Project Implementation/ Project Goal Achievement: • Percentage of estimated target achieved	QN	4	91-100%	81-90%	71-80%	41-70%	Below 41%
5	Social Contribution • Environmental Contribution • CSR/WPPF • Training/Volunteering	QL	3	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	Entity Strategy						
	Entity Strategic Plan	QL	4	89.00%	Very Good	3	Note 1
2	Growth Trajectory						
	2a. Net Income Growth	QN	4	154.64%	Excellent	4	AFS
	2b. Sales Growth	QN	4	7.80%	Good	2	AFS
	2c. Other Growth	QL	3	79.00%	Good	2	Note 2
3	Effective Implementation of Public Policy	QL	3	73.00%	Good	2	Note 3
4	Efficiency of Project	QN	4	74.48%	Good	2	Note 4
5	Social Contribution	QL	3	89.00%	Very Good	3	Note 5
Sub-Total			25				

Note-1: To establish Bangladesh as a leading tourist destination in South Asia, Bangladesh Parjatan Corporation has undertaken several short, medium, and long-term projects. During FY 2022-23, BPC is implementing seven projects across various locations in the country. These initiatives align with the National Strategic Plans, Government Policy Directives of the National Budget, and Sustainable Development Goals (SDGs).

Note-2: Bangladesh Parjatan Corporation has introduced the following measures to enhance its services:

- i. Launched a dedicated website for its rooftop restaurant.
- ii. Introduced a Chatbot service via Facebook Messenger and other platforms to provide customer support and service information.
- iii. Implemented an online verification system for certificates issued by the National Hotel & Tourism Training Institute (NHTTI).
- iv. Added 10 (ten) new food items across all its commercial units in FY 2022-23.

Note-3. Bangladesh Parjatan Corporation supports public policy by driving tourism development aligned with national priorities. It builds and operates infrastructure such as hotels, restaurants, and recreational sites. The corporation also enhances service quality by training skilled manpower and encouraging private investment through Public-Private Partnerships (PPP). All activities are planned with a focus on public welfare, contributing to economic growth, employment, and cultural promotion across the country.

Note-4: Bangladesh Parjatan Corporation achieved 74.48% and 71.54% of its financial target and physical target during FY 2022-23. These achievements were considered in determining its overall performance score for the fiscal year.

Note-5: Bangladesh Parjatan Corporation has also undertaken social and environmental initiatives, including:

- i. Environmental Compliance: Before establishing commercial units, BPC obtains environmental clearance certificates from the Department of Environment to ensure compliance. Additionally, BPC has initiated various afforestation programs at its units, contributing positively to the environment.
- ii. Training Programs by NHTTI (FY 2022-23):
National Certificate Courses: Conducted training in six areas—Food & Beverage Production, Food & Beverage Service, Bakery & Pastry Production, Front Desk & Secretarial Operations, Housekeeping & Laundry Operations, and Travel Agency & Tour Operations - for 687 participants.
Diploma Certificate Courses: Offered diplomas in Hotel Management, Culinary Arts & Catering Management, and Tourism & Hospitality for 158 participants.
Professional Courses: Delivered professional training in Chef and Baking to 103 participants.
- iii. Participation in Travel & Tourism Expo 2022: BPC actively participated in the Bangladesh Travel and Tourism Expo-22 Parjatan Fair.
- iv. Internship Opportunities: Free internship training in Food Production, Housing, and Guiding is provided to young individuals to encourage self-employment and entrepreneurship.

Indices: B. Operational Efficiency

Table 2(a): Standard of Indices B

FY 2022-23

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	Service Delivery							
	Service Benefit & Accessibility	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
2	Labor Productivity							
	Added Value per Employee (million Tk.)	QN	3	Tk. 2.00 mil or more	Tk. 1.75 to 1.99 mil	Tk.1.50 to 1.74 mil	Tk.1.25 to 1.49 mil	Below Tk. 1.25 mil
3	Capital Productivity							
	3a. Added Value per Tk. Value of Assets	QN	3	Tk. 0.15 or more	Tk. 0.13 to 0.14	Tk. 0.11 to 0.12	Tk. 0.09 to 0.10	Below Tk. 0.09
	3b. Added Value Per Tk. Value of PPE	QN	3	Tk. 1.00 or more	Tk. 0.75 to 0.99	Tk. 0.50 to 0.74	Tk. 0.25 to 0.49	Below Tk. 0.25
4	Production							
	4a. Inventory Turnover (Times)	QN	4	12 or more	10 to 11	8 to 9	6 to 7	Below 6
	4b. Asset Turnover (Times)	QN	4	0.40 or more	0.30 to 0.39	0.20 to 0.29	0.10 to 0.19	Below 0.10
	4c. Capacity Utilization (%)	QN	4	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						
	Service Benefit & Accessibility	QL	4	85.00%	Very Good	3	Note 6
2	Labor Productivity						
	Added Value per Employee (million Tk.)	QN	3	Tk.1.42 mil	Fair	1	AFS
3	Capital Productivity						
	3a. Added Value per Tk. Value of Assets	QN	3	Tk. 0.13	Very Good	3	AFS
	3b. Added Value Per Tk. Value of PPE	QN	3	Tk. 0.83	Very Good	3	AFS
4	Production						
	4a. Inventory Turnover (Times)	QN	4	15.07	Excellent	4	AFS
	4b. Asset Turnover (Times)	QN	4	0.33	Very Good	3	AFS
	4c. Capacity Utilization (%)	QN	4	45%	Fair	1	SL-42 of Annexure -1
Sub-total			25				

Note-6: The entity has implemented the following automation facilities to enhance services for stakeholders:

- i. Introduced ERP software for seamless hotel and motel booking management.
- ii. Enabled Mobile Banking, Merchant Account services, and Credit Card facilities across its commercial units.
- iii. Launched an online payment gateway system to facilitate convenient transactions.
- iv. Established a "Unit Managers" Facebook Closed Group to monitor and oversee the activities of commercial units regularly.
- v. Implemented a Grievance Redress System (GRS) and resolved all 30 complaints in FY 2022-23.
- vi. Introduced E-Governance to streamline administrative processes and improve efficiency in FY 2022-23.
- vii. Introduced the Right to Information (RTI) framework to ensure transparency and accountability in FY 2022-23.
- viii. Launched package tour services to provide comprehensive travel solutions in FY 2022-23.

Indices: C. Financial

Table 3(a): Standard of Indices C

FY 2022-23

		* Standard						
Serial No.	Indicators & Sub-indicators	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
	i. Financial Performance							
1	Operating profit	QN	2	Tk. 8.00 mil or more	Tk. 6.00 to Tk. 7.99 mil	Tk. 4.00 to Tk. 5.99 mil	Tk. 2.00 to Tk. 3.99 mil	Below Tk. 2.00 mil
2	Profit before Tax	QN	2	Tk.10.00 mil or more	Tk. 8.00 to Tk. 9.99 mil	Tk. 6.00 to Tk.7.99 mil	Tk. 4.00 to Tk. 5.99 mil	Below Tk. 4.00 mil
3	Return on Assets (%)	QN	2	0.10 % or more	0.08 %to 0.09 %	0.06 %to 0.07 %	0.04 %to 0.05 %	Below 0.04%
4	Return on Sales (%)	QN	2	0.15% or more	0.12%to 0.14%	0.09% to 0.11%	0.06% to 0.08 %	Below 0.06%
5	Return on Equity (%)	QN	2	0.10% or more	0.08% to 0.09%	0.06%to 0.07%	0.04%to 0.05%	Below 0.04%
6	Net Worth Growth (%)	QN	2	20% or more	15%to 19%	10% to 14%	5% to 9%	Below 05%
7	Capital Budget Utilization (%)	QN	2	91-100%	81-90%	71-80%	41-70%	Below 41%
	ii. Financial Risk							
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
	iii. Transactions with Govt.							
1	Taxes Paid	QN	1	91-100%	81-90%	71-80%	41-70%	Below 41%
2	Dividend Paid	QN	1	91-100%	81-90%	71-80%	41-70%	Below 41%
3	Fees & Charges Paid	QN	1	91-100%	81-90%	71-80%	41-70%	Below 41%
4	Debt Service Liabilities Paid	QN	1	91-100%	81-90%	71-80%	41-70%	Below 41%

Table 3 (b): Achievement of Indices C

Serial No.	Indicators & Sub-Indicators	Types of Measuremen	Weight for sub-indicators	Actual Performance	Achievement		Basis of Performance measuring
					Grade	Score	
	i. Financial Performance						
1	Operating profit	QN	2	Tk. (23.03) million	Under Performing	0	AFS
2	Profit before Tax	QN	2	Tk.2.03 million	Under Performing	0	AFS
3	Return on Assets (%)	QN	2	0.05%	Fair	1	AFS
4	Return on Sales (%)	QN	2	0.16%	Excellent	4	AFS
5	Return on Equity (%)	QN	2	0.06%	Good	2	AFS
6	Net Worth Growth (%)	QN	2	9.53%	Fair	1	AFS
7	Capital Budget Utilization (%)	QN	2	83.24%	Very Good	3	SL-27,28 of Annexure -1
	ii. Financial Risk						
1	Debt Equity Ratio (Times)	QN	2	0.18	Excellent	4	AFS
2	Debt to Assets (Times)	QN	2	0.15	Excellent	4	AFS
3	Debt Coverage Ratio (Times)	QN	2	96.48	Excellent	4	AFS
4	Current Ratio (Times)	QN	2	1.86	Very Good	3	AFS
5	Accounts Receivable Period (Days)	QN	2	647.82	Under Performing	0	AFS
6	Accounts Payable Period (Days)	QN	2	649.93	Under Performing	0	AFS
	iii) Transactions with Government						
1	Fees & Charges Paid	QN	1	100%	Excellent	4	SL-35,36 of Annexure -1
2	Taxes Paid	QN	1	100%	Excellent	4	SL-31,32 of Annexure -1
3	Dividend Paid	QN	1	98.68%	Excellent	4	SL-29,30 of Annexure -1
4	Debt Service Liabilities Paid	QN	1	100%	Excellent	4	SL-33,34 of Annexure -1 Note- 7
Sub-total			30				

Note-7: Bangladesh Parjatan Corporation has a significant outstanding loan owed to the Government of Bangladesh (GOB). However, due to a shortage of funds, the corporation has been unable to make timely payments on the Debt Servicing Loan (DSL).

Indices: D. Corporate Governance Practices

Table 4(a): Standard of Indices D

FY 2022-23

Serial No.	Indicators & Sub-indicators	* Standard						
		Types of Measurement	Weight for Sub-indicators	Grade: Excellent	Grade: Very Good Score: 3	Grade: Good Score: 2	Grade: Fair Score: 1	Grade: Under-performing Score: 0
1	Commitment to Corporate Governance: <ul style="list-style-type: none"> Code of Conduct Ethics Key policies of Board Board structure Employees service rules/ regulations Appointment of Board Secretary 	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
2	Board Practices: <ul style="list-style-type: none"> Composition of Board of Directors and number of meetings held TOR of board Number of independent Board Directors Name & Number of board committees and number of meetings held Number of board decisions that have been implemented 	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
3	Transparency and Disclosure: <ul style="list-style-type: none"> Board of directors and Senior managers name and biographies Audited financial statement Citizen charter APA Code of conduct 	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
4	Control Environment and Process: <ul style="list-style-type: none"> Entity's internal control systems for different departments Internal audit procedure and reporting authority Entity's computer-based management information system (database) Any authority of the board to mitigate the entity's emergency situation Measures taken for safe working environment in the entity's premises 	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
5	Performance against the key Indicators of APA¹: Total Performance score achieved on APA	QN	4	100%	90%	80%	70%	60%

Table 4 (b): Achievement of Indices D

Serial No.	Indicators & Sub-Indicators	Types of Measurement	Weight for sub-indicators	Actual Performance	Achievement		Basis of Performance Measuring
					Grade	Score	
1	Commitment to Corporate Governance	QL	4	91%	Excellent	4	Note 8
2	Board Practices	QL	4	78%	Good	2	Note 9
3	Transparency and Disclosure	QL	4	83%	Very Good	3	Note 10
4	Control Environment and Process.	QL	4	82%	Very Good	3	Note 11
5	Performance against the key Indicators of APA	QN	4	83.71%	Good	2	Score of APA for FY 2022-23
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.

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

Note-8: The entity operates under the Bangladesh Parjatan Corporation (Amendment) Act 2022 and adheres to corporate governance standards, including a code of conduct, rules and regulations, employee service rules, and a citizen charter. The corporation has a Corporate Secretary for its board.

Note-9: The entity's Board of Directors consists of 11 (eleven) members, including the President and 10 members. Among them, 2 (two) independent directors are from non-governmental organizations directly and institutionally associated with the tourism industry. All board members are appointed by the Government. The corporation has no Board Committee. During FY 2022-23, no board meetings were conducted by the entity.

Note-10: The entity publishes the following information on its website: Acts, Rules, Audited Financial Statements, names and biographies of Board Directors and Senior Managers, the Citizen Charter, and the Annual Performance Agreement (APA).

Note-11: Bangladesh Parjatan Corporation has implemented the following measures to ensure compliance and process control:

- i. Established an internal audit department to review, verify, and examine bills, invoices, payments, and collections for transaction authenticity.
- ii. Ensure compliance with government-mandated safety measures to maintain a safe working environment in all units.
- iii. Introduced the E-Nothi system for official filing.
- iv. Installed CCTV cameras in all hotels and motels to enhance guest safety.
- v. Implemented the E-GP system for all government purchases.
- vi. Strictly adheres to 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 using information and documents of the inception report provided by corporation.
- ii. Actual performance of non-financial indicators is determined through the collective decision of ERT members.
- iii. According to IPEG, actual financial performances of Bangladesh Parjatan Corporation are to be evaluated on the basis of national best practices/standard. However, due to non-availability of such standard and comparable entities in the country, Bangladesh Parjatan Corporation's financial performance was assessed based on its performance over the last five years 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 by IPEG.
- vi. Grades and scores are assigned according to the IPEG.

6. Performance Evaluation Results

Bangladesh Parjatan Corporation Fiscal Year: 2022-23

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	Business Strategy and Social Responsibility:	25			
1	Entity Strategy: • Entity Strategic Plan		4	3	0.12
2	Growth Trajectory: 2a. Net Income Growth		4	4	0.16
	2b. Sales Growth		4	2	0.08
	2c. Innovative/Other Growth		3	2	0.06
3	Effective Implementation of Public Policy Implement activities to achieve policy goal		3	2	0.06
4	Efficiency of Project Implementation/ Project Goal Achievement: • Percentage of estimated target achieved		4	2	0.08
5	Social Contribution: • Environmental Contribution • CSR / WPPF • Training / Volunteering		3	3	0.09
Sub Total			25		0.65
B	Operational Efficiency:	25			
1	Service Delivery: • Service benefits and Accessibility		4	3	0.12
2	Labor Productivity: • Added Value Per Employee		3	1	0.03
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	4	0.16
	4b. Asset Turnover		4	3	0.12
	4c. Capacity Utilization		4	1	0.04
Sub Total			25		0.65

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score
C	Financial:	30			
	i. Financial Performance:				
1	Operating profit		2	0	0.00
2	Profit before tax		2	0	0.00
3	Return on assets		2	1	0.02
4	Return on Service Revenue		2	4	0.08
5	Return on equity		2	2	0.04
6	Net worth growth		2	1	0.02
7	Capital budget utilization		2	3	0.06
	ii. Financial Risk:				
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
	iii. Transactions with Government:				
1	Fees & charges paid		1	4	0.04
2	Debt Service Liabilities Paid		1	4	0.04
3	Taxes Paid		1	4	0.04
4	Dividend Paid		1	4	0.04
	Sub Total		30		0.68

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score
D	Corporate Governance Practices:	20			
1	Commitment to Corporate Governance: <ul style="list-style-type: none"> • Code of Conduct • Ethics • Key policies of Board • Board structure • Employee's service rules/ regulations • Appointment of Board Secretary 		4	4	0.16
2	Board Practices: <ul style="list-style-type: none"> • Composition of Board of Directors and number of meetings held • TOR of board • Number of independent Board Directors • Name & Number of board committees and number of meetings held • Number of board decisions that have been implemented 		4	2	0.08
3	Transparency and Disclosure: <ul style="list-style-type: none"> • Board of directors and Senior managers name and biographies • Audited financial statement • Citizen charter • APA • Code of conduct 		4	3	0.12
4	Control Environment and Process: <ul style="list-style-type: none"> • Entity's internal control systems for different departments • Internal audit procedure and reporting authority • Entity's computer-based management information system (database) • Any authority of the board to mitigate the entity's emergency situation • Measures taken for safe working environment in the entity's premises 		4	3	0.12
5	Performance against the key Indicators of APA: <ul style="list-style-type: none"> • Total Performance score achieved on APA 		4	2	0.08
	Sub Total		20		0.56
	Grand Total (A+B+C+D)	100	100		2.54

7. Interpretation of Results

As per Independent Performance Evaluation Bangladesh Parjatan Corporation scored 2.54 out of 4.00 in the year 2022-23.

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

- Debt Equity Ratio
- Net Income Growth
- Debt Coverage Ratio
- Debt to Assets
- Corporate Governance
- Inventory Turnover
- Return on Sales

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

- Control Environment and Process
- Current Ratio
- Transparency and Disclosure
- Service Delivery
- Social Contribution
- Assets Turnover
- Capital Budget Utilization
- Capital Productivity
- Entity Strategic Plan

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

- Annual Performance Agreement (APA)
- Board Practices
- Other Growth
- Efficiency of Project Implementation
- Effective Implementation of Public Policy
- Other Growth
- Sales Growth
- Return on Equity

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

- Capacity Utilization
- Net Worth Growth
- Labor Productivity
- Return on Assets

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

- Accounts Receivable Period
- Accounts Payable Period

7. (B) Other important aspects of Performance during FY 2022-23:

- i. The entity has incurred an operating loss of Tk 23.03 million.
- ii. The entity earned net profit of Tk 2.03 million.
- iii. Entity Debt Equity Ratio (Times) 0.18 indicates low leveraged.
- iv. Current Ratio (Time) 1.86 which indicates the entity is in a well position to meet its current liabilities in due period.
- v. Corporation Paid Taxes TK 13.59 million, Fees Fine & Charged Tk6.77 million and DSL Tk 2.00 million to GOB.

8. Findings from the Audit Report 2022-2023

In the Bangladesh Parjatan Corporation Audit Report 2022-23, 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.
- 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.
- 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.
- iv. Bank Book: Some units of the corporation now keep their collection accounts in their register instead of collecting bank book.
- v. Assets Register: Corporation maintaining assets register without mentioning purchase price/cost.
- 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.
- 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.

9. Recommendation for Performance Based Incentives

Bangladesh Parjatan Corporation has obtained a weighted score of 2.54 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 2022-23.

10. Recommendations for Improvements:

Based on the findings of the Independent Performance Evaluation (IPE), the following recommendations are proposed to improve the performance of Bangladesh Parjatan Corporation:

- i. Execution of Tourism Plans: Bangladesh Parjatan Corporation should implement its eco-tourism, rural tourism, and community tourism plans to contribute to the socio-economic development of the country.
- ii. ERP Implementation: The entity should complete the implementation of Enterprise Resource Planning (ERP) software to ensure smooth and efficient operations.
- iii. Business Promotion: The Corporation should initiate business promotion programs to increase the occupancy rate of its hotels and motels by offering attractive packages and enhancing customer facilities.
- iv. Customer Feedback and Competitive Packages: The corporation should conduct regular customer feedback surveys and use the insights to design competitive package offerings. This approach may help mitigate operational losses and boost revenue.
- v. Training Program Effectiveness: Bangladesh Parjatan Corporation is advised to assess the effectiveness of its existing training programs and take necessary measures to strengthen the tourism sector.
- vi. Collaboration with Relevant Ministries: Effective cooperation and coordination with relevant ministries and organizations are needed for timely execution of corporation's plans and programs.
- vii. Annual Financial Statements: The Corporation should prepare unit-wise annual financial statements and incorporate them into a consolidated financial statement to ensure transparency in disclosing the financial position of individual units.
- viii. Asset Register and Accounting Software: The entity should maintain an up-to-date asset register with costs or fair values and implement accounting software for accurate and transparent financial reporting.
- ix. Safety and Security Measures: Proper measures must be taken to ensure safety and security across all hotels and motels of the corporation to build customer confidence and satisfaction.
- x. Improved Financial Reporting: Prepare financial statements in compliance with applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) to strengthen financial discipline, transparency, and reporting.
- xi. Provision for Accounts Receivable: The entity should maintain a specific provision for the significant amount of accounts receivable in accordance with IAS 36, due to the potential risk of non-recovery of long-outstanding receivables. In line with the Prudence Principle, an adequate provision should be ensured to cover such risks.

11. Conclusion

Based on Audited Financial Statements, data and documents of Bangladesh Parjatan Corporation, Independent Performance Evaluation (IPE) report has been prepared for FY 2022-23. In the report it is found that the corporation's financial performance during FY 2022-23 is not satisfactory and non-financial performance has improved compared to last fiscal year. Hence, to improve the overall performance of the corporation, the entity should take effective measures to reduce their operating loss. The corporation should implement all undertaken projects to develop community based and eco-tourism in the country that will help to create employment opportunities, socio-economic development, GDP growth, reduce poverty and foreign currency earn.

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
		2022-23	2021-22
1	Current Assets:		
	i. Inventories		
	• Stock & Store	41,973,652	70,471,377
	ii. Investments	325,010,767	280,243,774
	iii. Receivable:		
	• Trade	54,564,301	60,403,468
	• Others		
	iv. Cash and Cash Equivalent	414,764,443	300,998,129
	v. Others Current Assets	119,231,217	105,249,549
2	Total Current Assets (i + ii + iii + iv)	955,544,381	817,366,297
3	Total Non-Current Assets		
	• Property, Plant & Equipment (PPE)	624,392,296	592,710,345
	• Capital Work in Progress	2,295,225,655	2,085,279,427
	• Other non-current assets		
4	Total Assets (2+3)	3,875,162,332	3,495,356,069
5	Current Liabilities:		
	i. Payables:		
	• Trade	240,258,130	170,432,047
	• Others	256,399,272	229,747,402
	ii. Other Current Liabilities	16,607,524	16,607,524
6	Total Current Liabilities (i+ii)	513,264,926	416,786,973
7	Non-Current Liabilities:		
	i. Long Term Loans/Debts	83,467,000	85,467,000
	ii. Deferred Liabilities		
	iii. Other Non-Current Liabilities		
8	Total Non-Current Liabilities (i + ii + iii)	83,467,000	85,467,000
9	Total Liabilities (6+8)	596,731,926	502,253,973
10	Equity:		
	i. Share Capital	66,622,880	66,622,880
	ii. GOB & Other Grants	3,320,272,385	3,036,369,264
	iii. Retained Earnings/(Loss)	(108,464,859)	(109,890,048)
11	Total Equity (i+ii+iii)	3,278,430,406	2,993,102,096
12	Total Equity and Liabilities (9+11)	3,875,162,332	3,495,356,069

Annexure 1

Serial No	Statement of Profit or Loss and Other Comprehensive Income (Income Statement)	2022-23		2021-22	
		Amount	Percentage	Amount	Percentage
13	Net Sales Revenue	1,290,386,861	100.00%	1,196,976,580	100%
14	Less: Cost of Services	847,392,035	65.67%	774,421,394	64.70%
15	Gross Profit/(Loss) (13-14)	442,994,826	34.33%	422,555,186	35.30%
16	Less: Operating Expenses:				
	i. Administrative Expenses	330,277,143	25.60%	468,289,540	
	ii. Marketing Expenses	135,750,000	10.52%		
17	Total Operating Expenses (i + ii)	466,027,143	36.12%	468,289,540	39.12%
18	Operating Profit/(Loss) (15-17)	(23,032,317)	(1.78%)	(45,734,354)	(3.82%)
19	Add: Non-Operating Income	25,057,507		46,529,684	
20	Less: Financial Expenses				
21	Less: Other Non-Operating Expenses				
22	Net Profit/(Loss) before Tax (18+19 – 20-21)	2,025,190		795,330	
23	Less: Provision for Tax				
	i. Current tax				
	ii. Deferred tax				
24	Net Profit/(Loss) After Tax (22-23)	2,025,190		795,330	

Annexure 1

Serial No	Other Information	Evaluate Fiscal Year	Previous Fiscal Year
		2022-23	2021-22
25	Credit Sales	30,743,160	38,586,776
26	Credit Purchases	134,929,707	64,944,410
27	Capital Budget Allocation	380,240,000	85,890,000
28	Actual Capital Expenditure	316,517,000	24,298,000
29	Dividend Payable	608,000	
30	Dividend Paid	600,000	
31	Taxes Payable	13,594,000	
32	Taxes Paid	13,594,000	
33	Debt Service Liabilities (DSL) Payable	2,000,000	6,600,000
34	Debt Service Liabilities (DSL) Paid	2,000,000	2,000,000
35	Fees, Fine and Charges Payable	6,768,000	6,575,000
36	Fees, Fine and Charges Paid	6,768,000	6,575,000
37	New Government Investment:		
	• Equity		
	• Debts/Loan		
38	Total Government Fund Transferred to SOE/AB under the following heads:		
	• Grants	210,737,000	412,050,266
	• Subsidies		
	• Other Transfer (Specify)		
39	Operating Cash Surplus/(Deficit)	192,954,837	160,426,577
40	Added Value	517,091,297	494,454,459
41	Employees cost includes wages, salaries, bonus, provident fund contribution and other allowances		
42	Capacity Utilization (%)	45%	43.79%
43	Input use Efficiency (%)		
44	Number of Employees (Nos)	363	367
45	Performance score achieved on APA	83.71%	88.06%

Schedule - 2

Non-financial Information format

Sl.	Particulars	
A	Enterprise Information and Legal Framework	
2	Sector	Tourism Service
3	Name of Entity	Bangladesh Parjatan Corporation
4	Number of Subsidiaries	34 Units
5	Number of Branches	N/A
6	Website	www.parjatan.gov.bd
7	Email Address	chairman@parjatan.gov.bd
8	Year of Incorporation	1972
9	Governing Law	President's Order 143 of 1972
10	Other relevant Governing Laws & Regulations	BPC Employees Service Rules 1990
11	Incorporation Structure	SOE
12	Listed in the Stock Exchange	N/A
B	Ownership and Shareholder Protection	
14	Administrative Ministry	Civil Aviation & Tourism Ministry
15	Structure of Organization	Copy Attached
C	Strategy and Governance Information	
17	Board of Directors (Number disaggregated by gender and profile)	11
18	Qualification of Board Members	All Board Members are nominated by Govt.
19	Number of Independent Director	3
20	Chairman to be Independent of Board	yes
21	Board Committees	No
22	Number of Board Meetings held	No
23	Board Sitting Fees	TK. 5,000/=
24	Executive Management	Board Directors
25	Selection process of Board Members	President's Order 143 of 1972
26	Strategic Plan/Public Policy Goal (copy required)	Copy Attached

27	Innovative work (Description)	Copy Attached
28	Project Completion Rate: Actual Achievement /Target	74.48%
D	Ownership Structure	
30	Govt. Shareholding	100%
31	Private Shareholding	Nil
32	Others	Nil
E	Fiscal and Financial Discipline	
34	Who are the Primary Lenders to the Enterprise	GOB
F	Controls, Transparency and Disclosure	
36	Latest Audited Financial Statement	2022-2023
37	Audited by	Rahman Kashem & Co AND Basu Banerjee Nath & Co
38	Risk Assessment Report	Not Done
39	Internal Control	Internal Audit Department
40	Timely public disclosure of financial statements	yes
41	Measures for safe working Environment/Process (Description)	Copy Attached
G	Human Resources	
43	Number of employees	1056 363
44	Number of New Job Creation (Regular, Internship, etc.)	No
H	Employee and Social Welfare	
46	CSR, WPPF, Provident Fund, Gratuity Fund etc.	Copy Attached

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