Independent Performance Evaluation (IPE) Report

on

Rajshahi Development Authority (RDA)

For 2023-24

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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 20 (twenty) SOEs/ABs in total 30 (thirty) SOEs/ABs to conduct Independent Performance Evaluation for the FY 2023-24.

Rajshali Development Authority (RDA) is among the 30 (thirty) selected State-Owned Enterprises (SOEs) and Autonomous Bodies (ABs) for Independent Performance Evaluation (IPE) for FY 2023-24. According to the evaluation results, RDA achieved a weighted average score of 2.33 out of 4.00, earning a “Good” grade.

1. Introduction

Rajshahi Town Development Authority was established under the ordinance NO. LXXVIII of 1978 with aim to formulate and execute the Plans and schemes for the development of Rajshahi town and certain areas in its vicinity. This ordinance was later replaced by the Rajshahi Development Authority Act of 2018. Rajshahi Development Authority (RDA) is responsible for creating residential, Commercial and industrial Plots in the jurisdiction of RDA. The authority is also authorized to construct Road, sewerages, market and bus terminal etc. To fulfill growing demand of Rajshahi city dwellers RDA aims to develop a clean, safe, education friendly tourism oriented smart city through implementing the infrastructural development and planned construction.

The Ministry of Housing and Public works oversees the activities of RDA. The key operational activities are Provided below.

Table 1: Key operational Activities

SL#	Particulars	Unit	FY 2021-22	FY2022-23	FY2023-23
1	Approved Building Plan	Nos.	1,270	1,222	1,052
2	NOC issued for Land issues	Nos.	2,056	1,861	1,516
3	Residential Plot Allotment	Nos.	-	27	05
4	Commercial Plot Allotment	Nos.	-	06	-

Source: RDA

Over the last three fiscal years, the key operational activities of the Rajshahi Development Authority (RDA) show a general declining trend, indicating a slowdown in both regulatory and development functions. Approved building plans decreased steadily from 1,270 in FY 2021–22 to 1,052 in FY 2023–24, while the issuance of land-related NOCs also fell from 2,056 to 1,516 over the same period, reflecting reduced construction and land transaction activity. Residential plot allotment was absent in FY 2021–22, rose briefly to 27 plots in FY 2022–23, but dropped sharply to only 5 plots in FY 2023–24, and commercial plot allotment remained minimal with only 6 plots allotted in FY 2022–23, indicating limited estate development activity overall.

2. Roles and Functions:

i. Control the unauthorized and illegal Construction activities in Rajshahi City and its surrounding areas.
ii. Management of the authority real estate.
iii. Formulation and implementation of new housing Projects
iv. Adequate afforestation and creation of green belts
v. Encourage Public private Partnership for investment.
vi. Publication of relevant information and data on the website.
vii. Co-ordination with the Concern ministries, departments or authorities to expedite development activities.

3. Core Business

i. Formulation and implementation of master Plan to ensure Proper use of land.
ii. Implementation of development Projects as per Rajshahi Metropolitan development Plan (RMDP).
iii. Develop residential Plots to mitigate the housing Problem of Rajshahi city corporation.
iv. Approval of building designs.

4. Evaluation Parameters

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

Table 2(a): Standard of Indices A **FY 2023-24**

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	5	91-100%	81-90%	71-80%	41-70%	Below 41%
2	**Growth Trajectory**							
	2a. Net Surplus Growth	QN	4	30.00% or more	25.00% to 29.99%	20.00% to 24.99%	15.00% to 19.99%	Below 15.00%
	2b. Service Revenue Growth	QN	4	25.00% or more	20.00% to 24.99%	15.00% to 19.99%	10.00% to 14.99%	Below 10.00%
	2c. Other Growth	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
3	**Effective Implementation of Public Policy** Implement activities to achieve policy goal	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%
4	**Social Contribution** • Environmental Contribution • WPPF • CSR	QL	4	91-100%	81-90%	71-80%	41-70%	Below 41%

Table 2(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	5	76.00%	Good	2	Note -1
2	**Growth Trajectory**						
	2a. Net Surplus Growth	QN	4	(18.31)%	Under Performing	0	AFS
	2b. Service Revenue Growth	QN	4	24.70%	Very Good	3	AFS
	2c. Other Growth	QL	4	85.00%	Very Good	3	Note -2
3	**Effective Implementation of Public Policy**	QL	4	81.00%	Very Good	3	Note -3
4	**Social Contribution**	QL	4	82.00%	Very Good	3	Note -4
		Sub-Total	25				

Note-1: Rajshahi Development Authority (RDA) has several projects that include construction of approximately 23.50 km of roads and flyovers in the Rajshahi Metropolitan Area, development of two residential areas to address housing shortages of low and middle-income people, vertical expansion of office buildings, and construction of commercial complexes and guest houses. These initiatives are aligned with the National Strategic Plan and Government Policy Directives as outlined in the national budget. Moreover, RDA's undertaken plan to contribute to the achievement of the Sustainable Development Goals, particularly SDG 9 (Industry, Innovation and Infrastructure) through improved urban infrastructure, SDG 11 (Sustainable Cities and Communities) by enhancing urban mobility and access to housing, and SDG 8 (Decent Work and Economic Growth) by promoting commercial development and economic activities.

Note-2: RDA has executed the following works to provide the services:

i. RDA has developed 25,064-hectare land
ii. Road constructed 4.10 km.
iii. RCC drain constructed 5,600 Meter
iv. Constructed retaining wall for the reservoir 1,100 meter

Note-3: Rajshahi Development Authority (RDA) implements public policy by planning and regulating sustainable urban development in alignment with the National Strategic Plan and Government policy directives.

Note-4: RDA has undertaken the following social and environmental initiatives:

i. Environmental Pollution Prevention Measures:
    - Mandatory construction of dustbins, septic tanks, and shock walls within building premises.
    - Establishment of Secondary Transfer Points (STPs) for waste management in multi-storied buildings.
    - The entity did not provide voluntary training outside of the entity in FY 2023-24.

ii. The entity does not maintain WPPF to its employees.
iii. RDA did not undertake any Corporate Social Responsibility (CSR) initiatives during FY 2023–24.

Indices: B. Operational Efficiency

Table 3 (a): Standard of Indices B **FY 2023-24**

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	5	91-100%	81-90%	71-80%	41-70%	Below 41%
2	**Labor Productivity**							
	Added Value per Employee (million Tk.)	QN	5	Tk. 2.0 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	5	Tk. 0.04 or more	Tk. 0.03 to 0.039	Tk. 0.02 to 0.029	Tk. 0.01 to 0.019	Below Tk. 0.01
	3b. Added Value Per Tk. Value of PPE	QN	5	Tk 2.00 or more	Tk. 1.50 to 1.99	Tk. 1.00 to 1.49	Tk. 0.50 to 0.99	Below Tk. 0.50
4	**Production**							
	Asset Turnover (Times)	QN	5	0.04 or more	0.03 to 0.039	0.02 to 0.029	0.01 to 0.019	Below 0.01
		Sub-total	25					

Table 3 (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	**Product, Service Delivery**						
	Product Service Benefit & Accessibility	QL	5	68.00%	Fair	1	Note- 5
2	**Labor Productivity**						
	Added Value per Employee (million Tk.)	QN	5	Tk.1.29 mil	Fair	1	AFS
3	**Capital Productivity**						
	3a. Added Value per Tk. Value of Assets	QN	5	Tk. 0.01	Fair	1	AFS
	3b. Added Value Per Tk. Value of PPE	QN	5	Tk. 0.88	Fair	1	AFS
4	**Production**						
	Asset Turnover (Times)	QN	5	0.01	Fair	1	AFS Note 6
	Sub-total		25				

Note-5: RDA has implemented the following facility for the stakeholders:

- Issuance of online payment clearance certificates and NOCs for land use.

Indices: C. Financial

Table 4 (a): Standard of Indices C FY 2023-24

		* 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	Surplus of Income over Expenditure	QN	2	Tk. 10.00 mil or more	Tk. 8.00 to Tk 9.99 mil	Tk. 6.00 to Tk. 7.99 million	Tk. 4.00 to Tk. 5.99 million	Below Tk. 4.00 million
2	Surplus before Tax	QN	2	Tk. 30mil or more	Tk. 25 to Tk. 29 mil	Tk. 20 to Tk. 34 mil	Tk. 15 to Tk. 19 mil	Below Tk. 15 mil
3	Return on Assets (%)	QN	2	1.00% or more	0.80% to 0.99%	0.60% to 0.79%	0.40% to 0.59%	Below 0.40%
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	2.00% or more	1.75% to 1.99%	1.50% to 1.74%	1.25% to 1.49%	Below 1.25%
6	Net Worth Growth (%)	QN	3	25.00 % or more	20.00% to 24.99%	15.00%to 19.99%	10.00% to 14.99%	Below 10.00%
	ii. Financial Risk							
1	Debt Equity Ratio (Times)	QN	3	1.50 or less	1.51 to 1.60	1.61 to 1.70	1.71 to 1.80	More than 1.80
2	Debt to Assets (Times)	QN	3	0.60or less	0.61 to 0.80	0.81 to 1.00	1.01 to 1.20	More than 1.20
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
	iii. Transactions with Govt.							
1	Dividend 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 4 (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	
	i. Financial Performance						
1	Operating Surplus/(Deficit) over Expenditure	QN	2	Tk. (6.92) million	Under Performing	0	AFS
2	Surplus before Tax	QN	2	Tk. 29.26 mil	Very Good	3	AFS
3	Return on Assets (%)	QN	2	0.26%	Under Performing	0	AFS
4	Return on Service Revenue (%)	QN	3	26.65%	Good	2	AFS
5	Return on Equity (%)	QN	2	0.03%	Under Performing	0	AFS
6	Net Worth Growth (%)	QN	3	21.48%	Very Good	3	AFS
	ii. Financial Risk						
1	Debt Equity Ratio (Times)	QN	3	0.15	Excellent	4	AFS Note -6
2	Debt to Assets (Times)	QN	3	0.13	Excellent	4	AFS Note -6
3	Current Ratio (Times)	QN	3	2.58	Excellent	4	AFS
	iii. Transactions with Govt.						
1	Dividend Paid	QN	3	100%	Excellent	4	Annexure 1 SL 29 & 30
2	Taxes Paid	QN	4	100%	Excellent	4	Annexure 1 SL 31 & 32
		Sub-total	30				

Note-6: RDA has implemented almost all its development projects using government grants or its own funds. As a result, the entity does not have any long-term loans, aside from current liabilities

Indices: D. Corporate Governance Practices

Table 5 (a): Standard of Indices D FY 2023-24

		* 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**
1	**Commitment to Corporate Governance:** • Code of Conduct • Ethics • Key policies of Board • Board structure • Employees service rules/ regulations • Appointment of Board Secretary	QL	5	91-100%	81-90%	71-80%	41-70%	Below 41%
2	**Board Practices:** • 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	5	91-100%	81-90%	71-80%	41-70%	Below 41%
3	**Transparency and Disclosure:** • Board of directors and Senior managers name and biographies • Audited financial statement • Citizen charter • APA • Code of conduct	QL	5	91-100%	81-90%	71-80%	41-70%	Below 41%
4	**Control Environment and Process:** • 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	5	91-100%	81-90%	71-80%	41-70%	Below 41%

Table 5 (b): Achievement of Indices D

Serial No.	Indicators & Sub-Indicators	Types of Measuremen	Weight for sub-	Actual Performance	Achievement		Basis of Performance Measuring
					Grade	Score	
1	Commitment to Corporate Governance	QL	5	91%	Excellent	4	Note -7
2	Board Practices	QL	5	81%	Very Good	3	Note -8
3	Transparency and Disclosure	QL	5	92%	Excellent	4	Note -9
4	Control Environment and Process.	QL	5	82%	Good	2	Note -10
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.

Note-7: **R**DA operates under Rajshahi Development Authority Act 2018, adhering to the RDA Employees Service Rules. It also follows the Citizen Charter and Code of Conduct to ensure accountability and effective governance. Additionally, the entity has a Corporate Secretary for its board.

Note-8: The board of directors of RDA consists of 15 (fifteen) members, all nominated by the Government of Bangladesh (GOB). The board includes a chairman and four regular directors. Among the remaining 10 (eighteen) members, 3 (three) eminent citizens residing in the area under the jurisdiction of the authority as independent directors, with at least one being a woman. During FY 2023-24, the board conducted 4 (four) meetings, resulting in the implementation of 42 (forty- two) decisions. Notably, RDA does not have any board committees.

Note-9: RDA transparently discloses its Acts, Rules, Audited Financial Statements, the names and biographies of Board Directors and Senior Managers, the Citizen Charter, and Code of Conduct on its official website.

Note-10: RDA has implemented the following measures to control the environment and process:

i. E-tendering systems have been adopted under a computer-based management and information system to ensure transparency in procurement.
ii. Firefighting equipment has been installed in the office building to enhance fire safety measures.
iii. CCTV cameras have been set up to monitor and ensure the security of the entire office building.

5. IPE Process

i. Performances of non-financial indicators of Rajshahi Development Authority (RDA) has been evaluated using information and documents of the inception report provided by RDA.

ii. Actual performance scores of non-financial indicators is determined through the collective decision of ERT members.

iii. Non-financial Indicators' Score will be based on specific documentary evidence.

iv. According to IPEG, actual financial performances of RDA 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, RDA's financial performance was assessed based on its performance over the last five years on respective financial indicators.

v. Performances of all financial indicators are evaluated based on audited financial statements.

vi. Measurement tools used for financial indicators are suggested by IPEG.

vii. Grades and scores are assigned according to the IPEG.

6. Performance Evaluation Results

Rajshahi Development Authority

Fiscal Year: 2023-24

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		5	2	0.10
2	Growth Trajectory: 2a. Net Surplus Growth		4	0	0.00
	2b. Service Revenue Growth		4	3	0.12
	2c. Other Growth		4	3	0.12
3	**Effective Implementation of Public Policy**		4	3	0.12
4	Efficiency of Project Implementation/ Project Goal Achievement: • Percentage of estimated target achieved"				
5	Social Contribution: • Environmental Contribution • CSR / WPPF • Training / Volunteering		4	3	0.12
	Sub Total		**25**		**0.58**

Serial No	Name of Indices, Indicators and Sub-indicators	Weight for Indices	Weight for Sub indicators	Score Obtained	Weighted Score
B	**Operational Efficiency:**	25			
1	Service Delivery: • Service benefits and Accessibility		5	1	0.05
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	1	0.05
4	Production:				
	a. Asset Turnover		5	1	0.05
	Sub Total		**25**		**0.25**

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	Surplus of Income over Expenditure		2	0	0.00
2	Surplus before tax		2	3	0.06
3	Return on assets		2	0	0.00
4	Return on Service Revenue		3	2	0.06
5	Return on equity		2	0	0.00
6	Net worth growth		3	3	0.09
	ii. Financial Risk:				
1	Debt equity ratio		3	4	0.12
2	Debt to assets		3	4	0.12
3	Current ratio		3	4	0.12
	iii. Transactions with Government:				
1	Dividend/Contribution paid		3	4	0.12
2	Taxes paid		4	4	0.16
	Sub Total		**30**		**0.85**

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: • Code of Conduct • Ethics • Key policies of Board • Board structure • Employees service rules/ regulations • Appointment of Board Secretary		5	4	0.20
2	Board Practices: • 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		5	3	0.15
3	Transparency and Disclosure: • Board of directors and Senior managers name and biographies • Audited financial statement • Citizen charter • APA • Code of conduct		5	4	0.20
4	Control Environment and Process: • 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		5	2	0.10
5	Performance against the key Indicators of APA: • Total Performance score achieved on APA				
	Sub Total		**20**		**0.65**
	Grand Total (A+B+C+D)	**100**	**100**		**2.33**

7. Interpretation of Results

As per Independent Performance Evaluation (IPE) Rajshahi Development Authority Scored 2.33 out of 4.00 in the year 2023-24.

7. (A) The performance of RDA is graded "Excellent" in the following areas:

- Debt Equity Ratio
- Debt to Assets
- Current Ratio
- Corporate Governance
- Transparency and Disclosure
- Effective Implementation of Public Policy

The performance of RDA is graded "Very Good" in the following areas:

- Board Practices
- Social Contribution
- Net Worth Growth
- Service Revenue Growth
- Other Growth

The performance of RDA is graded "Good" in the following areas:

- Entity Strategic Plan
- Return on Service Revenue
-
- Control Environment and Process
- Return on Equity

The performance of RDA is graded "Fair" in the following areas:

- Capital Productivity
- Labour Productivity
- Service Delivery
- Assets Turnover

The performance of RDA is graded "Under Performing" in the following areas:

- Net Income Growth
- Return on Assets

7. (B) Other important aspects of Performance during FY 2023-24:

i. RDA has incurred an operating loss of Tk.6.92 million.
ii. The entity earned net Profit (after tax) of Tk. 25.09 million.
iii. RDA Current Ratio (Time) 2.58 which indicates entity is in a good position to meet its current liabilities in due period.
iv. RDA paid Taxes Tk. 4.17 million
v. RDA paid Tk. 4.50 million as Dividend to GOB.

8. Findings from the Audited Financial Statement 2023-24

In the Rajshahi Development Authority (RDA) audit report 2023-24 the auditor provided the qualified opinion of the following matters/issues:

i. In the audit report it is found that income of development project "Prantik Residential Area" shows Tk. 1,740.85 million but as per documents the figure is Tk, 1,463.29 million thus the differential figure is Tk. 277.56 million. However, the auditor has not verified the anomalies due to adequate evidence and ledgers.

ii. The auditor did not verify the fund for project Tk. 2.00 million in the absence of sufficient supporting documents and required register.

iii. Financial statements should be prepared in accordance with applicable International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), and the rules and regulations of the Financial Reporting Council (FRC) to enhance financial discipline, transparency, and reporting quality.

iv. The auditor could not verify the adjustment of Tk. 104.76 million under the head "Earning form Development Project" due to absence of supporting documents and required register.

v. Due to absence of supporting documents and required register the auditor could not verify the security and earnest money of Tk. 41.16 million. Moreover, the amount was not reflected in the bank statement under the period of review.

vi. In RDA Audited Financial Statements 2023-24 'Suspense' account shows Tk. 56.31 million that is unadjusted from a long period. So, RDA is advised to write off or transfer this amount under contingent assets for fair presentation of its account.

vii. RDA may develop designated parking facilities for motor vehicles within Rajshahi City Corporation to help reduce traffic congestion on city streets while also generating revenue.The entity may consider appointing women directors to its Board in alignment with the OECD Guidelines on Corporate Governance of State-Owned Enterprises (2024), UN Sustainable Development Goal (SDG) 5 on Gender Equality, and World Bank/IFC corporate governance recommendations to promote gender diversity.

viii. To implement the government directive the entity should arrange tree plantation programs with an aim to mitigate climate change and address global warming.

ix. The entity may consider appointing women directors to its Board in alignment with the OECD Guidelines on Corporate Governance of State-Owned Enterprises (2024), UN Sustainable Development Goal (SDG) 5 on Gender Equality, and World Bank/IFC corporate governance recommendations to promote gender diversity.

x. To implement the government directive the entity should arrange tree plantation programs with an aim to mitigate climate change and address global warming.

9. Recommendation for Performance Based Incentives

Rajshahi Development Authority 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 RDA. Also, a certificate from Finance Division may be awarded to RDA for being graded “Good” in IPE for the FY 2023-24.

10. Recommendations for Improvements

To improve the performance of Rajshahi Development Authority the following recommendations are made based on the findings of IPE:

i. RDA should take proper steps to adjust their rental income on markets and bus terminal etc. in line with prevailing market rate.
ii. The entity should Complete the residential development Project as per their timeline that will helps to increase the income of RDA.
iii. RDA should Implement the automation system for all types of revenue collection to ensure reliable and efficient services for the stakeholders.
iv. The entity should form board Committees such as Audit Committee and NRC to improve internal control and compliance
v. RDA should remove the illegal structure for safety and security of citizen.
vi. Rajshahi Development Authority's financial statements should be prepared in compliance with applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) to enhance financial discipline, transparency, and reporting quality.
vii. 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.
viii. The entity may consider appointing women directors to its Board in alignment with the OECD Guidelines on Corporate Governance of State-Owned Enterprises (2024), UN Sustainable Development Goal (SDG) 5 on Gender Equality, and World Bank/IFC corporate governance recommendations to promote gender diversity.
ix. To implement the government directive the entity should arrange tree plantation programs with an aim to mitigate climate change and address global warming.

11. Conclusion

Based on the Audited Financial Statements and relevant data and documents of the Rajshahi Development Authority (RDA), the Independent Performance Evaluation (IPE) report for FY 2023–24 has been prepared. The report reveals that RDA’s financial and non-financial performances are in a moderate level. Therefore, to improve its overall performance, RDA should implement its two residential development projects, construct a commercial complex, and execute other planned initiatives in accordance with the approved timelines. Successful completion of these projects will enable RDA to meet the housing needs of low- and middle-income groups, that also expand the authority’s business activities and ensure a stable source of regular income.

Annexure 1

Rajshahi Development Authority (RDA)
Financial & Other Information

Amount in BDT

Serial No	Statement of Financial Position (Balance Sheet)	Evaluate Fiscal Year	Previous Fiscal Year
		2023-24	2022-23
1	Current Assets:		
	i. Inventories		
	• Material		
	• Accessories/ Supplies		
	• Work-in-Progress (WIP)		
	• Others (including spare parts)		
	• Finished goods		
	ii. Receivable:		
	• Trade		
	• Others		
	iii. Cash and Cash Equivalent	401,580,507	1,328,352,161
	iv. Others Current Assets	63,252,366	76,499,086
2	Total Current Assets (i+ii+iii+iv)	464,832,873	1,404,851,247
3	Total Non-Current Assets		
	• Property, Plant & Equipment (PPE)	106,611,607	99,178,542
	• Investments of Provident Fund	13,755,113	12,710,166
	• Development & Completed Project Cost	8,921,984,130	5,784,249,700
4	Total Assets (2+3)	9,507,183,723	7,300,989,655
5	Current Liabilities:		
	i. Payables:		
	• Trade		
	• Others		
	ii. Other Current Liabilities	180,281,577	139,273,766
6	Total Current Liabilities (i+ii)	180,281,577	139,273,766
7	Non-Current Liabilities:		
	i. General Provident Fund	12,904,650	12,488,136
	ii. Loan from Inter Project	1,064,109,418	358,342,501
8	Total Non-Current Liabilities (I + ii + iii)	1,077,014,068	370,830,637
9	Total Liabilities (6+8)	1,257,295,645	510,104,403
10	Fund:		
	i. Fund Account	387,424,620	362,668,710
	ii. Depreciation Fund	60,210,412	55,302,170
	iii. Government Grant	5,672,586,938	4,570,805,197
	iv. Earnings from Development & Completed Projects	2,129,666,108	1,802,109,176
11	Total Fund	8,249,888,078	6,790,885,253
12	Total Equity and Liabilities (9+11)	9,507,183,723	7,300,989,655

Serial No	Statement of Profit or Loss and Other Comprehensive Income (Income Statement)	2023-24		2022-23	
		Amount	Percentage	Amount	Percentage
13	Net Service Revenue	94,124,213	100.00%	75,481,330	100.00%
14	Less: Cost of Services	56,980,304	60.54%	58,840,379	77.95%
15	Gross Surplus/(Deficit) (13-14)	37,143,909	39.46%	16,640,951	22.05%
16	Less: Operating Expenses:				
	i. Administrative Expenses	44,065,290	46.82%	28,216,202	37.38%
	ii. Marketing Expenses				
17	Total Operating Expenses (i+ii)	44,065,290	46.82%	28,216,202	37.38%
18	Operating Profit Surplus/(Deficit) (15-17)	(6,921,381)	(7.35)%	(11,575,251)	(15.34)%
19	Add: Non-Operating Income	36,177,291		44,375,251	
20	Less: Financial Expenses				
21	Less: Other Non-Operating Expenses				
22	Net Surplus/(Deficit) before Tax (18+19-20-21)	29,255,910		32,800,000	
23	Less: Provision for Tax				
	i. Current tax	4,170,868		2,091,849	
	ii. Deferred tax				
24	Net Profit/(Loss)/Surplus/(Deficit) After Tax (22-23)	25,085,042		30,708,151	

Serial No	Other Information	Evaluate Fiscal Year	Previous Fiscal Year
		2023-24	2022-23
25	Credit Sales		
26	Credit Purchases		
27	Capital Budget Allocation		
28	Actual Capital Expenditure		
29	Dividend Payable	4,500,000	4,000,000
30	Dividend Paid	4,500,000	4,000,000
31	Taxes Payable	4,170,868	2,091,849
32	Taxes Paid	4,170,868	2,091,849
33	Debt Service Liabilities (DSL) Payable		
34	Debt Service Liabilities (DSL) Paid		
35	Fees, Fine and Charges Payable		
36	Fees, Fine and Charges Paid		
37	New Government Investment:		
	• Equity		
	• Debts/Loan		
38	Total Government Fund Transferred to SOE/AB under the following heads:		
	• Grants		
	• Subsidies		
	• Other Transfer (Specify)		
39	Operating Cash Surplus/(Deficit)		
40	Added Value	94,124,213	75,481,379
41	Employee’s cost includes wages, salaries, bonus, provident fund contribution and other allowances		
42	Capacity Utilization (%)		
43	Input use Efficiency (%)		
44	Number of Employees (NoS)	71	74
7445	Performance score achieved on APA		