Independent Performance Evaluation (IPE) Report
on
Bangladesh Telecommunication Regulatory Commission (BTRC)
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.

Bangladesh Telecommunication Regulatory Commission (BTRC) has been evaluated for 2(two) consecutive years and is among the 30 (thirty) selected State-Owned Enterprises (SOEs) and Autonomous Bodies (ABs) for the Independent Performance Evaluation (IPE) for FY 2023-24. Based on the evaluation results, BTRC achieved a weighted average score of 3.17 out of 4.00, earning a grade of " Very Good" for the fiscal year (2023-24).

1. Introduction

The Bangladesh Telecommunication Regulatory Commission (BTRC) was established under the Bangladesh Telecommunication Act of 2001, which was later amended in 2006 and subsequently replaced by the Bangladesh Telecommunication Act, 2010. BTRC's prime mission is to ensure access to reliable, affordable, and advanced telecommunication and internet services for the country's large population. It plays a crucial role in driving the socio-economic development of Bangladesh by regulating telecommunication systems and services. Additionally, BTRC is tasked with ensuring digital security across the nation. The commission operates under the oversight of the Posts and Telecommunications Division within the Ministry of Posts, Telecommunications & Information Technology. Below are the key operational activities of BTRC:

Table 1: Key operational Activities:

SL#	Particulars	Unit	FY2021-22	FY 2022-23	FY 2023-24
01.	Number of mobile subscriptions	Nos.	184,400,000	186,100,000	196,081,000
02.	Number of internet subscribers	Nos.	126,200,000	129,400,000	142,700,000
03.	Number of 4G subscribers	Nos.	79,100,000	93,800,000	109,770,000
04.	Tele density	%	106.23%	105.81%	110.80%
05.	Bandwidth capacity	Gbps	3,746.989	5,805.049	5,950,485
06.	Bandwidth usage	Gbps	2,936.501	4,865.439	3,758.763
07.	Optical fiber Expansion	Km	152,900	161,966	159,000

BTRC Annual Report:2021-22,2022-23&2023-24

The year-on-year analysis of key operational activities of Bangladesh Telecommunication Regulatory Commission (BTRC) during FY 2021–22 to FY 2023–24 indicates overall growth in the telecommunications sector of Bangladesh, particularly in mobile connectivity and internet usage. The number of mobile subscriptions increased steadily from 184.4 million in FY 2021–22 to 186.1 million in FY 2022–23 and further to 196.081 million in FY 2023–24, reflecting continued expansion of mobile network coverage and services. Similarly, internet subscribers rose from 126.2 million to 129.4 million and then to 142.7 million, demonstrating significant growth in digital connectivity across the country.

The number of 4G subscribers experienced substantial growth, increasing from 79.1 million in FY 2021–22 to 93.8 million in FY 2022–23 and reaching 109.77 million in FY 2023–24, indicating increasing adoption of high-speed mobile data services.

The tele-density rate remained above 100 percent throughout the period, moving from 106.23% in FY 2021–22 to 105.81% in FY 2022–23, before rising to 110.80% in FY 2023–24, suggesting broader accessibility and multiple SIM usage among consumers. Meanwhile, bandwidth capacity increased significantly from 3,746.989 Gbps in FY 2021–22 to 5,805.049 Gbps in FY 2022–23 and further to about 5,950.485 Gbps in FY 2023–24, reflecting improvements in international connectivity and digital infrastructure. Bandwidth usage also increased sharply from 2,936.501 Gbps to 4,865.439 Gbps in FY 2022–23, although it declined to 3,758.763 Gbps in FY 2023–24, which may reflect optimization of network capacity or changes in traffic patterns.

In terms of infrastructure development, optical fiber expansion increased from 152,900 km in FY 2021–22 to 161,966 km in FY 2022–23, before slightly declining to 159,000 km in FY 2023–24, indicating minor adjustments in network expansion activities. Overall, the data highlights continued progress in digital connectivity, mobile broadband adoption, and telecommunications infrastructure, reinforcing the sector’s role in supporting the country’s digital transformation and economic development.

2. Role and Functions:

The Bangladesh Telecommunication Regulatory Commission (BTRC) performs the following key functions:

i. Formulating regulations for the establishment, operation, and maintenance of telecommunication systems in Bangladesh.
ii. Implementing guidelines for managing internet domains.
iii. Protecting consumer interests by determining tariffs and service rates for telecommunications providers.
iv. Promoting competition among service providers to ensure high-quality telecommunications services.
v. Ensuring privacy within telecommunication networks.
vi. Developing a telecommunication numbering plan.
vii. Setting technical standards and criteria for telecommunication services.
viii. Monitoring the service quality of operators to ensure compliance with the Commission's established standards.

3. Core Business:

i. Supervising telecom operators, maintaining telecommunication systems, and regulating telecommunication services across Bangladesh.
ii. Issuing licenses and permits for communication equipment and providing technical fitness certifications.
iii. Allocating radio frequencies and authorizing their usage for licensed operators.

4. Evaluation Parameters

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

Table 2 (a): Standard of Indices A 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	**Entity Strategy**							
	Entity Strategic Plan	QL	5	91-100%	81-90%	71-80%	41-70%	Below 41%
2	**Growth Trajectory**							
	2a. Net Income Growth	QN	5	10.00% or more	8.00 % to 9.99%	6.00% to 7.99%	4.00% to 5.99%	Below 4.00%
	2b. Service Revenue Growth	QN	5	15.00% or more	12.00% to 14.99%	9.00% to 11.99%	6.00% to 8.99%	Below 6.00%
	2c. Other Growth	QL	5	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	**Social Contribution** • Environmental Contribution • CSR/WPPF • Training/Volunteering	QL	5	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	92.00%	Excellent	4	Note 1
2	**Growth Trajectory**						
	2a.Net Income Growth	QN	4	12.83%	Excellent	4	AFS
	2b. Service Revenue Growth	QN	4	6.92%	Fair	1	AFS Note-2
	2c. Other Growth	QL	4	93.00%	Excellent	4	Note 3
3	**Effective Implementation of Public Policy**	QL	4	92.00%	Excellent	4	Note 3
4	**Social Contribution**	QL	4	92.00%	Excellent	4	Note 4
		Sub-Total	25				

Note-1: The Bangladesh Telecommunication Regulatory Commission (BTRC) has adopted a strategic plan to support the national vision of Bangladesh through the implementation of advanced digital infrastructure and regulatory reforms. Key initiatives include the introduction of 5G technology, network modernization, spectrum expansion, and infrastructure optimization, alongside the integration of emerging technologies such as Artificial Intelligence (AI), Internet of Things (IoT), Big Data, and Blockchain. The plan also includes the establishment of a Digital and Cyber Safety Directorate and the implementation of guidelines for Non-Geostationary Satellite Orbit (NGSO) systems to strengthen satellite communication services.

These initiatives are aligned with the national development framework which emphasize digital transformation, innovation, and sustainable economic growth. Furthermore, the initiatives contribute to achieving the global development agenda of the United Nations under the Sustainable Development Goals (SDGs), particularly SDG 9 and SDG 16, by promoting resilient digital infrastructure, technological innovation, and improved cyber governance.

Note-2: BTRC has undertaken the following initiatives to enhance its operational processes:

i. Vehicle Tracking Service (VTS): Enables tracking and monitoring of vehicles for enhanced security and efficient transportation management.
ii. National Equipment Identity Register (NEIR): Manages the registration of mobile devices to prevent the use of stolen or counterfeit equipment.
iii. Call Sign Management: Issues unique call signs to radio operators, ensuring proper identification and communication protocols.
iv. Telecom Monitoring System (TMS): Ensures Quality of Service (QoS) for telecom users by monitoring network performance and compliance.
v. Maritime Radio Service: Provides communication support for maritime activities, enhancing safety and coordination at sea.
vi. Aeronautical Radio Service: Facilitates reliable communication for aviation operations, ensuring safe and efficient air traffic management.
vii. Satellite Television Broadcasting: Regulates satellite TV services to ensure content compliance and service quality.
viii. Internet of Things (IoT): Supports the expansion of IoT applications to improve connectivity across devices and industries.
ix. Automated Spectrum Management System (ASMS): Manages the allocation of radio spectrum efficiently through automation, supporting various communication services.
x. IMEI Database System: Maintains a database of mobile device IMEI numbers to prevent the use of unauthorized devices on networks.
xi. Vo-WiFi/Broadband WiFi: Enables voice calls over WiFi networks, improving coverage and connectivity in areas with limited cellular service.
xii. Interactive GIS Mapping: Provides geospatial data for planning and managing telecom infrastructure and coverage.
    In FY 2023-24:
xiii. Satellite Internet: Issued license to Star link for high-speed satellite internet service to connect remote and underserved areas.
xiv. 5G Rollout: Initiated the 700 MHz band auction to facility commercial 5G development and expand 4G coverage.
xv. Private Submarine Cables: Issued 4 (four) new licenses to private entities to increase international bandwith and data capacity.
xvi. Tower Sharing: Licensed 4 (four) organizations to share physical infrastructure, reducing costs and environmental impact.

xvii. IPv6 Migration: Actively transitioning the national internet infrastructure to IPv6 for better network efficiency.
xviii. Green Technology: Authorized 9 (nine) organizations for specialized telecom E-waste recycling
and dismantling.
xix. Telecom Monitoring System: Upgraded systems to detect and block illegal VoIP and unauthorized SIM usage more effectively.
xx. Unified QoS Regulations: Issued integrated regulations to standardize and monitor service quality for both mobile and ISP sectors.

Note-3: The Bangladesh Telecommunication Regulatory Commission (BTRC) effectively implements public policy through a robust regulatory and supervisory framework that ensures a secure, competitive, and efficient telecommunications sector. It formulates and enforces regulations, manages internet domains, determines tariffs, and safeguards consumer interests while promoting fair competition and service quality. Through its core functions, BTRC supervises telecom operators, issues licenses and technical certifications, and allocates radio frequencies to ensure optimal resource utilization and compliance with established standards. Overall, BTRC's initiatives support national development priorities and contribute to the Sustainable Development Goals (SDGs), particularly in advancing digital infrastructure, innovation, and effective governance.

Note-4: BTRC has initiated the following social and environmental activities:

i. Implementing sustainable and environmentally conscious solutions for radiation measurement across the country, including the use of Fixed Broadband Meters and Area Monitoring Devices.
ii. The entity regularly measures radiation levels from mobile towers to ensure safety standards.
iii. Providing provident funds, gratuity fund, and pension fund facilities for its employees.
iv. BTRC provides E-Waste Recycling clearance approvals for collection and recycling of obsolete or unused electronics and telecommunications equipment, which have a specific lifespan and contribute to environmental pollution.
v. A Social Obligation Fund has been implemented by the commission in accordance with provisions of section 21Kha of the act of Bangladesh Telecommunication Act 2001 (As amended in August 2010). Maintaining a fund to extend telecommunication and ICT services to underserved areas, including providing broadband Wi-Fi access in disadvantaged regions (such as Haor and Baor areas), and supporting digital education in remote government primary schools.
vi. BTRC arranged for 95 representatives to participate in various online meetings, seminars and training sessions organized by international telecom regulatory bodies like the ITU, APT, CTO and SATRC etc.
vii. Under CSR program the entity provides optical fiber and bandwith resources to universities via the BdREN Trust (UGC) to support research.
viii. The entity provided Tk. 2.5 million as medical & education aid to 125 employees.

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	4	Tk 125.00 mil or more	Tk.115.00 124.99 mil	Tk105.00 to 114.99 mil	Tk95.00 to 104.99 mil	Below Tk. 95.00 mil
3	**Capital Productivity**							
	3a. Added Value per Tk. Value of Assets	QN	4	Tk. 4.00 or more	Tk.3.50 to 3.99	Tk.3.00 to 3.49	Tk.2.50to 2.99	Below Tk. 2.50
	3b. Added Value Per Tk. Value of PPE	QN	4	Tk. 45.00 or more	Tk. 35.00 to 44.99	Tk.25.00 to 34.99	Tk15.00 to 24 .99	Below Tk. 15.00.
4	**Production**							
	4a Assets Turnover (Times)	QN	4	4.00 or more	3.50 to 3.99	3.00 to 3.49	2.50.00 to 2.99	Below 2.50
	4b. Capacity Utilization (%)	QN	4	91-100%	81-90%	71-80%	41-70%	Below 41%
		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	**Service Delivery**						
	Service Benefit & Accessibility	QL	5	92%	Excellent	4	Note-5
2	**Labor Productivity**						
	Added Value per Employee (million Tk.)	QN	4	Tk.122.13 mil	Very Good	3	AFS
3	**Capital Productivity**						
	3a. Added Value per Tk. Value of Assets	QN	4	Tk. 4.33	Excellent	4	AFS
	3b. Added Value Per Tk. Value of PPE	QN	4	Tk 47.34	Excellent	4	AFS
4	**Production**						
	4a. Asset Turnover (Times)	QN	4	4.34	Excellent	4	AFS
	4b. Capacity Utilization (%)	QN	4	63.17%	Fair	1	AFS
	Sub-total		25				

Note- 5: BTRC has introduced several initiatives to enhance service delivery for stakeholders:

i. BTRC issued 'ANS Operators Quality of Service Regulations 2018' with an aim to assess the quality of customer service. Based on this regulation Call Drop, throughput, Network Coverage and other key performance indicators of Network, BTRC Monitoring and ensuring the Quality of Service (QoS) to meet customer needs.

ii. Establishing emergency telecommunication systems through Satellite to address natural disasters and calamities.
iii. Implemented a Grievance Redress System (GRS) to resolve complaints.
iv. Introduced online complain box

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							
1	Operating profit	QN	3	Tk. 40,000 mil or more	Tk. 35,000 to Tk. 39,999 mil	Tk30,000 to Tk34,999 mil	Tk.25,000 to Tk. 29,999 mil	Below Tk. 25,000 mil
2	Profit before Tax	QN	3	Tk.42,000 milor more	Tk.37,000 to Tk. 41,999 mil	Tk. 32,000 to Tk. 36,999 mil	Tk.27,000 to Tk.31,999 mil	Below Tk. 27,000 mil
3	Return on Assets (%)	QN	3	150 % or more	125% to 149 %	100% to 124%	75% to 99%	Below 75%
4	Return on Service Revenue (%)	QN	3	90.00% or more	80.00%to 89.99%	70.00% to 79.99%	60.00% to 69.99%	Below 60.00%
5	Return on Equity (%)	QN						
6	Net Worth Growth (%)	QN						
7	Capital Budget Utilization (%)	QN	3	91-100%	81-90%	71-80%	41-70%	Below 41%
	ii. Financial Risk							
1	Debt Equity Ratio (Times)	QN						
2	Debt to Assets (Times)	QN	3	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	3	2.00 or more	1.75to 1.99	1.50to 1.74	1.25to 1.49	Below 1.25
4	Current Ratio (Times)	QN	3	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	3	120 days or less	121 days to 140 days	141 days to 160 days	161 days to 180 days	More than 180 days
	iii. Transactions with Govt.							
1	Taxes Paid	QN						
2	Fees & Charges Paid	QN						
3	Debt Service Liabilities Paid	QN	3	91-100%	81-90%	71-80%	41-70%	Below 41%

Table 4 (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						
1	Operating profit	QN	3	Tk. 43,235.59 Mil	Excellent	4	AFS
2	Profit before Tax	QN	3	Tk. 43,283.76 mil	Excellent	3	AFS
3	Return on Assets (%)	QN	3	425.29%	Excellent	4	AFS
4	Return on Service Revenue (%)	QN	3	98..05%	Excellent	4	AFS
5	Return on Equity (%)	QN					Note-6 & 7
6	Net Worth Growth (%)	QN					Note- 6 & 7
7	Capital Budget Utilization (%)	QN	3	85.63%	Very Good	3	SL-27,28 of Annexure -1
	ii. Financial Risk						
1	Debt Equity Ratio (Times)	QN					Note-6&7
2	Debt to Assets (Times)	QN	3	1.23	Good	2	AFS
3	Debt Coverage Ratio (Times)		3	284.92	Excellent	4	AFS
4	Current Ratio (Times)	QN	3	1.41	Fair	1	AFS
5	Accounts Receivable Period (Days)	QN	3	183.99	Under Performing	0	AFS
	iii) Transactions with Government						
1	Taxes Paid	QN					Note 8
2	Dividend Paid	QN					Note 8
3	Debt Service Liabilities Paid	QN	3	100%	Excellent	4	SL-33,34 of Annexure -1
		Sub-total	30				

Note 6: In accordance with the Bangladesh Telecommunication Regulation Act, 2001, any surplus remaining after meeting all expenses of the Commission must be deposited into the Government's Consolidated Fund. The Government Treasury Deposit Act 2020 also reiterates this requirement. As a result of these statutory obligations, Bangladesh Telecommunication Regulatory Commission is not permitted to retain earnings as equity or accumulated reserves. Consequently, BTRC does not maintain an equity account in its balance sheet; thereore, performance indicators such as Return on Equity, Net Worth Growth, and the Debt-to-Equity Ratio are not applicable for the entity.

Note 7: In BTRC's audit report, no equity account is maintained. However, the Commission operates six fund accounts. Of these, five are maintained for employee benefit obligations and are used to settle deferred liabilities, while one is maintained as the Capital Expenditure Fund. This Capital Expenditure Fund is used as an adjustment account for fixed asset acquisitions, loan repayments, foreign exchange gains or losses, and depreciation.

In FY 2023–24, the Capital Expenditure Fund reported a negative balance of Tk. 5,321.12 million, while the combined balance of the remaining five fund accounts stood at a positive Tk. 3,028.76 million. After netting these balances, the total fund position reflects a negative balance of Tk. 2,292.36 million.

Note- 8: As per government directives, the BTRC transfers its entire surplus fund annually to the GOB Consolidated Fund. In return, the government exempts the BTRC from tax and dividend payment obligations.

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 Board policies • 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 • 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 Measurement	Weight for sub-indicators	Actual Performance	Achievement		Basis of Performance Measuring
					Grade	Score	
1	Commitment to Corporate Governance	QL	5	85%	Very Good	3	Note 9
2	Board Practices	QL	5	80%	Good	2	Note 10
3	Transparency and Disclosure	QL	5	89%	Very Good	3	Note 11
4	Control Environment and Process.	QL	5	85%	Very Good	3	Note 12
Sub-total			20				
Grand Total (A+B+C+D):			100				

* Standard for Financial and Non-Financial indicators are set based on IPE process.

Note-9: BTRC operates under the Bangladesh Telecommunication Act, 2010, and adheres to the National Telecommunication Policy 2018, the International Long Distance Telecommunication Services (ILDTS) Policy 2010, and the National Information and Communication Technology (ICT) Policy 2002. It also follows its Code of Conduct, employee service rules and regulations, key Board policies, the ethics of the National Integrity Strategy, and the Citizen Charter to uphold corporate governance standards. Additionally, the BTRC has a Corporate Secretary for its Board.

Note-10: BTRC's Commission consists of five members: 1 (one) Chairman, 1 (one) Vice Chairman, and 3 (three) Commissioners, all appointed by the government on a contractual basis in accordance with the Bangladesh Telecommunication Act, 2010. The Commission operates based on its Terms of Reference (TOR) and has not formed committees for audit, NRC etc. During FY 2023-24, the Commission held 10 (ten) meetings and implemented 302 (three hundred two) decisions. BTRC has no Independent Member.

Note-11: BTRC's website provides access to the entity's Board of Directors and senior managers' names and biographies, audited financial statements, citizen charter, rules and regulations, code of conduct etc.

Note-12: BTRC has implemented the following measures to enhance internal control and safety:

i. Established an Audit Wing to coordinate among various departments for internal control and oversee auditing activities of the Commission, reporting directly to the Chairman.
ii. Engaged audit firms to conduct financial and information management audits of operators, ensuring security, accountability, and responsibility among licensed operators in the telecommunication sector.
iii. Installed safety devices, emergency exits, and fire extinguishers on its premises as part of its safety and security measures.
iv. Established Internal IT infrastructure.
v. Utilizes the Telecom Monitoring System (for network oversight)

5. IPE Process

i. Performances of non-financial indicators of Bangladesh Telecommunication Regulatory Commission (BTRC) has been evaluated using information and documents of the inception report provided by BTRC.
ii. Actual performance scores of non-financial indicators are 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 BTRC are to be evaluated based on national best practices/standard. However, due to the non-availability of such standard and comparable entities in the country, BTRC'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

Bangladesh Telecommunication Regulatory Commission (BTRC)

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	4	0.20
2	Growth Trajectory: 2a. Net Income Growth		4	4	0.16
	2b. Service Revenue Growth		4	1	0.04
	2c. Other Growth		4	4	0.16
3	Effective Implementation of Public Policy: • Implement activities to achieve policy goal		4	4	0.16
4	Social Contribution: • Environmental Contribution • CSR / WPPF • Training / Volunteering		4	4	0.16
		Sub Total	**25**		**0.88**
B	**Operational Efficiency:**	25			
1	Service Delivery: • Service benefits and Accessibility		5	4	0.20
2	Labor Productivity: • Added Value Per Employee		4	3	0.12
3	Capital Productivity: 3a. Added Value Per TK Value of Assets		4	4	0.16
	3b. Added Value Per TK Value of PPE		4	4	0.16
4	Production:				
	4a. Asset Turnover		4	4	0.16
	4b. Capacity Utilization		4	1	0.04
		Sub Total	**25**		**0.84**

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		3	4	0.12
2	Profit before tax		3	4	0.12
3	Return on assets		3	4	0.12
4	Return on Service Revenue		3	4	0.12
5	Return on equity				
6	Net worth growth				
7	Capital budget utilization		3	3	0.09
	ii. Financial Risk:				
1	Debt equity ratio				
2	Debt to assets		3	2	0.06
3	Debt coverage ratio		3	4	0.12
4	Current ratio		3	1	0.03
5	Accounts receivable period		3	0	0.00
6	Accounts payable period				
	iii. Transactions with Government:				
1	Taxes paid				
2	Fees & charges paid				
3	Debt Service Liabilities Paid		3	4	0.12
		Sub Total	**30**		**0.90**

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 • Employee's service rules/ regulations • Appointment of Board Secretary		5	3	0.15
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	2	0.10
3	Transparency and Disclosure: • Board of directors and Senior managers name and biographies • Audited financial statement • Citizen charter • APA • Code of conduct		5	3	0.15
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 • Measures taken for safe working environment in the entity's premises		5	3	0.15
5	Performance against the key Indicators of APA: • Total Performance score achieved on APA				
	Sub Total				**0.55**
	Grand Total (A+B+C+D)	**100**	**100**		**3.17**

7. Interpretation of Results

As per Independent Performance Evaluation (IPE) Bangladesh Telecommunication Regulatory Commission (BTRC) Scored 3.17 out of 4.00 in the year 2023-24.

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

i. Service Delivery
ii. Entity Strategic Plan
iii. Social Contribution
iv. Other Growth
v. Assets Turnover
vi. Return on Service Revenue
vii. Net Income Growth
viii. Capital Productivity
ix. Debt Coverage Ratio
x. Effective Implementation of Public Policy
xi. Return on Assets

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

xii. Labor Productivity
xiii. Control Environment and Process
xiv. Corporate Governance
xv. Transparency and Disclosure
xvi. Capital Budget Utilization

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

i. Board Practices

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

i. Capacity Utilization
ii. Service Revenue Growth
iii. Capacity Utilization
iv. Debt to Assets
v. Current Ratio

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

i. Accounts Receivable Period

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

a) BTRC has earned an operating profit of Tk.43,235.59 million.
b) The entity incurred net profit (after tax) of Tk. 43,283.76 million.
c) BTRC Current Ratio (Times) 1.41 which indicates entity is in a moderate position to meet its current liabilities in due period.

8. Findings from the Audited Financial Statement 2023-2024

In the BTRC Audit Report 2023-24 the auditors Provided the qualified opinion of the following issues:

i. BTRC currently follows a modified accrual basis of accounting, which does not comply with IAS 1 (Presentation of Financial Statements). As a result, revenue and accounts receivable are not presented in a true and fair manner. Consequently, revenue receipts and expenses may be either understated or overstated in FY 2023–24.
ii. BTRC could not provide sufficient evidence related to accounting treatment of building received from government. So, the entity has not recognized in accordance with IAS-20 Accounting for Government Grants and Disclosure of Government Assistance.
iii. The entity did not maintain Fixed Assets Register. So, the auditors Could not ascertain the accuracy of Fixed Assts. In addition, the Commission sold fixed assets, but the transaction does not Comply with IAS-16.
iv. BTRC faces uncertainty regarding the repayment of FDR amount from Padma Bank PLC, which is facing a liquidity crisis. However, BTRC has not measured any Expected Credit Loss (ECL) for the investment, which is a violation of IFRS-9 Financial Investment.
v. Capital Expenditure Fund of TK 5,321.12 million includes foreign exchange gain or loss but commission could not Provide sufficient appropriate evidence regarding these issues.

9. Recommendation for Performance Based Incentives

Bangladesh Telecommunication Regulatory Commission (BTRC) has obtained a weighted score of 3.17 out of a scale 4.00 and is graded “Very Good”. Therefore, IPEC recommended non-financial incentive for the employees of BTRC. Also, a certificate from Finance Division may be awarded to BTRC for being graded “Very Good” in IPE for the FY 2023-24.

10. Recommendations for Improvements:

Based on the findings of IPE, the following recommendations are proposed to improve BTRC's performance:

i. BTRC should finalize and update its cybersecurity system plan to enhance internet user safety and security.
ii. Develop and execute an action plan for transitioning to digital broadcasting, upgrading, and expanding the spectrum monitoring system to benefit stakeholders.
iii. Construct the necessary infrastructure to provide 5G mobile services across all mobile service providers.
iv. Execute plans to extend high-speed broadband facilities to underserved and marginal areas.
v. Form committees such as an Audit Committee, Nomination & Remuneration Committee and procurement committee to strengthen internal control and compliance.
vi. The entity should resolve the auditor's qualified opinion on audit report for fair presentation of its financial statement.
vii. Establish and manage Equity or Capital Fund accounts against commission assets to ensure fair representation of its accounts.
viii. The entity should organize a public hearing prior to fix the price of services.
ix. Prepare financial statements in compliance with applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) to strengthen financial discipline, transparency, and reporting.
x. The entity should maintain a specific provision for the significant amount of accounts receivable in accordance with IFRS-9 : Expected Credit Loss Model, 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.
xi. BTRC should maintain an updated asset register, including historical cost or fair value of assets, and implement modern accounting software to ensure accurate, efficient, and transparent financial reporting.
xii. 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.
xiii. 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, relevant data, and supporting documents of Bangladesh Telecommunication Regulatory Commission, the Independent Performance Evaluation (IPE) Report for FY 2023–24 has been prepared. The report reveals that BTRC's financial and non-financial performance during FY 2023–24 has increased compared to the previous fiscal year (2022-23).

To support the vision of Bangladesh, BTRC should implement its planned initiatives, including 5G network modernization, spectrum expansion, and infrastructure optimization, to improve operational efficiency and service delivery. Furthermore, the Commission should ensure compliance with the applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and take necessary steps to resolve the financial irregularities identified in the BTRC Audited Financial Statements2023–24.

Annexure-1

Bangladesh Telecommunication Regulatory Commission (BTRC)
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		
	ii. Receivable:		
	• Trade	4,764,572,216	5,020,174,057
	• Others	1,336,012	1,336,012
	iii. Cash and Cash Equivalent	4,475,394,667	4,671,729,068
	iv. Others Current Assets	4,956,168	4,085,868
2	Total Current Assets (i+ii+iii+iv)	9,246,259,062	9,697,325,004
3	Total Non-Current Assets		
	• Property, Plant & Equipment (PPE)	931,315,800	1,018,145,054
	• Capital Work in Progress		29,165,852
	•Other Non-Current Assets		
4	Total Assets (2+3)	10,177,574,862	10,744,635,909
5	Current Liabilities:		
	i. Payables:		
	• Trade		
	• Others	98,331,740	115,583,818
	ii. Other Current Liabilities	6,472,355,455	5,184,444,424
6	Total Current Liabilities (i+ii)	6,570,687,195	5,300,028,242
7	Non-Current Liabilities:		
	i. Long Term Loans/Debts	5,443,620,585	9,130,829,293
	ii. Deferred Liabilities		
	iii. Other Non-Current Liabilities		
8	Project Fund (SRCB-IDA 3790 BD))	455,631,100	455,631,100
9	Total Non-Current Liabilities (i+ii+iii)	5,899,251,685	9,586,460,393
10	Total Liabilities (6+8)	12,469,938,880	14,886,488,635
11	Fund Account:		
	i. Capital Expenditure Fund	(5,321,122,213)	(6,971,057,962)
	ii. Pension Fund	2,440,137,207	2,328,030,619
	iii. Gratuity Fund	287,064,187	247,321,745
	iv. Group Insurance Fund	201,367,678	176,622,865
	V. Benevolent Fund	7,139,397	6,413,054
	vi. Leave Encashment Reserve Fund	93,049,727	70,816,954
11	Total Equity (i+ii+iii+iv+v)	(2,292,364,018)	(4,141,852,726)
12	Total Equity and Liabilities (9+11)	10,177,574,862	10,744,635,909

Annexure 1

Serial No	Statement of Profit or Loss and Other Comprehensive Income (Income Statement)	2023-24		2022-23	
		Amount	Percentage	Amount	Percentage
13	Net Sales / Service Revenue	44,143,924,450	100.00%	41,287,685,749	100%
14	Less: Cost of Services	675,588,643	1.53%	584,396,404	1.42%
15	Gross Profit/(Loss) (13-14)	43,468,335,807	98.47%	40,703,289,345	98.58%
16	Less: Operating Expenses:				
	i. Administrative Expenses	232,746,945	0.53%	669,554,341	1.62%
	ii. Marketing Expenses				
17	Total Operating Expenses (i+ii)	232,746,945	0.53%	669,554,341	1.62%
18	Operating Profit/(Loss) (15-17)	43,235,588,862	97.94%	40,033,735,004	96.96%
19	Add: Non-Operating Income	202,589,835		207,284,343	
20	Less: Financial Expenses				
21	Less: Satellite Expenses	154,416,463		1,879,526,722	
22	Net Profit/(Loss) before Tax (18+19 – 20-21)	43,283,762,234		38,361,492,625	
23	Less: Provision for Tax				
	i. Current tax				
	ii. Deferred tax				
24	Net Profit/(Loss) After Tax (22-23)	43,283,762,234		38,361,492,625	

Serial No	Other Information	Evaluate Fiscal Year	Previous Fiscal Year
		2023-24	2022-23
25	Credit Sales	9,451,925,480	5,062,103,700
26	Credit Purchases		
27	Capital Budget Allocation	2,449,255,000	2,607,425,000
28	Actual Capital Expenditure	2,097,224,241	286,828,889
29	Dividend Payable		
30	Dividend Paid		
31	Taxes Payable		
32	Taxes Paid		
33	Debt Service Liabilities (DSL) Payable	154,416,463	1,594,946,005
34	Debt Service Liabilities (DSL) Paid	154,416,463	1,594,946,005
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)	43,996,473,377	39,890,824,862
40	Added Value	44,090,429,390	41,256,688,876
41	Employee's costs include wages, salaries, bonus, provident fund contribution and other allowances		
42	Capacity Utilization (%)	63.17%	83.81%
43	Input use Efficiency (%)		
44	Number of Employees (Nos)	377	345
45	Performance score achieved on APA		91.32