



BIWTC



**ANNUAL REPORT
2012-2013**

BANGLADESH INLAND WATER TRANSPORT CORPORATION

BIWTC BHABAN
5, DILKUSHA COMMERCIAL AREA
DHAKA-1000, BANGLADESH.



BIWTC

From the Desk of Chairman



Since its inception in 1972 under P.O. 28 as a service oriented commercial organisation. BIWTC had been playing a vital role in the socio-economic development efforts of the nation by carrying passengers, cargo and vehicles in the IWT sector of the country. Moreover as part of its public service obligations it is rendering services as per Government's directives by connecting the offshore islands in the Bay of Bengal with the mainland of the country.

It may be mentioned here that BIWTC made a net profit of Tk. 32.07 crore in financial year 2010-2011 and Tk. 24.28 crore in financial year 2011-2012. Strong determination, sincerity and pragmatic policies of the present management improved both administrative and financial performance of the corporation substantially. As a result the net profit of the corporation in the financial year 2012-2013 increased to Tk. 58.08 crore despite many problems and constraints. This trend, by the grace of Almighty, is likely to continue in future also.

Publication of Annual Report is undoubtedly a delicate task. I take this opportunity of congratulating the officials who were engaged in publishing this informative annual report of BIWTC for the year ended 30th June 2012 and 2013. The report reveals a complete picture of the activities of BIWTC including financial health of the corporation.

I hope, this publication will go a long way in depicting a clear profile of the organization and help make the Nation familiar with its activities and achievements, once again.

(MIJANUR RAHMAN)
CHAIRMAN

From the Desk of Director (Finance), BIWTC



To restore the transport system especially for movement of passengers and carriage of imported food grain, POL and other essential imported goods, BIWTC was formed by merging 9 private companies with the then East Pakistan Shipping Corporation under P.O. 28 of 1972.

At the time of formation BIWTC though owned 608 number of different types of vessels but most of them were age old and in a very dilapidated condition and also inherited an accumulated loss of Tk. 3.27 crore.

BIWTC started its integrated journey on 1st July 1974 and continued to discharge the gigantic task of up-keeping the communications system when there was no private sector in the River Transport and at the same time Road & Railway systems were also in damaged condition.

Due to the poor condition of vessels and ever increasing operational costs though BIWTC was always on operational porfit but could not make net profit before 1995-96 when it earned a net profit of Tk. 1.51 crore followed by Tk. 9.02 crore and Tk. 7.17 crore during 1996-97 and 1997- 98 respectively. But the country's very essential and vital project Bangabandhu Jamuna Multipurpose Bridge (BJMB) was opened on 23.06.1998 and most of the North Bengal bound coaches and light vehicles were diverted from BIWTC ferry system to the bridge resulting a revenue loss to the tune of Tk. 18.00 crore annually and BIWTC again became a loss making organisation during 1998-99 and 1999-2000. Misfortune never comes alone, the increase in fuel price by 22% w.e.f. 16.08.2000, increased the operational expenditure to a great extent. BIWTC employees and officers rose to the occasion and made a determination to make the organisation a profitable one. By taking steps like chartering of idle vessels, quick renovation of revenue generating vessels and reduction of costs in all possible areas, BIWTC by the grace of Almighty Allah has again been turn into a net porfitable organisation from FY 2000-2001

In the financial 2011-2012 and 2012-2013 BIWTC earned net profit of 24.28 and 58.08 crore respectively.

Now BIWTC is a profit making organisation in the Government sector which is required for public interest.

*(SHAHINUR BHUIYAN)
DIRECTOR (FINANCE)*

NOTES OF ACCOUNTS



When the road transportation was almost destroyed and disrupted during the Liberation war, to keep the economy stable and as a matter of coverage of the transportation system, the Govt. felt it necessary to establish a Public Obligatory Commercial Organisation and thus Bangladesh Inland Water Transport Corporation (BIWTC) came into being under the P.O. 28 of 1972. The main function of BIWTC are to provide safe and secured transport services for carriage of passenger, vehicle and cargo through the Inland and Coastal water routes of the country and also inter country between India and Bangladesh .

From the beginning BIWTC have been keeping and maintaining its books of accounts in a complete and systematic manner. BIWTC's Accounts have been computerized since long. The accounts of the Corporation are prepared on going concern basis under the historical cost convention based on generally accepted accounting principles. Yearly Profit & Loss Accounts and Balance Sheet are prepared as usual on the above basis. Besides these, monthly Route-wise, Vessel-wise and Unit-wise Earnings and Expenditure are also being prepared for management information.

BIWTC earns through its operational services as well as investment surplus funds in fixed deposit accounts and also other miscellaneous sources. BIWTC earned a net profit of Tk. 32.07 crore during 2010-2011 and Tk. 24.28 crore during the FY 2011-2012 and Tk.58.08 crore during 2012-2013. The net profit would have been much more if had there been full reimbursement of loss incurred by the Corporation in maintaining passenger services in uneconomic routes in coastal and off-shore islands as Public Service Obligation (PSO). Though there is a decision to reimburse the loss incurred by the Corporation in maintaining the above services from the Govt. revenue budget as subsidy but only a lump-sum amount of Tk.50.00 lac is being paid annually. A total amount of Tk.180.70 crore has been lying outstanding under the head Subsidy Receivable from the Govt. For transparency in accounts, this amounts has been shown once as asset under the head "Subsidy Receivable Account" and again the same amount has been shown as liability under the head "Income Suspense Subsidy" in the Balance Sheet.

General Manager (Accounts)

3.2.2 Inland Passenger Services :

Performance of the Inland Passenger Service is shown in the table below :

PROFIT & LOSS A/C OF PASSENGER SERVICE (INLAND)

Figure in Lac Taka

Sl. No	Particulars	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
A)	<u>EARNINGS:</u>					
1	Traffic Earnings	471.11	517.07	424.72	537.57	778.90
B)	<u>EXPENDITURE:</u>					
1	Fuel Consumption	775.98	677.80	611.24	804.33	952.47
2	Repairs & Maintenance	477.91	489.15	370.76	387.19	333.88
3	Port, Survey Fee Etc	8.46	10.00	20.95	17.42	9.06
4	Pay & Allowances (Fleet)	241.39	273.36	322.18	293.96	341.46
5	Indirect Expenses	229.52	254.76	315.86	354.95	366.59
6	Total (1+2+3+4+5)	1733.26	1705.07	1640.99	1857.85	2003.46
7	Operational Surplus:(A-B6)	-1262.15	-1188.00	-1216.27	-1320.28	-1224.56
8	Depreciation	102.84	125.74	122.54	123.65	119.73
9	Interest on Loan	27.78	23.20	20.65	17.97	15.75
10	Total (8+9)	130.58	148.94	143.19	141.62	135.48
11	Total Expenditure (6+10)	1863.84	1854.01	1784.18	1999.47	2138.94
C)	Net Profit & Loss (A-B)	-1392.68	-1336.94	-1359.46	-1461.90	-1360.04

Performance of the Coastal Passenger Service is shown in the table below :

PROFIT & LOSS A/C OF PASSENGER SERVICE (COASTAL)

Figure in Lac Taka

Sl.	No	Particulars	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
A)		<u>EARNINGS:</u>					
	1	Traffic Earnings	506.39	577.29	649.63	495.66	555.04
B)		<u>EXPENDITURE:</u>					
	1	Fule Consumption	433.92	442.84	538.87	363.97	280.98
	2	Repaires & Maintenance	302.19	257.57	135.26	304.97	171.30
	3	Port, Survey Fee Etc	4.79	5.73	0.96	7.29	18.28
	4	Pay & Allowances (Fleet)	319.37	355.00	428.32	420.25	409.19
	5	Indirect Expenses	201.63	230.16	314.99	277.77	254.59
	6	Total (1+2+3+4+5)	1261.89	1291.30	1417.90	1374.25	1134.34
	7	Operational Surplus:(A-B6)	-755.51	714.01	-768.28	-878.59	-579.30
	8	Depreciation	159.38	203.23	198.18	232.60	220.76
	9	Interest on Loan	184.34	168.63	151.47	125.35	144.89
	10	Total (8+9)	343.73	371.86	349.65	357.95	365.65
	11	Total Expenditure (6+10)	1605.62	1663.16	1767.55	1732.20	1499.99
C)		Net Profit & Loss (A-B)	-1099.24	-1085.87	-1117.92	-1236.54	-944.95

*Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organisation)
5,Dilkusha Commercial Area,Dhaka-1000.*

Profit & Loss A/C.From 2008-2009 to 2012-2013

(Fig.in Lac.Taka)

SL.NO.	Head of Accounts	2008- 2009 (Audited)	2009- 2010 (Audited)	2010- 2011 (Audited)	2011- 2012 (Audited)	2012- 2013 (Audited)
<i>Traffic Earnings:-</i>						
1	Passenger Service	981.63	1094.36	1079.24	1033.21	1333.94
	Ferry Service	13649.43	16111.92	16993.80	18514.63	22031.06
	Cargo Service	760.65	730.59	776.08	787.98	869.84
	<i>Sub-Total</i>	15391.71	17936.87	18849.12	20335.82	24234.84
2	Misc.Income					
	Others	362.70	318.06	692.77	642.22	774.28
	Income on Investment	1416.41	1758.07	1656.63	1990.41	2211.26
	<i>Sub-Total</i>	1779.11	2076.13	2349.40	2632.63	2985.54
3	Total Earnings (1+2)	17170.82	20013.00	21198.52	22968.45	27220.38
<i>Expenditure</i>						
4	Direct Fleet Expenses	10088.17	11376.47	11500.78	14174.17	15148.12
5	Traffic Operation Expenses	267.17	245.68	177.66	209.15	206.18
6	Shore Establishment Expenses	2348.36	3012.27	3409.62	3479.04	3295.65
7	Shore Contingencies	360.79	420.12	341.89	526.85	488.52
8	Sub Total (4+5+6+7)	13064.49	15054.54	15429.95	18389.21	19138.47
9	Less Subsidy	50.00	50.00	50.00	50.00	50.00
10	Operational Expenditure (8-9)	13014.49	15004.54	15379.95	18339.21	19088.47
11	Operational Surplus (3-10)	4156.33	5008.46	5818.57	4629.24	8131.91
12	Provision for Bad Debts	5.76	5.57	0.64	8.70	10.06
13	Interest on Loan	881.15	845.27	891.45	869.97	880.05
14	Depreciation	982.99	984.32	1218.98	1322.32	1433.65
15	Sub Total (12+13+14)	1869.90	1835.16	2111.07	2200.99	2323.76
16	Total Expenditure (10+15)	14884.39	16839.70	17491.02	20540.20	21412.23
17	Net Profit / loss (3-16)	2286.43	3173.30	3707.50	2428.25	5808.15
18	Divident paid to Govt.	500.00	300.00	500.00	500.00	200.00
19	Net Profit after Divident (17-18)	1786.43	2873.30	3207.50	1928.25	5608.15

3.6

Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organisation)
5,Dilkusha commercial Area,Dhaka-1000.

Balance Sheet From 2008-2009 to 2012-2013

Figure in Lac

SL.NO.	Particulars	2008- 2009 (Audited)	2009- 2010 (Audited)	2010- 2011 (Audited)	2011- 2012 (Audited)	2012- 2013 (Audited)
1.	<u>Application of Funds</u>					
	Fixed Assets-at cost less Dep.	40155.39	42153.93	47175.50	51455.49	53267.29
	Capital work in Progress	752.66	3079.35	3504.47	4091.69	5933.04
	Investment against Employees Gratuity Fund	5764.54	6286.92	6369.42	6757.13	7495.05
	Subsidy Receivable Account	13730.34	14779.59	15815.46	16845.22	18069.92
		60402.93	66299.79	72864.85	79149.53	84765.30
2.	<u>CURRENT ASSETS:</u>					
	Stock and Stores	3659.91	3991.25	4370.97	4114.30	4042.27
	Sundry Debtors less Provision	2653.98	2748.55	2905.00	3081.39	3407.60
	Advance,Deposits and Prepayments	1323.28	3702.67	5079.91	3634.18	4163.85
	Investments	27033.77	29353.97	29487.86	29221.58	32170.64
	Cash and Bank Balance	3129.50	2096.59	1154.43	1397.82	2323.23
		37800.44	41893.03	42998.17	41449.27	46107.59
3.	<u>Less: CURRENT LIABILITIES:</u>					
	Accrued Interest on Local Loan	7279.39	7521.01	7857.62	8220.23	8626.92
	Accrued Interest on Foreign Loan	9465.53	10069.14	10623.98	11131.33	11604.69
	Expenses	2482.81	4280.66	5885.47	4200.54	3207.96
	Capital Expenses	35.73	7.20	7.20	7.25	7.20
	Deposit and Advance	1074.58	1558.61	1850.19	2105.89	2852.80
	Other Finance	83.42	455.72	757.03	857.85	1082.71
		20421.46	23892.34	26981.49	26523.09	27382.28
4.	Working Capital (2-3)	17378.98	18000.69	16016.68	14926.18	18725.31
	Total Application of Funds (1+4)	77781.91	84300.48	88881.53	94075.71	103490.61
5.	<u>Sources of Finance:</u>					
	Capital	12026.89	12026.89	12026.89	12026.89	12026.89
	Reserve and Surplus	18128.83	18338.57	18322.80	18301.79	18280.77
	Insurance Fund	1986.99	2185.61	2386.69	2661.53	2958.17
	Loans	16406.87	17316.57	16534.75	17207.56	17578.91
	Depreciation Fund	1746.32	2093.69	2344.11	2687.24	3228.85
	Disinvestment Fund	1887.67	2296.22	2943.54	3510.22	4158.12
	BIWTC Employee's Gratuity Fund	5764.54	6286.92	6369.42	6757.13	7495.05
	Pre-liberation Account	10.10	10.10	10.10	10.10	10.10
	Lease Money	219.89	230.76	224.85	219.91	214.34
	Income Suspense-Subsidy	13730.34	14779.59	15815.46	16845.22	18069.92
		71908.44	75564.92	76978.61	80227.59	84021.12
6.	Less: Loss Carried Forward	-5873.47	-8735.54	-11902.92	-13848.12	-19469.49
	Total Sources of Finance: (5-6)	77781.91	84300.46	88881.53	94075.71	103490.61

Ratio Analysis**RATIO ANALYSIS**

Figure in Crore Tk.

PARTICULARS	30.06.2009	30.06.2010	30.06.2011	30.06.2012	30.06.2013
<u>PROFITABILITY RATIO:</u>					
Net Profit/Loss	22.86	31.73	37.08	24.28	58.08
Total Earnings	171.71	200.13	211.99	229.68	272.20
Net Profit/Loss as a % of Earnings	13.32%	15.86%	17.49%	10.57%	21.34%
Total Earnings	171.71	200.13	211.99	229.68	272.20
Total Assets	844.73	934.13	1000.48	1037.54	1128.03
Total Assets Turnover	0.20 Times	0.21 Times	0.21 Times	0.22 Times	0.24 Times
Net Profit/Loss	22.86	31.73	37.08	24.28	58.08
Net Equity	360.29	391.01	422.53	441.77	497.77
Net Profit/Loss as % of Net Equity	6.35%	8.12%	8.77%	5.50%	11.67%
Net Profit/Loss	22.86	31.73	37.08	24.28	58.08
Total Assets	844.73	934.13	1000.48	1037.54	1128.03
Net Profit/Loss as % of investment	2.71%	3.40%	3.71%	2.34%	5.15%
<u>LIQUIDITY RATIO:</u>					
Current Assets	378.00	418.93	429.98	414.49	461.08
Current Liabilities	204.21	238.92	269.81	265.23	273.82
Current Ratio	1.85	1.75	1.59	1.56	1.68
Current Assets - Less Stock	341.41	379.02	386.27	373.35	420.65
Current Liabilities	204.21	238.92	269.81	265.23	273.82
Quick Ratio	1.67	1.59	1.43	1.41	1.54
Current Assets	378.00	418.93	429.98	414.49	461.08
Total Assets	844.73	934.13	1000.48	1037.54	1128.03
% of Current Assets to Total Assets	44.75%	44.85%	42.98%	39.95%	40.87%
<u>EXPENSES RATIO:</u>					
Expenditure	148.84	168.40	174.91	205.40	214.12
Earnings	171.71	200.13	211.99	229.68	272.20
Expenses as % of Earnings	86.68%	84.14%	82.51%	89.43%	78.66%
<u>CAPITAL STRUCTURE RATIO :-</u>					
Debts (Loan & Interest)	331.52	349.07	350.16	365.59	378.11

Net Equity (Capital+Reserve - Accumulated Loss)	360.29	391.01	422.53	441.77	497.77
Debt Equity Ratio	$\frac{48}{52}$	$\frac{47}{53}$	$\frac{45}{55}$	$\frac{45}{55}$	$\frac{43}{57}$