



BIWTC



**ANNUAL REPORT
2016-2017**

BANGLADESH INLAND WATER TRANSPORT CORPORATION

BIWTC BHABAN
24 Kazi Nazrul Islam Avenue
Fairly House, Dhaka, Bangladesh.



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BIWTC

From the Desk of Chairman



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 Total manpower of BIWTC was 2643 as on 31-12-2017 and made a net profit of Tk. 62.27crore in financial year 2013-2014 , Tk. 57.29 crore in financial year 2014-2015.Tk 46.66 crore in financial year 2015-2016 and Tk. 27.24 crore in financial year 2016-2017 Strong determination, sincerity and pragmatic policies of the present management improved both administrative and financial performance of the corporation substantially.

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 2015. 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.

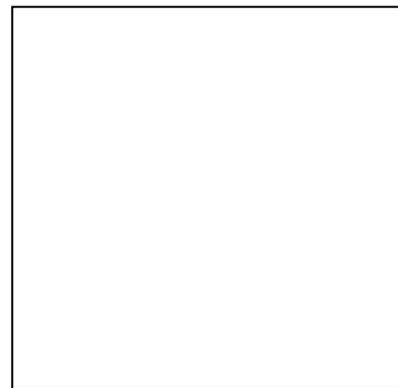
**(Mohammad Mafizul Haque
CHAIRMAN**



Chairman



Director (Admin)



Director (Technical)



Director (Finance)



Director (Commerce)

From the Desk of Director (Finance), BIWTC



At the time of formation of BIWTC though it owned 608 number of different type 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 profit 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 profitable organisation from FY 2000-2001 In the financial 2015-2016 and 2016-2017 BIWTC earned net profit of 46.66 and 20.38 crore respectively. Now BIWTC is a profit making organisation in the Government sector which is required for public interest.

(SHAHEENOR 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. 57.29 crore during 2014-2015 and Tk. 46.66 crore during the FY 2015-2016 and Tk.20.38 crore during 2016-2017. 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.223.47 crore has been lying outstanding under the head Subsidy Receivable from the Govt. For transparency in accounts, this amount 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.

*(MD. NURUL HUDA)
General Manager (Accounts)*

Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organisation)

Balance Sheet From 2012-2013 to 2016-2017

Figure in Lac

SL.NO.	Particulars	2012- 2013	2013- 2014	2014- 2015	2015- 2016	2016- 2017
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1.	<u>Application of Funds</u>					
	Fixed Assets-at cost less Dep.	53267.29	58908.03	65618.31	71332.21	85209.31
	Capital work in Progress	5933.04	7864.55	13569.29	16417.12	5107.88
	Investment against Employees Gratuity Fund	7495.04	8462.21	18422.17	21036.71	33728.04
	Subsidy Receivable Account	18069.92	18964.86	19978.59	20876.89	22347.72
		84765.29	94199.65	117588.36	129662.93	146392.95
2.	<u>CURRENT ASSETS:</u>					
	Stock and Stores	4042.27	3812.58	3762.40	3837.67	3917.43
	Sundry Debtors less Provision	3407.59	3530.96	2963.37	3101.94	3123.57
	Advance, Deposits and Prepayments	4163.85	3558.28	3065.23	3112.29	2999.34
	Investments	32170.65	35209.59	30385.18	30795.56	23779.01
	Cash and Bank Balance	2323.23	4304.47	3524.07	5578.65	5560.67
		46107.59	50415.88	43700.25	46426.11	39380.03
3.	<u>Less: CURRENT LIABILITIES:</u>					
	Accrued Interest on Local Loan	8626.91	9095.35	9855.49	10965.86	12390.63
	Accrued Interest on Foreign Loan	11604.69	12039.00	12425.99	12779.74	13093.60
	Expenses	3207.96	2341.51	2180.04	2089.86	1952.28
	Capital Expenses	7.20	7.20	7.20	7.20	7.20
	Deposit and Advance	2852.80	2414.07	2346.15	2157.80	2139.65
	Other Finance	1082.71	2044.49	1697.49	1249.72	1329.29
		27382.27	27941.62	28512.36	29250.18	30912.65
4.	Working Capital (2-3)	18725.32	22474.26	15187.89	17175.93	8467.38
	Total Application of Funds (1+4)	103490.61	116673.91	132776.25	146838.86	154860.33
5.	<u>Sources of Finance:</u>					
	Capital	12026.89	12026.89	12026.89	12026.89	12,026.89
	Reserve and Surplus	18280.78	18601.64	18636.27	18618.35	17,951.66
	Insurance Fund	2958.17	3267.96	3549.14	3808.36	4,020.95
	Loans	17578.91	20904.19	27681.19	33360.19	35,879.54
	Depreciation Fund	3228.85	3759.49	4249.13	4746.97	4,889.15
	Disinvestment Fund	4158.12	4775.53	5314.06	5851.81	7,325.76
	BIWTC Employee's Gratuity Fund	7495.04	8450.85	18422.17	21036.71	33,728.04
	Pre-liberation Account	10.10	10.10	10.10	10.10	10.10
	Lease Money	214.34	207.62	202.04	196.47	190.89
	Income Suspense-Subsidy	18069.92	18964.86	19978.59	20876.89	22,347.72
		84021.12	90969.13	110069.58	120532.74	138370.70
6.	Less: Loss Carried Forward	-19469.49	-25704.78	-22706.67	-26306.12	-16489.63
	Total Sources of Finance: (5-6)	103490.61	116673.91	132776.25	146838.86	154860.33

*Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organisation)
Profit & Loss A/C.From 2012-2013 to 2015-2016*

(Fig.in Lac. Taka)

SL.NO.	Head of Accounts	2012- 2013	2013- 2014	2014- 2015	2015- 2016	2016- 2017
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
	<i>Traffic Earnings:-</i>					
1	Passenger Service	1333.94	1440.86	1465.17	1285.97	3,176.84
	Ferry Service	22031.06	24309.13	28463.40	32338.26	30,816.40
	Cargo Service	869.84	735.60	283.09	160.47	389.99
	Sub-Total	24234.84	26485.59	30211.66	33784.70	34383.22
2	Misc.Income					
	Others	774.28	926.86	932.37	666.96	842.24
	Income on Investment	2211.26	2322.88	1528.07	1344.06	943.76
	Sub-Total	2985.54	3249.74	2460.44	2011.02	1,786.00
3	Total Earnings (1+2)	27220.38	29735.33	32672.10	35795.72	36,169.22
	<i>Expenditure</i>					
4	Direct Fleet Expenses	15148.12	16503.72	18781.54	20591.36	20,656.67
5	Traffic Operation Expenses	206.18	262.23	312.81	297.32	265.03
6	Shore Establishment Expenses	3295.65	3539.25	4200.67	5639.47	7,492.47
7	Shore Contingencies	488.52	448.43	575.64	670.59	655.79
8	Sub Total (4+5+6+7)	19138.47	20753.63	23870.66	27198.74	29,069.96
9	Less Subsidy	50.00	50.00	50.00	50.00	50.00
10	Operational Expenditure (8-9)	19088.47	20703.63	23820.66	27148.74	29,019.96
11	Operational Surplus (3-10)	8131.91	9031.70	8851.44	8646.98	7,149.26
12	Provision for Bad Debts	10.06	17.30	8.62	8.49	9.03
13	Interest on Loan	880.05	902.75	1147.12	1464.12	1,738.63
14	Depreciation	1433.65	1584.94	1666.81	1828.77	2,955.42
15	Sub Total (12+13+14)	2323.76	2504.99	2822.55	3301.38	4,703.08
16	Total Expenditure (10+15)	21412.23	23208.62	26643.21	30450.12	33,723.04
17	Net Profit / loss (3-16)	5808.15	6526.71	6028.89	5345.60	2,446.18
18	Divident paid to Govt.	200.00	300.00	300.00	320.00	100.00
19	TAX ON INCOME	0	0	0	359.99	309.08
20	Net Profit after Divident & TAX (17-18-19)	5608.15	6226.71	5728.89	4665.61	2,037.10

RATIO ANALYSIS

Figure in Crore Tk.

PARTICULARS	30.06.2013	30.06.2014	30.06.2015	30.06.2016	30.06.2017
<u>PROFITABILITY RATIO:</u>					
Net Profit/Loss	58.08	65.27	60.29	53.46	24.46
Total Earnings	272.20	297.35	326.72	357.96	361.69
Net Profit/Loss as a % of Earnings	21.34%	21.95%	18.45%	14.93%	6.76%
Total Earnings	272.20	297.35	326.72	357.96	361.69
Total Assets	1128.03	1256.51	1413.10	1552.12	1634.25
Total Assets Turnover	0.24 Times	0.24 Times	0.23 Times	0.23 Time	0.22 Time
Net Profit/Loss	58.08	65.27	60.29	53.46	24.46
Net Equity	497.98	563.33	533.70	569.51	464.69
Net Profit/Loss as % of Net Equity	11.66%	11.59%	11.30%	9.39%	5.26%
Net Profit/Loss	58.08	65.27	60.29	53.46	24.46
Total Assets	1128.03	1256.51	1413.10	1552.12	1634.25
Net Profit/Loss as % of investment	5.15%	5.19%	4.27%	3.44%	1.50%
<u>LIQUIDITY RATIO:</u>					
Current Assets	461.08	504.16	437.00	464.26	393.80
Current Liabilities	265.23	279.42	285.12	292.50	309.12
Current Ratio	1.74	1.80	1.53	1.59	1.27
Current Assets - Less Stock	420.65	466.03	399.38	425.88	354.63
Current Liabilities	265.23	279.42	285.12	292.50	309.12
Quick Ratio	1.59	1.67	1.40	1.46	1.15
Current Assets	461.08	504.16	437.00	464.26	396.80
Total Assets	1128.03	1256.51	1413.10	1552.12	1634.25
% of Current Assets to Total Assets	40.87%	40.12%	30.93%	29.91%	24.28%
<u>EXPENSES RATIO:</u>					
Expenditure	214.12	232.09	266.43	304.50	337.23
Earnings	272.20	297.35	326.72	357.96	361.69
Expenses as % of Earnings	78.66%	78.05%	81.55%	85.07%	93.24%
<u>CAPITAL STRUCTURE RATIO :-</u>					
Debts (Loan & Interest)	365.59	420.39	499.63	571.06	613.74
Net Equity (Capital+Reserve - Accumulated Loss)	497.98	563.33	533.70	569.51	464.69
Debt Equity Ratio	42 58	43 57	48 52	50 50	57 43

FERRY SERVICE:

Performance of ferry service is shown in the table below :

PROFIT & LOSS A/C OF FERRY SERVICE Figure in Lac Taka

Sl. No	Particulars	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
A	<u>EARNINGS:</u>					
1	Traffic Earnings	22113.96	24220.14	28422.00	32338.28	33054.75
B	<u>EXPENDITURE:</u>					
1	Fuel Consumption	8349.56	8471.85	10136.15	10833.88	10108.29
2	Repairs & Maintenance	895.27	1388.12	1430.79	1109.20	1281.40
3	Port, Survey Fee Etc	46.69	28.59	41.48	46.38	46.00
4	Pay & Allowances (Fleet)	1440.30	1635.45	1819.63	2463.79	3010.70
5	Indirect Expenses	1005.55	1164.54	1373.54	1888.64	3991.21
6	Total (1+2+3+4+5)	11737.37	12688.55	14801.59	16341.89	18437.60
7	Operational Surplus⊕(A-B6)	10376.59	11531.59	13620.41	15996.39	14617.15
8	Depreciation	751.77	776.49	965.58	1457.87	1712.84
9	Interest on Loan	362.24	475.82	438.05	653.00	716.08
10	Total (8+9)	1114.01	1252.31	1403.63	2110.87	2428.92
11	Total Expenditure (6+10)	12851.38	13940.86	16205.22	18452.76	20866.52
C	Net Profit & Loss (A-B)	9262.58	10279.28	12216.78	13885.52	12188.23

3.2. PASSENGER SERVICE

3.2.1 Coastal Passenger Services :

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	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
A)		<u>EARNINGS:</u>					
	1	Traffic Earnings	555.04	709.11	700.18	636.26	607.81
B)		<u>EXPENDITURE:</u>					
	1	Fule Consumption	280.98	479.26	414.45	514.44	377.74
	2	Repaires & Maintenance	171.30	149.38	238.31	162.04	121.37
	3	Port, Survey Fee Etc	18.28	8.16	20.37	17.37	22.82
	4	Pay & Allowances (Fleet)	409.19	434.31	387.55	487.3	560.47
	5	Indirect Expenses	254.59	355.79	324.95	432.46	593.38
	6	Total (1+2+3+4+5)	1134.34	1426.90	1385.63	1613.61	1675.78
	7	Operational Surplus:(A-B6)	-579.30	-717.79	-685.45	-977.35	-1067.97
	8	Depreciation	220.76	217.36	206.55	356.06	347.85
	9	Interest on Loan	144.89	128.57	56.31	60.61	55
	10	Total (8+9)	365.65	345.93	262.86	416.67	402.85
	11	Total Expenditure (6+10)	1499.99	1772.83	1648.49	2030.28	2078.63
C)		Net Profit & Loss (A-B)	-944.95	-1063.72	-948.31	-1394.02	-1470.82

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	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
A)	<u>EARNINGS:</u>					
1	Traffic Earnings	778.90	731.75	794.99	617.53	1231.83
B)	<u>EXPENDITURE:</u>					
1	Fuel Consumption	952.47	1030.23	1306.21	1361.27	1202.19
2	Repairs & Maintenance	333.88	256.23	251.65	228.5	288.81
3	Port, Survey Fee Etc	9.06	10.04	9.48	15.78	12.09
4	Pay & Allowances (Fleet)	341.46	357.38	396.28	558.99	56045
5	Indirect Expenses	366.59	438.31	538.49	653.21	947.08
6	Total (1+2+3+4+5)	2003.46	2092.19	2502.11	2817.75	3010.62
7	Operational Surplus:(A-B6)	-1224.56	-1360.44	-1707.12	-2200.22	-2386.60
8	Depreciation	119.73	122.53	247.97	266.75	307.96
9	Interest on Loan	15.75	15.67	12.12	29.31	8.59
10	Total (8+9)	135.48	138.20	260.09	296.06	316.55
11	Total Expenditure (6+10)	2138.94	2230.39	2762.20	3113.81	3327.17
C)	Net Profit & Loss (A-B)	-1360.04	-1498.64	-1967.21	-2496.28	-2703.15