

Annual Report

2005 - 2006



**INLAND WATERWAYS AUTHORITY OF INDIA
DEPARTMENT OF SHIPPING
MINISTRY OF SHIPPING, ROAD TRANSPORT & HIGHWAYS**



MEMBERS OF THE AUTHORITY

		Telephone No.	Fax No.
Chairman	Shri K. Shankar Narayanan, IAS Chairman, IWAI (From 01/04/2005 To 31/10/05)	0120-2543972	0120-2543973
	Sh. Rahul Sarin, IAS Chairman, IWAI (From 14/11/05 to 31/03/2006)		
Member	Shri A.K. Mohapatra, IAS Additional Secretary & Financial Advisor, Ministry of Shipping (From 01/04/05 to 07/06/2005)	011-23710140	011-23715195
	Sh. C. Balakrishnan, IAS Additional Secretary & Financial Advisor, Ministry of Shipping (From 24/08/05)	011-23710140	011-26880988
Member	Dr. A. K. Chanda, IAS Chairman, Kolkata Port Trust	033-22205370	033-22208226
Member	Shri Susheel Kumar, IAS Joint Secretary (Shipping) Ministry of Shipping	011-23710189	011-23722855
Member	Shri Satish C. Srivastava Member (Cargo), IWAI	0120-2543982	0120-2543994
Member	Shri R. M. Nair (From 01/04/05 to 31/10/05) Member (Technical), IWAI	0120-2521764	0120-2544041

OTHER DETAILS

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Secretary	Shri S. S. Pandian	0120-2544036
Auditors	COMPTROLLER AND AUDITOR GENERAL OF INDIA	011-23235793
Bankers	SYNDICATE BANK Transport Bhawan, Parliament Street, New Delhi 110 001	011-23717573
	SYNDICATE BANK Sector-18, Noida 201 301	0120-2514381
	CANARA BANK Sector-1, Noida 201 301	0120-2529163

REGIONAL OFFICES

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INLAND WATERWAYS AUTHORITY OF INDIA P-78, Garden Reach Road, Kolkata - 700 043.	033-24390393 033-24395577 033-24396056	033-24395570
INLAND WATERWAYS AUTHORITY OF INDIA 5 th Floor, Parameshwari Building, Chatribari, A.T. Road, Guwahati - 781 001.	0361-2510368 0361-2605806 0361-2605807	0361-2541081 0361-2510368
INLAND WATERWAYS AUTHORITY OF INDIA 2347-N, Paramara Shipping Complex, Paramara Road, Kochi - 682 018.	0484-2391209 0484-2396445	0484-2391209

SUB OFFICES

	Telephone No.	Fax No
INLAND WATERWAYS AUTHORITY OF INDIA Quarters No.EE-22, Farakka Barrage Project, Farakka, Distt. Murshidabad (WB).	0348-2552640	--
INLAND WATERWAYS AUTHORITY OF INDIA S.M. College Road, Chottikanjarpur, Bhagalpur - 821 001.	0641-2400651 0641-2401251	0641-2400651
INLAND WATERWAYS AUTHORITY OF INDIA 5/6, Rampur Mahabal, Balua (U.P.)	--	--
INLAND WATERWAYS AUTHORITY OF INDIA 52, 2nd floor, Patel Nagar, Nadesar, Varanasi - 221 002.	0542-2505329	0542-2505329
INLAND WATERWAYS AUTHORITY OF INDIA 360/F/44, Nawab Yusuf Road, Civil Line, Allahabad - 211 006.	0532-2561151	0532-2561152 0532-2561152
INLAND WATERWAYS AUTHORITY OF INDIA Ist Floor, K.W.A. Building, Anandavallasaram, Kollam - 691 013.	0474-2797830	--

1. IWT SECTOR - GENERAL INFORMATION :

Transport sector is pivotal for the overall development of the economy. With large geographical spread of the country, efficient transportation is vital to stimulate competitive business environment. India's transport system comprises of a number of distinct modes and services, namely; railways, roadways, inland waterways, coastal shipping and airways.

Inland Water Transport (IWT) is an economic, fuel efficient and environment friendly mode of transport having potential to supplement the over burdened rail mode and congested road mode of transport. Waterways provide port hinterland connectivity to the remote areas along them. India has an extensive network of rivers, canals, creeks etc. of about 14,500 kms, of which 5700 kms are navigable with mechanized vessels.

An optimal mix of road, rail and IWT will provide an efficient transport infrastructure with flexibility and cost effectiveness. While the thrust so far has been in developing road and rail sectors, Government recognizes the need to actively promote the IWT sector for it to take a reasonable share in the inter modal mix of inland transport.

The IWT mode, was an important mode of transport in the country during pre-independence period. Subsequently, while the other modes developed substantially, IWT mode instead of developing, remained dormant – in fact degenerated due to various factors such as, deforestation in catchment areas, siltation of rivers, diversion of water for irrigation, construction of cross structures like bridges with inadequate air clearance etc. Industrial centers which were located in the vicinity of waterways also shifted away and no new industrial centers came up along the waterways.

Despite these factors, the sector remained alive in some regions namely Goa, Kerala, North-East and West Bengal where it continued to play important role in the overall transport scenario of the region.

However, at present organized IWT forms a very small part of the total transport network. In terms of tonne kilometers of total inland cargo, its share is about 0.25 percent only, (about 2.46 billion ton km, out of the total inland cargo of about 1,000 billion ton km). The target is to increase the cargo share of this sector to 20 billion tonne km.

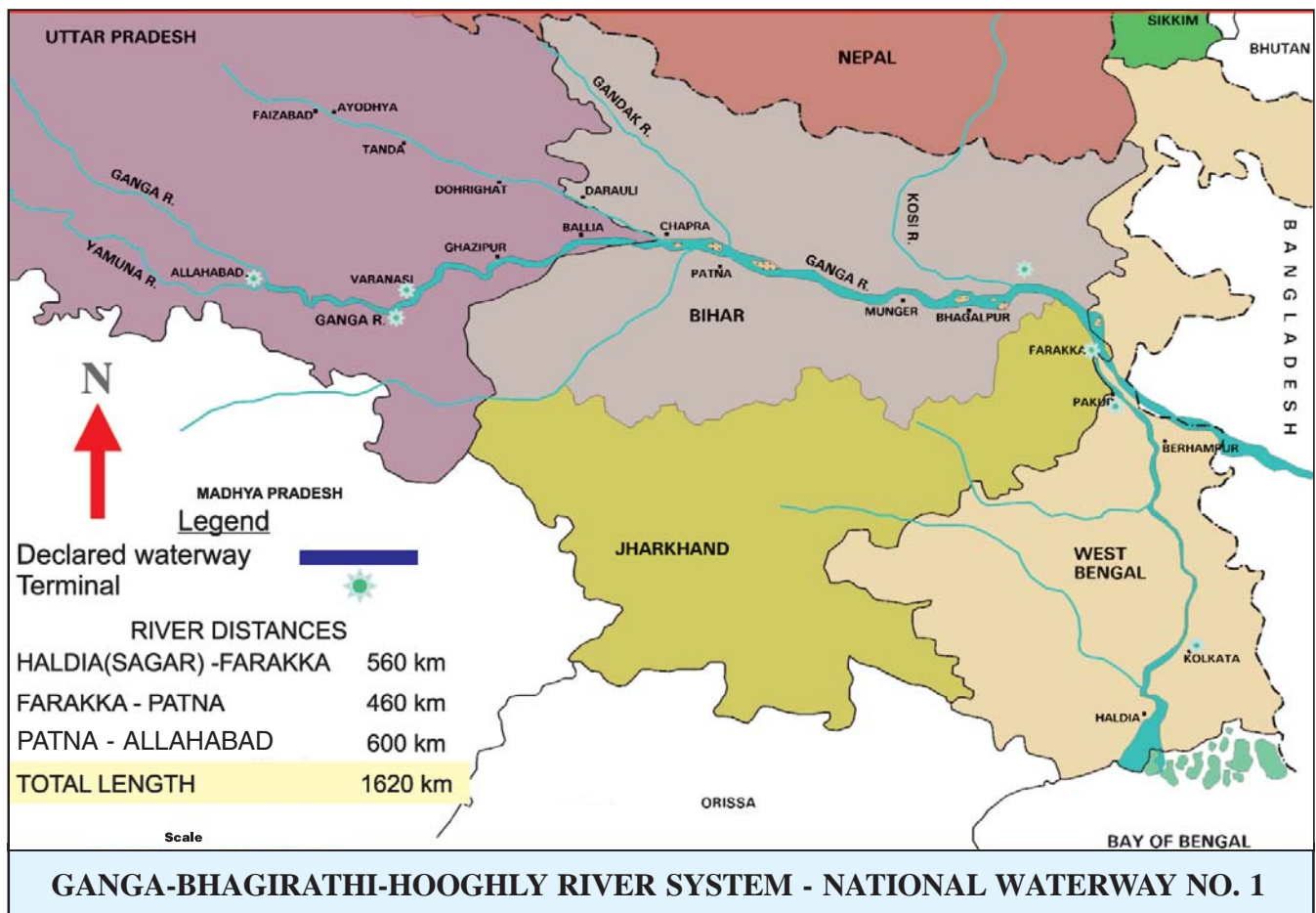
2. INLAND WATERWAYS AUTHORITY OF INDIA

Inland Waterways Authority of India (IWAI) was constituted in October 1986, for the development and regulation of inland waterways for shipping and navigation. The Authority undertakes various infrastructure development works on national waterways. It also carries out feasibility studies and prepares proposals for declaration of other waterways as National Waterways. It also assists States in development of IWT sector and provides subsidy to IWT operators for acquiring IWT fleet for transportation of cargo and passengers.

So far, following three waterways have been declared as national waterways:-

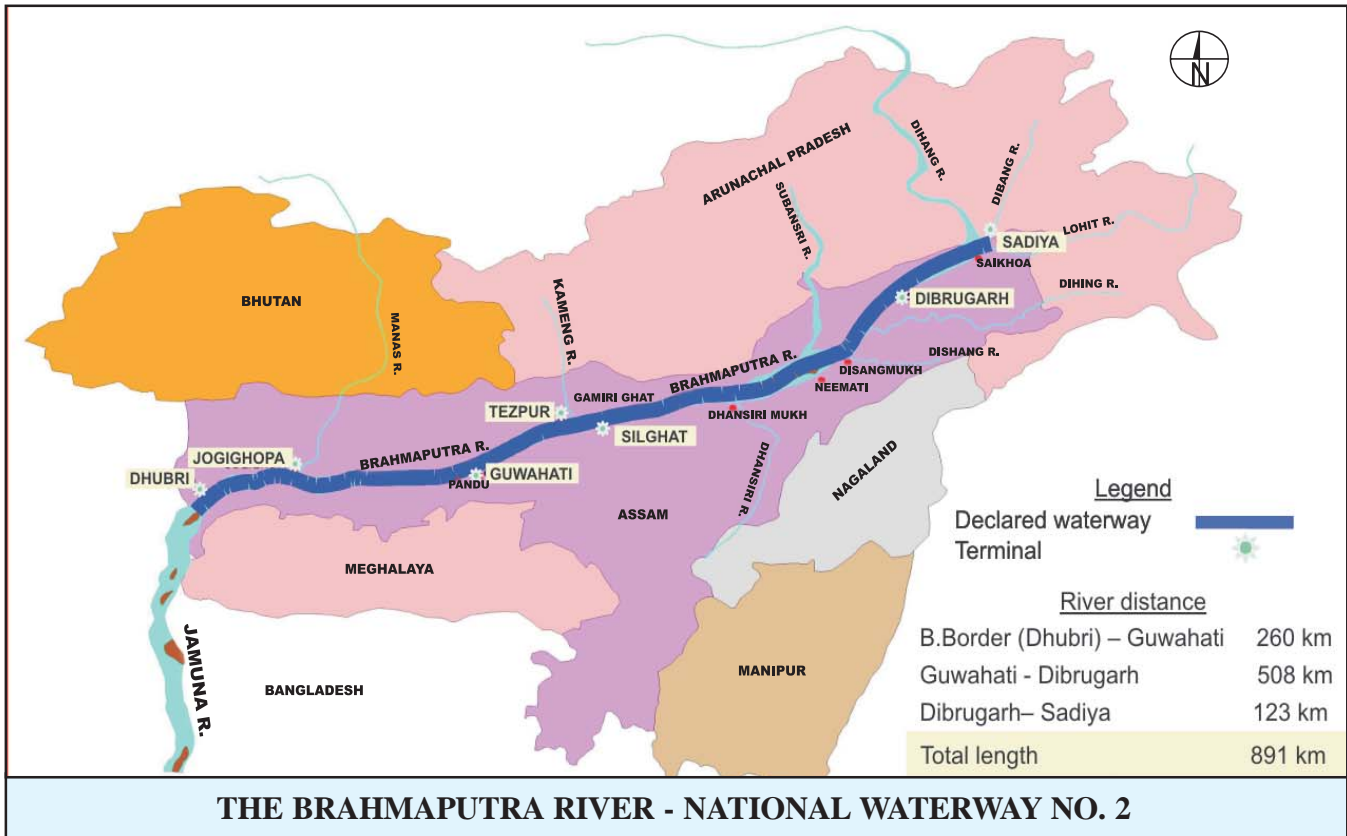
NATIONAL WATERWAY NO. 1 (NW-1)

Ganga-Bhagirathi-Hooghly river system from Allahabad to Haldia (1620 kms) – declared as national waterway in 1986.



NATIONAL WATERWAY NO. 2 (NW-2)

The Brahmaputra river from Sadiya to Dhubri (891 kms) – declared as national waterway in 1988.



NATIONAL WATERWAY NO. 3 (NW-3)

The West Coast Canal from Kollam to Kottapuram along with Champakara and Udyogmandal canals (205 kms) – declared as national waterway in 1993.



3. DEVELOPMENT OF NATIONAL WATERWAYS

Three basic IWT related infrastructure for development of waterways are:

- (a) Fairway or navigational channel with desired width and depth
- (b) Terminals for berthing of vessels, loading/unloading of cargo and for providing interface with road and rail; and
- (c) Navigational aid for safe navigation.

The fourth component for making IWT system viable, is inland vessels for transportation of goods and passengers. It is envisaged that once the fairway, terminals and navigational aids are provided to a satisfactory level, private sector will invest in owning and operating inland vessels.

Various projects for providing/maintaining fairway, terminals and navigational aids are being executed on national waterways.

National Waterways No. 1 and 2 are typical alluvial rivers having characteristics of braiding, meandering and high water level fluctuation (both horizontal and vertical) during summer and monsoon months. On these rivers, several shallow areas (shoals) come up during low water season and maintenance of 2 m depth LAD, particularly in upper reaches becomes a difficult task, and river conservancy works are to be repeated every year. NW-3 on the other hand is a tidal canal with predictable and uniform tidal variation. On this waterway once the desired depth is provided by capital dredging it can be maintained for a number of years by undertaking nominal maintenance dredging.

National Waterway No.1

Fairway Development:- River conservancy works for maintaining navigable depth namely bandalling and dredging, are taken up on year to year basis on this waterway.

In 2005-06, bandalling and dredging were carried out between Tribeni and Allahabad (1424 Km.). Under the project of acquisition of Cutter Suction Dredging units [a unit comprise of one Cutter Suction Dredger (CSD), one Work Boat (WB) and one Accommodation Boat (AB)], two dredgers and two accommodation boats were delivered to IWAI, while construction of work boat was in progress. Projects were also sanctioned for construction and supply of two CSD units and four survey launches.

Least Available Depth (LAD) of 2 m was maintained between Haldia and Patna (1020 km) for about 245 days and 1.5 m between Patna –Ghazipur (230 km) for about 200 days. Between Ghazipur and Allahabad (370 km) LAD of 1.5 m could be maintained only for about 135 days.

Terminals:- Construction of low level concrete jetty capable of handling containers at permanent terminal at Patna was completed. Crane for handling containers at this terminal was procured and installed during 2005-06. For construction of high level jetty at this terminal, a project was sanctioned and construction work entrusted to CPWD on deposit basis. For providing mechanical handling facilities at floating terminals on NW-1 two pontoons mounted cranes with grab facility were procured. Two shore crane were also procured during the year. With these, there are one container crane, four pontoon mounted cranes and two shore cranes now available on NW-1 to facilitate mechanical handling of cargo. These can be shifted to any location as per requirement.



PERMANENT TERMINAL AT PATNA

Navigational Aids:- Channel marks for day navigation were erected and maintained between Tribeni and Allahabad. Night navigation facilities provided between Tribeni and Farakka were maintained. Besides, fortnightly talway surveys were carried out, river notices issued and pilotage provided to the cargo vessels.

National Waterway No.2

Fairway Development:- River conservancy works for maintaining navigable depth namely bandalling, and dredging, are taken up on year to year basis, on this waterway.

In 2005-06, bandalling and dredging were carried out between Dhubri and Balijan (810km.). Under the project of acquisition of Cutter Suction Dredging unit, one dredger and one accommodation boat were delivered to IWAI while construction of one work boat for this dredger was in progress. Under another approved project for acquisition of two more dredging units, tenders were invited. However, since the quoted cost was higher than the sanctioned cost, order could not be placed during the year. Construction of second hydraulic surface dredger for NW-2 was in progress. Projects for construction of two more CSD units and two survey launches for NW-2 were prepared and sanctioned.

LAD of 2 m was maintained round the year between Dhubri and Neamati (629 km) and 1.5 m in Neamati – Dibrugarh (139 km) stretches. Between Dibrugarh and Sadiya (123 km) however, LAD of 1.3 m only could be provided.

Terminals:- Low level concrete jetty at terminal at Pandu was under construction. A project for construction of high level jetty at this terminal was also prepared and sanctioned. For container handling, a crane was procured and installed. For providing mechanical handling facilities at floating terminals, three pontoon mounted cranes with grab facility and two shore cranes were procured. With these, there are one container crane, five pontoon mounted cranes and two shore cranes now available on NW-2 to facilitate mechanical handling of cargo. These floating cranes can be shifted to any location on the river as per requirement.



TERMINAL AT PANDU UNDER CONSTRUCTION

Terminals:- Construction of 7 terminals namely Kottapuram, Aluva, Maradu, Viakom, Taneermukham (Chertala), Trikkunnappuzha and Kayamkulam has been completed out of which one terminal was completed in 2005-06. These seven terminals are ready for operation.

Navigational Aids:- Day channel marks using coconut / concrete pillars are being provided and maintained in Udyogmandal and Champakara canals and in Kochi- Allapuzha stretch of West Coast canal. For providing night navigation aids, buoys and lights have been installed between Kochi-Allapuzha in West Coast Canal and Udyogmandal and Champakara Canals. A project for providing such aids in balance portion of the waterway was also sanctioned in 2005-06.

PROPOSED NEW NATIONAL WATERWAYS

Process for declaration of following three waterways as new national waterways progressed.

1. Kakinada-Pondicherry stretch of canals consisting of Kakinada canal, Eluru canal, Commamur canal, Buckingham canal and Kaluvelly tank along with Bhadrachalam-Rajahmundry stretch of River Godavari and Wazirabad-Vijayawada stretch of River Krishna (1095 km) in the States of Andhra Pradesh and Tamil Nadu and Union Territory of Pondicherry.
2. Talcher-Dhamra stretch of Brahmani-Kharsua-Dhamra river system along with Geondhali-Charbatia stretch of East Coast Canal, Charbatia-Dhamra stretch of Matai river and Mahanadi delta river system between Mangalgadi and Paradip (623 km) in the States of Orissa and West Bengal.
3. Karimganj-Lakhipur stretch of river Barak (152 km) in the State of Assam.

The draft Cabinet notes for these were circulated by Deptt. of Shipping to various concerned Ministries and modified based on their comments. IWA assisted Department of Shipping in processing of these Cabinet notes.

CENTRALLY SPONSORED SCHEME

For overall development of IWT sector in the country it is necessary that national waterways as well as other waterways are developed side by side. While the development and regulation of national

waterways is the responsibility of Central Govt./IWAI, the respective State Governments should develop other waterways. However, due to fund constraint it has not been possible for the States to provide funds for IWT development. To encourage the States for IWT development, there is a Centrally Sponsored Scheme (CSS) for IWT. Under the CSS, 100 percent grant is provided for the projects of north-eastern States including Sikkim and 90 per cent grant for other States. 31 projects of 13 States (Andhra Pradesh, Assam, Bihar, Goa, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Orissa, Tripura, Uttar Pradesh and West Bengal) at a total cost of Rs. 94.86 cr have been sanctioned and fund of Rs. 40.84 cr has also been released to these States upto 2005-06. Out of these 9 projects of 7 States (Andhra Pradesh, Goa, Maharashtra, Madhya Pradesh, Tripura, Uttar Pradesh and West Bengal) at a cost of Rs. 21.75 cr were sanctioned and fund of Rs. 15.00 cr released to various States by Department of Shipping during 2005-06.

INLAND VESSEL BUILDING SUBSIDY SCHEME

In order to reduce the capital burden on the IWT operators, and to enhance their profitability, an inland vessel building subsidy scheme was introduced in 2002-03 under which 30% cost of an inland vessel is subsidized by the Central Government. This is applicable to both cargo and passenger inland vessels meant for operation in National Waterways, Sunderbans waterways or Indo-Bangladesh protocol routes. This is for vessels acquired from a shipyard in India.

NATIONAL INLAND NAVIGATION INSTITUTE

The National Inland Navigation Institute (NINI) has been constructed by IWAI at Patna through CPWD. The institute started functioning from Feb. 2004. Under MOU with IWAI, Indian Institute of Port Management (IIPM) conducts trainings courses in this institute. Since Feb. 2004 the courses are being run continuously and up to March 2006, 421 candidates were trained in it. Out of this 204 candidates were trained during 2005-06 as given below:

15 April 2005 - 14 June 2005	39 trainees
15 April 2005 - 15 July 2005	20 trainees
15 June 2005 - 15 Aug. 2005	32 trainees
15 July 2005 - 14 Sept. 2005	12 trainees
22 Aug 2005 - 23 Oct. 2005	39 trainees
15 Oct 2005 - 14 Dec. 2005	20 trainees
24 Oct. 2005 - 14 Jan. 2006	42 trainees
	204 trainees



NATIONAL INLAND NAVIGATION INSTITUTE - PATNA

PUBLIC PRIVATE PARTNERSHIP IN INLAND WATER TRANSPORT SECTOR

With a view to provide an impetus to development of inland water transport mode, the Government of India have approved Inland Water Transport Policy which includes several fiscal concession, and policy guidelines for rapid development of the mode and to encourage private sector participation in development of infrastructure and ownership and operation of inland vessels. IWAI is also authorized for joint ventures and equity participation in BOT projects.

For exploring possibility of joint ventures and BOT projects in IWT sector, interaction was held with many interested firms. Thereafter, through a consultant bids were invited for 11 projects which include 5 projects for construction and management of jetties on NW-1 and 6 projects for acquisition and operation of barges in NW-1, NW-2 & NW-3. Out of these, three projects for jetties for fly ash handling at Bandel, Budge-Budge and Kolaghat in West Bengal are at advanced stage of finalization. Four bids were also

received for projects for acquisition and operation of barges in NW-1 and NW-2 and these were under process.

National Thermal Power Corporation has recently shown interest in transportation of 3-4 million tonne of coal per year from Haldia to Farakka by IWT mode. Efforts were initiated to prepare feasibility report for this as a public private partnership project, through a consultant.

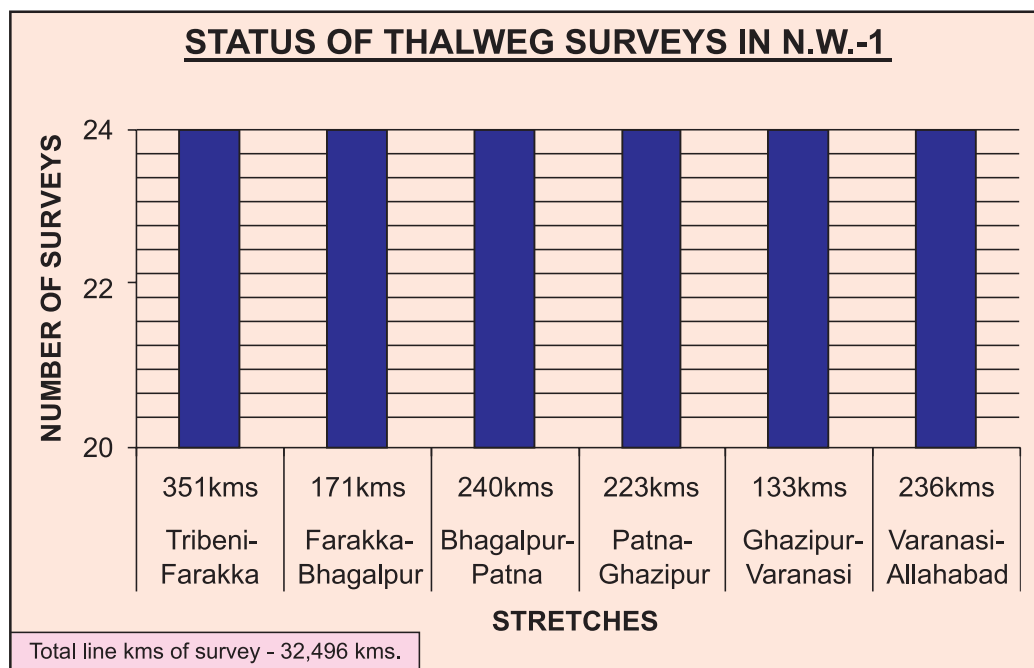
HYDROGRAPHIC SURVEYS IN NATIONAL WATERWAYS

Hydrographic survey is a pre-requisite for studies of waterway development and for safety of navigation. Modern techniques using Automatic Hydrographic Survey System with Global Positioning System (GPS) are used for achieving better accuracy in surveys. Survey vessels fitted with the state-of-the art equipment have been deployed in all three National Waterways. Hydrographic survey capabilities has been enhanced with introduction of latest survey equipment viz. Side Scan Sonar, Sub-Bottom Profiler and Acoustic Doppler Current Profiler.

SURVEY ACTIVITIES DURING THE YEAR 2005-2006

National Waterway No.-1 (The Ganga-Bhagirathi-Hooghly)

During the year, Thalweg surveys were conducted departmentally and River Notices were issued both in English & Hindi. The details of surveys are given below:-



As regards detailed surveys, Pre & Post bandalling / dredging surveys were conducted departmentally at 12 shoals in Tribeni-Farakka, 10 in Farakka – Bhagalpur, 13 in Bhagalpur – Patna stretches and at 93 shoals in Patna - Allahabad stretch. Besides, Terminal Surveys were carried out at Samdaghat, Karagola, downstream Kahalgaon, Bhagalpur, Gaighat and Rajghat (Varanasi). Reconnaissance Surveys were also carried out in Sunderbans waterways departmentally from Ghoramara Island to Netaidhopani (117 kms) and from Silverpoint to Beharikhhal (156kms). Based on the surveys, River Conservancy works like Bandalling / Dredging were undertaken.

Bank-to-Bank survey from Jangipur Lock Gate to Farakka Lock Gate (40kms) was carried out departmentally for preparation of Navigational Chart.

National Waterway No.-2 (The Brahmaputra)

During the year, Thalweg Surveys were conducted departmentally and the River Notices were issued both in English & Hindi. The details of the surveys are given below:

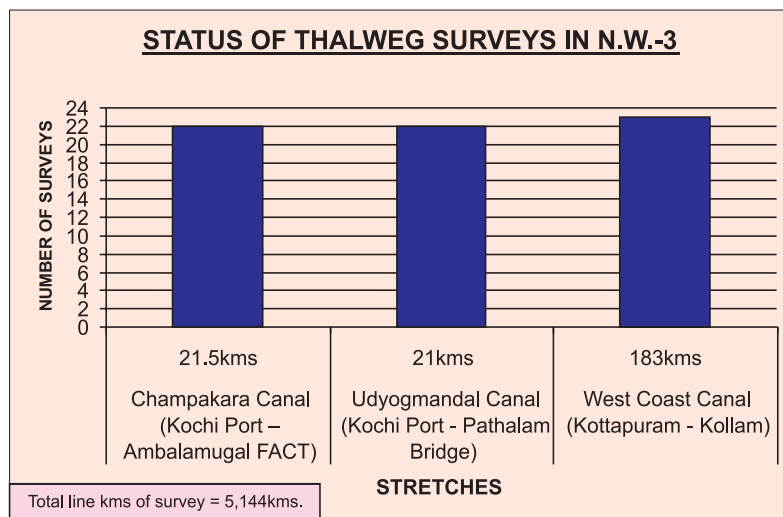


Pre-Post Bandalling detailed surveys were carried out departmentally at 110 shoals in B'Border - Sadiya stretch. Besides, Terminal Surveys were carried out at Jogighopa, Pandu, Tezpur, Sillghat, Neamati and downstream Armyghat.

Bank-to-Bank surveys from upstream Vijaynagar to Guwahati (18kms) and from Silkuri to Ganesh Pahar (60kms) were carried out departmentally for identifying appropriate River Training measures and for preparation of Navigational charts.

National Waterway No.-3 (The West coast, Udyogmandal and Champakkara canals)

Thalweg surveys were conducted departmentally in Kottapuram – Kochi - Kollam stretch (West Coast Canal) and also in Udyogmandal & Champakkara Canals and the River Notices were issued both in English & Hindi. The details of the surveys are given below:



Pre-Post Dredging Surveys were carried out departmentally at 14 locations in connection with Capital Dredging Work. Besides, Terminal Surveys were carried out at Maradu, Aluva, Kottapuram, Ayiramthengu, Thrikkunnappuzha, and Thanneermukkom. Detailed survey was carried out at Mattancheri for laying of pipeline. Side Scan Survey of 5 km stretch was conducted for search operation for under water obstruction near Willington Island.

Survey vessels & equipments

The following survey vessels are under operation:-

National Waterway	Name of vessel
NW-1	Kosi, Survekshak, Anupallav, Kamla & Mandakini
NW-2	Dihang, Subansiri, Lohit & Barak
NW-3	Pamba

All the Survey vessels are fitted with the state-of-the art survey equipment like Automatic Hydrographic Survey System and HF communication sets.



AUTOMATIC HYDROGRAPHIC SURVEY SYSTEM

CARTOGRAPHIC CELL

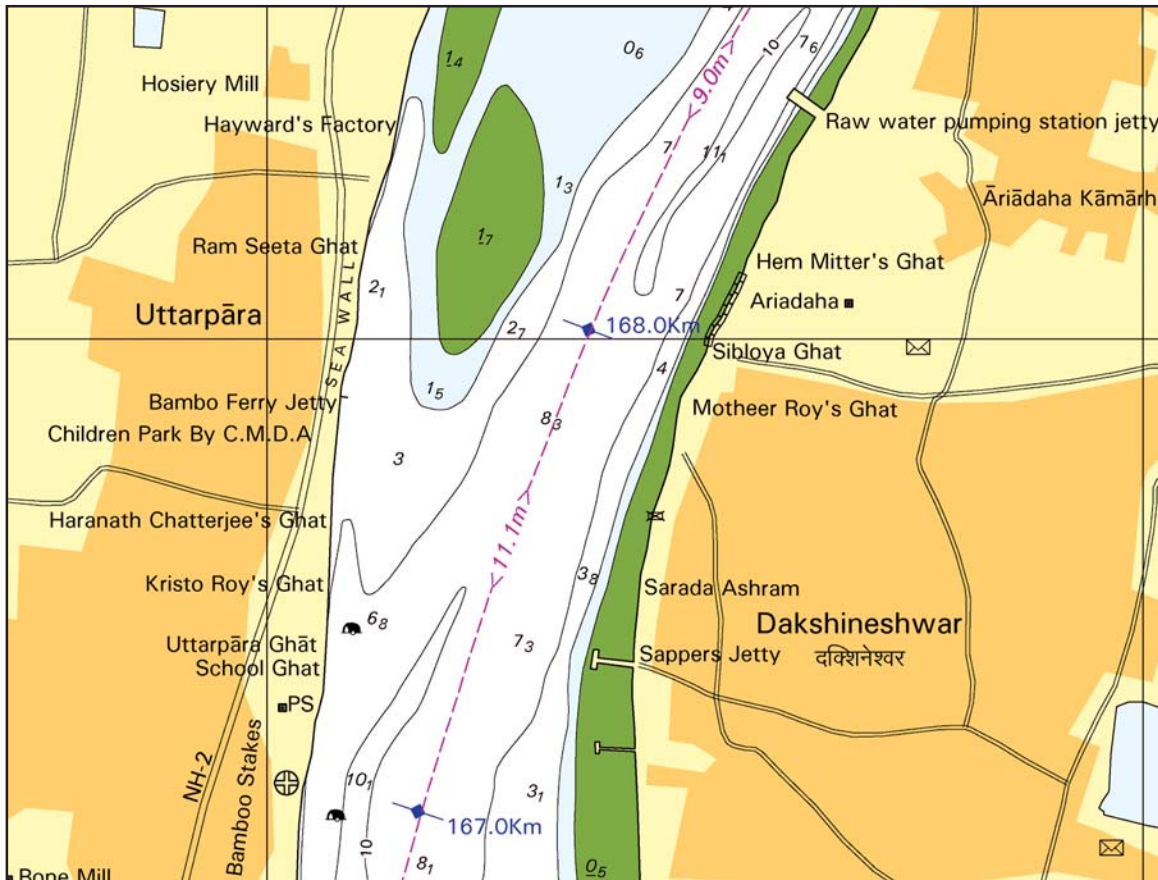
The Cartography Cell in IWAI Head Office Noida is equipped with modern chart making equipments and GIS/ Survey software.



EXTRACT OF IRS LIS-3 SATELLITE IMAGE

Navigational charts for Sagar Island – Farakka stretch of NW-1 (509 kms), Bangladesh Border – Pandu stretch of NW-2 (265 kms) and Kochi – Alappuzha stretch of West Coast Canal along with

Champakkara and Udyogmandal Canals (106 kms) of NW-3 were published during the year. Display software for these navigational charts also have been prepared. Copyright registrations for these charts were also obtained by IWAI. Preparation of charts for the remaining stretches of all the three national waterways are in progress.



EXTRACT OF INLAND WATERWAYS CHART OF NW-1 (HALDIA – FARAKKA)

Consultancy wing

As per Section 14(2)(e) of IWAI Act 1985, IWAI can develop and offer consultancy services.

A consultancy wing was set up in IWAI during April 2004 with a view to take up consultancy works in the field of Hydrographic survey, IWT Development, Shipping and Navigation, Hydro-Morphological investigation, Techno-Economic Feasibility study etc. in India and abroad.

The consultancy wing had successfully completed a study for the World Bank titled “Perspective of IWT development in the North-East”. The wing also received proposals from PSU’s / Port Trust etc.

Technical studies

The main function of the Authority is to regulate and develop inland waterways for the purpose of shipping and navigation and for the matters connected therewith or incidental thereto. In order to assess the navigability of a river or a canal, a techno-economic feasibility study is required to be carried out based on which the potentiality of the waterway would be established for consideration as a National Waterway. Besides, as per section 14(2)(d) of IWAI Act 1985, IWAI has to assist the State Governments in formulation and implementation of schemes for IWT development. Under these two categories IWAI take up techno-economic feasibility studies on various rivers, canals etc. including hydrographic surveys.

In addition, proposal for declaring certain waterways as National Waterways are under the consideration of the Central Govt. In order to firm up the developmental works Detailed Project Report (DPR) is required to be prepared. As per Govt. norms, environmental clearance of the project is a pre-requisite before commencement of development works for which environmental studies are being under taken.

Specific studies for setting up of Terminals at selected locations on National Waterways, study related to cargo movement etc. are also being carried out to improve IWT related activities or National Waterways.

During the year, the following techno-economic feasibility studies were undertaken/ progressed:

- a) Techno-economic feasibility study for development of navigation between Hoshangabad and sea mouth of river Narmada through M/S WAPCOS (Phase – I completed)
- b) Environmental studies for extension of NW-3 from Kollam to Kovalam & Kottapuram to Kasaragod through M/S Wilber Smith Associates (completed)
- c) Detailed hydrographic survey in Sunderbans including identification of alternate route through M/S RITES (completed)
- d) Detailed hydrographic survey in river Gumti and Haora in Tripura through MPSO (survey in Haora completed and that in Gumti partially completed)
- e) Detailed Project Report for Kakinada- Pondicherry canal alongwith rivers Godavari & Krishna (in progress)

- f) Environmental study for development of navigation in Kakinada- Pondicherry canal alongwith rivers Godavari & Krishna (in progress)
- g) Environmental study for development of navigation in East Coast Canal along with rivers Brahmani and Mahanadi delta (in progress)

CARGO MOVEMENT DURING 2005-06

The cargo movement on NW-1, 2 and 3 during the year 2005-06 was 2.98 million tons (460 million ton-kms) against 2.76 million tons (352 million ton-kms) during 2004-05. The cargo movement in waterways of Goa declined slightly but increased in Mumbai. During the year 2005-06 at Marmugao Port the cargo movement was 36.27 million tons against 35.00 million tonnes. Cargo movement in Mumbai Waterways (Dharamtar creek) during 2005-06 was 11.16 million tons (602.76 million ton-km) against 7.72 million tons (416 million ton-km) during 2004-05.

Details of cargo movement by inland waterways on National waterways No. 1,2 and 3 Goa and Mumbai waterways for the year 2000-01, 2001-02, 2002-03, 2003-04, 2004-05 and 2005-06 are indicated in Ton Kms. and Billion Ton Kms. in the enclosed statement.

Fixed schedule sailing in NW –1 continued during the year 2005-06 and seven round trips were made by the vessels of CIWTC between Haldia and Patna (920 kms) to demonstrative the navigability of the waterway and generate cargo.

Authority deployed its own newly constructed vessels M.V.Lal Bahadur Shastri & M.V. Homi Bhabha. IWAI vessels completed 16 trips and transported 3017 MT. Cargo between Haldia – Patna – Haldia. IWAI Vessels were also deployed between Patna – Allahabad – Patna for cargo transportation.

During the year HSD of Numalighar Refinery Ltd. was transported from Silghat to Budge – Budge on regular basis by a private operator. 5.70 lakhs MT dry fly ash was exported from India to Bangladesh by IWT mode. Cranes for mechanical handling cargo was deployed at Patna.

ANNEXURE

INLAND WATERWAYS AUTHORITY OF INDIA CARGO MOVEMENT FOR NW - 1, 2 & 3 Goa and Mumbai Waterways 2000-01 to 2005-06

Sl No	STRETCH	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Type of cargo moved
1	NW-1 THE GANGA	335356 MT	411238 MT	632037 MT	786,159 MT 159,573,347 Ton -KM	987,328 MT 311,882,762 Ton-km	1001450 MT 410880280 TKM	Cement, General Cargo, rice wood,logs Petroleum oil, lubricants, flyash,pulses
2	NW-2 THE BRAHMAPUTRA	49768 MT	41453 MT	98354 MT	795,661 MT 29,493,946 Ton KM	818683 MT 25161162 Ton -km	804401 MT 32160989 TKM	Cement, jute, overdimen- sional cargo, coal, forest products, Building Material, Boulders, fertiliser, petrocake, food grains, coal, plant & machinery, general cargo, etc. inter - district & inter state cargo handled at Neamati and Dhubri terminals are included for 2004-05
3	NW-3 WEST COST CANAL	1085151 MT	1164460 MT	1188156 MT	1,362,149 MT 21,913,759 Ton-KM	1053867 MT 15377,312 Ton-km	1172889 MT 16923544 TKM	Sulpher, rock, phosphate, liquified ammonia zinc Gas, furnace oil, concentrated, petroleum products, zinc, drinkingwater, etc.
	SUB TOTAL IN NWS	1470275 MT	1617151 MT	1918547 MT	2,943,969 MT 210,981,052 Ton-KM	2759878 MT 352421236 Ton-km 0.352BTKM	2978740 MT 459,964,813TKM 0.460 BTKM	
4	THE GOA (Mormogao)	18047353	15691958	19008853	22,876,763 MT 1,143,838,150 Ton-KM	35000,000 MT 1698840460 Ton-km 1.699 BKTm	36,271,650 MT 1760564188 TKM 1.761 BKTm	Iron ore, iron ore pellets
5	Mumbai Waterways	2714350	2455615	5972204	6661279 MT 273112439 Ton -KM 0.416 BTKM	7720709 MT 416549069 TKM 0.603 BTKM	11162168 MT 602757072 TKM	Steel, iron ore, pellets and related raw material.
	Grand Total	22231978	19764724	26899640	32482011 MT 1,627931641 TKM	45480587 MT. 2467810765 Ton-km 2.468 BTKM	50412558 MT 2823286073 TKM 2.823 BTKM	

Note: 1 These figure are collected by IWA local offices from IWT operators. No Passanger movement and country boat cargo is available.
2 Data for Goa Waterways received from Mormugao Port Trust, Goa barge owners association and for Dharmatar creek from Maharashtra Maritime Board.

PERSONNEL AND ADMINISTRATION

On 31/03/2006, 36 officers & 67 staff at the head office and 56 officers & 230 staff in the field offices were in position.

The authority is committed to implement official language policy of the union in all its activities in a progressive manner. Hindi workshops and other related activities were periodically organised at the head office and regional offices. Hindi week was organised at the head office and regional offices. On this occasion different types of Hindi competitions were organised in all the offices. At the head office, prizes were distributed among the successful participants of the Hindi week on 22.03.06. On this occasion a Kavi Sammelan was also organised.

The authority has been entrusted with the additional responsibility of implementing the official language policy of the Union in all the member offices of the Town Official Language Implementation Committee (T.O.L.I.C.), Noida by the Official Language Department of the Ministry of Home. The Chairman of the Authority is the Chairman of T.O.L.I.C., Noida. A half-yearly meeting was organised regularly to discuss problems and difficulties being faced by the different member offices of the T.O.L.I.C., NOIDA.

A. INCOME & EXPENDITURE

During the financial year 2005-06 a sum of Rs. 7422.00 lakhs was received from the Government of India, Ministry of Shipping and a sum of Rs. 54.25 lakhs was earned by the Authority by way of interest on short term deposits, sale of tender forms and usage of open stock yards and storage places at Pandu Port etc. The scheme-wise expenditure is indicated below:

(Rs. in Lakhs)

Name of the scheme	Expenditure	
	Previous Year 2004-05	Current Year 2005-06
1. Technical Studies	247.26	100.00
2. Loan Interest Subsidy	611.04	42.14
3. <u>National Waterway No.1</u>		
a. River Conservancy Works	584.95	1378.32
b. Construction of Cargo berth	49.30	494.53
c. Construction Dredgers & allied vessels	-	103.48
d. Procurement of Crane Pontoons	80.96	188.50
e. Procurement of Shore Crane	156.24	78.00
f. Procurement of Survey Equipment	54.67	20.74
g. procurement of patrol Boats	5.01	15.71
h. Procurement of Cargo Vessel	442.87	65.25
i. Procurement of Container Crane	-	290.00
4. <u>National Waterway No. 2</u>		
a. River Conservancy Works	470.19	691.04
b. Construction of Terminal	999.68	1110.00
c. Construction of Crane Pontoons	121.44	283.00
d. Construction of Dredgers & allied vessels	121.45	283.00
e. Procurement of Hy. equipments & vessels	6.13	-
f. Acquisition of Cargo Vessel	261.22	55.45
g. Acquisition of Hy.Surface Dredger	89.00	86.32
h. Acquisition of Patrol Boats	10.01	15.71
i. Procurement of Shore crane	78.12	-
j. Construction of Floating Dry Dock	349.20	-
k. Procurement of container Crane	-	290.00
l. Construction of B.G.Sidy	-	1030.00

5. <u>National Waterway No. 3</u>		
a. Development works	379.67	284.64
b. Bank Protection	320.59	20.70
c. Construction of Terminals	-	101.00
d. Night Navigation	3.48	-
e. Acquisition of Patrol Boats	5.00	11.20
6. Training of IWT Personnel including NINI	52.83	74.61
7. IWT Development Fund	75.38	161.72
8. Establishment(including I.Tax)	873.65	871.00
9. Procurement of Computers	27.46	-
10. Joint Venture/BOT Project	51.85	-
TOTAL	6528.65	7914.80

B. SOURCE AND APPLICATION OF FUNDS

(Rs. in Lakhs)

Name of the scheme	Expenditure	
	Previous Year 2004-05	Current Year 2005-06
<u>SOURCE</u>		
1. Increase in Capital grant	2974.21	4484.43
2. Decrease in working capital	767.31	-
TOTAL	3741.52	4484.43
<u>APPLICATION</u>		
1. Increase in fixed assets	1662.44	2178.02
2. Increase in capital work in progress	2079.08	1477.04
3. Increase in working capital	-	829.37
4. Excess of Expenditure over Income	-	-
TOTAL	3741.52	4484.43

ACKNOWLEDGEMENT

IWAI places on record its appreciation of the sincere efforts and contribution made by the employees at all levels.

IWAI also acknowledges the assistance and support given by the Ministry of Shipping, Road Transport and Highways, Comptroller & Auditor General of India and other Government departments and other agencies.

Sd/-
FOR AND ON BEHALF OF
INLAND WATERWAYS AUTHORITY OF INDIA
S. B. MATHUR
CHAIRMAN

Place : NOIDA

Dated: 27th Oct., 2006

INLAND WATERWAYS AUTHORITY OF INDIA

ACCOUNTING POLICIES

1. **Treatment of expenses**

Expenditure on hydrographic survey, techno-economic study, bandalling, bottom-panelling, dredging, temporary structure in channel marking and maintenance of vessels, etc. is treated as revenue expenditure whereas expenditure on permanent structures in channel marking, cost of vessels, survey launches, tugs, barges, dredgers, etc. is treated as capital expenditure.

2. **Depreciation**

Depreciation has been provided on straight line method on the basis of rates in Schedule XIV of the Companies Act 1956 as per Notification No. 1/12/92-CL, V; Circular No. 14/93 dated 20.12.1993. Depreciation on library books has been charged @ 100 % on straight line method. Figures shown in brackets () in column 5 and 9 of Schedule II indicate deduction from Gross Block and Depreciation respectively. Depreciation is charged for the whole year in the year of purchase and no depreciation is charged in the year of disposal/sale.

3. **Capital work in progress**

The work in progress is accounted on actual cost basis and includes payments made to contractors for work done and certified.

4. **Stores, spares and tools**

Stores, spares and tools are valued at cost.

5. **Prior period adjustments**

Income and expenditure in excess of Rs. 1000/- each for item relating to previous year / years is credited / debited as the case may be to this account.

6. **Provisions**

- (i) Provision for known liability is created in respect of any expenditure if the value exceeds Rs. 1000/-.
- (ii) Provision for leave encashment on retirement in respect of regular employees is created as per Accounting Standard 15 issued by Institute of Chartered Accountant of India.
- (iii) Provision for bonus is created on adhoc basis as declared by Central Government in previous year in respect of autonomous bodies.
- (iv) Provision for pension contribution / gratuity has been made as per IWAI Employees Pension Fund Regulations, 1993.

7. **Treatment of grants**

The Authority will have no revenue generation except for grant from the Govt. till such time National Waterways become fully operational for public use and tariff rates, levies and fees are fixed. As such, out of grants received from the Government, expenditure incurred on revenue account is classified as revenue grant, payments towards assets are classified as capital grant and balance, if any, are treated as grants received in surplus (under current liabilities).

For and on behalf of the Authority

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

**INLAND WATERWAYS
BALANCE SHEET AS**

PREVIOUS YEAR (RUPEES)	CAPITAL & LIABILITIES	SCHEDULE NO.	CURRENT YEAR (RUPEES)	
1	2	3	4	5
	<u>CAPITAL</u>			
9,437,244	Capital u/s 11(i)(c)		9,437,244	2,213,334,899
2,112,590,870	Capital Grant u/s 18		2,561,034,163	
(294,285,126)	Less replacement reserve		(352,466,988)	
(4,255,614)	Lease rent written off		(4,669,520)	
	<u>RESERVES & SURPLUS</u>			
3,463,144	Capital Reserves		3,463,144	-
(3,432,627)	Deduction		(3,463,144)	
	General Reserves			
	Deduction			
	<u>BORROWINGS</u>			
	<u>CURRENT LIABILITIES & PROVISIONS.</u>			
220,117,752	Current Liabilities	I	108,595,962	273,849,678
29,775,876	Provisions		123,742,811	
40,840,309	Deposits held on account of others		41,510,905	
2,114,251,828	TOTAL			2,487,184,577

Schedule I to VII form an integral part of accounts.

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

AUTHORITY OF INDIA
ON 31ST MARCH 2006

PREVIOUS YEAR (RUPEES)	PROPERTY & ASSETS	SCHEDULE NO.	CURRENT YEAR (RUPEES)	
			9	10
6	7	8		
	<u>FIXED ASSETS</u>	II		
1,259,492,196 (297,717,753)	Gross Block Less Depreciation		1,477,293,968 (355,930,132)	
	Net Block			1,121,363,836
26,582,684 (4,255,614)	Lease land Less written off		26,582,684 (4,669,520)	
				21,913,164
594,624,834	Capital work-in-progress			742,328,678
	<u>INVESTMENTS (AT COST)</u>			
	-			
	<u>CURRENT ASSETS, LOANS & ADVANCES</u>	III		
39,473,745	Stores, Spares & Tools (At Cost)		42,346,920	
	Sundry Debtors		-	
286,434,191	Deposits, Loans & Advances		370,167,493	
209,617,545	Cash & Bank Balances		189,064,486	
				601,578,899
	<u>MISC. EXPENDITURE</u>			
-	Income & Expenditure Account (Debit Balance)			-
2,114,251,828	TOTAL			2,487,184,577

For and on behalf of the Authority

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

INLAND WATERWAYS
INCOME & EXPENDITURE FOR

PREVIOUS YEAR (RUPEES)	EXPENDITURE	SCHEDULE NO.	CURRENT YEAR (RUPEES)	
			4	5
1	2	3	4	5
	<u>OPERATIONAL & MAINTENANCE EXPENSES</u>	IV		
49,191,637	Pay & Allowances & other staff costs		116,442,637	
11,884,006	Surveying		20,595,057	
48,183,258	Dredging		25,895,106	
20,516,030	Bandalling		20,584,443	
27,190,033	Aids to Navigation & Channel Marking		14,965,558	
-	Barging		-	
8,753,618	Terminal Facilities		12,975,285	
10,457,677	Repairs of Vessels		13,558,597	
-	Traning Institute NINI		5,771,386	
-	Night Navigation		15,813,193	
-	Maintenance of lock		-	
32,059,001	Bank Protection		2,070,492	
-	Other Administrative			
11,113,066	Misc. Expenses		<u>8,008,719</u>	256,680,473
	<u>ADMINISTRATIVE EXPENSES</u>			
30,024,842	Pay & Allowances & Other Staff Costs	V		54,181,572
9,004,892	General & Other Expenses	VI		10,331,556
	<u>Financing Charges</u>			
14,724	Bank Commission/Charges			6,716
24,726,695	Technical Studies & Consultancy Charges			11,576,683
5,185,709	Bot Expenses			50,876
55,849,499	Depreciation			59,231,587
888,653	Income Tax			-
61,103,989	Interest Subsidy			4,214,189
-	Bad debts written off			-
1,379,016	Loss on sale/ valuation/ written off of assets			5,338,607
7,540,487	IWT Promotional Activities			12,053,916
-	Prior Period Adjustment account			6,278,546
41,50,66,832	TOTAL			41,99,44,721

AUTHORITY OF INDIA
THE YEAR ENDED 31ST MARCH, 2006

PREVIOUS YEAR (RUPEES)	INCOME	SCHEDULE NO.	CURRENT YEAR (RUPEES)	
			9	10
6	7	8	9	10
340,176,379	Revenue Grant from Govt			355,288,049
6,657,447	Interest/ Income			3,222,090
6,500	Pilotage Charges			-
338,956	Berthing Charge			372,350
1,313,456	Others			885,700
7,202,754	Misc. Receipts			884,945
60,000	Rent terminal			60,000
	Capital reserve			
199,626	as per Contra			30,517
	Replacement reserve			
55,649,873	as per Contra			59,201,070
-	P& L on sale of fixed assets			-
3,461,841	Prior Period Adjustment			-
-	Excess of expenditure over income carried over to Balance Sheet			-
41,50,66,832	TOTAL		-	41,99,44,721

For and on behalf of the Authority

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

OTHER SCHEDULES & AUDIT REPORT

SCHEDULE - I**CURRENT LIABILITIES & PROVISIONS AS ON 31.03.2006**

Previous year (Rupees)	Particulars	Current Year (Figure in Rupees)	
	A) CURRENT LIABILITIES		
1,437,097	(i) Liability for sundry Creditors	1,106,744	
142,655,865	(ii) Liability for Expenses	92,184,707	
75,004,730	(iii) Grant Received in surplus	13,473,388	
1,020,060	(iv) Others	<u>1,831,123</u>	108,595,962
	(B) PROVISIONS		
1,686,000	(i) Provision for Gratuity	-	
57,316	(ii) Provision for Leave Salary & pension contribution	204,626	
780,377	(iii) Provision for Bonus	783,726	
7,280,000	(iv) Provision for pension & gratuity contribution	100,500,000	
19,972,183	(v) Provision for leave encashment.	<u>22,254,459</u>	123,742,811
	(C) DEPOSITS HELD ON ACCOUNT OF OTHER		
40,840,309	Sundry parties		41,510,905
290,733,937	TOTAL		273,849,678

For and on behalf of the Authority

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

INLAND WATERWAYS SCHEDULE OF FIXED

	PARTICULARS	GROSS BLOCK AS ON 01.04.2005	ADDITIONS DURING THE YEAR	ADJUSTMENT/ DEDUCTIONS	GROSS BLOCK AS ON 31.03.2006 (3+4+5)
1	2	3	4	5	6
NOIDA	Survey Equipment	1,457,096	2,543,623		4,000,719
	Vehicles	2,438,875	-		2,438,875
	Furniture & Fixture	3,097,340	110,882		3,208,222
	Office Equipment	2,341,446	159,599		2,501,045
	Electric Installation	1,118,026			1,118,026
	Air Conditioners	3,398,382			3,398,382
	Water Coolers & Refrigerators	94,813	-		94,813
	Fans & Air-Coolers	1,152,502	5,300		1,157,802
	Generator Set	1,148,720			1,148,720
	Cycle	21,883	1,943		23,826
	Temporary Structure	502,260			502,260
	Library Books	564,163	82,641		646,804
	Computer	11,969,737	450,694		12,420,431
	Communication equip.	157,028			157,028
	Building	24,937,527			24,937,527
	Computer Software	70,119	178,750		248,869
	Residence Quarter	30,732,753			30,732,753
	TOTAL (A)	85,202,670	3,533,432	-	88,736,102
KOLKATA	Haldia Terminal	16,834,252	-		16,834,252
	Vehicles	1,164,450		(338,490)	825,960
	Furniture & Fixture	365,474	26,550	(2,165)	389,859
	Office Equipment	274,467	-		274,467
	Electric Installation	3,060			3,060
	Survey Instruments	8,528,582	3,195,367		11,723,949
	Library Books	71,715	11,685		83,400
	Speed Boats	1,840,598	1,120,418		2,961,016
	Vessels Ordinary	58,736,385			58,736,385
	Fans & Air Coolers	32,136	3,479		35,615
	Communication Network	182,645			182,645
	Barges	9,203,375			9,203,375
	Cycles	1,290			1,290
	Vessel Dredging Unit	68,817,427			68,817,427
	Computers	785,083	367,598		1,152,681
	Night Nav. Equipment	20,304,064	1,126,800		21,430,864
	Air Conditioner	46,600			46,600
	Crane	15,623,638	-	(15,623,638)	-
	TOTAL (B)	202,815,241	5,851,897	(15,964,293)	192,702,845

AUTHORITY OF INDIA
ASSETS AS ON 31.03.2006
SCHEDULE - II
(Figures in Rupees)

DEPRECIATION		ADJUSTMENT ON ACCOUNT OF ASSETS SOLD/TRANSFERRED	TOTAL DEPRECIATION AS ON 31.3.2006	NET BLOCK AS ON 31.3.2006
AS ON	FOR THE			
01.04.2005	YEAR		(7+8+9)	(6-10)
7	8	9	10	11
1,186,015	190,034		1,376,049	2,624,670
1,179,898	231,693		1,411,591	1,027,284
1,551,354	203,080		1,754,434	1,453,788
812,095	118,800		930,895	1,570,150
357,371	53,106		410,477	707,549
783,015	161,423		944,438	2,453,944
34,147	4,504		38,651	56,162
353,119	54,996		408,115	749,687
234,331	54,564		288,895	859,825
10,908	1,684		12,592	11,234
502,260	-		502,260	-
564,163	82,641		646,804	-
10,262,021	2,013,352		12,275,373	145,058
111,885	7,459		119,344	37,684
2,438,892	406,482		2,845,374	22,092,153
38,059	40,342		78,401	170,468
1,502,832	500,944		2,003,776	28,728,977
21,922,365	4,125,104	-	26,047,469	62,688,633
7,820,982	799,627		8,620,609	8,213,643
762,990	74,390	(321,565)	515,815	310,145
199,030	23,867	(2,058)	220,839	169,020
119,188	12,763		131,951	142,516
1,595	145		1,740	1,320
6,222,816	430,034		6,652,850	5,071,099
71,715	11,685		83,400	-
1,324,034	205,496		1,529,530	1,431,486
33,547,450	1,960,141		35,507,591	23,228,794
9,451	1,691		11,142	24,473
119,115	8,676		127,791	54,854
1,875,813	307,393		2,183,206	7,020,169
637	91		728	562
65,376,556			65,376,556	3,440,871
407,802	161,465		569,267	583,414
3,689,262	1,017,967		4,707,229	16,723,635
5,516	2,213		7,729	38,871
1,767,034		(1,767,034)	-	-
123,320,986	5,017,644	(2,090,657)	126,247,973	66,454,872

For and on behalf of the Authority

Sd/-
(SUSHEEL KUMAR)
 Vice-Chairman

Sd/-
(S.B. MATHUR)
 Chairman

INLAND WATERWAYS SCHEDULE OF FIXED

	PARTICULARS	GROSS BLOCK AS ON 01.04.2005	ADDITIONS DURING THE YEAR	ADJUSTMENT/ DEDUCTIONS	GROSS BLOCK AS ON 31.03.2006 (3+4+5)
1	2	3	4	5	6
PATNA	Land	13,556,092			13,556,092
	Vehicle	1,156,429			1,156,429
	Furniture & Fixture	3,824,806			3,824,806
	Office Equipment	709,080	142,760		851,840
	Electric Installation	30,916			30,916
	Air Conditioners	725,495			725,495
	Fans & Air Coolers	32,925			32,925
	Water Coolers & Refrigerators	177,149			177,149
	Generator Set	719,333			719,333
	Survey Instruments	14,853,639	949,457		15,803,096
	Vessels: Dredging Unit	256,410,324		(3,111,618)	253,298,706
	Vessels: Ordinary	52,263,057	11,811,168		64,074,225
	Speed Boat	1,170,483	1,271,668		2,442,151
	Barges	48,763,720	26,986,800		75,750,520
	Temporary Structure	170,050			170,050
	Cycle	2,672			2,672
	Computer	3,546,261	254,132		3,800,393
	Library Books	44,707	3,883		48,590
	Survey Pillars	274,419			274,419
	Communication Equip.	785,132			785,132
	Building	47,382,400	670,348		48,052,748
	CRANE		29,183,700	15,623,638	44,807,338
	TOTAL (C)	446,599,089	71,273,916	12,512,020	530,385,025
GUWAHATI	Communication Equipment	1,192,207			1,192,207
	Vehicles	590,523			590,523
	Furniture & Fixture	479,594	45,136		524,730
	Office Equipment	272,032			272,032
	Electric Installation	18,479	11,000		29,479
	Fans & Air-Coolers	17,416			17,416
	Survey Instruments	8,114,490	53,000	(58,912)	8,108,578
	Cycle	680			680
	Library Books	14,273	3,265		17,538
	Vessel Speed Boat	612,000	2,543,336		3,155,336
	Generator Set	36,100			36,100
	Computer	2,303,910	242,703		2,546,613
	Terminals- Pandu	4,024,631	2,654,918		6,679,549
	Night Navigation Equip.	18,103,464		(5,849,200)	12,254,264
	Barges	49,372,195	40,480,200		89,852,395
	Vessels - Ordinary	75,691,770			75,691,770
	Pandu Terminal	1			1
	Vessels Dredging Unit	114,608,130			114,608,130
	CRANE		44,969,796		44,969,796
	Air Conditioner	25,950			25,950
	TOTAL (D)	275,477,845	91,003,354	(5,908,112)	360,573,087

**AUTHORITY OF INDIA
ASSETS AS ON 31.03.2006**
SCHEDULE - II

(Figures in Rupees)

DEPRECIATION		ADJUSTMENT ON ACCOUNT OF ASSETS SOLD/TRANSFERRED	TOTAL DEPRECIATION AS ON 31.3.2006 (7+8+9)	NET BLOCK AS ON 31.3.2006 (6-10)
AS ON 01.04.2005 7	FOR THE YEAR 8			
-			-	13,556,092
938,041	109,861		1,047,902	108,527
624,823	242,110		866,933	2,957,873
204,501	40,462		244,963	606,877
23,247	1,469		24,716	6,200
75,551	34,461		110,012	615,483
24,815	1,564		26,379	6,546
-			-	-
16,940	8,415		25,355	151,794
77,159	34,168		111,327	608,006
7,086,964	945,971		8,032,935	7,770,161
68,899,141	17,730,909	(871,252)	85,758,798	167,539,908
5,295,273	2,140,079		7,435,352	56,638,873
697,650	172,660		870,310	1,571,841
8,286,333	2,530,067		10,816,400	64,934,120
170,050			170,050	-
2,538			2,538	134
3,032,591	137,053	(129,580)	3,040,064	760,329
44,707	3,883		48,590	-
100,826	9,166		109,992	164,427
513,452	37,294		550,746	234,386
1,640,744	783,260		2,424,004	45,628,744
1,496,565	1,767,034	3,263,599		41,543,739
97,755,346	26,459,417	766,202	124,980,965	405,404,060
578,197	56,630		634,827	557,380
356,340	56,100		412,440	178,083
255,165	32,860		288,025	236,705
73,111	12,873		85,984	186,048
14,220	1,309		15,529	13,950
12,240	657		12,897	4,519
1,842,961	385,159	(13,992)	2,214,128	5,894,450
646	-		646	34
14,273	3,265		17,538	-
154,128	223,083		377,211	2,778,125
12,005	1,715		13,720	22,380
1,086,153	362,607		1,448,760	1,097,853
467,482	317,279		784,761	5,894,788
1,739,654	582,078	(552,013)	1,769,719	10,484,545
4,947,955	3,001,071		7,949,026	81,903,369
6,207,921	2,528,104		8,736,025	66,955,745
-			-	1
23,075,012	8,022,569		31,097,581	83,510,549
1,501,991		1,501,991		43,467,805
3,699	1,233		4,932	21,018
40,841,162	17,090,583	(566,005)	57,365,740	303,207,347

For and on behalf of the Authority

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

INLAND WATERWAYS SCHEDULE OF FIXED

	PARTICULARS	GROSS BLOCK AS ON 01.04.2005	ADDITIONS DURING THE YEAR	ADJUSTMENT/ DEDUCTIONS	GROSS BLOCK AS ON 31.03.2006 (3+4+5)
1	2	3	4	5	6
BHAGALPUR	Buoys	54,467			54,467
	Vehicle	152,658			152,658
	Furniture & Fixtures	94,913			94,913
	Office Equipment	41,275			41,275
	Electric Installation	3,227			3,227
	Fans & Air Coolers	5,899			5,899
	Survey Instruments	2,197,143			2,197,143
	Barges	561,255			561,255
	Cycle	701			701
	Library Books	12,546			12,546
	Communication Equipment	157,026			157,026
	Land	36,734			36,734
	Computers	156,580			156,580
	TOTAL (E)	3,474,424	-	-	3,474,424
KOCHI	Vehicle	383,614			383,614
	Furniture & Fixtures	419,571	70,227		489,798
	Office Equipment	201,302	27,990		229,292
	Fans & Air Coolers	12,275			12,275
	Air-Conditioner	55,595			55,595
	Survey Instruments	4,341,629	35,550		4,377,179
	Communication Equipment	466,958			466,958
	Computer	2,019,449	224,555		2,244,004
	Survey Launch	4,983,591			4,983,591
	Speed Boats	-	1,120,418		1,120,418
	Land (Terminals)	65,259,864	11,190,023		76,449,887
	Land Widening	69,627,597	26,929,928		96,557,525
	Library Books	7,178	3,522		10,700
	Terminal	76,491,955	9,609,973		86,101,928
	Dredger	-	398,950	3,111,618	3,510,568
	Night Navigation	15,385,730	148,000		15,533,730
	Tempory Terminal	484,390	45,970		530,360
	TOTAL (F)	240,140,698	49,805,106	3,111,618	293,057,422
ALLAHABAD	Land - Terminal	-	2,405,763		2,405,763
	Computer	160,249	69,100		229,349
	Furniture & Fixtures	166,441			166,441
	Office Equipment	67,304			67,304
	Fans & Air Coolers	12,155			12,155
	Library Books	6,014	2,345		8,359
	Vehicle	387,681			387,681
	Electrical Installation	24,950			24,950
	Survey Instruments	3,322,065	79,500	(88,852)	3,312,713
	TOTAL - (G)	4,146,859	2,556,708	(88,852)	6,614,715

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

**AUTHORITY OF INDIA
ASSETS AS ON 31.03.2006**
SCHEDULE - II
(Figures in Rupees)

DEPRECIATION		ADJUSTMENT ON ACCOUNT OF ASSETS SOLD/TRANSFERRED	TOTAL DEPRECIATION AS ON 31.3.2006	NET BLOCK AS ON 31.3.2006
AS ON	FOR THE			
01.04.2005	YEAR		(7+8+9)	(6-10)
7	8	9	10	11
42,264	2,587		44,851	9,616
151,776			151,776	882
69,578	6,008		75,586	19,327
24,703	1,961		26,664	14,611
1,127	153		1,280	1,947
3,974	280		4,254	1,645
625,023	104,364		729,387	1,467,756
339,224	18,746		357,970	203,285
650			650	51
12,546			12,546	-
113,768	7,459		121,227	35,799
			-	36,734
148,751	-		148,751	7,829
1,533,384	141,558	-	1,674,942	1,799,482
178,078	36,443		214,521	169,093
212,710	31,004		243,714	246,084
66,168	10,891		77,059	152,233
5,205	583		5,788	6,487
15,729	2,641		18,370	37,225
1,927,995	207,916		2,135,911	2,241,268
59,310	22,181		81,491	385,467
1,065,007	363,753		1,428,760	815,244
1,120,159	166,452		1,286,611	3,696,980
-	79,214		79,214	1,041,204
-			-	76,449,887
-			-	96,557,525
7,178	3,522		10,700	-
4,859,938	4,089,841		8,949,779	77,152,149
	245,740	871,252	1,116,992	2,393,576
730,822	737,852		1,468,674	14,065,056
484,390	45,970		530,360	-
10,732,689	6,044,003	871,252	17,647,944	275,409,478
-	-		-	2,405,763
84,330	37,177		121,507	107,842
43,395	10,536		53,931	112,510
17,381	3,197		20,578	46,726
1,586	577		2,163	9,992
6,014	2,345		8,359	-
147,320	36,830		184,150	203,531
4,740	1,185		5,925	19,025
1,121,708	157,263	(4,220)	1,274,751	2,037,962
1,426,474	249,110	(4,220)	1,671,364	4,943,351

For and on behalf of the Authority

 Sd/-
(SUSHEEL KUMAR)
 Vice-Chairman

 Sd/-
(S.B. MATHUR)
 Chairman

INLAND WATERWAYS SCHEDULE OF FIXED

	PARTICULARS	GROSS BLOCK AS ON 01.04.2005	ADDITIONS DURING THE YEAR	ADJUSTMENT/ DEDUCTIONS	GROSS BLOCK AS ON 31.03.2006 (3+4+5)
1	2	3	4	5	6
VARANASI	Furniture & Fixtures	101,821			101,821
	Computer	64,380			64,380
	Office Equipment	51,252			51,252
	Fans & Air Coolers	5,875			5,875
	Vehicle	243,069			243,069
	Communication Equipment	59,764			59,764
	Survey Instruments	1,109,209	26,126	88,852	1,224,187
	TOTAL (H)	1,635,370	26,126	88,852	1,750,348
	GRAND TOTAL (A+B+C+D+E+F+G+H)	1,259,492,196	224,050,539	(6,248,767)	1,477,293,968
	PREVIOUS YEAR	1,093,248,379	167,406,815	(1,162,998)	1,259,492,196

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

**AUTHORITY OF INDIA
ASSETS AS ON 31.03.2006**
SCHEDULE - II

(Figures in Rupees)

DEPRECIATION		ADJUSTMENT ON ACCOUNT OF ASSETS SOLD/TRANSFERRED	TOTAL DEPRECIATION AS ON 31.3.2006 (7+8+9)	NET BLOCK AS ON 31.3.2006 (6-10)
AS ON 01.04.2005 7	FOR THE YEAR 8			
19,236	6,445		25,681	76,140
31,308	10,436		41,744	22,636
6,212	2,434		8,646	42,606
558	279		837	5,038
69,276	23,092		92,368	150,701
6,070	3,133		9,203	50,561
52,687	58,349	4,220	115,256	1,108,931
185,347	104,168	4,220	293,735	1,456,613
297,717,753	59,231,587	(1,019,208)	355,930,132	1,121,363,836
242,109,069	55,849,499	(240,815)	297,717,753	961,774,443

For and on behalf of the Authority

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

SCHEDULE - III**CURRENT ASSETS, LOANS & ADVANCES AS ON 31.03.2006**

Previous year (Rupees)	Particulars		CURRENT YEAR (Figures in Rupees)
	<u>a) STORES, SPARES & TOOLS (AT COST)</u>		
34,030,623	1) Marine Spare Parts	34,971,818	
361,444	2) Permanent Stores	504,892	
59,862	3) Consumables & Marking Material	153,468	
79,562	4) Stationary	180,419	
4,553,989	5) POL Stock	6,217,970	
388,265	6) Others	318,353	42,346,920
	<u>b) SUNDRY DEBTORS</u>		
	1) Secured		
	2) Unsecured		
	— Considered Good		
	1) more than 6 months		
	2) less than 6 months		
	— Considered Doubtful		
	<u>c) DEPOSITS, LOANS & ADVANCES</u>		
14,006,507	1) Advance to staff	12,407,385	
161,380	2) Departmental Advance	221,804	
254,270,491	3) Advance to Contractors & Suppliers	337,617,385	
3,852,755	4) Deposits	4,088,322	
9,715,979	5) Claims Recoverable	10,392,041	
342,846	6) Prepaid Expenses	337,031	
4,084,233	7) Others	5,103,525	370,167,493
	<u>d) CASH & BANK BALANCES</u>		
30,783	1) Cash/Stamps in-hand	12,820	
201,006,578	2) Cash with Scheduled Banks	189,051,666	
2,980,184	3) Remittance in transit	-	
5,600,000	4) Short term deposit	-	
			189,064,486
535,525,481	TOTAL		601,578,899

For and on behalf of the Authority

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(S. JAYARAMAN)
Chief Accounts Officer

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Secretary

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Member (Cargo & Finance)

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

SCHEDULE - IV

**OPERATIONAL AND MAINTENANCE EXPENSES
FOR THE YEAR ENDED 31-3-2006**

Previous year (Rupees)	Particulars	CURRENT YEAR (Figures in Rupees)
	<u>NATIONAL WATERWAY NO.1</u>	
36,679,424	1. <u>Pay & Allowances & Other Staff Costs</u>	93,015,083
	2. <u>Works Expenses</u>	
7,084,947	(i) Surveying	11,824,446
12,987,899	(ii) Dredging	10,192,596
5,472,747	(iii) Bandalling	9,003,167
15,163,304	(iv) Aids to navigation & Channel marking	9,875,694
3,970,855	(v) Terminal Facilities	8,254,509
8,658,560	(vi) Repairs of Vessels	10,870,281
	(vii) Night Navigation	5,279,087
	(viii) Training Expenses	5,771,386
	3. <u>Other Administrative & Misc. Expenses</u>	71,071,166
8,283,765		5,647,777
	<u>NATIONAL WATERWAY NO.2</u>	
	1. <u>Pay & Allowances & Other Staff Costs</u>	
8,459,017		13,162,605
	2. <u>Works Expenses</u>	
3,469,254	(i) Surveying	6,754,136
15,043,283	(ii) Bandalling	11,581,276
11,095,747	(iii) Aids to navigation & Channel marking	4,619,992
3,668,244	(iv) Terminals	3,299,052
2,366,085	(v) Dredging	4,670,065
1,338,719	(vi) Repairs of Vessels	2,475,194
-	(vii) Night Navigation	7,956,890
	3. <u>Other Administrative & Misc. Expenses</u>	41,356,605
830,407		986,412

Cont....

SCHEDULE - IV

**OPERATIONAL AND MAINTENANCE EXPENSES
FOR THE YEAR ENDED 31-3-2006**

Previous year (Rupees)	Particulars	CURRENT YEAR (Figures in Rupees)
	<u>NATIONAL WATERWAY NO.3</u>	
4,053,196	1. <u>Pay & Allowances & Other Staff Costs</u>	10,264,949
	2. <u>Works Expenses</u>	
1,329,805	(i) Surveying	2,016,475
32,829,274	(ii) Dredging	11,032,445
582,616	(iii) Channel marking	469,872
348,366	(iv) Night Navigation	2,577,216
1,114,519	(v) Terminal Facilities	1,421,724
460,398	(vi) Repair of vessel	213,122
-	(vii) Maintenance of lock gate	-
32,059,001	(viii) Bank Protection	19,801,346
1,998,894	3. <u>Other Administrative & Misc. Expenses</u>	1,374,530
219,348,326	TOTAL	256,680,473

For and on behalf of the Authority

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

SCHEDULE - V

PAY & ALLOWANCES & OTHER STAFF COSTS
FOR THE YEAR ENDED 31-3-2006

Previous year (Rupees)	Particulars	CURRENT YEAR (Figures in Rupees)
	<u>PAY & ALLOWANCES & OTHER STAFF COSTS</u>	
15,488,798	i) Pay & Allowances	16,320,806
-	ii) Employer's Contribution to PF	-
6,700	iii) Honorarium	29,750
1,243,596	iv) Medical Reimbursement	1,706,827
80,596	v) Daily Wages	37,032
296,339	vi) OTA	296,841
191,192	vii) Bonus	194,409
57,316	viii) Leave Salary & Pension Contribution	147,310
1,720,577	ix) Rent for Residence	1,849,075
26,876	x) Liveries	4,101
338,352	xi) Other Staff welfare Expenses	358,223
26,060	xii) Tuition fees	25910
8,966,040	xiii) Pension & Gratuity Contribution	32,248,714
1,256,139	xiv) Leave Encashment	574,521
326,261	xv) LTC Exp.	388,053
30,024,842	TOTAL	54,181,572

For and on behalf of the Authority

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(S. JAYARAMAN)
Chief Accounts Officer

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(PRADEEP KUMAR)
Secretary

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Member (Cargo & Finance)

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(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

SCHEDULE - VI**GENERAL & OTHER EXPENSES FOR THE YEAR ENDED 31.3.2006**

Previous year (Rupees)	Particulars	CURRENT YEAR (Figures in Rupees)
1,371,895	i) Repairs & Maintenance	1,913,583
282,561	ii) Staff Recruitment Expenses	126,607
827,070	iii) Postage, Telephone & Telegram	755,272
806,744	iv) Printing & Stationery	828,551
1,198,536	v) Vehicle Running & Maintenance	1,330,531
111,649	vi) Advertisement & Publicity	45,725
259,386	vii) Conveyance Reimbursement	220,697
-	viii) Entertainment Expenses	-
	ix) Traveling Expenses	
1,642,065	---Inland	2,244,092
71,859	--- Abroad	163,798
98,351	x) Newspaper & Periodicals	92,772
-	xi) Cartage	-
60,092	xii) Misc. Expenses	53,120
69,685	xiii) Consumables	113,501
1,031,430	xiv) Electricity & Water Charges	1,083,561
519,363	xv) Audit Fees & expenses	507,927
201,535	xvi) Legal Charges	590,747
13,460	xvii) Seminar & Workshop/Conference	37,000
203,257	xviii) Hindi Promotion	183,668
3,185	xix) Authority meeting expenses	40,404
232,769	xx) Consultancy charges	-
9,004,892	TOTAL	10,331,556

For and on behalf of the Authority

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

SCHEDULE- VII

NOTES FORMING PART OF ACCOUNTS AS ON 31.3.2006

1. Capital work in progress amounting to Rs. 7,423.29 lakhs (previous year Rs. 5,946.25 lakhs) consists of following:

Name of Party	Purpose	Amount (Rs. in lakhs)
a) CPWD	Construction of Lower Level Jetty at Gaighat	2,498.27
b) CPWD	Construction of Approach Road at Gaighat	44.57
c) CPWD	Construction of Lower Level Jetty at Pandu	2,776.07
d) Neptune Marine (P) Ltd.	Construction of Work Boats	161.93
e) HDPE	Construction of cargo vessels	413.25
f) HDPE	Construction of POL and Container vessels	466.40
g) HDPE	Construction of Hy. Surface dredger	402.71
h) CPWD	Construction of terminals in NW- 3	210.85
i) CPWD	Construction of high level jetty at Gaighat	29.87
j) HDPE	Construction of floating Dry Dock	349.20
k) NSDRC	Design and modification of Hy. Surface dredger	5.40
l) PWD – Assam	Construction of Jogigopa Terminal	25.00
m) KEL	Foot over Bridge thottappally	16.87
n) CPWD	Study for construction of Haldia and BISN Jetty	22.90
	TOTAL	7,423.29

2. During the year 2005-06, the Authority has incurred the following expenditure in respect of Chairman and full time Members:

Salary	House Rent	Leave Salary & pension contribution	Medical reimbursement	Travelling Expenses		Total
				Foreign	Inland	
12,88,118	7,63,239	4,90,109	3,40,948	1,63,798	14,44,010	44,90,222
PREVIOUS YEAR -						
17,46,094	11,14,470	57,316	81,958	71,859	7,24,053	37,95,750

During the year Chairman, IWAI has visited Italy for attending 1st Logistics Week Italy – India 2005 between 5.9.05 & 7.9.05 and for seminar in China from 6.12.05 to 9.12.05 and a sum of Rs. 1,63,798/- was spent on Foreign Travel.

3. Land costing Rs. 244.49 lakhs (previous year Rs. 244.49 lakhs) was acquired during 1993-94 for construction of R&D-cum-Office complex at Noida on lease hold basis for 90 years and Rs. 2.72 lakhs (previous year Rs. 2.72 lakhs) is being written off every year.
4. The Authority has filed appeals in the Income Tax Appellate Tribunal (ITAT) for assessment years 1988-89 to 1997-98 and 2002-03 against the orders of the Income Tax department. In order to contest the cases before ITAT, permission from Committee of Disputes of Cabinet Secretariat has been obtained. The appeals are likely to be discussed and decided during FY-2006-07. Income Tax department has started penalty proceedings. As the matter is pending with ITAT, IT department has deferred the matter of penalty proceeding therefore no liability towards penalty has been provided.
5. A sum of Rs. 2,516.90 lakhs (previous year Rs. 2,516.90 lakhs) was released as deposit to Executive Engineer, Patna Central Division-II, CPWD in connection with construction of one General Cargo Berth at Gaighat, Patna and Rs. 357 lakhs (previous year Rs. 357 lakhs) for construction of National Inland Navigation Institute (NINI) at Patna. Out of this, a sum of Rs. 2,498.27 lakhs (previous year Rs. 2,205.26 lakhs) has been shown as capital work in progress at Gaighat Terminal and Rs. 469.51 lakhs has been capitalized towards final cost for construction of NINI.
6. A sum of Rs. 202.00 lakhs was paid to Govt. of Bihar towards cost of 6.5 acres of land for NINI in 1998. Out of the above, 2.20 acres land has not been delivered to IWAI so far. Govt. of Bihar has been asked to provide the balance land or refund the balance amount. Their reply is awaited. For this reason, proportionate cost of the land i.e. Rs. 68.33 lakhs has been shown as advance to Govt. of Bihar.
7. A sum of Rs. 993 lakhs (previous year Rs. 993 lakhs) towards cost of land for 11 terminal sites (area 12.4714 hectare) was made as advance payment to Govt. of Kerala till March 31, 2004. Out of this, 10.1039 hectares of land for terminal sites has been taken over and capitalized for Rs. 764 lakhs till March 31, 2006 (previous year Rs. 653 lakhs).
8. Till March 31, 2006, a sum of Rs. 1,142.93 lakhs (previous year Rs. 1,031 lakhs) towards cost of construction of 11 terminals in NW- 3 has been paid to CPWD. Out of this, Rs. 861 lakhs (previous year Rs. 765 lakhs) has been capitalized and Rs.211 lakhs (previous year Rs. 205 lakhs) has been shown as capital work in progress.
9. For acquisition of land (area 21.28 hectares) for widening of canals in NW- 3, an advance of Rs. 1221 lakhs (previous year Rs. 1221 lakhs) was released to Govt. of Kerala till March 31, 2004. Out of this,

land for Rs. 966 lakhs (area 21.259 hectares) has been received and therefore capitalized (previous year Rs. 696 lakhs).

10. A sum of Rs. 458 lakhs (previous year NIL) has been released as deposit to Executive Engineer, Patna Central Division – II, CPWD in connection with construction of high level general cargo berth at Gaighat, Patna. Out of this, a sum of Rs. 29.87 lakhs has been charged to Capital Works in Progress.
11. A sum of Rs. 590 lakhs (previous year NIL) has been released as deposit to CPWD – Guwahati in connection with construction of high level general cargo berth at Pandu, Guwahati and same has been shown as advance to contractor.
12. A sum of Rs. 1030 lakhs (previous year NIL) has been released as deposit to NF Railway Guwahati in connection with construction of BG siding at Pandu Terminal, Guwahati and same has been shown as advance to contractor.
13. A sum of Rs. 35.20 lakhs (previous year Rs. 35.20 lakhs) has been released as advance to DM – Allahabad for acquisition of land for Allahabad Terminal. During the FY 2005-06, an amount of Rs. 24.06 lakhs towards cost of 8.759 hectare land has been capitalized.
14. A sum of Rs. 3,000 lakhs was released as deposit to Executive Engineer, CPWD, Guwahati in connection with construction of one lower level berth at Pandu, Guwahati. Out of this, a sum of Rs. 2,776.07 lakhs has been shown as Capital Work in Progress.
15. In National Waterway No. 2, night navigational buoys and lights amounting to Rs. 52.97 lakhs (previous year Rs. 52.97 lakhs) have been lost. Necessary action is on to write off this loss. The value of above assets has been taken out from accounts in Financial Year 2005-06 and loss of Rs. 52.97 lakhs (previous year NIL) has been shown in Income & Expenditure Account.
16. 53 nos. flats at Sector 34, Noida were taken over on 05.12.2002 from Director General of Light Houses & Light Ships (DGLL) Ministry of Shipping for staff of IWAI at a total transfer price of Rs. 225.28 lakhs plus transfer fee, stamp duty etc. The quarters have been taken over and repaired and allotted to IWAI employees. Hence, Rs. 307.33 lakhs (previous year Rs. 307.33 lakhs) has been capitalized. However, transfer in the name of IWAI could not be registered since the flats have not yet been registered in the name of first owner DGLL. After persuasion with DGLL for making payment of land rent, etc. to Noida, the initial registration is under process with Noida. Thereafter it will be transferred in the name of IWAI.

17. In the Financial Year 2005-06, Shri M.L. Sodhi has been appointed to provide Actuarial Valuation of pension and gratuity liability of the authority towards its employee as on 31.03.2006. As per valuation certificate, liability of the Authority towards pension & gratuity is estimated at Rs. 20.15 Crores as on 31.03.2006. Fund available under IWAI Employees Pension Trust is Rs. 10.10 Crore only. Hence, a shortfall of Rs. 10.05 Crore has been provided for in current financial year 2005-2006.
18. Two vessels namely MOT Tug III and Flat Turni have been declared condemned by the Authority. Their scrap value has been assessed as Rs. 18.75 lakhs and Rs. 7.05 lakhs respectively. For disposal of both the vessels, open tender had been called. Due to some reasons, the work was not awarded to the highest bidder. Highest bidder has filed a case in lower court against the decision of the Authority. The decision of court is awaited.
19. A Claim has been lodged with M/s Oriental Insurance Co. for Rs. 51.05 lakhs towards loss of Buoys and Lights including penal interest in 2001. Insurance Company has assessed claim of Rs. 16.54 lakhs only. Decision of Oriental Insurance Company is not acceptable to Authority and Authority may go for legal proceeding, therefore, no provision for anticipated loss has been provided for.
20. There are two Arbitration cases pending before the Arbitrators. These cases relate to capital dredging works in NW-3 having a contingent liability of Rs. 19.74 Crores. Further, there are 4 cases in Hon. High Court of Kerala, 2 cases in lower courts of Noida and Balasore and 11 service related cases in the Hon. High Courts of Allahabad, Guwahati, Kolkata and Patna. Apart from the above, there are 392 cases (LAR) for payment of higher compensation for land acquisition estimated at Rs. 11.566 Cr. and 70 LAA cases in the High Court of Kerala estimated at Rs. 12.982 Cr. for development of NW-3.
21. Bank guarantees of Rs.494.94 lakhs, fixed deposit of Rs. 3.66 lakhs and indemnity bonds for Rs. 574.49 lakhs have been received from the contractors / suppliers towards security deposit and mobilization advance against the works / contracts awarded to them till March 31, 2006.
22. Interest subsidy of Rs. 42.14 lakhs (previous year Rs. 611.04 lakhs) was released during FY-2005-06. Other claims of Rs. 76.68 lakhs are under examination. Hence, there may be contingent liability of this amount.
23. As per Companies Act, depreciation rate for some fixed assets used for Inland Waterways, has not been clearly provided. Hence, Authority is charging depreciation on Barges @ 3.34%, Terminals @ 4.75% and Crane @ 3.34%.

24. Annual Accounts has been prepared as per Accounting Standards issued by the Institute of Chartered Accountants of India.
25. Re-grouping and re-classification has been done where considered necessary.
26. All the figures are rounded off to the nearest rupee.

For and on behalf of the Authority

Sd/-
(S. JAYARAMAN)
Chief Accounts Officer

Sd/-
(PRADEEP KUMAR)
Secretary

Sd/-
(S.C.SRIVASTAVA)
Member (Cargo & Finance)

Sd/-
(SUSHEEL KUMAR)
Vice-Chairman

Sd/-
(S.B. MATHUR)
Chairman

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**AUDIT REPORT OF THE COMPTROLLER AND AUDIT GENERAL OF
INDIA ON THE ACCOUNTS OF INLAND WATERWAYS AUTHORITY OF
INDIA FOR THE YEAR ENDED 31ST MARCH 2006**

We have audited the attached Balance sheet of the Inland Waterways Authority of India (Authority) as at 31st March 2006 and the Income and Expenditure Account for the year ended on that date annexed thereto, under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 23 of the Inland Waterways Authority of India Act, 1985 (IWAI Act, 1985) and Rule 28 (3) of Inland waterways Authority of India Rules, 1986 (IWAI Rules, 1986) as amended in 2002. These financial statements which include the accounts of seven units, are the responsibility of the Authority's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a text basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit, we report that:

- (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of audit;
- (b) The Balance Sheet and Income and Expenditure account dealt with by this report have been drawn up in the format approved by the Government of India under section 34(2) (g) of the IWAI Act, 1985 and Rule 28 (2) of IWAI Rules, 1986;
- (c) In our opinion, proper books of accounts and other relevant records have been maintained by the Authority as required under section 34 (2) (g) of the IWAI Act, 1985 in so far as it appears from our examination of such books except that:

BALANCE SHEET

CURRENT ASSETS, LOANS & ADVANCES

DEPOSITS, LOANS AND ADVANCES RS. 37.02 CRORE

- (a) This is overstated by Rs. 27.12 lakh due to inclusion of inadmissible claims and related penal interest lodged with Insurance Company which were not accepted by the Insurance Company Consequently, the expenditure is understated by the same amount.
- (b) This is overstated by Rs. 5.56 crore due to inclusion of payments to CPWD/Railways, whereas the cheques were handed over to them in April 2006 towards construction of

- Approach Road to IWT terminal in NW-3 (Maradu, Kottayam and Kottapuram)-Rs. 1.01 crore,
- Construction of an Approach Road – Rs. 29.57 lakh, and
- BG siding at Pandu Terminal – Rs. 4.25 crore

This also resulted in understatement of the bank balances by the same amounts.

2. Notes forming part of Accounts

The fact that the Authority is liable to pay interest to the landowners for acquisition of land for NW 3 as per orders of High Court has not been disclosed

Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of accounts.

In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Income and Expenditure Account read together with the Accounting Policies and Notes thereon, and subject to the significant matters stated above and summarized financial results presented in the Annexure to the Audit Report, give a true and fair view:

- (i) In so far as it relates to Balance Sheet, of the State of Affairs of the Authority as at 31st March 2006.
- (ii) In so far as it relates to the Income and Expenditure Account, of the Authority, excess of expenditure over income for the year ended as on that date.

Place : New Delhi
Dated : 13th October 2006

Sd/-
(J. Wilson)
Principal Director of Commercial Audit
& ex-Officio Member Audit Board-I,
New Delhi

SUMMARIZED FINANCIAL RESULTS OF INLAND WATERWAYS AUTHORITY OF INDIA FOR THE YEAR ENDED 31st MARCH 2006 BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

1. FINANCIAL POSITION

The table below summarizes the financial position of Authority under broad heading for the last three years:-

	(Rupees in crore)		
	2003-04	2004-05	2005-06
Liabilities			
a) Capital under section 11 (1) © of the Act	0.94	0.94	.94
b) Capital Grant under Section 18 of the Act			
i) Capital Grant less Replacement Reserve and lease rent written of	157.25	181.41	220.39
ii) Loans	-	-	-
c) Reserves & Surplus			
i) Free Reserve	-	-	-
ii) Capital Reserve	0.02	-	-
d) i) Current Liabilities & Provisions	23.75	28.90	27.38
ii) Provision for Gratuity	0.14	0.17	-
Total	182.10	211.42	248.71
Assets			
e) Gross Block	109.32	125.95	147.73
f) Less: Cumulative Depreciation	24.21	29.77	35.59
g) i) Net Book	85.11	96.18	112.14
ii) Leasehold land	2.28	2.23	2.19
h) Capital Work-in-Progress	38.67	59.46	74.23
i) Current Assets, Loans & Advances	56.04	53.55	60.15
J) Miscellaneous Expenditure (Income & Expenditure Account)	-	-	-
Total	182.10	211.42	248.71
k) Working Capital {i-d(i)}	32.29	24.65	32.77
l) Capital /Employed (g+k)	119.68	123.06	147.10
m) Net Worth {a+c(i) – j}	0.94	0.94	0.94
n) Net Worth per Rupee of Capital under Section 11(i) (c)of Act.	1.00	1.00	1.00

2. LIQUIDITY

Percentage of Current Assets to Current liabilities and Provision (excluding gratuity provision) which is measure of liquidity was 235.95, 185.29 and 219.68 during 2003-04, 2004-05 and 2005-06 respectively.

3. SOURCES AND UTILIZATION OF FUNDS

Funds amounting to Rs. 38.98 crore from external sources were generated and utilized by the Authority during the year as per details given below:-

A. Sources of Funds	(Rupees in crore)
i) Increase in Capital Grant	38.98
Total	38.98
B. Utilisatioln of Fund	
i) Increase in Fixed Asets (Net)	15.92
ii) Increase in Capital Work in Progress	14.77
iii) Increase in Working Capital	8.29
Total	38.98

Place : New Delhi
Date : 13th October 2006

Sd/-
(J. Wilson)
Principal Director of Commercial Audit
& ex-officio Member, Audit Board-1
New Delhi

**REPLIES OF MANAGEMENT TO COMMENTS ON ACCOUNTS FOR
THE FINANCIAL YEAR 2005-06 AS REFERRED IN CAG AUDIT REPORT**

1. Balance Sheet

Current Assets Loans and Advances

- a) Night navigation equipment costing Rs. 209.31 lakhs has been insured by the Authority with M/s. Oriental Insurance Co. Ltd. in the year 2001-2002. During the validity of insurance cover, the buoys and lights costing Rs. 39.73 lakh were lost in NW-1 and NW-2. The Authority had filed insurance claim of Rs. 51.05 lakh including penal interest of Rs 11.32 lakh with M/s. Oriental Insurance Co. Ltd. Against the above claim the Insurance Company has agreed on Rs. 23.93 lakh towards cost of buoys and lights. During the discussion with insurance officials, it is found that the losses of the buoys as claimed by the Authority is not as per survey report of the insurance company. For reconciliation of both the statements necessary follow up is being done with the concerned Director in the current financial year.
- b) The payment amounting to Rs. 5.56 crores was released to CPWD for construction of terminal in NW-3, NF railway for construction of BG siding at Pandu terminal and CPWD for construction of approach road at Gaighat terminal in the month of March 2006. As per accounting principles the expenditure has been booked in the year, cheques have been issued in favour of concerned parties.

2. Notes forming part of Accounts

The Authority has deposited the full amount towards cost of the land with Govt. of Kerela for acquisition of land for construction of terminal and widening of canal. The Govt. of kerela has not been able to hand over the land to the Authority due to Court cases. The Authority has requested to provided the required land to the Authority at the earliest. The question of payment of interest does not arise since IWAI has already deposited the entire money to the Govt. of the Kerela/ in concerned Courts.