

Preface

The Audit Report has been prepared in accordance with the Performance Auditing Guidelines and Regulations on Audit and Accounts, 2007 of the Comptroller and Auditor General of India.

In view of wide gap between demand and supply of power, which is required to be bridged for overall growth of the country, an audit report on the 'Capacity Addition Programme - Project Management by NTPC', mainly covering thermal power projects, which has the largest share in the power generation in the country, was presented to the Parliament in December 2010. As a sequel to that, Audit took up in March-August 2011 Performance Audit of another important component of power generation *viz.* hydro power which is a renewable, economic, non-polluting and environmentally benign source of energy. Hydro power is generated by Central and State Public Sector Enterprises as well as private sector companies.

This Report examines the processes, from conception to implementation, of Hydro Power Projects by Central Public Sector Enterprises *viz.* NHPC Limited, SJVN Limited, THDC India Limited and North Eastern Electric Power Corporation Limited. These CPSEs were required to add a capacity of 11,813 MW of hydro power during Eleventh Five Year Plan *i.e.* April 2007 to March 2012. The actual achievement thereagainst till March 2012 was, however, only 1,550 MW.

Audit acknowledges the cooperation received in conducting this Performance Audit from the Ministry of Power along with NHPC Limited, SJVN Limited, THDC India Limited and North Eastern Electric Power Corporation Limited.