

Preface

The Performance Audit Report has been prepared under the provisions of Section 19-A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, as amended in 1984. The audit has been carried out in line with the Regulations on Audit and Accounts-2007 and Performance Audit Guidelines-2014 of the Comptroller and Auditor General of India.

The decade ended 2010 had posed numerous challenges to BHEL including increase in intensity of competition, squeezed delivery schedules and issues related to climate change. In the face of these challenges, BHEL's turnover declined sharply after 2012-13 and profitability also turned negative for the first time in 2015-16. Keeping this in view, a performance audit on 'Competitiveness of BHEL in Emerging Markets' was carried out. The performance audit covers activities of all four power sector regional offices, eight out of 17 manufacturing units and three non-manufacturing units of BHEL during the period 2011-12 to 2015-16.

Audit wishes to acknowledge the co-operation received from BHEL and Ministry of Heavy Industries and Public Enterprises, Government of India at each stage of the audit process.

