

## PREFACE

A reference is invited to the prefatory remarks in Report No. CA 9 of 2008 – Union Government (Commercial) of the Comptroller and Auditor General of India where a mention has been made that reviews of the performance of companies/corporations by the Comptroller and Auditor General of India (CAG) are contained in separate audit reports including stand alone performance audit reports.

The Audit Board mechanism was restructured during 2005-06 under the supervision and control of the CAG. The Board, which is permanent in nature, is chaired by the Deputy Comptroller and Auditor General (Commercial) and consists of senior officers of the CAG office. Two technical experts are inducted as special invitees, if necessary. The Board approves the topics recommended for performance audit. It also approves the guidelines, audit objectives, criteria and methodology for conducting major performance audits. The Board finalises the stand alone performance audit reports after discussions with the representatives of the ministry and management.

This stand alone Report reviewed various activities relating to implementation of the Mass Rapid Transit System (Phase I) of Delhi Metro Rail Corporation Limited. The Report was finalised by the Audit Board with the assistance of Shri Arvind Kumar, Additional Member (Retired) Railway Board and Shri Satyender Kumar, Chief Engineer (Signals), Northern Railways, the two technical experts appointed by the Government of India (the Ministry of Urban Development) as special invitees.

This Report as set out in the succeeding chapters is based on test check of records of the company and the discussions held with the management.

The cases mentioned in the Report are among those which came to notice in the course of audit conducted during the period from March 2007 to December 2007.