

INTERNAL AUDIT

Audit is an instrument of financial control. It is an independent assessment of the acts / transactions of the company to ensure their financial propriety in realisation of the corporate objectives. DCI being a listed, central public sector company, it is subject to three types of audit.

Internal audit - with an objective of providing assurance to the Board, Audit Committee and the executive management of the company by reviewing and analysing the financial information and confirming the compliance with policies, procedures and laws. (Compliance Audit). The internal auditors are appointed by the Audit Committee.

Statutory audit - with an objective of verifying and reporting whether the financial statements fairly represent the actual financial position and the working results of the company (Financial Audit). The statutory audit has to comply with the requirements of the Companies Act relating to audit. The statutory auditors of the company are appointed by the Comptroller and Auditor General of India (C & AG).

C&AG audit - with a main objective to examine the extent to which the company operates economically, efficiently and effectively to achieve its objectives. (Performance Audit). C&AG also undertakes financial audit by reviewing the report of statutory auditors and by conducting a supplementary or test audit of the accounts of the company.