

INTERNAL FINANCIAL CONTROLS

S.No	Checkpoints	Auditors Comments/Observations/Deviation with justification
1	To issue quarterly report on Internal Control deficiencies identified during the quarterly audit and suggest corrective measures.	
2	CA firm to independently review and appraise the system of control throughout the year as per risk control matrices, mitigation plan prescribed in the various activities and recommend improvement to internal control. Facilitate in following good practice in managing risks efficiently.	
3	Review of Test of Designs including addition/updation/modification of flow charts on annual basis.	
4	Comment on the adequacy and effectiveness of Internal Financial Controls on quarterly basis.	
5	Compliance of advisories issued by Internal Audit Wing from time to time.	
6	To give necessary guidance in response to statutory/government auditors' queries in regard to Internal Financial Controls and suggesting corrective action on the part of HUDCO.	
7	Any other activity review/reporting necessary in connection with Internal financial Control not specified above.	

CERTIFICATION OF TRIAL BALANCE AND COMPLIANCE OF AUDIT OBSERVATIONS

S.No	Checkpoints	Auditors Comments/Observations/Deviation with justification
1	100% verification of all the activities/checkpoints as mentioned in the scope covering Risk Based Internal Audit and Intrnal Financial Controls	
2	Verification / Certification of monthly trial balance.	
3	Compliance status of outstanding observations of previous audit reports and monitoring of prior audit issues alongwith action taken report in the prescribed format.	
4	The points mentioned in the scope are indicative in nature. The firm may be requested to look into any other activity as decided by the management during the course of audit.	
5	To suggest any addition in the areas required to be covered in the Risk Based Internal Audit Plan.	