

HSCC (India) Limited

NOTICE INVITING EXPRESSION OF INTEREST (EOI)

**FOR EMPANELMENT OF PARTNERSHIP / LLP FIRMS OF CHARTERED
ACCOUNTANTS / COST ACCOUNTANTS
FOR CONDUCTING INTERNAL AUDIT IN HSCC (INDIA) LIMITED
(AT CORPORATE OFFICE)
FOR THE FINANCIAL YEARS 2025–26, 2026-27 AND 2027–28**

No. HSCC/Tender/Internal Audit/2025-26/2

Dated: 05.08.2025

HSCC (India) Limited, a Mini Ratna Central Public Sector Enterprise (CPSE) under the Ministry of Housing and Urban Affairs, with its Corporate Office located at Sector-1, Noida (U.P.) – 201301, invites Expression of Interest (EOI) from reputed Indian Chartered Accountant / Cost Accountant firms (registered as Partnership or Limited Liability Partnership) for empanelment as Internal Auditors for the financial years 2025–26, 2026-27 and 2027-28.

Interested firms are advised to refer to the detailed EOI document which includes the scope of work, eligibility criteria, selection process, reporting requirements, general terms & conditions, and other related details.

The EOI document is available for download from the official HSCC website and e-Nivida portal from 05.08.2025 to **26.08.2025** (up to 5:30 PM). Any corrigendum, addendum, or updates shall be published only on the HSCC website. Bidders are advised to regularly check the website for such updates before submission.

Sealed EOIs, complete in all respects and submitted in the prescribed standard formats with all required enclosures and unconditional acceptance of the terms & conditions, must be submitted at the following address:

Manager (Finance)
Internal Audit Division
HSCC (India) Limited
2nd Floor, E-6(A), Sector-1, Noida – 201301 (U.P.)

The last date and time for submission is **26.08.2025** up to 5:30 PM.

HSCC reserves the right to accept or reject any or all EOIs without assigning any reason whatsoever. This EOI is purely for empanelment purposes and does not guarantee the award of any assignment.

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FORMAT OF APPLICATION

(To be printed on the letterhead of the Firm)

1. BASIC DETAILS:

a Name of the Partnership Firm/LLP

b Registration of the Institute

Institute of Chartered Accountants
/Cost Accountants of India

c Registration No. of the Partnership
Firm/LLP

d Date from which continuing as a
Partnership Firm/Registration of
LLP Firm

e) Age in Complete Years
(Cut-off date 31.03.2025)

f) Details of Head Office & Branch Office(s):

Head Office:

Address	State /UT	Contact No/Mobile No.	Email

Branch Office 1:

Address	State	UT	Contact No	Mobile No.	Email

Branch Office 2:

Address	State /UT	Contact No/Mobile No.	Email

Branch Office 3:

Address	State /UT	Contact No/Mobile No.	Email

Insert further Branch Office(s) (if any)

2. MANPOWER DETAIL:

a) Detail of Partners: Total.....no of Partners

Sl. No.	Name of the Partner	Membership no.	FCA/FCMA/ACA/ACMA	Date of Joining the firm/ LLP	Ref. Page no. of Supporting Membership Doc.

b) Details of Qualified Assistants

S. No.	Name of the Qualified Assistant	Membership no./ Final Pass Certificate No./Mark Sheet No.	FCA/ACA/FCMA/ACMA	Date of Joining the firm/LLPas Qualified Assistant	Ref. Page no. of Supporting Doc.(Membership Cert./Final Pass Certificate/Mark sheet etc.)

c) Details of Semi Qualified Assistants

S. No.	Name of the Assistant	Whether CA / CMA - Intermediate	Date of Joining the firm/LLPas Semi Qualified Assistant	Ref. Page no. of Supporting ArticleshipDoc. no

3. PROFESSIONAL EXPERIENCES:

a) Details of Experience in PSUs in last five years ending on **31.03.2025**

SL No.	Name of the Company /Unit	PSU category (Maharatna/ Navratna/ Miniratna/ other/ state PSU)	Year Of Audit	Type of Audit Statutory /Internal Audit	Ref. Page no. of Supporting Documents(Award Letter and Experience Certificate & GST Invoice)

b) Details of Experience in Construction Industry in last five years ending on **31.03.2025**

SL No	Name of the Company/Unit	Listed Status (Yes/ No)	Operating turnover inRs. Cr. (in the year of assignment)	Net worth of the Co. (in the year of assignment)	Year of Audit	Type of Audit Statutory/ Internal Audit	Ref. Page no. of Supporting Documents (Award Letter And Experience Certificate)

c) Additional Information:

Whether the Partnership Firm / LLP has conducted Internal audit work in HSCC (India) Limited during any of the year in block of financial years 2022-23 to 2024-25

If the answer to above is yes, following details may be provided:

Sl. No.	Name of / for which Internal Audit was conducted	Year of assignment

4. PAN OF FIRM/LLP:

5. GST REGISTRATION NO.:

6. BANK DETAILS:

a	Bank Name	
b	Bank Address and Telephone	
c	Branch Code	
d	Type of Account	Saving / Current
e	Bank Account Number	
f	IFSC Code of the Bank	

7. CONTACT DETAILS:

a	Name of Authorised person	
b	Designation	
c	Mobile/Whatsapp number	
d	Email Id	

8. It is confirmed that all relevant annexures in support of application are submitted in precise manner with required attachments/ enclosures (also refer Annexure "F"). In case the application is found incomplete or without supporting documents, application can be rejected by HSCC.
9. This is to confirm that we have not taken any deviation from the specified terms & conditions of the EOI documents. A copy of complete EOI document duly signed and sealed on all pages as a token of acceptance of all terms & conditions is enclosed along with the application format.
10. This is to certify that all the information given above is accurate and any misstatement will be liable for rejection of our participation in EOI and blacklisting by HSCC as per Company's procedures.
11. It is certified that neither our firm/LLP nor any of its partner is debarred/ disqualified/black listed by any regulatory /statutory body or Govt entity or any International/National agency for corrupt or fraudulent practices.

Signature of Partner
Name & Seal of the Audit Partnership Firm/ LLP
Membership No. of Signing Partner

NOTE:

12. Any fraction of the year will be ignored for calculating the number of years. (reg. Point 1(e))
13. Application Format provided above along with the necessary attachments has to be sent to Manager (Finance), Internal Audit Division, 2nd floor, HSCC India Limited E-6(A), Sector-1, Noida-201301 before or on the last date of submission mentioned above.
14. Only those applications will be considered where application formats are duly signed and received in hard copy at the above-mentioned address before or on the last date of submission along with relevant supporting documents/backup.
15. It has to be ensured that all attachments in support of the application are legible. Further it has to be ensured that page numbers of the relevant annexure have been clearly mentioned along with their respective points in the application format.

SCOPE OF AUDIT

The scope of Internal Audit at **HSCC (India) Limited** covers a comprehensive review of the **adequacy, effectiveness, and implementation** of the organization's internal control systems. The audit will be guided by the **Standards on Internal Audit (SIA)** and other **technical guidelines issued by the Institute of Chartered Accountants of India (ICAI)**.

Key Elements of the Audit Scope:

1. **Evaluation of Internal Controls**

To examine the design and operating effectiveness of the internal controls and risk management framework, including internal financial controls and adherence to the company's **Delegation of Powers**.

2. **Compliance Verification**

To ensure compliance with applicable laws, rules, regulations, internal policies, circulars, and guidelines issued by regulatory authorities and HSCC management.

3. **Review of Accounting Systems and ERP**

HSCC maintains its books of accounts in accordance with **IND-AS** using an **in-house developed ERP system**. The Auditor shall review the accounting, documentation, and procedural systems implemented.

4. **Risk-Based Audit Approach**

The audit shall follow a **Risk-Based Internal Audit (RBIA)** methodology to focus on key risk areas and control gaps that could affect operational and financial integrity.

5. **Review of System & Procedures**

- Implementation and adherence to company-approved systems and SOPs
- Identification of control lapses and areas requiring process improvement

6. **Internal Control Testing**

- Sampling and walkthroughs of key controls
- Reporting of exceptions, deviations, or non-compliance

7. **Departmental Coverage**

The audit scope will include **all relevant divisions and departments** of the **Corporate Office**. A detailed **list of areas, departments, and functions** are as per detailed below.

Note:

HSCC does not operate regional or project finance offices; all audits pertain to and are centrally controlled from the **Corporate Office, Noida**.

Internal audit is an independent management function, which involves a continuous and critical appraisal of the functioning of an entity with a view to suggest improvements thereto and add value and strengthen the overall governance mechanism of the entity, including the entity's strategic risk management and internal control system. Internal audit, therefore, provides assurance that there is

transparency in reporting, as a part of good governance. Accordingly, internal auditor must ensure the above while performing the audit work.

The Functionality of Head office is divided between Various Divisions/ Departments as follow:

A) HRM & Admin

B) Finance Department comprising of (i) Banking Division (ii) Admin/Salary Division (iii) Compilation & Taxation (iv) Project closure Division (v) Project Finance Division

C) Law Division

D) Information Technology & ERP Division

E) Business development Group

F) Project Management Group

G) Central Procurement Group

H) Board Division

Internal auditor is expected to review all the current procedures, processes and transactions for each and every Financial and Non-Financial activity followed in various divisions and evaluate the same for internal control to identify the risk areas and to suggest mitigation measures in order to prevent fraud/errors/misrepresentation/misappropriations/revenue leakages/non-compliance to SoPs of HSCC and other statutory guidelines. The Internal Audit shall be carried out in accordance with the Auditing Standards and Accounting Standards prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the Auditor considers necessary under the circumstances. In addition to the above, Internal auditor is expected to extensively verify all the applicable central/state laws, rules, approval of Boards, Guidelines of concerned Ministry/ Dept. /C&AG/CVC etc, are followed by every Division of HO. In case of any deviation the same may be informed to the HSCC immediately.

The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organization's system of internal control with special emphasis on the following:

A. HRM & Admin Division:

HRM division handles all the activities for providing HSCC's diverse workforce with a stimulating environment to aid both their personal and professional development. It is also responsible for Framing Progressive policies such as mentoring and skill development programmers for junior employees and special leadership development programs for senior employees.

Administration division is responsible for procurement of Goods & Services for the Head office as per approved budget & policy.

Following areas of HRM & Administration Division must be covered during the course of Audit: -

I. Human Resource Management

- a) Scrutiny of Employee master data in terms of their categorization in Executive/Non-Executive, pay scale, seniority. The same must be reconciled with the data of payroll division.
- b) To verify the records for new appointments (including pay fixation) in light of the company guidelines, recruitment advertisement, approvals, submission of proper documentation, account authorizations etc.
- c) Review the rules & procedure of probation clearances for new employees as well as promoted employees, including their pay fixation on probation clearances.
- d) Review of expenses incurred and reimbursed in respect of transfer of Employees and in respect of prospective candidates applying for the company, in line with the company policy.
- e) Evaluation of current procedure followed for updating Employee master data (E.g. DOB, DOJ,

Employee Status, PAN, Transfer actions, Aadhar, Retirement action etc.) and its effectiveness. It may further be ensured that the trail of such an update is in place and running effectively. Ambiguities & risks, if any in current procedures may be specifically highlighted. Check whether all these information is updated in the employee's master data till the audit date.

- f) Review of Leave Accrual/Credit, availment along with required approvals, deductions and encashment in line with company policy and guidelines. Review and reconciliation of Leave Record as per ERP and Service Book. Further, Official Tours, Travels and Accommodation approved and booked as per the official entitlement.
- g) Review the cancellation of leaves for the Financial Year and its impact thereon.
- h) Checking of attendance record to ensure that attendance data is duly approved by HOD. Further, also ensure that intimation of both Leaves and Tours & Travels is given to HRM with HOD Approval in a timely manner as per defined timelines. Also ensure that monitoring of presence, absence and late sittings of employees through a biometric system ensures its effectiveness and efficiency in conformation with the Leaves, Official Tours, on Duty outside official assignments and overtime being intimated to HRM.

Further, analysis of Staff welfare and Local conveyance bills and necessary approvals.

- i) Review of updated status of Employee service book and its updation in the employee master data.
- j) Review of employee benefits (Including HRA, Housing Subsidy, Retirement benefits, Perks, various Insurance policies, PRP etc.) in light of Corporation & DPE guidelines.
- k) Review of employee benefits other than above in line with the Company Policy i.r.o. Laptop, Mobile Phones, Mobile Connections & Plans, Network dongle, Car facility and other assets & services being provided by the company to its Employees.
- l) Assessment of full & final settlement of retired/terminated employees/resigned employees including gratuity, PRP and other post-retirement benefits with special observance given on Proper deduction of leaves, transfer of leaves for resigned employee, Encashment of balance leaves and assure that employee who retire during the calendar year should be credited with proportionate leaves. Further, verifying the defined timelines followed for full and final settlement for cases of employees leaving the organization other than superannuation.
- m) In case of re-employment of retired employees on contract basis, as consultant or experts, auditors may ensure the compliance of HSCC's Rule of Re-employment of retired officials as consultant/advisors & guidelines and standard terms & conditions for appointment of an employee on contract basis.
- n) Review of report of exit interview to identify and compile the common reasons for tendering resignations.

Administration Division

- a) Review of all the procurements (Material & Services) /Contracts /proposals for various events awarded by Admn. Division to ensure that these are in accordance with approved procurement policy, Sub Delegation of power (SDoP) & Government guidelines. The bills on account of such contracts must also be verified to ensure payment made in line with the contract conditions.
- b) Evaluation of efficiency of record management system currently used in Admin Division. Special observance may be given to identification & movement of procured goods till its

disposal.

- c) Extension of current agreement or LOA should be approved by competent/delegated authority and must be in accordance with prevailing procurement policy.
- d) Effectiveness of existing control mechanisms to prevent submission of fake bill, duplicate bills, payment of unauthorized procurements etc.
- e) Maintenance of records for receipt, issue, return, repair & maintenance and disposal of Store items & fixed assets including assets on hire along with necessary approvals.
- f) Assets have been insured in a timely manner with proper sum coverage along with necessary approvals as per SDoP.
- g) Actual expenditure to be checked with reference to conditions of contract for maintenance work.
- h) Review of uses of departmental / outsourced vehicles as per HSCC policy/DPE Guidelines,
- i) Review report on usance of hired vehicles by the vendor / vehicle supply agency.

B. Finance & Accounts Department:

It handle company's Treasury & Fund management, Taxation compliance, preparation of accounts as per IND AS & SEBI guidelines, Payroll Management, PCD and other finance related activities like giving concurrence of all proposals having financial implication. Finance Department work is divided into various subdivisions. Division wise scope of audit is defined below:

I. Banking Division-

Auditor is expected to review the existing procedures and transactions during the current financial year with respect to the following: -

- a) Investment of surplus fund as per Investment policy and approval of Competent/delegated Authority. Correctness of accounting of interest etc.
- b) Effectiveness of Current Policy & procedure followed for opening, operating, closing and updating of signatories in pool, as well as Dedicated Bank accounts.
- c) Review of procedures followed for Issue, extension & Cancellation of such Bank guarantees including risk analysis (if any) of those BGs which are expired but not cancelled by Bank. Further apportionment of BG Commission should also be reviewed
- d) Review the Empanelment of Banks for investment of surplus fund as per applicable guidelines
- e) Balance confirmation of Debtors & Creditors & review of old balances.
- f) To ensure that intra bank transfers are genuine and are supported by documentary backup as well as necessary approvals.
- g) Utilization of funds from bank accounts as per MOU conditions and reconciliations of such accounts. To review the payment/ credit of interest earned on the client advance in case of separate bank account to the client ledger on timely basis in the books of accounts as per the agreement.
- h) Effectiveness of current procedures followed in identifying funds received from clients in HO bank accounts on behalf of various projects including their transfer to respective client account

and its utilization in line with MoU with the client.

- i) Reconciliation of various Bank accounts maintained with the bank statements. Review of dormant accounts, if any.
- j) Checking accuracy and authenticity of the accrued interest on bank deposits, TDS including effectiveness of procedures adopted for remittance of interest (Including compliance of TDS) to client as per the MOU/agreement.

II. Salary/Admin Division

This division is in charge for preparation & disbursement of salary, payment of leave encashment, liveries, PRP, Superannuation benefits and terminal dues, various advances & other employee benefits as per policies issued by HRM division. The recoveries against various facilities and adjustment of various advances as per the office order issued by HRM. Thus following areas may also be covered during the audit:

- A) Effectiveness & reliability of granting of various type of loan & advances to employees and its recoveries as the same should be as per HR & Finance policies. Effectiveness of current procedure for maintaining Employee wise records of such advances & recoveries.
- b) Preparation and Payment of salary to employees as per HR Employee Master Data, updation of bank account details, and adjustment of various recoveries viz. TDS, PF, facilities, advances etc. Timely deposit of TDS & filling of return along with Month on Month reconciliation of Salary of Employees.
- c) Payment of PRP, superannuation benefits and terminal dues as per policy and HRM office order. Special consideration on sufficiency of currently available Provisions (E.g. Leave encashment, benevolent funds, gratuity, PF, PRP etc) may be taken. Verification of computation & accounting of gratuity, provident funds, pension fund, benevolent fund, Medical Corpus fund etc.
- d) Test check of Master data of Payroll and HRM division to ensure accuracy of the salary components especially w.r.t. Basic Pay, Allowances, Perks, Medical insurance recovery etc. prepared by the division.
- e) Test check of the salary of the superannuated employees/resignation cases to ensure accuracy of recoveries viz. bond money, notice pay, leave encashment, etc.
- f) Test checks the final settlement process of death cases to ensure accurate and timely payment to the dependents.
- g) To verify the employee related proposal especially w.r.t. pay fixation, recoveries etc. concurred by the division.
- h) Review of working of Pension and PF trust, including vouchers, payments etc., Loans withdrawal & recovery of loans procedures from PF etc.
- i) Checking the unpaid amount to employees (like Salary, Bonus, perks, PRP) and action taken during Audit period.
- j) Detailed review of Fixed Asset Register in terms of Companies Act & Ind AS to ensure that format of fixed asset register must provide all the details regarding its cost, depreciation, location, accumulated depreciation, WDV etc. Further evaluation of effectiveness of current procedure follow for verification of fixed assets. Recommendations for Improvement of FAR must be provided.

- k) Ensure the effectiveness of procedures for Physical verification of fixed assets including its records, reconciliation if any and further actions recommendations.
- l) Checking of all employee's payment like TA/DA, Conveyance/Advances etc.
- m) Checking of all Administrative related payments.

III. Compilation & Taxation Division

This division is entrusted for preparation of Standalone & Consolidated Financial statement of HSCC, creations of various provision as required in Companies' Act 2013/ Ind AS/other Statutes, finalization of quarterly financial statement of HSCC for onward submission to NBCC.

Following area may be covered during the course of audit:

- a) To test check the creation & reversal of various provisions (E.g., ECL, Warranty, Gratuity, leave encashment (as per actuarial), etc. as per prevailing statutes, accounting policies and accounting standards in terms of necessity and sufficiency.
- b) To ensure the effectiveness of mechanism towards inter-company reconciliations at Head Office level on regular basis.
- c) Ensure, the procedures & policies are in compliance of Company (Auditor's Report) Order, 2020 (CARO) and suggestion if any for improvement has been complied with?

Taxation Division

Taxation Division is responsible for computation of advance tax & timely deposition, computation of current tax, deferred tax, provision for tax, assessment and various other compliance of Direct & Indirect taxation.

- a) Assessment of mechanism for filing and revision of TDS Returns.
- b) Scrutiny of Income Tax computations with special adherence to disallowed items, deferred tax calculations, compliance of advance tax and adjustment of profit/loss of subsidiary companies.
- c) Assessment of Advance Tax Planning and its quarterly payment as compared to Total Tax Payable for the year, keeping in view the unnecessary blockage of company funds/liquidity.
- d) Review of mechanism of all GST Compliances i.e, filing & reconciliation of Returns; Availment, claim and reversal of ITC, GST Audit, by all /s.
- e) Evaluation of mechanism adopted for reconciliation of 26AS & Books of accounts and its effectiveness.
- f) Appraisal of guidelines for issue, management and validity of circulars.
- g) Ensure the effectiveness of policy & system currently followed for identifying tax cases/scrutiny/assessments pending against and filed by HSCC at any forum and suggestions if any for improvements.

IV. Project Financial Closure Division

The division is responsible for financial closure of projects after its physical completion. For this purpose, Division maintains project & Contract wise data. The division also liaison with ZONE'S offices and monitor closure of projects. Following areas may be checked during Internal Audit:

- A) List of projects financially closed during the audit period, for HSCC as a whole and verification of its proposals and approvals as per SDoP.

- b) Review the Targets vs Actual closure of projects financially during the period and the review of differences along with its reasons if any.
- C) Review of Details of Physical & Financial Closure of projects as per ERP and reconciliation of the same with PCD MIS & Suggestions for improvising the same.
- d) Cases where projects which are classified as financially closed but balances are still appearing in Project balance sheet and existence of pending CAG audit, Internal Audit paras
- e) Test verification of projects which are financially closed but balances still appearing in ERP or salary expenses are still allocated & reasons for the same.
- f) Checking of approvals for write off/write back of balance appearing in Trial Balance for projects financially closed during the year.

IV. Project Finance Division

Internal Auditor will brief about the projects for which audit has been done. It will include:

- a) Name of Project / work,
- b) Name of the Client,
- c) Value and Date of sanction letter from the clients,
- d) Prime Cost as per sanction letter of the clients,
- e) Date of signing of agreement/MOU with clients,
- f) Completion period of the project as per agreement with clients,
- g) Date of start and date of completion of work as per agreement with clients,
- h) Name of the contractor/s,
- i) Value of LOI and date,
- j) Date of signing of agreement with contractor/s,
- k) Completion period of the work as per agreement signed with contractor/s,
- l) Date of start/completion of work as per agreement with the contractor/s,
- m) Actual Date of Start of work
- n) If work is delayed from contractual completion date, extended date of completion agreed by the clients,
- o) Likely date of completion of the work,
- p) Financial Completion of work in %,
- q) If value of work exceeds from original Prime Cost of Sanction letter of clients, Value and date of further increased Sanction letter from clients,
- r) Whether separate/dedicated account is opened for the specific project in line with MOU with client.
- s) Whether the milestones mentioned in the tender agreement/agreed with the contractor have been achieved. If not, action taken by the E-I-C in this regard.

Any other information regarding clients, contractor/s, work/project & etc., if required to disclose. The auditors may physically visit the projects sites on random basis.

A). Contracts (Civil / Others) of HSCC

- 1. Checking of bills of the contractor in terms of the conditions of contract.
- 2. Grant of extension of time for the contract to be correlated with the records / approvals of the Company.
- 3. Principal approval for extra, substitute and deviated items, escalation in the contract from the appropriate authority.
- 4. Checking of Performance BG, Mobilization Advance, Insurance Policies (CAR, WC, Third),Secured Advance, Security Deposit, Labour Laws, Time Schedule & Extension of Time (EOT),Taxes & Statutory Registrations ,Escalation of bills etc. as per terms and conditions of the Contract.
- 5. SOE and tally with ledger and sanction and reconciliation thereof.

6. Booking of Turnover.
Reconciliation of Client Deposit Accounts.

B). Project and Procurement Accounting

1. Checking of bills of the contractor in terms of the conditions of contract. Raising of Consultancy Fee as per contract at Functional Department level.
2. SOE and tally with ledger and sanction and reconciliation thereof.
3. LC Operations.
4. Booking of Turnover.
5. Reconciliation of Client Deposit Accounts.

C). Consultancy Income and Other Income Recognition

1. Checking of consultancy fee Bills including GST thereof on completion of activities/Job by Functional Departments as per terms of agreement with clients and TDS by clients.
2. Checking of Income Recognition, billing system and procedure of accounting to ensure timely and correct recording and compliance of Consultancy Income Recognition review.
3. Other Income recognition review and checking of the calculations thereof.

D). Others

1. 100% Vouching of all the vouchers including but not limited to Bank Vouchers, Cash vouchers, Journal Vouchers, Project Accounting Vouchers.
2. To check the authorization for the payments is in compliance with Delegation of Powers.
3. To check the compliance of payment instructions as per recommendation made.
4. Periodical review of General ledger and Subsidiary ledgers and annual financial results.
5. Reconciliation of Trial Balance on Monthly basis and to report, mismatch, if any.
6. Review of Budget and Actual Expenditure.

VI. Law Division

This Division is entrusted to manage the legal cases of HSCC. Following areas may be covered in the course of audit:

- a) Review of Procedures of appointment of advocates and Criteria for fixing & payment of their fees.
- b) Effectiveness of system currently followed for reporting cases decided/pending cases against and filed by HSCC at any forum,
- c) Effectiveness of policy & system currently followed for Data & record management system of all running & closed cases.
- d) Status of cases duly bifurcated in filed by HSCC on Client, Contractor & others (specific details) & vice versa.
- e) Status of realization of awards decided in favour of HSCC, reasons for delay if any.
- f) Status of action taken for award decided in against of HSCC, further actions taken.

VII. Information Technology & ERP Division

The Division is responsible for complete IT environment of HSCC including maintenance, HSCC website, E-office, various portals, technical supports and Networking environment etc.

The following areas must be covered in IT function:

- a) Analysis of IT Security aspects level of all the database to assure that data can only be accessible by authorized user only. Review of Authorization matrix in line with the mechanism for providing access and updation of the same at regular intervals for various executions.
- b) Review the system of Creation & updation of data back-up considering its safety and retrieval in line with IT Policy.
- c) Review of changes/additions in master data & modules along with the efficiency of the modules on ERP and ensure necessary approvals for such addition/changes obtained from concerned Division Head.
- d) Reviewing the ERP Authorization provided to all departments at HO. Whether the authorization provided by default or any specific authority is needed? Reviewing the present authorization provided to staff.
- e) Review of deletion/closure of email ids/ account for retired employees from Email @Gov portal and e-office portal of HSCC.
- f) Review of efficacy of HSCC in-house ERP system and suggestions on area of improvements.
- g) Ensure the Backup of Important data regularly taken/stored, frequency of such backup taken, data storing place/location, is it offline or online.
- h) Ensure the physical verification of computer hardware/software.
- i) Review of the expenditure made for purchase of Software.
- j) Review of Audit Trail as per MCA guidelines.

VIII. Business Development Cell And Overseas Projects

Business Development cell is entrusted with task to secure business for HSCC as well as acquisitions of companies. Following areas must be covered during the course of audit:

- a) Detailed report of EMD (In form of Bank Guarantees/ Demand Draft/Other forms) submitted to Client for securing of tender.
- b) Review of Standard format of MOU entered into with clients.
- c) Review of reasons for disqualification of HSCC in acquiring projects and actions undertaken to correct/ improve those aspects, if possible.
- d) Review of participation process in Bidding/Tendering done through HO
- e) Ensure the procedures for securing overseas projects.

IX. Project Management Group

PMG division is responsible to compile client, vendor, and project master data. The division also review the progress of various projects and provide MIS to the management.

Following areas must be covered during the audit for PMG area:

- a) Review of current mechanism followed for monitoring of various projects and provides suggestion for improvising the same. Special adherence to updation of master data in terms of revised cost and completion time.
- b) Reconciliation and reasoning for differences in Reported and Actual Turnover.

X. Central Procurement Group

The division is responsible for floating tender on behalf of /HOD. Accordingly, CPG division arranges to publish the NIT, receive, open, scrutinize and award the tender as per the Guidelines for Tendering for contractors. The records for EMD received in CPG Division and its safe custody (in case of BG) or in banks (in case of DD, if any) is also available in CPG Division.

Following areas may be covered during the audit:

- a) Approvals are obtained at each level of tendering as per the prevailing SDoP. Special adherence should be given to approved tender documents as per GCC as applicable.
- b) Review of tender scrutiny documents and technical evaluation sheet.
- c) Review of Records maintained for Tender Fee and EMDs received in the Bank Account of CPG division & Refund of EMDs. Entering & authorization of Tender Fee & EMD in the books of accounts.
- d) Sufficiency & effectiveness of records maintained in CPG with special adherence to EMD and its timely intimation (to respective or refund as the case may be).
- e) Confirmation of Bank guarantees as per GCC as applicable. Mechanism for ensuring safekeeping of the same.
- f) Review of Internal control on uploading of tenders on e-Nivida & E procurement portal of GOI.
- g) Test checking of few proposals for award of contracts assignments to ensure that procedures are in line with SoPs defined in Works manual and approvals have been obtained as per SDOP.

The Tender procedure may be reviewed under light of “Technical Guide on Internal Audit of Tendering Process issued by ICAI” and various statutory guidelines.

XI. Board Division

- a) To ensure the Compliance on Corporate Governance.
- b) Check whether the records of all board meetings and other meetings with Board Members are being maintained properly with due diligence.

Serious Irregularities:

Irregularities of serious nature viz. Fraud, Divergence of funds, Misappropriation of assets/funds, serious mistakes noticed during internal audit are to be reported to the Chief Internal Auditor through a Special Report.

Note:

- The above-mentioned details are not to restrict the scope of Internal Audit team but are only to meet the minimum specific requirements for the internal audit.
- The Internal Audit Team shall also ensure that all the amendments in relation to statutes like, Income Tax Laws, Indirect Tax Laws, Companies Act and other applicable laws are being complied by the company in due course.
- Internal Audit team is encouraged to suggest solutions to rectify the errors or deficiencies and not merely confine to making observations.

Internal Audit team should also give suggestions for system improvement and ensure compliance of the audit observations at the concerned division itself in their presence.

REPORTING REQUIREMENTS

Upon completion of the internal audit of the **Corporate Office or assigned functional units** of HSCC (India) Limited, the empanelled audit firm is required to follow a **structured and formal reporting process** as outlined below. This ensures clarity, uniformity, and actionable outcomes aligned with HSCC's internal control and governance objectives.

1. Preliminary Discussion with Management

The Partner(s) of the Firm/LLP must meet and discuss preliminary audit observations with the **Sectional Finance Head and/or respective Divisional Head / HOD at Corporate Office**. This allows the auditee to provide explanations or take corrective actions before the finalization of the report.

2. Verification of Compliance / Rectification

The audit team shall verify all replies, rectifications, and corrective measures submitted by the audited division. If found satisfactory, such issues shall be marked as **settled** and documented accordingly in the final report along with appropriate supporting records.

3. Finalization of Audit Report

Based on the outcome, a Final Audit Report strictly as per scope of work prescribed format needs to be prepared covering all the units so audited. The report should also contain specific comments as settled and unsettled audit observations along with suggestions for improvements, if any.

4. Reporting of Serious Irregularities or Fraud

Any Irregularities of serious nature or suspected frauds observed during audit may be immediately reported through a special report.

5. Structured Format of the Final Audit Report

The Final Audit Report shall be submitted in a **structured format**. The required reporting template/format shall be **shared with the audit firm at the time of commencement of audit**. The firm must adhere strictly to the prescribed format.

TERMS OF REFERENCE

1. FREQUENCY OF AUDIT, MINIMUM DURATION OF AUDIT, MINIMUM MANDAYS OF AUDIT TEAM AND ANNUAL AUDIT FEE FOR FINANCIAL YEAR 2025–26:

In HSCC (India) Limited, all projects and activities are centrally managed and controlled from the Head Office located at Noida. Therefore, there is no categorization of audit units.

Accordingly, the internal audit shall be conducted on a **monthly basis (reports to be submitted six monthly basis)** as per the manpower deployment and minimum attendance requirement defined below:

In accordance with the internal audit planning for FY 2025–26, the following manpower deployment and cost structure is proposed based on a total annual audit fee of ₹4,50,000. This includes the deployment of one Qualified CA/CWA and two Semi-Qualified Assistants (CA/CMA Inter).

Manpower Structure & Fee Breakup

S. No.	Manpower Type	No. of Personnel	Mandays/Month	Mandays/Year	Annual fixed Audit fee (₹)
1	Qualified CA/CWA	1	4	48	1,80,000
2	Semi-Qualified (Inter CA/CMA)	2	10 each	240 (120 each)	2,70,000
	Total				4,50,000

The above manpower deployment is aligned with the total annual audit fee of ₹4,50,000 for FY 2025–26.

Note: The **total audit fee for the FY 2025–26** shall be applicable for the above deployment structure. No reimbursement towards Boarding & Lodging, Transport, TA/DA or any other out-of-pocket expenses shall be payable.

1.1 Manpower Deployment & Attendance Conditions

The audit firm shall deploy the above-mentioned minimum manpower on a **regular basis** for conducting internal audit at HSCC (India) Limited.

1.2 Minimum Attendance & Penalty Clause

- One qualified CA/CWA must attend **at least 4 working days per month**.
- Each Semi-Qualified Assistant must attend **minimum 10 working days per month**.
- **Attendance records** shall be maintained and verified by the designated HSCC officer.
- **Penalty for short attendance:**
 - ₹2,500 per day for CA/CWA

- ₹1,000 per day for each Semi-Qualified Assistant
- **Persistent default** or unsatisfactory work may lead to:
 - Suspension of audit work
 - Blacklisting of the audit firm for a period of **3 years**
- The audit team **must always be headed** by a Qualified Chartered Accountant or Cost Accountant.

1. PLACE OF AUDIT

All records pertaining to internal audit shall be **available and maintained at the Corporate Office of HSCC (India) Limited**, located at **E-6(A), Sector-1, Noida – 201301 (U.P.)**.

2. SUBMISSION OF PERFORMANCE GUARANTEE

Once an audit firm is appointed to conduct the audit, an appointment letter will be issued mentioning the details of the projects to be audited, Scope and checklist, Audit Fees and duration etc. The audit firm has to provide acceptance to the appointment letter and send it back to Internal Audit Division along with performance security of 5% of the Audit Fee in the form of DD /NEFT in favour of HSCC (India) Limited within 10 days from the date of issuing of appointment letter.

In case the audit firm does not commence the audit after the acceptance of audit assignment, HSCC reserves the right to forfeit the performance guarantee after giving one week notice to the audit firm. The Performance Guarantee shall be released after successful completion of audit assignment at the time of release of audit fee on receipt of formal request of the audit firm.

In case the acceptance to appointment letter along with performance guarantee is not submitted within 10 days from date of appointment letter, the offer of appointment will be considered as withdrawn.

3. PRE-AUDIT MEETING

Subsequent to the issue of appointment letter, a pre audit meeting shall be organized through Personal meeting or video conference. The objective of the meeting will be to appraise the appointed firms about the organizational structure, requirements & expectations of the Management and audit plan for conducting Internal Audit of HSCC for financial year **2025-26**. Time and date for the meeting will be mentioned in the appointment letter or communicated through email or over mobile and attendance from all the appointed firms shall be mandatory. Only those firms will be invited to attend the pre-audit meeting which have accepted the appointment letter and submitted the required PBG.

4. SUBMISSION OF AUDIT REPORT

The internal audit shall be conducted on a **monthly basis** (report on six monthly) as per the scope defined in the appointment letter. The assigned audit work should be initiated as per mutually agreed dates between the Auditor and the **CFO/ Internal Audit & Finance Division** at HSCC (India) Limited.

The **half yearly Audit Report**, complete in all respects and strictly as per the reporting format provided in **Annexure B**, must be required:

- **Duly signed by the Partner** of the firm
- Submitted within the **prescribed time frame**
The Auditor shall submit the report in the following manner:
- **Three spiral-bound hard copies.**
- **One soft copy:**
 - Editable (Word format)
 - Signed scanned PDF format

All submissions shall be made to: **Manager (Finance), Internal Audit Division HSCC (India) Limited, 2nd Floor, E-6(A), Sector-1, Noida – 201301 (U.P.)**

5. PRESENTATION AT THE AUDIT COMMITTEE MEETING

The Internal Auditor may be required to present their findings, key observations, and professional opinion before the Audit Committee of HSCC (India) Limited. The meeting will be held at the designated location in Delhi/NCR, and the time and venue will be communicated separately.

Please Note:

No separate TA/DA or reimbursement shall be payable for attending the Audit Committee meeting. The same shall be deemed included within the scope of internal audit engagement.

6. PAYMENT OF AUDIT FEES

The **audit fee** shall be paid as per the fee structure mentioned in the **appointment letter**, along with **GST as applicable**, for each **six-monthly audit cycle**.

The audit fee shall become payable only after:

- Completion of the assigned audit work
- Submission of the **final audit report** in the prescribed format and timeline
- Acceptance of the report by the **Internal Audit Division**
- Review of the report by the **Audit Committee**

The Audit Firm must raise a **tax invoice** clearly indicating:

- The agreed audit fee
- Applicable GST
- GST Registration Number
- Bank details for payment

Important Conditions:

- **No advance** payment shall be made under any circumstances.
- HSCC reserves the right to **levy a penalty of 10%** of the audit fee for **delay in submission** of audit reports.
- Payment shall be made through **NEFT/RTGS** after deduction of applicable **TDS** as per the **Income Tax Act, 1961** and **GST Laws**.
- HSCC shall issue the necessary **TDS Certificate** for such deductions.

7. CONFIDENTIALITY

The audit team shall maintain strict confidentiality of all information accessed during the audit. Such information must not be disclosed or used for personal gain or in any manner detrimental to HSCC (India) Limited.

Auditors shall handle all data with integrity and in compliance with applicable laws and ethical standards.

8. AUDITORS' CONDUCT

Internal auditors must ensure that their team members conduct themselves in a **professional, ethical, and courteous** manner during the audit. Auditors are advised to carry their **own laptops** for documentation and printing work. All working papers created during the audit shall remain the **property of HSCC (India) Limited**.

The audit must be carried out **only by partners or employees** of the appointed firm/LLP. **Subcontracting** or involvement of any other firm/LLP will lead to **disqualification, forfeiture of audit fees and performance security, and blacklisting from future assignments**.

EVALUATION CRITERIA FOR AUDIT FIRMS

Evaluation of the audit firms for empanelment shall be based on the following objective technical parameters:

Sl. No.	Criteria	Minimum Requirement	Marks Allocation Basis	Max. Marks	Remarks
01	Year of Incorporation*	10 years	1 mark for each completed year	15	As per ICAI/ICMAI Registration Certificate
02	No. of Partners (with at least 1 year association as on 31.03.2025)	Minimum 4	FCA/FCMA – 4 marks ACA/ACM A – 3 marks	20	Based on constitution certificate issued by the Institute
03	No. of Audit Staff on Roll (excluding Partners)	Minimum 15	FCA/FCMA – 3 marks ACA/ACM A – 2 marks CA/CMA-Inter – 1 mark	16	Based on supporting documents issued by the firm
04	Experience of PSU Audit (Statutory/Internal) in last 5 years (ending 31.03.2025)	Minimum 1 PSU	Maha Ratna – 4 marks Nav Ratna – 3 marks Mini Ratna – 2 marks Other PSU – 1 mark	20	Attach appointment letters/certificates
05	Audit Experience in Construction/Infrastructure/Real Estate Sector (in last 5 years ending 31.03.2025)	Minimum 1 qualifying audit	5 marks per audited entity that is: a) Listed OR b) Turnover > ₹1000 Cr OR c) Net Worth > ₹500 Cr	15	Based on balance sheet/P&L/certification
06	Local Presence (Head Office/Branch Office at or near	-	Head Office – 6 marks	6	See Note (**) below

Sl. No.	Criteria	Minimum Requirement	Marks Allocation Basis	Max. Marks	Remarks
	place of audit)**		Branch Office – 3 marks		
07	Valid Peer Review Certificate issued by ICAI (issued on or before 31.03.2025)	Mandatory	5 marks	5	Attach a copy of valid certificate
08	Average Turnover of the Firm (last 3 financial years ending 31.03.2025)	Minimum ₹1.00 crore	₹2.00 crore & above – 3 marks ₹1.00 – ₹2.00 crore – 2 marks	3	Attach audited financials / CA certification

Total Marks Allocable: 100

Important Notes:

1. *Fraction of year shall not be considered for evaluation under Point 1 (Year of Incorporation).*
2. **Firms securing 70 marks and above** shall be **considered qualified** for empanelment.
3. **Preference will be given** to firms having **Head Office or Branch Office** located at **Delhi/NCR**. No assignment shall be awarded without the audit firm having such a presence.
4. For **local presence (Point 6)**, firms having offices at **Delhi, Noida, Greater Noida, Ghaziabad, Faridabad, or Gurgaon** will be treated at par.
5. In case of **tie in total score**, HSCC reserves the right to make a selection based on internal discretion. The decision of HSCC shall be final and binding on all participating firms.

In case of **non-availability of audited financial statements for FY 2024–25**, the statements for FY 2023–24 shall be accepted **with an undertaking** on the firm's letterhead stating the non-availability of FY 2024–25 audited financials.

IMPORTANT INSTRUCTIONS TO AUDIT FIRMS/LLPs

9. IMPORTANT INSTRUCTIONS TO AUDIT FIRMS/LLPs

1. Use the **prescribed format** and submit all required documents with annexure references. Incomplete applications may be rejected.
2. EOIs will be evaluated **only on technical details** submitted before the deadline. Late or additional documents will not be accepted.
3. Avoid **unsolicited documents** to ensure quick processing.
4. All documents must be **signed by a Partner**, with name and firm's seal.
5. Submit applications in a **sealed envelope** superscribed with:
 - EOI Ref. No. & Date
 - "Application for Empanelment for Internal Audit for 2025-26 to 2027-28"
6. Mention **firm's name, address, mobile number, and email** on the bottom-left of the envelope.
7. Submit by hand / post / courier to:
Manager (Finance)
Internal Audit Division
HSCC (India) Limited
2nd Floor, E-6(A), Sector-1, Noida – 201301 (U.P.)
(EOIs via email, fax, or telegram will not be accepted)

LIST OF DOCUMENTS TO BE SUBMITTED ALONG WITH THE APPLICATION /EOI

Interested firms are advised to carefully go through the EOI document and submit **self-attested copies** of the following documents in the same order as listed below:

1. **Latest Registration Certificate** of the firm issued by ICAI / ICMAI or Certificate of Incorporation (in case of LLP). This certificate will be treated as the conclusive source for:
 - Year of establishment
 - Address of Head Office & Branch(es)
 - Partner details with Membership Nos. and joining dates
2. **Membership Certificate** of Partners (FCA/FCMA/ACA/ACMA) issued by ICAI / ICMAI.
3. **Final Pass Certificate / Mark-sheet** of Qualified Assistants (CA/CMA) from ICAI / ICMAI.
4. **Certificate / Mark-sheet** of CA-Inter / CMA-Inter for Semi-Qualified Assistants from respective Institutes.
5. **Joining Certificate** on firm's letterhead (duly signed & sealed) for each Qualified / Semi-Qualified Assistant.
6. Copy of **PAN Card** and **GST Registration Certificate** of the Firm / LLP.
7. **Audited Financial Statements** of the Firm/LLP for the last 3 years ending 31.03.2024 / 31.03.2025 (as proof of average annual turnover).
8. **Copies of Appointment Letters & Experience Certificates** for statutory/internal audit work of PSUs / Corporates.
9. **Relevant extracts of Balance Sheet and P&L Account** of organizations audited in last 5 years showing:
 - Turnover (₹1000 Cr+)
 - Net worth (₹500 Cr+)

If audited financials for FY 2024–25 are not available, submit a written undertaking and provide FY 2023–24 data.

10. **Duly signed copy** of the entire EOI document as a token of acceptance of all terms and conditions (signed by a Partner with seal).
11. **Copy of Multipurpose Empanelment Form (MEF)** last submitted to ICAI.
12. **Address Proof** for Head Office / Branch Offices (located in Delhi/NCR).
13. **Valid Peer Review Certificate** issued by ICAI (issued on or before 31.03.2024).

Important Note:

- The complete EOI application including all attachments should be **spiral-bound or properly bound**.
- **Every page must be serially numbered**, signed by an authorized Partner, and carry the firm's seal.
- **Loose sheets will not be accepted.**

GENERAL TERMS AND CONDITIONS

1. Acceptance of EOI must be **unconditional**. Conditional EOIs will be rejected.
2. Firms that conducted internal audit for **HSCC Head Office** during any year from **2022–23 to 2024–25** will not be considered for internal audit but may be considered for other assignments.
3. Firms that were **offered internal audit** but **refused** the appointment during 2023–24 to 2024–25 will **not be considered** for empanelment.
4. Only firms scoring **at least 70% marks** (as per evaluation criteria) will be considered. HSCC reserves the right to relax this cut-off if sufficient responses are not received.
5. This EOI is only for **empanelment** and does not assure allocation of any audit assignment.
6. HSCC reserves the right to **reject any/all applications** or cancel the EOI process without assigning reasons.
7. Firms previously appointed and **terminated by HSCC** in the last 5 years are **not eligible**.
8. **Empanelment letters** will be issued based on ranking. Empanelment does not guarantee audit work or fees.
9. Upon appointment, the firm must submit a **signed copy of the Appointment Letter** and a **Performance Guarantee** within **10 days**.
10. Performance Guarantee of **5% of audit fee (excluding GST)** must be submitted via **DD/NEFT**. It will be refunded after successful completion.
11. **Sub-contracting** of audit work is strictly **prohibited**.
12. Empanelment is valid for **3 years** (from FY 2025–26). Initially, firms will be appointed for **1 year**, extendable by 1–2 years with **5% annual fee increase**, based on performance.
13. In case of **termination**, the next firm in sequence will be considered.
14. Non-performance after appointment may result in **forfeiture of Performance Guarantee and disqualification**.
15. If performance is unsatisfactory, HSCC may **terminate the firm's services** and forfeit fee and guarantee with one-week notice.
16. All audit assignments must be completed diligently, maintaining high standards.
17. Firms will be **debarred** from HSCC assignments for:
 - Misrepresentation in application
 - Sub-contracting audit work
 - Being debarred by ICAI/ICMAI
 - Failure to submit complete report on time
18. Refusal to accept the **audit assignment** will result in **removal from empanelment**.
19. Audit shall be conducted using a **checklist provided by HSCC**, as per the scope and risk framework.

20. In case of disputes, the **decision of HSCC Management** will be final.
21. EOIs will be evaluated **only on the basis of documents** received **before the deadline**. No post-deadline submissions will be considered, though clarifications may be sought.
22. Auditors must **maintain confidentiality** of all information accessed during audit.
23. HSCC shall **not reimburse any expenses** incurred in preparing or submitting the EOI.
