



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HINDUSTAN ORGANIC CHEMICALS LIMITED, FOR THE YEAR ENDED 31 MARCH 2020

The preparation of the Standalone Financial Statements of Hindustan Organic Chemicals Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit of the Standalone Financial Statements of Hindustan Organic Chemicals Limited for the year ended 31 March 2020 under Section 143(6)(a) of the Act. This Supplementary Audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(P.V. Hari Krishna)
Principal Director of Audit (Shipping)

Place: Mumbai
Date: 10 September 2020

Corrigendum to the 59th Annual Report for the year 2019-20

Additional Notes to the Consolidated Financial Statements

Note No.52: Ministry of Environment Forest and Climate Control (MoEFCC) was communicated vide their letter No. DO No.42/1/2015/PMU-OC dated 01-Jul-2020 and wherein it was informed that the Ministry had requested Ministry of Environment Forest and Climate Control (MoEFCC) to expedite the securing the Multi Lateral Fund (MLF). As per the existing procedure for securing MLF funding for preparation of project proposal is approved in the first instance for which verification by local consultant is scheduled during August, 2020 and same would be followed by technical audit of the facility commissioned by MLF Secretariat, which is scheduled during March, 2021. For this purpose, CFM-22 plant and plant and machinery to be in running condition till the completion of technical audit. As the original timelines of CCEA given during January, 2020 for closure will expire by July, 2020, a revised timelines request was put up by the Ministry with CCEA as requested by the Subsidiary Company (HFL) vide request letter dated 03-Aug-2020 from MD, HFL.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN ORGANIC CHEMICALS LIMITED, FOR THE YEAR ENDED 31 MARCH 2020

The preparation of Consolidated Financial Statements of Hindustan Organic Chemicals Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit of the Consolidated Financial Statements of Hindustan Organic Chemicals Limited for the year ended 31 March 2020 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a Supplementary Audit of the Financial Statements of Hindustan Organic Chemicals Limited and Hindustan Fluorocarbons Limited for the year ended on that date. This Supplementary Audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(P.V. Hari Krishna)
Principal Director of Audit (Shipping)

Place: Mumbai
Date: 10 September 2020

Note No.53: The Subsidiary Company received (26th May, 2020) interest free loan of Rs.73.70 Crore from the Government of India. The company paid Rs. 13.26 crore towards VRS compensation for the 30 employees on 30th May, 2020 and further VRS compensation of 34 (25+9) employees were paid an amount of Rs. 14.15 Crores with cut-off date of 30th June, 2020 and 20th July, 2020 respectively.

For and on behalf of the Board of Directors

Sd/-	Sd/-	
S.B. Bhide	C.P. Bhatia	As per our report of even date attached
Chairman & Managing Director and CEO	Director (Finance) & CFO	For BSJ & Associates
DIN 05323535	DIN 08554234	Chartered Accountants
		FRN: 010560S

Sd/-	Sd/-
Mrs. Susheela S. Kulkarni	CA. Jojo Augustine
Company Secretary	Partner
	Membership No.214088