



**MANISH BARELIA & CO.**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To  
Hindustan Paper Corporation Limited – In Liquidation  
Kolkata

We have audited the accompanying Past Accumulation Statement of provident fund of all members for 3 Establishment codes( Code - NE/GHY/1795 for Nagaon Paper Mill (NPM), Code – NE/GHY/2014 for Cachar Paper Mill (CPM) & Code WB/PRB/25173 for Corporate Head Quarters- CHQ) of M/s. Hindustan Paper Corporation Limited – in Liquidation as of 02.05.2019 (“the Accumulation Statement”). The Accumulation Statement has been prepared by officials of Hindustan Paper Corporation Limited – in Liquidation in accordance with the direction, guidance and requirement as requested by the Employees Provident Fund Organisation (EPFO) for the limited purpose of assisting EPFO in taking over the Establishment Trust Fund by Regional Provident Fund Commissioner consequent to liquidation order passed by Hon’ble National Company Law Tribunal, Delhi Bench vide its order dated 02.05.2019.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Accumulated Statement based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Accumulated Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Accumulated Statement. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Accumulated Statement, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Accumulated Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### Opinion

In our opinion, the financial information in the Accumulated Statement of Hindustan Paper Corporation Limited – in Liquidation as of 02.05.2019 is prepared, in all material respects, in accordance with generally accepted accounting principles.

### Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the Accumulated Statement, which describes the basis of accounting. The Accumulated Statement is prepared to assist Hindustan Paper Corporation Limited – in liquidation to meet the direction, guidance and requirement of EPFO. As a result, the Accumulated Statement may not be suitable for another purpose. Our report is intended solely for Hindustan Paper Corporation Limited – In Liquidation and EPFO and should not be distributed to parties other than Hindustan Paper Corporation Limited or EPFO.

For Manish Barelia & Co.

Chartered Accountants

FRN: 327276E

*Manish Barelia*

Manish Barelia

Proprietor

(M No. 064237)

UDIN: 20064237AAAAAL6389

Date: 28.01.2019

Place: KOLKATA



**NOTE - 1**

a. Basis of Preparation

The Accumulation Statement has been prepared by erstwhile officials of Hindustan Paper Corporation Limited – in liquidation in accordance with the direction, guidance and requirement as requested by Employees Provident Fund Organisation (EPFO) subsequent to liquidation order 02.05.2019 passed by Hon'ble National Company Law Tribunal (NCLT) Delhi Bench. The order sheet was made available on 16.05.2019.

The Accumulation Statement has been prepared for all 3 Establishment Code

- i. NE/GHY/1795 – Pertains to Nagaon Paper Mill (NPM), Assam
- ii. NE/GHY/2014 – Pertains to Cachar Paper Mill (CPM), Assam
- iii. WB/PRB/25173 – Pertains to Corporate Head Quarters (CHQ), Kolkata, West Bengal.

b. Officials involved in preparation of Accumulation Statement

The erstwhile officials (across NPM, CPM and CHQ) of Human Resources & Employee Services (HR&ES) department, Finance & Accounts department, Information Technology Department, Provident Fund Cell (PF Cell) along with support of concerned individuals (including retired employees of HPC Ltd as on 02.05.2019) were involved in preparation of the Accumulation Statement as on 02.05.2019.

c. ERP software

The PF data of employees/workers were maintained in a customized ERP named **Imprest** (Developed by Triple A Solutions). The following source information is taken from the ERP (Developed and maintained by Triple A System).

- i. Longsheet for live members for 2018-19 & 2019-20 – to work out the liability position. Longsheet for live members for the FY 2014-15 – to work out the funded position. Longsheet for live members for FY 2017-18 & 2018-19 – to work out the unfunded VPF. Longsheet for live members for FY 2015-16 to 2019-20 – to work out new loans/non-refundable withdrawals taken from funded balance as on 28.02.2015.
- ii. Customized PF Ledger for individual employees (for cases not settled as on 31.05.2019) for the period from FY 2009-10 to 2019-20, as designed and programmed by Triple A- the system solution provider, to get transaction details for this period.
- iii. Employee Master as available in the system is relied up on for respective employee detail.
- iv. Tagging of respective Employee ID, UAN, PAN, Aadhar, Nominee Details has been done by HR&ES department at respective location based on documents provided by the respective beneficiaries' and also as per details available in ERP records available with IT department of HPC Ltd- in Liquidation.

Arindam Roy



Arindam Roy  
(SOCIETY A DEPT)



- d. Opening balance of Individual members/beneficiaries' and funded portion of contribution made and analytical procedures

The opening balance of individual members/beneficiaries' as on 01.04.2018 were relied upon by taking the numbers from audited accounts of HPC Limited Employees Contributory Provident Fund Trust (PF Trust) for the year ended on 31.03.2018. For analytical procedures, reliance was also placed on audited accounts of PF Trust for the year ended 31.03.2014, 31.03.2015, 31.03.2016, 31.03.2017 and 31.03.2018.

The opening accumulated liability as on 01.04.2018 was traced to audited accounts of Hindustan Paper Corporation Limited for the year ended on 31.03.2018.

For analytical procedures, reliance was also placed on audited accounts of PF Trust for the year ended 31.03.2014, 31.03.2015, 31.03.2016, 31.03.2017 and 31.03.2018.

- e. Estimates used

- i. Provisional Interest rate of 8.65% has been taken for the period 01.04.2019 till 02.05.2019, as the actual rates are not yet declared for the FY 19 - 20.
- ii. Calculation of damages and Interest on delayed payments are not included in the attached statements.
- iii. The interest calculation for the period from 01.04.2015 to 02.05.2019 has been done on the closing balances of every preceding financial year ending on 31<sup>st</sup> March.

- f. Other observations

- i. The instances of negative closing balances in certain cases, Death and other cases but unsettled since long, Duplication of employees' name in the statement and UAN number of old employees not available have been appropriately disclosed in the Accumulated Statement.
- ii. Advance/Part settlement taken by employee/workman after the date of liquidation (02.05.2019) and up to date of receipt of liquidation order (16.05.2019) has also been considered in the statement in addition to a payment of Rs. 150,000/- made on 31.05.2019 under extraordinary medical situation for a beneficiary undergoing chemotherapy for cancer.
- iii. Actual PF contribution received after 02.05.2019 of 2 employees on deputation has not been considered in the statement..

Anindam Roy

Anindam Roy  
(SOMITRA DEY)

Anindam Roy



## Accumulation Statement

S No	Establishment Code	Count of Beneficiaries	Establishment liability as on 02.05.2019 (as reconciled for payments made till 31.05.2019)	PF funded amount as per Establishment records	Annexure	Page
			Rs	Rs		
1	NE/GHY/1795	937	1,27,83,62,561	81,08,89,516	Annexure A	1 to 20
2	NE/GHY/2014	1,675	1,65,38,24,121	1,12,09,16,209	Annexure B	21 to 59
3	WB/PRB/25173	430	20,53,30,046	13,02,79,096	Annexure C	60 to 69
	Grand Total	3,042	3,13,75,16,728	2,06,20,84,821		

Note

1 Annexure A, Annexure B and Annexure C forms integral part of the Accumulation Statement as per our report of even date

For Manish Barelia & Co.  
Chartered Accountants  
FRN: 327276E

Manish Barelia

Manish Barelia  
Proprietor  
M No. 064237



Amrita Roy  
(SOUNITRA DEY)

Brij Bihari Prasad Gupta  
(Brij Bihari Prasad Gupta)

Anindan Roy

वरिष्ठ प्रबंधक (मा. सं. व. का. से.)  
Sr. Manager (HR & ES)  
हिन्दुस्तान पेपर कॉर्पोरेशन लिमिटेड  
Hindustan Paper Corporation Limited  
Cachar Paper Mill, Panchgram-788802