



हिन्दुस्तान कॉपर लिमिटेड

HINDUSTAN COPPER LIMITED

CIN No. : L27201WB1967GOI028825

पंजीकृत एवं प्रधान कार्यालय  
Registered & Head Office

ताम्र भवन TAMRA BHAVAN  
1, आशुतोष चौधरी एवेन्यू  
1, Ashutosh Chowdhury Avenue,  
पो.बॉ.सं. P.B. NO. 10224  
कोलकाता KOLKATA - 700 019

भारत सरकार का उपक्रम  
A GOVT. OF INDIA ENTERPRISE

No. HCL/SCY/SE/ 2022

28<sup>th</sup> September, 2022

The Sr. General Manager  
Dept. of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001  
BSE Scrip Code: 513599

The Vice President  
Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex, Bandra(East)  
Mumbai 400 051  
NSE Symbol: HINDCOPPER

Sir / Madam,

Sub: Proceedings of the 55<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022 in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Proceedings of the 55<sup>th</sup> Annual General Meeting of Hindustan Copper Ltd held on Wednesday, 28<sup>th</sup> September, 2022 at 10:30 AM, Indian Standard Time, through Video Conferencing /Other Audio-Visual Means is enclosed.
2. The above is submitted pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for information and record please.

Thanking you,

Yours faithfully,

(C S Singhi)  
ED (Co Secretary)

Encl. as stated

The summary of proceedings of the 55<sup>th</sup> Annual General Meeting (AGM) of Hindustan Copper Ltd. ('the Company') held on Wednesday, 28<sup>th</sup> September, 2022, Indian Standard Time, through Video Conferencing or Other Audio-Visual Means from 10:30 AM to 12:09 PM.

Shri Arun Kumar Shukla, Chairman and Managing Director of the Company, chaired the Annual General Meeting (AGM). The Quorum was present throughout the meeting. 118 (One hundred eighteen) Members joined the AGM through Video Conferencing or Other Audio-Visual Means. The business before the meeting was taken up. A copy of Speech given by Chairman is enclosed.

The Ordinary and Special Business transacted by Members are as listed under Serial No.1 to 9 below. Queries raised by Members during deliberations were replied.

The facility of casting votes by remote e-voting was provided to the Members from 25<sup>th</sup> September, 2022 (9:00 AM) to 27<sup>th</sup> September, 2022 (5:00 PM). Facility of e-voting was also provided to the Members during the course of the meeting. The following Items of business as per 55<sup>th</sup> AGM Notice dated 1.9.2022 were transacted:

Ordinary Business

1. Adoption of Audited Financial Statements (Standalone and Consolidated) for the year ended 31st March, 2022, together with the Reports of the Directors, Auditors and C&AG thereon.
2. Declaration of dividend on equity shares for the financial year 2021-22.
3. Re-appointment of Shri Sanjay Panjiyar (DIN 02846267), as Director who retires by rotation and being eligible, offers himself for reappointment.
4. Re-appointment of Shri Shakil Alam (DIN 09272903), as Director who retires by rotation and being eligible, offers himself for reappointment.
5. To fix remuneration of the Auditors.


Special Business

6. Ratification and confirmation of the remuneration to be paid to M/s. Bandyopadhyaya Bhaumik & Co., Cost Auditor of the Company for FY 2022-23.
7. Approval to offer, issue and allot equity shares through Qualified Institutional Placement method.
8. Approval for constitution of QIP Committee for dealing with all matters pertaining to further issue of shares through Qualified Institutional Placement method
9. Approval to offer, issue and allot secured or unsecured non-convertible debentures /Bonds on private placement basis of an amount not more than Rs.500 crore during the next twelve months within the overall borrowing limit of Rs.2,500 crore

All the resolutions as per the Agenda of the meeting were passed by the Members by requisite majority.

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**HINDUSTAN COPPER LIMITED**

  
(C S SINGHI)  
E D & Company Secretary

**Hindustan Copper Limited**  
**Chairman's Speech**

**55<sup>th</sup> Annual General Meeting**

*28<sup>th</sup> September, 2022, Kolkata*

Dear Shareholders,

Good morning and welcome to all of you to the 55<sup>th</sup> Annual General Meeting of Hindustan Copper Ltd (HCL), being held virtually in accordance with the guidelines issued by the Ministry of Corporate Affairs and SEBI. As the requisite Quorum is present, I call the meeting to order.

Annual Report of the Company for financial year 2021-22 containing the Notice of 55<sup>th</sup> AGM, Directors' Report, Audited Financial Statements for the year ending 31<sup>st</sup> March, 2022 has been circulated to you. I am sure that you have gone through the same and have acquainted yourself with the performance of the Company. With your kind permission, I take the Annual Report 2021-22 as read.

I will now like to discuss various developments in the Indian economy and Copper sector that has bearing on the metal and mining sector at large. I also take this opportunity to share the Company's performance in the financial year 2021-22.

**Indian Economy**

The Indian economy has expanded at a faster pace in a year, fueled by increased consumption and regulatory measures taken by the Government. The country's Gross Domestic Product grew by 13.5 per cent in the April-June quarter of the financial year 2022-23. As per the NSO (National Statistical Office) data, the real GDP in Q1 2022-23 is estimated to attain a level of Rs 36.85 lakh crore as against Rs 32.46 lakh crore in Q1 2021-22. As India

remains the world's fastest growing economy, Copper demand of India is expected to grow in tandem with growth in Indian economy.

### **Global Business Scenario**

International Copper Study Group (ICSG) has reported that World copper mine production after three years of stagnation due to the COVID-19 pandemic and global lockdown is expected to increase by around 5.1% from 21.16 million tonnes in the Calendar Year (CY) 2021 to 22.25 million tonnes during the CY 2022.

The concentrate production increased by around 3.7% and solvent extraction-electrowinning (SX-EW) declined by around 3.9% in CY 2021 with respect to previous year. World refined copper production increased by around 1.4% in CY 2021 with primary production (electrolytic and electrowinning) up by 0.6% and secondary production (from scrap) up by 6% in CY 2021. World apparent refined copper usage increased by around 1.2% in CY 2021.

ICSG has forecasted about 4.8% increase in World copper mine production, i.e., from 22.25 million tonnes in CY 2022 to 23.32 million tonnes in CY 2023. World refined copper is forecasted to increase by about 1.9% in CY 2022 and 2.8% in CY 2023. Prediction for world usage is low in CY 2022, due to a weaker global economic outlook mainly as a consequence of the Russia-Ukraine war and the negative effect of COVID-19 related lockdowns in China that affected the country's manufacturing activity.

### **Market Trends**

After closure of last financial year, Copper prices remained volatile on economic slowdown fears. Copper's supply-demand imbalance sparked a record-breaking rally in 2021, pushing prices to a high of US\$10,730 per MT in March 2022. The price of copper has since been volatile on fears of global recession. However, since Copper is the third most-used metal in the world, experts believe that demand for this important commodity will rise in the

coming years on the back of a tight supply situation coupled with decreasing grade of copper in ore mined all over the world, leading to market environment for higher prices.

### **The Copper Industry**

The global demand for copper is expected to be on the rise in the long run due to its indispensability in the expanding sectors such as electronic products, building construction, industrial machinery, transportation equipment and consumer & general products. Copper demand will also increase due to progress of implementation of hybrid and electric vehicle worldwide with associated charging infrastructure, decarbonization policy push by US and EU and more and more emphasis on green energy to mitigate climate change. Copper being the green metal and also termed as new oil, has been considered as a core driver for moving the global economy toward net zero emissions. Further, the antimicrobial property of copper finds new age application in the health sector, in a post-pandemic world.

### **Indian Copper Scenario**

India has limited copper ore reserves contributing about 0.31 % of world copper reserves. India's Mining production capacity is just about 0.1% of world's Mining production capacity, whereas refined copper production capacity is about 4% of world's refined copper production capacity.

HCL has access to around two-fifths of the copper ore reserves and resources in India with an average grade 0.99%. In the financial year 2021-22, the copper ore production in India was 3.57 million tonnes. HCL has plans to increase its mining capacity from its current level ore production to 12.2 million tonne per annum in Phase-I in next 7 to 8 years and will take necessary action for further capacity enhancement to 20.2 million tonne per annum thereafter. Metal in concentrate (MIC) production of HCL in FY 2021-22 was 24,741 tonnes.

Copper consumption in India is expected to grow sharply with the thrust of Government towards 'Make in India', 'Smart City' programs, focus on fast developments in infrastructure sectors, defence, thrust on renewable energy and electric vehicles as well as to ensure raw material security and self-reliance under the Aatma Nirbhar Bharat initiatives.

### **Physical performance**

The Company has achieved ore production of 35.70 lakh tonnes during FY 2021-22 as against 32.73 lakh tonnes in FY 2020-21 registering an increase of 9.07%. The Metal in Concentrate (MIC) production during the year was 24,741 tonnes as against 23,866 tonnes in previous year registering an increase of 3.67%. The physical performance was however short of target due to low grade of Ore in the open pit mine at Malanjkhand Copper Project (MCP), MP, which has reached its ultimate depth and is in a transition phase from open pit to underground mining. To augment ore production from mines and to make up the shortfall, the Company has awarded two short-term contracts for production from the ready stopes of underground mine at MCP, in addition to operating contracts.

Recently, Surda mine at Ghatsila, Jharkhand, has resumed its mining operations upon extension of mining lease by the Government of Jharkhand. This will augment ore production from the eastern sector.

During 2021-22, there has been very marginal production of Cathode and CC Wire Rod due to direct sale of concentrate by the Company as the same gives higher profitability to the Company.

### **Financial performance**

In financial year 2021-22, your Company has achieved the highest ever turnover of Rs 1812.21 crore as against Rs 1760.84 crore during FY 2020-21. The Profit After Tax from continuing and discontinuing operation during FY 2021-22 is Rs 373.78 crore as against Rs 109.98 crore in FY 2020-21. The

profit of the Company improved due to dynamic marketing policy, reversal of inverted duty structure with effect from October 2021, effective procurement of services, reduction of loans, funding of ongoing Mine expansion projects through QIP fund and supportive LME prices. The long term marketing arrangements are showing results and the Company has been able to deleverage further, reducing the loan from around Rs. 1137 crore in March, 2021 to Rs.408 crore in March, 2022, i.e. a repayment of substantial amount of Rs.729 crore, thereby strengthening HCL's balance sheet and affording employee and community welfare measures.

In spite of all odds faced in previous years, the Company's rating has been maintained at ICRA A1+, the best possible short term rating for any company, and at ICRA AA+ (stable), the second best long term rating possible for any Company.

### **Dividend**

The Board of Directors of your Company has recommended the highest ever dividend payout of 30.01% of Profit After Tax for Financial Year 2021-22, equivalent to 23.20% on paid-up equity capital of the Company, i.e. Re 1.16 per share of Rs. 5/- face value for the year 2021-22 for approval of shareholders in the Annual General Meeting. The outgo on this account will be Rs. 112.17 crore approx.

### **Expansion projects**

Your Company is implementing expansion projects to increase mine production capacity to 12.2 million tonne per annum (MTPA) in the 1<sup>st</sup> Phase which will be subsequently enhanced to 20.2 MTPA in order to boost domestic production of copper metal to reduce dependence on imports by India.

The proposed expansion of MCP will augment the ore production capacity from 2.0 to 5.0 MTPA by developing an underground mine below the existing open pit whose life is at its fag end.

The proposed expansion of mines at western sector i.e., Khetri, Kolihan and Banwas mine (at Rajasthan) will increase ore production capacity from existing 1.0 to 3.0 MTPA.

The plan in Surda Mine in Jharkhand envisages sinking of shaft, deepening of various winzes to increase production capacity from 0.4 MTPA to 0.9 MTPA. Validity of Surda Mining Lease has been extended till 31.3.2040 by the Government of Jharkhand (GoJ) vide letter dated 06.01.2022.

The Company has already re-opened the Kendadih underground mine and has also initiated action to reopen the Rakha mine, operation of which is closed since 2001 at Singhbhum Copper Belt of ICC.

### **Corporate Governance**

Your Company is committed to comply with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the guidelines issued by the Department of Public Enterprises, Government of India relating to the Corporate Governance. A separate section on Corporate Governance has been included in the Directors' Report. The Company has achieved "Excellent" grade for compliance of Corporate Governance for FY 2020-21.

### **CSR / Concern for community**

The Company is focused on improving lives and livelihoods by promoting self-reliance and wellness among those staying in and around its Mining Units, thus fostering the true essence of Atmanirbharta.

During 2021-22, HCL continued to spend on CSR even though it was not mandated as per the Companies Act, 2013. In FY 2021-22, HCL has spent Rs 77 Lakhs on projects of Health, Water, Livelihood and Other areas with special focus on COVID-19, nutrition and livelihoods. It has supported the local



Government institutions around its three mining units in the battle against the COVID-19 pandemic. It has provided training and support to 21 Self Help Groups with 240 women members in different livelihood activities, viz., Leather Hand Gloves, Wooden Craft, Muri (Puffed Rice) and Leaf Plate Unit in Ghatsila, Jharkhand.

HCL is promoting a micro enterprise to encourage copper usage and improve the livelihoods of the metal artisans of Kuilisuta village, near Ghatsila Unit in Jharkhand. HCL has provided the villagers with new furnace, tools and equipment, copper and zinc metal. The focus is on promoting new design, improving the quality of products and facilitation in marketing of the products. Handling fire and electrical safety are part of the training process. The products have a huge demand in the market.

### **Industrial Relations**

The Industrial Relations throughout the year remained peaceful and harmonious across the Company. The Trade Unions and Officer's Association extended their full-support and commitment to the Management on important issues.

### **Acknowledgement**

Before I conclude, on behalf of the Board of Directors, I convey my deep gratitude to the Shareholders for their continued support and trust. This motivates us to excel in all our pursuits. It will certainly be our endeavor to put in our best efforts for sustained growth, expansion and prosperity of the Company, thereby benefitting all stakeholders.

I take this opportunity to thank the Ministry of Mines for its unstinted support and valuable guidance. I also acknowledge the support extended by the State Governments and all other authorities and regulatory agencies.

I will like to thank my colleagues on the Board for their valuable guidance and contribution in steering the Company to higher levels of achievement.

On behalf of the Board, I also take the opportunity to acknowledge the efforts, commitment and constructive cooperation of all the employees, Trade Unions, stakeholders in the operations of the Company.

I thank you all once again and offer my best wishes for a very joyous festive season ahead. Please stay safe and take very good care of your family and yourselves.

Thank you.

Kolkata  
28<sup>th</sup> September, 2022

Arun Kumar Shukla  
Chairman and Managing Director

*(This does not purport to be a record of the proceedings of the Annual General Meeting)*