



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,
पो०बॉ०सं० P.B. NO. 10224
कोलकाता KOLKATA - 700 019

भारत सरकार का उपक्रम
A GOVT. OF INDIA ENTERPRISE

No. HCL/SCY/SE/ 2023

29th September, 2023

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 56th Annual General Meeting of the Company held on 29th September, 2023 in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Proceedings of the 56th Annual General Meeting of Hindustan Copper Ltd held on Friday, 29th September, 2023 at 11:00 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)
Company Secretary &
Compliance Officer

Encl. as stated

The summary of proceedings of the 56th Annual General Meeting (AGM) of Hindustan Copper Ltd. ('the Company') held on Friday, 29th September, 2023, Indian Standard Time, through Video Conferencing or Other Audio-Visual Means from 11:00 AM to 12:50 PM.

Shri Ghanshyam Sharma, Chairman and Managing Director (Addl. Charge) of the Company, chaired the Annual General Meeting (AGM). The Quorum was present throughout the meeting. 105 (One Hundred Five) 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 10 below. Queries raised by Members during deliberations were replied.

The facility of casting votes by remote e-voting was provided to the Members from 26th September, 2023 (9:00 AM) to 28th September, 2023 (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 56th AGM Notice dated 1.9.2023 were transacted:

Ordinary Business

1. Adoption of Audited Financial Statements (Standalone and Consolidated) for the year ended 31st March, 2023, together with the Reports of the Directors, Auditors and C&AG thereon (Ordinary Resolution).
2. Declaration of dividend on equity shares for the Financial Year 2022-23 (Ordinary Resolution).
3. Re-appointment of Shri Sanjiv Kumar Singh (DIN:09548389), as Director who retires by rotation and being eligible, offers himself for reappointment (Ordinary Resolution).
4. Re-appointment of Shri Sanjeev Verma (DIN:08836996), as Director who retires by rotation and being eligible, offers himself for reappointment (Ordinary Resolution).
5. To fix remuneration of the Auditors (Ordinary Resolution).

Special Business

6. Appointment of Shri Ghanshyam Sharma (DIN:07090008) as Director (Finance) of the Company from the date of his joining on 28.2.2023 in terms of Ministry of Mines Order No. Met.3-10/3/2020-Met.III dated 1.2.2023 (Ordinary Resolution).
7. Ratification and confirmation of the remuneration to be paid to Cost Auditor of the Company, M/s Chatterjee & Co., Cost Accountants, for FY 2023-24 (Ordinary Resolution).
8. Approval to offer, issue and allotment of equity shares through Qualified Institutional Placement method (Special Resolution).
9. Approval for constitution of QIP Committee for dealing with all matters pertaining to further issue of shares through Qualified Institutional Placement method (Special Resolution)
10. 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 (Special Resolution).

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

HINDUSTAN COPPER LIMITED


(C S SINGHI)
Company Secretary &
Compliance Officer

Hindustan Copper Limited
Chairman's Speech

56th Annual General Meeting

29th September, 2023, Kolkata

Dear Shareholders,

Good morning and welcome to all of you to the 56th 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.

The Annual Report of the Company for the financial year 2022-23 containing the Notice of 56th AGM, Directors' Report, Audited Financial Statements for the year ending 31st March, 2023 has been circulated to you. I am sure that you might have gone through the same and have acquainted yourself with the performance of the Company. With your kind permission, I take the Annual Report 2022-23 as read.

The journey of HCL has been marked by resilience, adaptability, and a steadfast commitment to excellence. Over the years, we have navigated through dynamic market conditions, evolving technologies, and changing global landscapes. Our unwavering dedication to our core values of integrity, sustainability and responsible mining practices has ensured that we not only survive but thrive for setting benchmarks for the industry.

The world is rapidly evolving, with new technologies, environmental imperatives and varying market dynamics that lead to change the profile of our industry. It is imperative that we adapt, innovate, and stay ahead of the curve. I, therefore, would 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 2022-23.

Indian Economy

The Indian economy has expanded at a faster pace fueled by increased consumption and positive regulatory measures taken by the Government. The country's economic growth in the 2022-23 fiscal year was 7.2%. India's GDP growth rate rose to a pace of 7.8% year on year in the April-June quarter of 2023, compared with growth of 6.1% year on year in the January-March quarter of 2023, according to data released by India's National Statistical Office. 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 forecasted that World copper mine production is expected to increase by around 3% from 21.95 million tonnes in the Calendar Year (CY) 2022 to CY 2023 and growth of about 2.5% in CY 2024. The preliminary data indicates the increase in mine production during the 1st half of CY 2023 is approximately 2% with concentrate production increasing by 2.2% and solvent extraction-electrowinning (SX-EW) by 1.5%.

It is reported that global mine production over the first half of 2023 benefitted from few start-ups and expansions. The world growth, however, was limited by operational issues in Chile, Indonesia, Panama and the United States, as well as by community actions in Peru.

As per ICSG forecast, World refined copper production was expected to increase by around 2.6% from 25.64 million tonne in the Calendar Year (CY) 2022 to CY 2023 and growth of about 4.4% in CY 2024. The preliminary data indicates that the increase in refined copper production during the 1st half of

CY 2023 is approximately 7% in which primary production was up by 6% and secondary production up by 12%.

The preliminary data indicates that the increase in apparent refined copper usage during the 1st half of CY 2023 is approximately 4% in contrast to the forecast of increase by 1.4%.

Market Trends

LME Price of refined copper averaged at USD 8,446/ tonne till August, 2023, lower than the average of USD 8,551/tonne seen in entire FY 2022-23. As per Australian Office of Chief Economist, the price is likely to rebound in the second half of 2023.

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 vehicles worldwide with associated charging infrastructure, decarbonization policy pushed by US and EU and enhanced 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 towards 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 to about 0.3 % of world copper reserves. India's Mining production capacity is just about 0.1% of the world's Mining production capacity, whereas refined copper production

capacity is about 4% of the world's capacity. However, the share will increase significantly with the proposed commissioning of the new Smelter, Refinery plant by KCL (Kutch Copper Limited) which is scheduled next year.

HCL has access to around 55% of the copper ore reserves and resources in India with an average grade 0.96%. In the financial year 2022-23, the copper ore production in India was around 3.35 million tonnes. HCL is implementing plan to increase its mining capacity from its current level ore production to 12.2 million tonne per annum in Phase-I in next 6 to 7 years.

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 33.47 lakh tonnes during FY 2022-23 as against 35.70 lakh tonnes produced in FY 2021-22. However, the Metal in Concentrate (MIC) production during the FY 2022-23 was 24,760 tonnes as against 24,741 tonnes in previous year, registering a marginal increase of around 0.80%. Wire rod production through tolling operations for outside parties of the Company during FY 2022-23 was 6,558 tonnes as against 1,241 tonnes achieved in previous year. The physical performance of the Company for MIC production was below the target set for the year mainly due to non-availability of adequate number of benches for mining at open pit mine of Malanjkhand Copper Project, Madhya Pradesh, as the open pit mine has reached its ultimate depth and is in a transition phase from open cast operation to underground mining operations; suspension of production at Surda Mine, Ghatsila, on account of non-execution of mining lease deed by the State Government of Jharkhand; crusher breakdown at Kolihan Copper Mine and continual water shortage at Khetri Copper Complex, Rajasthan.

To augment ore production from mines and make-up the shortfall, the Company has taken various steps, viz. award and execution of contract for MCP open pit mine during FY 2022-23, execution of two small short-term contracts awarded in FY 2021-22 for production of Copper ore from the readily available stopes of underground mine at MCP. Further, the major contractor engaged for ore production from MCP underground mine has started bringing the imported equipment at site leading to substantial increase in stope development quantity and gradual ramp up of ore production from underground mine stopes at MCP.

Financial performance

In financial year 2022-23, your Company has achieved the Revenue from Operations of Rs. 1677.33 crore as against Rs. 1821.93 crore during FY 2021-22 mainly due to the decrease in LME Price of Copper from 9691 US\$ /MT to 8551 US\$ /MT and also lesser sales volume by 1088 MT during FY 2022-23.

The EBITDA of the Company was Rs.586.52 crore during FY 2022-23 as against Rs.560.53 crore in FY 2021-22 registering an increase of 4.63%. The EBITDA of the Company has improved due to mining of better grade of ore, reduction of loans by Rs.252 crore, dynamic marketing policy and effective procurement of goods & services. The Company posted Profit Before Tax from continuing and discontinuing operations of Rs.395.66 crore as against Rs.381.72 crore in FY 2021-22 registering an increase of 3.65%. The Profit After Tax from continuing and discontinuing operations during 2022-23 was Rs.295.31 crore as against Rs. 373.78 crore in FY 2021-22. This was primarily due to the reason that profit of FY 2021-22 was adjusted by the carry forward losses of earlier year. Measures have been taken to improve the financial performance of the Company, result of which will be seen in coming years.

During the year Credit rating of the Company 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.

Your Company won the prestigious 35th CFBP Jamnalal Bajaj Uchit Vyavahar Puraskar -2022-23 in the category of Manufacturing Enterprises – Large, in recognition of the Company's highest ethical standards and fair business practices.

Dividend

The Board of Directors of your Company has recommended a dividend payout of 30.13% of Profit After Tax for Financial Year 2022-23, equivalent to 18.32% on paid-up equity capital of the Company for approval of shareholders in the Annual General Meeting. The outgo on this account will be Rs. 88.97 crore approx.

Expansion projects

Your Company is implementing expansion projects to increase mine production capacity from current level to 12.2 MTPA by FY 2028-29. This will boost domestic production of copper metal to reduce dependence on imports by India.

The proposed expansion of MCP (at Madhya Pradesh) will augment the ore production capacity from 2.5 to 5.0 MTPA by developing an underground mine below the existing open pit. For production of copper ore from underground mine at MCP, a contract for Development, Production Drilling and Ore Production was awarded in July, 2019. The Contractor has started production of copper ore from stopes since July, 2022 and completed the mobilization of production equipment at the site. Further, the Company has also awarded the EPC contract for construction of 3.00 MTPA Paste Fill Plant for back-filling

the voids of Underground mine at MCP and the construction work has already commenced at the site.

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

The proposed expansion and reopening of Surda Mine in Jharkhand will increase its production capacity from 0.4 MTPA to 0.9 MTPA.

Exploration

During FY 2022-23, your Company has enhanced its focus on exploration considerably to assess depth extension of the ore bodies in different leases of HCL as well as to enhance copper ore inventory of the Company. The efforts have led to increase in copper ore reserve & resources by 66.59 million tonne of ore. Budget for exploration has been enhanced about five times as compared to last 10 years' expenditure on this head. The geological drilling and associated work completed in FY 2022-23 is around four times of the exploration activities undertaken by the Company in last 10 years.

The Company has signed a Memorandum of Understanding (MoU) for collaborative and sponsored research projects with Indian Institute of Technology (Indian School of Mines), [IIT (ISM)], Dhanbad in January, 2023. The MoU will allow HCL to receive technical assistance, guidance and consultancy work from IIT-ISM for enhancing copper ore production through modifying mining methods with application of state-of-the-art technologies, improvement of productivity and safety in mines, environmental clearance issues, various hydrological & hydro-geological studies and in areas of unconventional exploration methods like Geophysical exploration, Remote Sensing etc. for depth exploration of copper ore deposit.

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 parameter for FY 2021-22.

Social and Environmental Responsibility

Commitment of your Company to environmental stewardship remains unwavering. We understand the importance of responsible mining and sustainable practices. We will continue to invest in technologies and strategies that minimize our ecological footprint. We aim, not just to meet regulatory requirements but to exceed them and set new standards for the mining sector.

Your 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.

The mining operations of your Company are located in the tribal dominated districts. The public service delivery in the area is challenging and the people are dependent on HCL for few of its basic necessities and therefore, during FY 2022-23, HCL continued to spend on CSR activities in addition to the mandated scope under the Companies Act, 2013 but beneficial to the Community. In FY 2022-23, HCL has spent Rs 118.30 Lakhs on medicines and test kits for health camps and Covid-19, repair of schools and construction of toilets, training to women farmer on system of assured rice production, drinking water facilities, nutrition, livelihoods, and rural

development benefitting more than 50,000 people in 40 villages around the mining units of HCL.

The Company has received several awards for its CSR activities such as National CSR Awards, Golden Peacock Award, ET Now CSR Leadership Awards, etc. in the recent past.

Industrial Relations

The Industrial Relations throughout the year remained peaceful and harmonious across the Company. The Trade Unions and Officers' 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 would 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 towards improved 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
29th September, 2023

Ghanshyam Sharma
Chairman and Managing Director
(Addl. Charge)

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