



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. HCLISCY/SE/ 2016

22.8.2017

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 50th Annual General Meeting of the Company held on 22.8.2017 in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Proceedings of the 50<sup>th</sup> Annual General Meeting of Hindustan Copper Ltd held on 22.8.2017 at its registered office at 'Tamra Bhavan', 1 Ashutosh Chowdhury Avenue, Kolkata - 700019 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)

GM (IA) & Co Secretary

Encl. as stated

Annexure

The summary of proceedings of the 50<sup>th</sup> Annual General Meeting (AGM) of Hindustan Copper Ltd. ('the Company') was held on 22.8.2017 at its registered office at 'Tamra Bhavan', 1 Ashutosh Chowdhury Avenue, Kolkata - 700019 from 10:30 AM to 3:05 PM.

Shri K D Diwan, Chairman of the Company, chaired the meeting. The quorum was present throughout the meeting. 2310 Members were present in person or through proxy at the meeting. 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 19.8.2017 (9:00 AM) to 21.8.2017 (5:00 PM). Voting by Ballot was also provided to the Members at the meeting venue.

The following Items of business as per 50<sup>th</sup> AGM Notice dated 22.8.2017 were transacted:

Ordinary Business

1. Adoption of audited Financial Statement for the year ended 31st March, 2017 together with the Reports of the Directors, Auditors and C&AG
2. Declaration of dividend on equity shares
3. Re-appointment of Shri Sanjay Kumar Bhattacharya, who retires by rotation
4. Re-appointment of Shri Santosh Sharma, who retires by rotation
5. Fixation of remuneration of Auditors

Special Business

6. Appointment of Shri Subhash Chandra as Director
7. Appointment of Shri Niranjana Kumar Singh as Director
8. Ratification and confirmation of the remuneration to be paid to M/s Chatterjee and Co. Cost Auditor of the Company
9. Approval to Board of Directors, to offer, issue and allot, secured or unsecured non-convertible debentures/ bonds on private placement basis

All the resolutions as per the Agenda of the meeting were passed by the Members by the requisite majority through remote e-voting and Ballot at the AGM venue.

\*\*\*\*\*

**Hindustan Copper Limited  
Chairman Speech  
50th AGM  
22<sup>nd</sup> August, 2017 Kolkata**

---

**My Dear Shareholders, Distinguished Guest, Ladies & Gentlemen  
Very Good Morning and Hearty Welcome to all of you!**

**It is a great honour and privilege for me to preside over the 50<sup>th</sup> Annual General Meeting of your Company and I once again welcome each one of you on this special occasion.**

**This AGM is indeed a very special one achieving a momentous milestone of recording 50<sup>th</sup> anniversary of your Company. In this momentous year, I would like to place on record our deep sense of gratitude to all the Shareholders for their support and inspiration to achieve newer milestones of success.**

**HCL, the Nation's only copper mining Company was incorporated on 9<sup>th</sup> November 1967 by taking over NMDC all plans studies and project pertaining to copper, for generating an indigenous copper production facility in the Country. Since then, the Company has weathered several hurdles and has made many landmarks in the history of copper mining, beneficiation, smelting and refining in India.**

**The Company which started a humble beginning at Khetri in 1967 with coppers mines has now presence across all the value chain of the copper. Your Company has presence in six States namely Rajasthan, Jharkhand, Madhya Pradesh, Maharashtra Gujarat and Chhattisgarh.**

**The Annual Report for the year ended 31st March, 2017 along with the AGM notice; Directors' Report and the audited Annual Accounts of the Company have been circulated to you. With your permission, I take them as read. Now, with your permission, I would like to dwell on the developments in the Indian economy and copper sector.**

### **The Economy**

**Indian Economy is looking-up with brighter prospects amongst the world's major economies today. In the last fiscal year, inspite of currency reforms and other global disruptions, the economy has recorded a growth of 7.1 percent. In fact, it is still one of the fastest growing economies in world. The present Government during last three years in the office has been able to usher significant economic reforms to spur the economic growth.**

**With the implementation of GST we have entered into new era of Indian economy. Certainly, Metal sector including our copper sector is expected to gain from this change. The present Government, since last three years has undertaken systematic efforts to implement deep structural reforms to unlock the full potential of its economy.**

**Far-reaching reforms have been put in place which include the GST Act, along with, steady progress in India's ranking in Ease of Doing Business, the Government's flagship program in manufacturing through 'Make in India' and new mindset is expected to propel India on to a double digit trajectory growth path. This augurs well for demand growth for the metal sector in the long term.**

### **The Industry**

**Positive sentiments in the industry have started growing and the industries are regaining confidence and have started planning for**

**the future. Primary metal producers of copper are planning and have started capacity expansion plans. New players are also expected to invest in the sector.**

**In the year 2016, world copper demand was 23.45 million tonnes. China remains the largest consumer of refined copper in world consuming around 50 percent of the world demand. World refined usage is expected to increase by around 2% in 2017 and 2018. Sustained growth in world copper demand is expected to continue because copper is essential to economic activity and even more so to the modern technological society. Infrastructural development in major countries like China and India will continue to sustain growth in copper demand. Improvement is anticipated for the world economy for 2017 and 2018 which, although modest, should support copper demand growth.**

**With regards to the domestic market, during Financial year 2016-17, the demand of refined copper which included copper cathode and wirerod is around 6.65 lakh tonnes. Copper consumption growth rate is likely to increase around 6 to 7% due to improvement in growth rate of manufacturing, housing & infrastructure sectors. The key growth drivers are in continuing demand from power and construction sectors. The growing environment consciousness and emphasis on using more energy-efficient appliances would also help to protect demand for copper in India. India is self sufficient in refined copper production and has emerged as net exporter of refined copper.**

**One of the major challenges the domestic copper industry facing is huge surge in imports of refined copper from the countries we have Free trade agreements. The imports have increased from 65,000**

tonnes in the 2010-11 to around 2.30 lakh tones in 2016-17, which is equivalent to one third of the total domestic demand.

On price front, in the year 2016-17, LME prices of copper has witness a strong recovery from Dec' 2016 onwards and during the current year considering the global macro economic factors, the average prices during 2017-18 is expected to remain above 6000 US dollar per tonne.

*Let me now take you briefly through the Company's performance during the year gone by.*

Dear Shareholders, Despite the difficult situation and the many challenges that your company had to face with in fiscal year 2016-17, your Company has posted reasonably good results as compared to other integrated Companies in metal sector.

#### **Production**

During the fiscal 2016-17, Overall sale volume during the year was 28,888 tonnes as against 24,112 tonnes in the previous year thereby registering a growth of 20 percent.

During the year, Copper ore production of 38.45 lakh tonne as compared to 39.08 lakh tonne in the year 2015-16. Metal in Concentrate (MIC) production of 30,587 tonnes during the year compared with 31,578 tonnes in the last year. The mine production has suffered due to planned shutdown of crushers at Malanjkhanda mine. Cathode production of 18,602tonnes during the year compared with 23,024tonnes in the last year.

During the year, Dear Share Holders during the last AGM, I have informed the esteemed shareholders about acquisition of plant and

machinery of Jhagadia Copper Ltd located at District Bharuch, Gujarat from Arcil, Mumbai. I am happy to inform that your Company has successfully re-commissioned the first phase of the newly acquired Gujarat Copper Project and on 6<sup>th</sup> October 2016 the Plant was dedicated to the Nation by Hon'ble Chief Minister of Gujarat and Hon'ble Union Minister of Mines. During the year the GCP has produced 8906 tonnes of copper cathode.

#### **Financial**

During the Company, your Company has registered 63% increase in Profit After Tax (PAT) to Rs 62.17 crore from Rs 37.97 crore in the FY 2015-16. Profit Before Tax in fiscal 2016-17 was Rs 94.55 crore against Rs 39.96 crore in 2015-16. Sales turnover registered a growth of 14% to Rs 1216.94 crore from Rs 1068.95 crore in the previous year.

I also like to mention that the Company is laying more emphasis on initiatives to reduce their cost of production and internal improvement programme to generate additional revenue.

#### **Dividend**

The Board of Directors of your Company has recommended payment of dividend at the rate 4% on equity, i.e. Re 0.20 per share of Rs. 5/- face value for the year 2016-17, for approval of shareholders in the Annual General Meeting. The outgo on this account will be Rs. 18.50 crore for dividend and Rs. 3.77 crore towards tax on dividend, aggregating to a total outgo of Rs. 22.27 crore.

#### **Growth Initiatives**

Given the fact that HCL has huge natural resource of copper, your Company is implementing the mine expansion projects increase the mine production capacity by four times. The Company's flagship project, Malanjkhand underground mine of annual capacity 50 lakh

tonne is progressing well. It is expected that the ore production from underground mine will commence from December 2018.

During the year, the Company expects significant progress in mine development activity with MDO for Banwas mine at Khetri been appointed. Also, Environment and Forest clearances have been obtained for its Kendadih and Rakha mine re-opening projects located at Ghatsila, Jharkhand.

HCL's focus in the next fiscal would be to expedite the expansion programme and ramp up the production from Gujarat Copper Project located at Bharuch in the shortest possible time.

During the fiscal FY16-17, the Company initiated project on "Waste to Wealth". A compatible technology has been developed to extract minerals and materials from copper ore tails (CoT), a waste generated during copper ore beneficiation. A contract has been awarded for installation and commissioning of CoT processing plant of annual capacity 3.3 million tonne at flagship Unit at Malanjkhand, Madhya Pradesh. The project shall be commissioned in fiscal year 2017-18. It shall be a significant value creator for the Company.

The Company has plans to set up a plant of capacity 1.0 lakh tonne per annum to manufacture copper cathode through cost effective hydro-metallurgy technology. The site of the project has been finalized and investment in the project is Rs 3025 crore. The investment proposal after the recommendation of the Board has been sent to the Ministry to obtain CCEA approval.

#### Corporate Governance

The philosophy of the Company in relation to corporate governance is to ensure transparency, disclosures and reporting that conforms



fully with the laws and regulations of the country in order to promote ethical conduct and practices throughout the organization for enhancing stakeholders' value. Your Company is committed to comply with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance and the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India.

Your Company has achieved 'excellent' grade on compliance of Corporate Governance for 2015-16 as per report notified by Department of Public Enterprise. Based on self evaluation of compliance of Corporate Governance for 2016-17, your Company has scored 'excellent' grade. A separate section on corporate governance furnishing applicable details forms part of the Directors' Report Responsibility Towards Society

Your Company is committed to fulfill its social responsibilities for making positive impact on society through a planned set of initiatives as per the relevant provisions of The Companies Act, 2013 and Companies CSR Policy Rules, 2014 and DPE Guidelines.

During FY 2016-17, the Company has spent an amount of Rs 5.15 Crores CSR activities against the mandated amount of Rs 3.71 Crores.

Under Corporate Social Responsibility (CSR), your Company has taken up several projects like Promoting preventive Health Care and Sanitation and making available safe Drinking Water Facility, Promoting Education and employment enhancing Vocational skills and Livelihood opportunities, Promoting Environmental

**sustainability, Promoting Sports and various Rural Development Projects.**

**SKILL DEVELOPMENT:**

**Your Company has allocated 21.52 % of its CSR fund in FY 2016-17 for Skill Development activities.**

**a) Kaushal Vikas Yojna**

**To improve the skill of the local youths to make them employable and recognizing the prior learnings of the Contract labour, HCL signed a MoU with National Skill Development Council (NSDC) to impart fresh skills to the local youth and recognize the 'prior learnings' of the Contract labour engaged in HCL. 70 youths beneficiaries of this program have so far been placed in reputed companies, notably 18 at Maruti Udyog Limited, Gurgaon at a stipend of Rs 10000/-; 11 at Tata Motors, Jamshedpur at a stipend of Rs 7000/- and 5 as Meter Testing Engineer in Energy Management Services, Jaipur at a salary of Rs 15000/-.**

**b) Skill Development Institute as an Upgraded Training Center**

**A Skill Development Institute as an Upgraded Training Center was established at Khetrinagar Copper Complex, District – Jhunjhunu (Rajasthan). Three trades, i.e., Blaster, Survey and Loco/ Loader Operation have been identified for training at the center. 2 batches of 6 months duration in Survey Trade consisting of 30 trainees each has been planned in FY 2017-18. The first batch has started on 12.04.2017.**

**Accolades & Recognitions**

**Your Company has been consistently receiving recognitions in various spheres of its activities. A few of the significant recognitions received in the field of CSR is detailed below.**

i) HCL was declared the Winner of 'Golden Peacock Award for Corporate Social Responsibility' for the year 2016 by the Awards Jury and was presented the Award on 20.01.2017 in the "11th International Conference on Corporate Social Responsibility" held at Bangaluru.

ii) Hindustan Copper Limited received the 'ABP NEWS - CSR Leadership Awards' on 17.02.2017 at Taj Lands End, Mumbai

### **Auditors' Comments**

The Statutory Auditor's Report has already been circulated to all the shareholders. I am glad to inform that the Statutory Auditor's have no adverse comments on the accounts of the company for 2016-17. In addition, C&AG after having reviewed your company's accounts for 2016-17 have given a 'NIL' report.

### **Acknowledgement**

Before I conclude, on behalf of the Board of Directors of your Company, I wish to convey earnest thanks to all the Share holders for your continued support and trust in us. This motivates us to excel in all our pursuits and constant endeavour to create value for you.

I take this opportunity to thank the Ministry of Mines for their 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.**

**Above all, I would like to place on record the commendable efforts and commitments shown by our most valued resource, i.e. the Human Resource of the Company as our employees have always contributed their best for the Company to set new benchmarks. We have recently initiated again the 'SAMVAAD", the communication exercise which will lead to emancipation of one and all.**

**On behalf of the Board, I also take the opportunity to acknowledge the efforts, commitment and constructive cooperation of the Trade Unions and their representatives in the operation the Company.**

**I thank you all once again and offer my best wishes for a very joyous festive season ahead.**

**Kolkata  
22<sup>nd</sup> August, 2017**

**K D Diwan  
Chairman-cum-Managing Director**

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