

Hindustan Copper Ltd  
Corporate Office  
Kolkata

No. SCY/00/2010

7th December, 2018

**OFFICE ORDER**

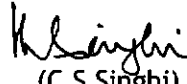
In pursuance of the authorization given to CMD, HCL in the 383<sup>rd</sup> Board meeting held on 13<sup>th</sup> November, 2018, the following Committees of the Board are hereby reconstituted in supersession of the existing Committees, namely:-

Sr.No.	Name of the Committees	Composition and Quorum
<b>I. Statutory Committee(s)</b>		
1.	Audit Committee	<p>Shri Hemant Mehtani, Independent Director - Chairman Shri Dileep Raj Singh Chaudhary, Independent Director - Member Shri Subhash Sharma, Independent Director - Member Company Secretary - Secretary</p> <p><u>Quorum</u> Either two members or one third of the members of the Committee whichever is greater, but there should be minimum two Independent Directors present</p>
2.	Corporate Social Responsibility Committee	<p>Smt Simantini Jena, Independent Director -Chairman Shri Subhash Sharma, Independent Director - Member Director(Personnel) - Member Company Secretary - Secretary</p> <p><u>Quorum</u> Minimum two members present including one Independent Director</p>
3.	Nomination and Remuneration Committee	<p>Shri Dileep Raj Singh Chaudhary, Independent Director -Chairman Smt. Simantini Jena, Independent Director - Member Shri Subhash Sharma, Independent Director - Member Company Secretary - Secretary</p> <p><u>Quorum</u> Either two members or one third of the members, whichever is greater, but there should be minimum one Independent Director present</p>
4.	Stakeholders Relationship Committee	<p>Shri Subhash Sharma, Independent Director -Chairman Shri Hemant Mehtani, Independent Director -Member Director (Finance)- Member Company Secretary - Secretary</p> <p><u>Quorum</u> Minimum two members present including one Independent Director</p>
5.	Sub Committee of Independent Directors	<p>All non-official / Independent Directors of the Board</p> <p><u>Note</u></p>

		All Independent directors of the Company shall strive to be present at such meeting without the attendance of non-Independent Directors and members of management
6.	Risk Management Committee	Director (Operations) - Chairman Director (Personnel) - Member Director (Mining)- Member Director (Finance)- Member Head of (M&C), CO- Member  <u>Quorum</u> Minimum three members
7.	Share Transfer Committee	CMD and functional Directors  <u>Quorum</u> Minimum two Directors present
<b>II. Non-Statutory Committee(s)</b>		
8.	Business Development Committee	CMD -Chairman Shri Dileep Raj Singh Chaudhary, Independent Director - Member Smt Simantini Jena, Independent Director- Member Director (Finance) - Member The concerned functional Director - Member  <u>Quorum</u> Minimum two members present
9.	Sub Committee on HR	Smt Simantini Jena, Independent Director - Chairman Shri Hemant Mehtani, Independent Director - Member Director (Personnel) - Member Director (Mining) - Member  <u>Quorum</u> Minimum two members present
10.	Sub Committee on Tenders	CMD and Functional Directors <u>Quorum</u> Presence of CMD, Director (Finance) and concerned Functional Director

Terms of Reference (ToR) of the Committees is given in Annexure. ToR of all Statutory Committees shall stand amended as per applicable statutes and guidelines issued, notified from time to time.

The above is issued with the approval of competent authority and shall be effective from 7.12.2018.

  
(C S Singh)  
GM (IA) & Co Secretary

Distribution:

1. All Members of the Board
2. Head of (M&C)

Terms of reference of Sub-Committees of the BoardAudit CommitteeAs per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. The audit committee shall mandatorily review the following information:
  - i. management discussion and analysis of financial condition and results of operations;
  - ii. statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - iii. management letters / letters of internal control weaknesses issued by the statutory auditors;
  - iv. internal audit reports relating to internal control weaknesses; and
  - v. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - vi. statement of deviations:
    - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

As per Section 177 of the Companies Act, 2013:

1. Recommendation for remuneration of auditors of the company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;  
Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed;

Provided further that in case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the

related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it:

Provided also that the provisions of this clause shall not apply to a transaction, other than a transaction referred to in section 188, between a holding company and its wholly owned subsidiary company.

5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.

#### **Corporate Social Responsibility Committee (CSR Committee)**

As per Section 135 of the Companies Act, 2013:

The Corporate Social Responsibility Committee shall—

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (1); and
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

#### **Nomination and Remuneration Committee (N&RC)**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The role of the Committee shall, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

As per Section 178 of the Companies Act, 2013

1. \*The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the

Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

2. \*The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
  3. \*The Nomination and Remuneration Committee shall, while formulating the policy under (2) above ensure that—
    - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
    - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- ( \*Shall not apply to Government Company except with regard to appointment of senior management and other employees, vide MCA notification no. GSR 463(E) dated 5.6.2015)

As per DPE guidelines:

1. To decide the annual bonus/variable pay pool and policy for its distribution across the executives and Non Unionised Supervisors, within the prescribed limits.(DPE OM No.2(70)/08-DPE(WC)-GL-XVI/08 dated 26<sup>th</sup> Novemebr,2008)

Stakeholders Relationship Committee

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

As per Section 178 of the Companies Act, 2013

1. To consider and resolve the grievances of security holders of the Company.

Sub-Committee of Independent Directors (SCoID)

As per Schedule IV of the Companies Act, 2013

The separate meeting of Independent Directors shall:

1. \*Review the performance of non-independent directors and the Board as a whole;

2. \*Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(\*Shall not apply in the case of a Government Company if the requirements in respect of matters specified in these paragraphs are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied by the Government Companies, vide MCA notification dated 5.7.2017)

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Same as Companies Act, 2013

#### **Risk Management Committee**

1. The role of the Committee shall be to monitor and review the risk management plan of the Company including recommending measures for mitigation of risks and review cyber security.

#### **Share Transfer Committee**

1. Transfer and transmission of shares;
2. Issuance of duplicate share certificate(s) in place of those lost, misplaced or mutilated;
3. To consider and approve sub-division of share certificate(s);
4. To consider and approve re-materialization of shares;
5. Any other matter incidental to the above.

#### **Business Development Committee**

1. To consider and recommend any new business incentive and / or any changes in the existing businesses of the Company to the Board of Directors for approval.
2. To recommend to the Board R&D Projects and to oversee implementation of the selected projects

#### **Sub Committee on HR (SCoHR)**

1. To act as an advisory body to the Board for all matters relating to Human Resources including Recruitment, Promotion and Training.

#### **Sub Committee on Tenders (SCoT)**

1. To recommend to the Board tender cases beyond the delegated powers of CMD.