



MEMORANDUM OF UNDERSTANDING

BETWEEN

HINDUSTAN COPPER LIMITED

AND

MINISTRY OF MINES

FOR

2011-2012

**MEMORANDUM OF UNDERSTANDING (MOU)
BETWEEN
HINDUSTAN COPPER LIMITED
AND
MINISTRY OF MINES
FOR
2011-2012**

The MOU has been structured in the following parts:

Part I: MISSION AND OBJECTIVES

Part II: EXERCISE OF ENHANCED AUTONOMY AND DELEGATION OF FINANCIAL POWERS

Part III: PERFORMANCE EVALUATION PARAMETERS AND TARGETS

Part IV: COMMITMENTS/ASSISTANCE FROM THE GOVERNMENT

Part V: ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU

PART – I

MISSION AND OBJECTIVES

1.1 MISSION:

To be a premier metal mining company of international repute and to maximise its profitability while ensuring sustainable development and utilisation of available mineral resources for national benefit.

1.2 OBJECTIVES:

- To achieve sustainable growth in business through optimum & efficient use of existing resources & assets.
- To enhance the value of the company by acquiring and developing new resources of copper and other minerals.
- To assimilate state-of-the-art technology in every sector of activities for competitive advantage.
- To strive for continuous improvement in productivity and energy efficiency to bring at par with the best internationally.
- To continue efforts for human resource development.
- To be one of the most profitable Nav-Ratna Companies.

PART – II

EXERCISE OF ENHANCED AUTONOMY AND DELEGATION OF FINANCIAL POWERS

Pursuant to the award of 'Miniratna, Category 1' status to HCL, the Board of HCL has been provided with enhanced power as per the scheme applicable to 'Miniratna, Category 1PSU.

PART – III

PERFORMANCE EVALUATION PARAMETERS AND TARGETS

**MoU Assessment Format for Industrial CPSEs –
Manufacturing and Mining CPSEs**

Details are enclosed at Annexure III as per format

PART IV: COMMITMENTS/ASSISTANCE FROM THE GOVERNMENT

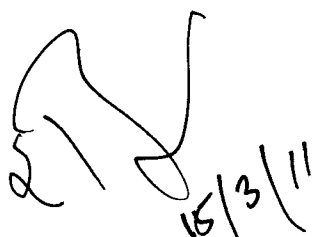
- Reserving the areas (not notified yet by the State Govt. in Madhya Pradesh, Rajasthan & Haryana) for HCL for ML/PL/RP for which applications have been submitted to MOM, New Delhi.
- Assistance for issue of fresh mining leases and renewal of existing leases.

PART V: ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU

HCL undertakes to submit the quarterly reports on the various performance areas regularly. Board/Committee of Directors of the Company will review the progress of the MoU every quarter.

To ensure that MoU system is properly monitored in the DPE, the following activities would be taken into consideration in MoU for the year 2011-12:

- I) Timely signing of MoU for the year 2011-12 with the target date of 15th March, 2011.
- II) Timely submission of Performance Evaluation Report (composite score) for the year 2010-11 on the basis of Audited data along with the Audited Accounts, Balance Sheet and Profit and Loss Account for the year 2010-11 to DPE after approval of the Board of HCL and through the administrative Ministry within the target date of 31st August, 2011.
- III) Posting of the Audited Accounts for the year 2010-11 in the Company's website and submission of Annual Report of 2010-11 by 31st August, 2011 to enable the timely preparation of PE Survey 2010-11.



15/3/11

(Shakeel Ahmed)
Chairman-cum-Managing Director
HINDUSTAN COPPER LIMITED



(S Vijay Kumar)
Secretary
MINISTRY OF MINES

PERFORMANCE EVALUATION PARAMETERS AND TARGETS

MoU Assessment Format for Industrial CPSEs - Manufacturing and Mining CPSEs

The performance indicators for 2011-2012 targets, and relative weights for each of the Indicators for evaluation of the Company's performance during 2011-2012 are indicated below:

Sl. No.	Evaluation Criteria	Unit	Weight (%)	2011-12 MOU Target				
				Excellent (1)	V Good (2)	Good (3)	Fair (4)	Poor (5)
1.	Static/Financial Parameters							
(a)	Financial indicators - Profit Related Ratios							
i.	Gross Margin/ Gross Block	%	02	57.51%	52.40%	49.84%	47.28%	44.99%
ii.	Net Profit/ Net Worth	%	10	27.32%	25.34%	24.46%	23.53%	22.69%
iii.	Gross Profit/ Capital Employed	%	10	51.73%	48.14%	46.44%	44.65%	43.01%
(b)	Financial indicators – Size Related							
i.	Gross Margin	Rs. crore	08	450.00	410.00	390.00	370.00	352.00
ii.	Gross Sales	Rs. crore	04	1450.00	1320.00	1254.00	1191.00	1132.00
(c)	Financial Returns – Productivity Related							
i.	PBDIT/Total Employment	Rs. Lac/Employee	07	7.99	7.21	6.86	6.51	6.19
ii.	Added Value/ Gross Sales	%	09	26.29%	26.03%	25.89%	25.68%	25.51%
	Sub-total 1 (a +b +c)		50%					

- Note: 1. IFRS has not yet been finalized and hence the changes in the accounting standard have not been taken into consideration in the projection.
 2. The financial performance of the Company would be adversely affected in case Mining Tax is to be considered later on.
 3. Gross sales figures exclude sales from imported concentrate and purchased cathode.

Sl. No.	Evaluation Criteria	Unit	Weight (%)	2011-12 MoU Target				
				Excellent (1)	V Good (2)	Good (3)	Fair (4)	Poor (5)
2.	Dynamic Parameters							
(d)	Quality							
	a) Net revert generation at ICC Smelter as % of new anode production	%	01	0.28	0.30	0.32	0.34	0.36
	b) Acceptance % of CCR of TCP	%	01	99	98	96	94	92
(e)	Customer Satisfaction (To achieve complaint free quality standard)	%	01	100	99	96	93	90
(f)	HRD (Employee training and motivation)							
(i)	Training & Development	Mandays	02	5500	5225	4964	4716	4480
(ii)	Minorities' representation in new recruitment	% of new recruitment	01	5	3	2	1	0
(iii)	Training in project management for executives	Nos.	01	25	22	20	18	15
(iv)	Instituting System of awarding Innovations both at Unit & Apex level	Month	01	Sept'11	Nov'11	Jan'12	Feb'12	Mar'12
(g)	R&D (For sustained and continuous innovation)							
(i)	Collaborative research jointly with CIMFR, Dhanbad on field trials, to evaluate & quantify efficacy of SPARSH in the open pit at MCP in improving safety & productivity for engineering blasting operations.	Month	01	Dec'11	Jan'12	Feb'12	Mar'12	Non-completion of trial
(ii)	Trial with sodium silicate to improve recovery at KCC concentrator plant (as recommended by M/s IBM) by March '12.	Month	02	Dec'11	Jan'12	Feb'12	Mar'12	Non-completion of trial
(iii)	Trial with High-Chrome Grinding Media Balls to optimize its size for increased milling at MCP	Month	01	Dec'11	Jan'12	Feb'12	Mar'12	Non-completion of trial
(iv)	Expenditure on R&D activities/projects	Rs. Lakh	01	10	9	8	7	6

(h) Project Implementation (Modernization & Expansion)								
(i)	Commencement of detailed exploration at Baniwali Ki Dhani	Month	02	Nov'11	Dec'11	Jan'12	Feb'12	Mar'12
(ii)	Shaft deepening & creation of ore handling facilities at Khetri mine at (-) 300 mRL (Phase II) (Commencement of Work)	Month	02	Dec'11	Jan'12	Feb'12	Mar'12	Non-issuance of letter of award
(iii)	Addl. Shaft sinking & creation of ore handling facilities below 0 mRL at Kolihan mine (Commencement of Work)	Month	02	Jan'12	Feb'12	Mar'12	Non-commencement of work	-
(iv)	Expansion of Surda mine with sinking of a new vertical shaft (Phase II) (Issue of letter of award)	Month	01	Dec'11	Jan'12	Feb'12	Non-commencement of work	-
(v)	Development of an u/g mine below open pit at MCP:							
	i) obtain PIB clearance, CCA approval	Month	01	July'11	Aug'11	Sept'11	Oct'11	Nov'11
	ii) issue letter of award	Month	01	Dec'11	Jan'12	Feb'12	Mar'12	Non issuance of letter of award
(i) Capital Expenditure/ Greenfield investment/Joint Venture								
(i)	Amount spent on Mine Development & Mine Expansion by Mar'12	Rs. Crore	01	297.00	250.00	200.00	150.00	100.00
ii)	Amount spent on Replacement & Renewal by Mar'12	Rs. Crore	01	23.00	21.50	20.00	18.50	17.00

Sl. No.	Evaluation Criteria	Unit	Weight (%)	2011-12 MoU Target				
				Excellent (1)	V Good (2)	Good (3)	Fair (4)	Poor (5)
(j) Corporate Social Responsibility (CSR)								
(i)	Preparation of Board approved CSR plan	Month	01	30.09.11	31.10.11	30.11.11	31.12.11	31.01.12
(ii)	Expenditure on CSR as a % of PAT	%	01	0.50	0.48	0.46	0.44	0.42
(iii)	Implementation of 4 livelihood promotion scheme by Mar'12	Nos.	0.75	4	3	2	1	-
(iv)	Hold Eye Camps to cover 5 villages by Mar'12	Nos.	0.75	5	4	3	2	1
(v)	Provisioning of drinking water/water supply in 5 villages by Mar'12	Nos.	0.75	5	4	3	2	1
(vi)	Completion of various CSR activities other than above 3 main activities by Mar'12	Rs Lakh	0.75	36.00	34.00	32.00	30.00	28.00
(k) Sustainable Development								
(i)	Plantation of 8,500 perennial saplings in tailing dam area towards green belt development at Malanjkhanda	Nos.	02	8500	7500	6500	5500	4500
(ii)	Soil restoration – plant grass turf at tailing pond embankment at MCP	Sq. Mtr.	01	32000	30000	28000	26000	24000
(iii)	Increasing capacity of Karamsara Tank to avail 0.30 MCM water from dead stock during summer (Award of work)	Month	01	Jun'11	Jul'11	Aug'11	Sep'11	Oct'11
(iv)	Workshop on Sustainable development	Nos.	01	3	2	1	-	-
(l) Corporate Governance								
(i)	Compliance of Corporate Governance norms as applicable to HCL as per Corporate Governance guidelines issued by DPE (List of applicable items to HCL annexed)	%	04	100	90	80	70	60
(ii)	Submission of data for Public Enterprises Survey published by DPE	Month	01	15.09.11	01.10.11	15.10.11	31.10.11	After 31.10.11
Sub-total 2 (d+e+f+g+h+i+j+k+l)		39%						

Sl. No.	Evaluation Criteria	Unit	Weight (%)	2011-12 MoU Target				
				Excellent (1)	V Good (2)	Good (3)	Fair (4)	Poor (5)
3.	Sector Specific Parameters							
	Production Performance							
i)	Ore Production	Lakh T	02	37.60	36.00	34.40	32.87	31.41
(ii)	Metal in concentrate	T	02	36750	35000	33250	31590	30010
(iii)	Cathode Copper - ICC	T	01	18500	17500	16600	15800	15000
(iv)	CC Wire Rod	T	01	29100	27700	26400	25150	23950
4.	Enterprise Specific & Efficiency Parameters							
(i)	Power Consumption – Ore to Concentrate at MCP	Kwh/T	0.5	17.5	19.0	20.5	21.5	22.5
(ii)	Power Consumption at Khetri mine	Kwh/T	0.5	22.0	24.0	25.0	26.0	27.0
(iii)	Power Consumption at Kolihan mine	Kwh/T	0.5	18.5	20.0	21.0	22.0	23.0
(iv)	Power Consumption at ICC Smelter/T of New Anode	Kwh/T	0.5	950	1000	1050	1100	1150
(v)	Power Consumption at ICC Refinery/T of Cathode	Kwh/T	0.5	300	310	320	330	340
(vi)	Recovery of Concentrator at MCP	%	0.5	94.0	93.5	93.0	92.5	92.0
(vii)	Recovery of Concentrator at KCC	%	0.5	91.5	90.5	90.0	89.5	89.0
(viii)	Fuel Consumption at ICC Smelter/T of New Anode	Ltr/T	0.5	395	440	460	480	500
(ix)	Yield at ICC Smelter	%	0.5	95.5	93.0	92.5	92.0	91.5
(x)	Anode Scrap generation at ICC Refinery as % of Cathode production	%	0.5	19.5	21.0	22.0	23.0	24.0
	Total (1+2+3+4)		100%					

Trend of CPSEs Performance on Financial Parameters for last 5 years

Particulars	2006-07		2007-08		2008-09		2009-10		2010-11		2011-12
	MOU	ACTUAL	MOU	ACTUAL	MOU	ACTUAL	MOU	ACTUAL	MOU	Projected as on 31.03.2011	Projected
Production											
Excavation Lakh M3	36.00	36.80	33.00	39.00	35.00	36.00	78.00	38.61	55.00	46.64	55.00
Ore Production Lakh MT	31.00	32.71	32.00	32.45	34.50	29.83	36.00	32.05	34.96	34.63	36.00
Metal-In-Concentrate MT	29500	30231	31000	31378	34400	27589	35000	28202	34470	32975	35000
Cathode Copper MT	42000	39785	40000	44734	45000	30036	18500	17516	17500	26302	29414
Gross Sales	1077.22	1799.64	1316.99	1839.79	1491.00	1349.10	1245.27	1429.85	1050.00	1136.29	1320.00
Gross Margin	168.51	456.77	232.72	420.00	275.00	74.60	38.97	298.30	290.00	351.15	410.00
Profit before Tax	118.35	331.83	187.89	302.50	234.81	5.48	11.66	215.84	269.36	261.67	319.58
Gross Block	723.73	687.30	768.81	665.70	777.87	731.36	747.70	780.35	818.81	770.49	782.49
Less: Depreciation	514.62	491.30	521.12	500.28	546.13	521.66	517.01	540.72	539.81	535.60	539.22
Net Block	209.11	176.00	247.69	165.42	231.74	209.70	230.69	219.63	279.00	234.89	243.27
Share Capital	978.95	977.45	978.95	462.61	462.61	462.61	462.61	462.61	462.61	462.61	462.61
Reserves & Surplus	0.00	114.17	0.00	515.60	399.28	505.29	181.22	659.97	538.58	723.86	829.63
Less : Deferred Revenue Expenditure	0.00	316.37	0.00	343.13	0.00	366.70	0.00	404.00	0.00	433.82	449.78
Less: Profit & Loss A/C	553.22	409.87	247.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net worth of CPSE	425.73	365.38	731.15	635.08	861.89	601.20	643.83	718.58	1001.19	752.65	842.46
Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	71.91	0.00	120.43	120.43
Sundry Debtors/Gross Sales(%)	1.39%	2.47%	3.42%	2.73%	2.68%	11.86%	1.58%	10.82%	12.50%	11.11%	9.57%
Inventory	289.26	408.54	412.60	386.12	364.13	259.95	171.86	253.26	368.97	284.20	288.20
Total Current Assets	361.27	948.92	741.83	1088.46	1142.49	951.06	491.12	806.53	1089.56	911.91	793.34
Total Current Liabilities & provision	204.56	624.28	383.50	596.40	560.74	589.91	376.40	441.52	553.34	572.75	372.75
Net Current Assets	156.71	324.64	358.33	492.06	581.75	361.15	114.72	365.01	536.22	339.16	420.59
Capital Employed	365.82	500.64	606.02	657.48	813.49	570.85	345.41	584.64	815.22	574.05	663.86
Total Debts	272.50	216.13	175.00	113.48	75.01	36.03	45.50	0.05	7.50	0.00	0.00
Total Assets	570.38	1124.92	989.52	1253.88	1374.23	1160.76	721.81	1026.16	1368.56	1146.80	1036.61
No of employees of CPSE	5583	5451	5449	5405	5420	5440	5460	5300	5150	5046	4685
Dividend paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	107.68	107.68
Added Value	384.85	406.70	487.95	354.25	578.25	17.51	376.53	239.84	208.48	293.75	343.62
Ratio											
Debt/Equity	0.64	0.59	0.24	0.18	0.09	0.06	0.07	0.00	0.01	0.00	0.00
Return on Networth(%age)	27.80%	85.92%	22.81%	38.81%	17.98%	-1.71%	1.20%	21.53%	17.76%	22.80%	25.34%
PBDIT/Total employment (Rs)	2.97	7.22	4.22	6.41	5.02	0.57	0.68	4.48	5.60	5.53	7.21
Gross Profit/Capital Employed(%age)	40.40%	73.37%	34.20%	51.43%	30.98%	0.15%	4.91%	37.16%	33.27%	45.61%	48.14%
Net Profit/NetWorth(%age)	27.80%	85.92%	22.81%	38.81%	17.98%	-1.71%	1.20%	21.53%	17.76%	22.80%	25.34%
Working of gross margin											
Net Profit	105.07	313.94	166.80	246.46	155.00	(10.31)	7.70	154.68	177.80	171.57	213.45
Tax	13.28	17.88	21.08	56.04	79.81	15.79	3.96	61.16	91.56	90.10	106.13
Net Profit Before Tax	118.35	331.83	187.89	302.50	234.81	5.48	11.66	215.84	269.36	261.67	319.58
Add: Prior Period	0.00	0.63	0.00	7.60	0.00	(11.42)	0.00	(2.07)	0.00	0.00	0.00
Add: Extra ordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit before prior period	118.35	332.46	187.89	310.10	234.81	(5.94)	11.66	213.77	269.36	261.67	319.58
Add: Interest	29.45	34.85	19.36	28.01	17.18	6.82	5.30	3.49	1.86	0.18	0.00
Gross Profit	147.80	367.31	207.24	338.11	251.98	0.88	16.96	217.26	271.21	261.85	319.58
Add : Depreciation	18.05	26.99	22.82	15.84	20.32	18.82	20.32	17.89	17.10	17.12	18.38
Add: Misc. Expenditure written off	0.00	62.47	0.00	66.05	0.00	54.90	0.00	63.15	0.00	72.18	72.04
Add: Provisions & Write Offs	2.66	0.00	2.66	0.00	2.69	0.00	1.69	0.00	1.69	0.00	0.00
Gross Margin before Interest,depreciation & misc expenditure written off	168.51	456.77	232.72	420.00	275.00	74.60	38.97	298.30	290.00	351.15	410.00

Mou 2011-12



हिन्दुस्तान कॉपर लिमिटेड

HINDUSTAN COPPER LIMITED

भारत सरकार का उपक्रम
GOVT. OF INDIA ENTERPRISE

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

ANNEXURE - X

Self declaration/certification by CPSE

It is hereby certified that the targets and actual achievements in respect of financial parameters have been worked out as per MOU Guidelines by adopting the norms and definitions laid down in MOU Guidelines for the year 2011-12. In case, any deviation is found at the time of appraisal of performance, DPE is free to evaluate as per audited accounts as per MOU Guidelines. CPSE has no right of claim in this regard.

Authorised Signatory

(A.K. Dasgupta)

General Manager (Corporate Planning)

CAPACITIES AND 2011-12 BE TARGETS

Parameter	Capacity	2011-12 MOU (Very Good)
MCP Excavation (M ³)	Not Applicable	55.0 Lakh/annum
<u>Ore Production (MT)</u>		
Khetri Mine	6.0 Lakh/annum	6.00 Lakh/annum
Kolihan Mine	6.0 Lakh/annum	6.00 Lakh/annum
Malanjkhand Mine	20.0 Lakh/annum	20.00 Lakh/annum
Surda Mine	4.0 Lakh/annum	4.00 Lakh/annum
Total:	36.0 Lakh/annum	36.00 Lakh/annum
<u>Ore Milling (MT)</u>		
KCC	18.15 Lakh/annum	12.00 Lakh/annum
MCP	20.00 Lakh/annum	20.00 Lakh/annum
ICC	4.00 Lakh/annum	4.00 Lakh/annum
Total:	42.15 Lakh/annum	36.00 Lakh/annum
<u>Metal in Concentrate (MT)</u>		
KCC	Not Applicable	12300 /annum
MCP	Not Applicable	19200 /annum
ICC	Not Applicable	3500 /annum
Total:	Not Applicable	35000 /annum
<u>Cathode (MT)</u>		
KCC	31,000/annum	NIL*
ICC	18,500/annum	17500 /annum
Total:	49,500/annum	17500 /annum
<u>Wire Rod (MT)</u>		
TCP	60,000/annum	27700 /annum
<u>Sale (MT)</u>		
CC Rod	-	27700/annum
Cathode	-	1714/annum
Metal-in-Concentrate (MIC)	-	3533/annum
Total:		32947/annum

- Running both the smelters of HCL at KCC and ICC at present LME Copper price and present treatment and refining charges (TCRC) would not be viable with importation of concentrate. HCL has made the business model of operating ICC smelter at full capacity and temporary shutdown of KCC smelter and sale of surplus concentrate after meeting the requirements of ICC. Hence, Cathode production target has been kept at 17500 MT under VG category.

HINDUSTAN COPPER LIMITED
PROFITABILITY FOR COMPANY FOR 2011-12 (MOU)

RS IN CRORE

			BE 2011-12	BE 2010-11	MOU 2011-12				
					EXCELLENT	VERY GOOD	GOOD	FAIR	POOR
INCOME									
Gross Sales			1320.00	1050.00	1450.00	1320.00	1254.00	1191.00	1132.00
Less: Excise Duty			120.98	77.11	173.47	120.98	118.70	108.36	84.74
Net Sales			1199.02	972.89	1276.53	1199.02	1135.30	1082.65	1047.26
Other Income			38.07	35.37	38.07	38.07	38.07	38.07	38.07
Increase/(Decrease) in Stock			0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total			1237.09	1008.26	1314.60	1237.09	1173.37	1120.72	1085.33
EXPENDITURE									
Raw Material (Indigenous)			46.26	54.48	58.57	46.26	44.01	41.76	39.65
Stores & Spares			90.26	80.78	95.62	90.26	86.50	82.96	79.58
Staff Expenses			268.31	233.83	268.31	268.31	268.31	268.31	268.31
Power			93.89	93.27	96.79	93.89	90.93	88.17	85.48
Fuel			74.11	28.14	78.33	74.11	70.30	66.91	63.53
Oxygen			6.28	9.57	6.64	6.28	5.96	5.67	5.38
Repairs & Maintenance			72.50	35.46	72.50	72.50	72.50	72.50	72.50
Royalty & Cess			47.73	39.48	50.12	47.73	45.34	43.08	40.93
Transportation			10.93	17.97	11.47	10.93	10.44	9.96	9.51
Other expenses			108.37	42.63	117.57	108.37	80.84	63.34	60.59
Discounts			4.21	8.73	4.42	4.21	4.00	3.81	3.62
Provisions & Write Offs			4.24	1.69	4.24	4.24	4.24	4.24	4.24
Total			827.08	646.01	864.60	827.08	783.37	750.72	733.33
Gross Margin			410.00	362.24	450.00	410.00	390.00	370.00	352.00
Amortisation			72.04	73.93	75.64	72.04	68.43	65.02	61.79
Depreciation			18.38	17.10	18.38	18.38	18.38	18.38	18.38
Gross Profit/(loss)			319.58	271.21	355.98	319.58	303.19	286.60	271.84
Interest									
Interest on c/c & Others			0.00	1.86	0.00	0.00	0.00	0.00	0.00
Profit Before Prior Period & Extraordinary items			319.58	269.36	355.98	319.58	303.19	286.60	271.84
Less: Prior Period Adjustments			0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Extraordinary Items			0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) Before Tax(PBT)			319.58	269.36	355.98	319.58	303.19	286.60	271.84
Less: Tax			106.13	91.56	118.22	106.13	100.69	95.18	90.28
Profit/(Loss) After Tax(PAT)			213.45	177.80	237.76	213.45	202.50	191.42	181.56
Less: Dividend @ 20%			107.68		107.68	107.68	107.68	107.68	107.68
Profit/(Loss) After Tax & Dividend			105.77	177.80	130.07	105.77	94.82	83.74	73.88
Manpower in Operation		Number	4522	4970	4522	4522	4522	4522	4522
HO & Sales Offices		Number	163	180	163	163	163	163	163
TOTAL		Number	4685	5150	4685	4685	4685	4685	4685

MAJOR ASSUMPTIONS

		MOU 2011-12							
		BE 2011-12	BE 2010-11	EXCELLENT	VERY GOOD	GOOD	FAIR	POOR	
LME AVERAGE	US \$	7380	6000	7380	7380	7380	7380	7380	
EXCHANGE RATE	RS/US \$	44.00	46.00	44.00	44.00	44.00	44.00	44.00	
PREMIUM									
CATHODE	US \$	170	155	170	170	170	170	170	
WIRE ROD	US \$	290	275	290	290	290	290	290	
SELLING PRICE(BASIC)									
CATHODE	RS/T	351468	302552	351468	351468	351468	351468	351468	
WIRE ROD	RS/T	355554	303392	355554	355554	355554	355554	355554	
MIC(MCP)	RS/T	315084	258448	315084	315084	315084	315084	315084	
PRODUCTION									
MIC	TONNE	35000	34470	36750	35000	33250	31590	30010	
MIC(MCP)	TONNE	19200	20200	20160	19200	18240	17330	16470	
MIC(SURDA)	TONNE	3500	3820	3675	3500	3330	3160	3000	
MIC(KCC)	TONNE	12300	10450	12915	12300	11680	11100	10541	
CATHODE (ICC)	TONNE	17500	17500	18500	17500	16600	15800	15000	
CATHODE (KCC) - TOLLED	TONNE	11577		12156	11577	10993	10447	9921	
CATHODE (MCP) - TOLLED	TONNE	337		385	337	289	241	193	
TOTAL CATHODE	TONNE	29414	17500	31041	29414	27882	26488	25114	
WIRE ROD : OWN	TONNE	27700	17483	29100	27700	26400	25150	23950	
WIRE ROD : TOLLED	TONNE	0	7000	0	0	0	0	0	
TOTAL WIRE ROD	TONNE	27700	24483	29100	27700	26400	25150	23950	
SALES									
MIC	TONNE	3533	15653	4063	3533	3324	3066	2876	
CATHODE	TONNE	1714	17	1941	1714	1482	1338	1164	
WIRE ROD	TONNE	27700	17483	29100	27700	26400	25150	23950	
TOTAL	TONNE	32947	33153	35104	32947	31206	29554	27989	
MANPOWER IN OPERATION	NUMBER	4685	5150	4685	4685	4685	4685	4685	

ANNEXURE

Format of Quarterly Compliance Report by CPSEs to nodal Administrative Ministries/Departments under
Para 8.3 of DPE's Guidelines on Corporate
Governance for CPSEs

(As applicable to Hindustan Copper Limited)

S.No.	Activity	CG Guidelines Clause ¹	Status of compliance with the CG Guidelines (Yes/No/NA)	Remarks
1	2	3	4	5
I	Board of Directors			
1.	Part-time Directors' compensation and disclosures	3.2		
2.	Number of Board meetings	3.3.1		
3.	Review of compliance of laws	3.3.3		
4.	Code of Conduct	3.4		
5.	Risk management	3.6		
6.	Training for new Board members	3.7		
II	Audit Committee			
7.	Constitution of Audit Committee	4.1		
8.	Audit Committee assigned due role	4.2		
9.	Audit Committee vested adequate powers	4.3		
10.	Meetings of Audit Committee	4.4		
11.	Review of information by Audit Committee	4.5		
III	Remuneration Committee			
12.	Constitution of remuneration Committee	5.1		
IV	Disclosures			
13.	Transactions	7.1		
14.	Accounting Standards	7.2.1		
15.	Consolidated financial statements	7.2.3		
16.	Board Disclosures – Risk management	7.3		
17.	Remuneration of Directors	7.4		
18.	Management discussion and	7.5		

	analysis			
19.	Disclosures by Senior management	7.5.2		
V	Report and Compliance			
20.	Report on Corporate Governance	8.1		
21.	Compliance Certificate	8.2.1		
22.	Chairman's speech in AGM and annual report	8.2.2		
23.	Holding of AGM, Adoption of audited accounts and filing of adopted accounts with the Registrar of Companies within the stipulated time @			
24.	Timely submission of Compliance report	8.3		

¹ Refers to the relevant provision in the Guidelines on Corporate Governance issued by DPE

@ Information in respect of this item should be furnished at the end of the relevant quarter of the relevant year.