



हिन्दुस्तान कॉपर लिमिटेड

HINDUSTAN COPPER LIMITED

CIN No. : L27201WB1967GO1028825

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. SCY/CA/56/2023

1<sup>st</sup> 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: Annual Report 2022-23 of Hindustan Copper Ltd

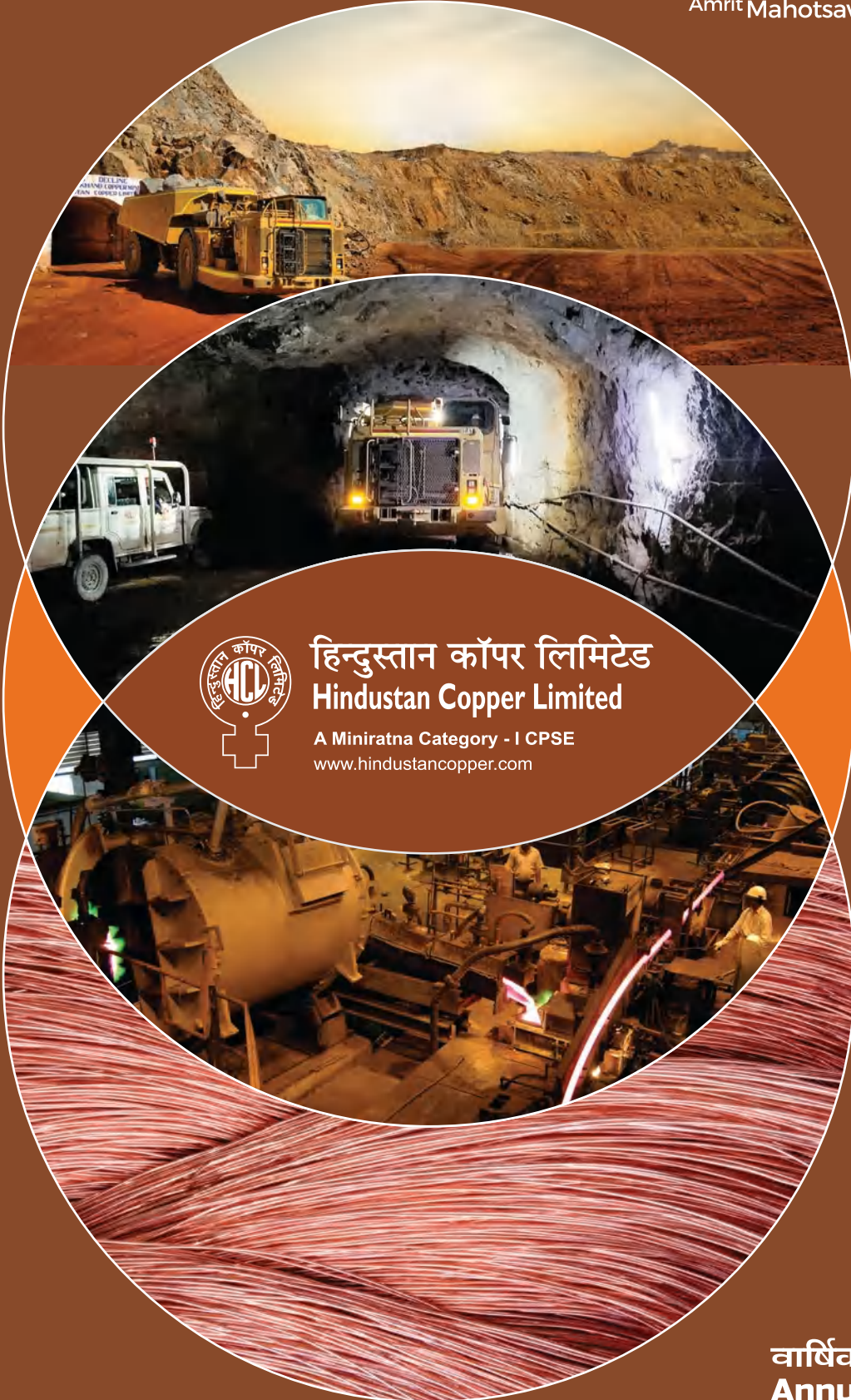
In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Annual Report 2022-23 of the Company is submitted for information and record please. The said Annual Report 2022-23 is also available at the Company's website at <https://www.hindustancopper.com/Upload/Reports/0-638289078983273750-AnnualReport.pdf> and on the website of NSDL (the e-voting Agency for 56<sup>th</sup> AGM) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

Thanking you,

Yours faithfully,

(C S Singhi)  
Company Secretary &  
Compliance Officer

Encl. as stated



हिन्दुस्तान कॉपर लिमिटेड  
Hindustan Copper Limited

A Miniratna Category - I CPSE  
[www.hindustancopper.com](http://www.hindustancopper.com)

वार्षिक प्रतिवेदन  
Annual Report  
2022 - 23



## **VISION**

To strive to be a leading metal mining company and maximize total shareholder return by sustainably finding, developing and mining Copper ore and such other geologically associated minerals.



## **MISSION**

- ⦿ To achieve sustainable growth in business through optimum & efficient use of existing resources and assets.
- ⦿ To achieve rapid expansion of mining capacity through expansion of existing mines, re-opening of closed mines and Greenfield projects.
- ⦿ Detailed exploration of existing mines and new mining leases to expand mining capacity.
- ⦿ To enhance the value of the Company by focusing on performance improvement.
- ⦿ To assimilate state-of-the art technology in exploration, mining and beneficiation of ores for competitive advantage.
- ⦿ To strive for continuous improvement in productivity and energy to bring at par with the best internationally.
- ⦿ To continue innovation through research & development.



## Hindustan Copper Limited

(A Government of India Enterprise)

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M/s. C B Management Services (P) Ltd.		
P-22 Bondel Road, Kolkata - 700 019		
Tel No. : (033) 2280 6692, 4011 6700/18/23/28		
Fax No. : (033) 4011 6739		
E-mail : rta@cbmsl.com		
REGISTERED OFFICE		
"Tamra Bhavan"		
1 Ashutosh Chowdhury Avenue		
Kolkata - 700 019, India		
Tel No. : (033) 2283 2226, 2202 1000, 3514 9550		
E-mail : investors_cs@hindustancopper.com		
CIN : L27201WB1967GOI028825		
Website : www.hindustancopper.com		

### Important Communication to Members

Members are requested to convert their shares into electronic mode and register e-mail and Bank account details for better servicing. Please refer notes to AGM notice.

Fifty Sixth Annual General Meeting on Friday, 29th September, 2023 at 11:00 a.m.

The Annual Report can be accessed at [www.hindustancopper.com](http://www.hindustancopper.com)

## BOARD OF DIRECTORS



**Shri Ghanshyam Sharma**  
CMD [Additional Charge] & Director (Finance)



**Shri Sanjay Panjiyar**  
Director (Operations)



**Shri Sanjiv Kumar Singh**  
Director (Mining)



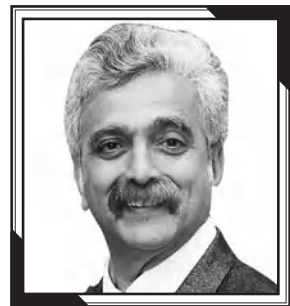
**Shri Shakil Alam**  
Government Nominee Director



**Shri Sanjeev Verma**  
Government Nominee Director



**Shri Annadevara Gurunadha Krishna Prasad**  
Independent Director



**Shri Avinash Janardan Bhide**  
Independent Director



**Smt. Hemlata Verma**  
Independent Director



## Hindustan Copper Limited

(CIN: L27201WB1967GOI028825)

Regd. Office: 'Tamra Bhavan', 1, Ashutosh Chowdhury Avenue, Kolkata – 700 019

Phone: (033) 2283-2226, 2202-1000, E-mail: investors\_cs@hindustancopper.com

Website: www.hindustancopper.com

### Notice to the Members

Notice is hereby given that the 56th Annual General Meeting ("AGM") of the Members of Hindustan Copper Ltd ("HCL / the Company") will be held on Friday, 29th September, 2023 at 11:00 AM, Indian Standard Time ("IST") through Video Conferencing /Other Audio Visual Means ("VC / OAVM") to transact the following business:

#### Ordinary Business

- 1) To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended 31<sup>st</sup> March, 2023 together with the Reports of the Directors, Auditors and C&AG.
- 2) To declare dividend on equity shares for financial year 2022-23.
- 3) To appoint a Director in place of Shri Sanjiv Kumar Singh (DIN:09548389), who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Shri Sanjeev Verma (DIN: 08836996), who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To fix remuneration of the Auditors.

#### Special Business

- 6) To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:  
"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), appointment of Shri Ghanshyam Sharma (DIN: 07090008), [holding additional charge of Director (Finance), HCL from 13.9.2021], as Director (Finance) of the Company from the date of his joining on 28.2.2023 in the pay scale of ₹ 1,80,000 – 3,40,000/- in terms of Ministry of Mines' Order No. Met.3-10/3/2020-Met.III dated 1.2.2023 and other terms and conditions as may be notified by the Government from time to time be and is hereby approved."
- 7) To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:  
"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹90,000/- (Rupees ninety thousand only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses as recommended by the Audit Committee and approved by the Board of Directors, to be paid to M/s. Chatterjee & Co., Cost Accountants, Kolkata appointed as Cost Auditor, to conduct audit of cost records of the Company for Financial Year 2023-24 be and is hereby ratified and confirmed."
- 8) To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:  
"RESOLVED THAT in accordance with the provisions of Section 23, 42, 62 and other applicable provisions of the Companies Act, 2013 (the "Companies Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s) or modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Memorandum and Articles of Association of the Company, applicable provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder ("FEMA"), the Consolidated Foreign Direct Investment Policy issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and the applicable rules, regulations, guidelines or laws and / or subject to the consent of the members of the Company by way of a general meeting or through postal ballot and further subject to any approval, consent, permission or sanction of Securities and



Exchange Board of India, the Reserve Bank of India, Registrar of Companies, West Bengal at Kolkata, BSE Limited and National Stock Exchange of India Limited and other appropriate authorities, institutions or bodies, including lenders of the Company, as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/or sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board") which term shall include any Committee thereof which the Board may have duly constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution, the consent and approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons, as may be permitted), with or without a green shoe option, up to 9,69,76,680 equity shares of the Company with a face value of ₹5 (Rupees five) each ("Equity Shares") in India or in course of international offering(s) in one or more foreign markets, to Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations, and / or any other eligible investors and / or to such other investors including, Indian or foreign investors, institutions, corporate bodies, mutual funds, insurance companies, pension funds or otherwise, who are eligible to acquire the securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, whether they be holders of the Equity Shares of the Company or not, in consultation with lead managers appointed in relation to the issue, advisors or other intermediaries, for an aggregate amount not exceeding ₹ 900 crores, in one or more tranches, by way of a Qualified Institutions Placement ("QIP") within the meaning of Chapter VI of the SEBI ICDR Regulations, at such price or prices, at market price(s) or at a permissible discount or premium to market price(s) in terms of applicable regulations to be determined by the Board at the time of such issue, at its absolute discretion, in consultation with the lead managers, advisors or other intermediaries appointed pursuant to the issue, without requiring any further approval or consent from the shareholders of the Company and subject to the applicable regulations / guideline in force."

"RESOLVED FURTHER THAT in case of any issue of Equity Shares made by way of QIP, in accordance with Regulation 171 of the SEBI ICDR Regulations, the 'Relevant Date' for determination for the floor price of the Equity Shares to be issued pursuant to the issue shall be the date of meeting in which the Board decides to open the proposed QIP."

"RESOLVED FURTHER THAT in case of any issue of Equity Shares made by way of QIP, in accordance with Regulation 179 of the SEBI ICDR Regulations, a minimum of 10% of the Equity Shares shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company."

"RESOLVED FURTHER THAT in case of any issue of Equity Shares made by way of QIP, in accordance with Regulation 176 of the SEBI ICDR Regulations, the Board may as its absolute discretion, issue Equity Shares at a discount of not more than five percent or such other discount to the floor price as determined in terms of SEBI ICDR Regulations and as permissible under the applicable law."

"RESOLVED FURTHER THAT the issue of Equity Shares shall be subject to the following terms and conditions:

- i. The Equity Shares that may be issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari-passu with the then existing Equity Shares of the Company in all respects including dividend;
- ii. The number of Equity Shares that may be issued and allotted shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split and consolidation of share capital, merger, de-merger, transfer of undertaking, sale of division or any such capital or corporate restructuring;
- iii. The QIP issue shall be completed within a period of 365 days from the date of passing of the special resolution by the members / shareholders of the Company or such other time period as may be allowed under the SEBI ICDR Regulations from time to time;
- iv. The Equity Shares to be offered and allotted shall be fully paid up and in dematerialized form;
- v. The Equity Shares to be offered and allotted shall not be eligible to be sold by the allottees for a period of one year from the date of allotment, except on a recognised stock exchange, or except as may be permitted from time to time;
- vi. No single allottee shall be allotted more than 50% of the issue size and the minimum number of allottees shall be



in accordance with the SEBI ICDR Regulations;

vii. The Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed by SEBI, from the date of the QIP to be undertaken pursuant to the approval of the members.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares as described above, the Board, where required in consultation with the lead managers and/or other advisors, be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to the selection of QIBs to whom the Equity Shares are to be offered, issued and allotted, and matters related thereto, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion deem fit.”

“RESOLVED FURTHER THAT the Company do apply for listing of the new Equity Shares as may be issued with the BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange(s).”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate the signing and execution of documents pertaining to the statutory filings done with the RoC, BSE and NSE on behalf of the Company with respect to the QIP to the Company Secretary.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers pertaining to the QIP in such manner as they may deem fit to a committee of the Board and to delegate the execution or signing of all QIP related documents other than the documents pertaining to the statutory filings done with Registrar of Companies (“RoC”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) on behalf of the Company with respect to the QIP to the extent necessary, to any two executives, jointly, not below the rank of Manager of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9) To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT the existing QIP Committee is dissolved and a new QIP Committee of the Board be and is hereby constituted with the following Directors as its Members: the Chairman and Managing Director, the Director (Finance) and other functional Directors as deemed fit by the Board for dealing with all matters pertaining to the further issue of shares / securities.”

“RESOLVED FURTHER THAT subject to the approval of the shareholders of the Company, the said QIP Committee, be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or modification(s) as they deem fit and proper and give such directions as may be necessary in regard to the issue of further Equity Shares and allotment thereof including but not limited to:

- a) Appointment and/or ratification of the appointment of the various agencies to the issue including the Lead Managers, legal counsel, international legal counsel, appointment of Monitoring agency, underwriters, other advisors, consultants, co-managers, bankers, registrar to the issue, professionals and intermediaries and all such agencies as may be involved, etc.;
- b) Approving execution of all contracts, including but not limited to the placement agreement, the escrow agreement, Monitoring agency Agreement and all other agreements and documents, deeds and instruments as may be required or desirable in connection with the raising of funds through issue of securities by the Company;
- c) Approving the offer document and filing the same with the Stock Exchange and / or such other authorities or persons as may be required;
- d) Determine terms of the Issue including Approval of the issue price, rate of discount (if any), to the floor price subject to compliance with applicable rules and regulations, issue size, the number of Equity Shares to be allotted etc.;
- e) Approving affixation of the Common Seal of the Company on any agreement(s)/ document(s) as may be required to be executed in connection with the above, as per Articles of Association of the Company;
- f) Approving opening and operation of Bank accounts as may be required for the transaction;
- g) Approve the dates for opening and closure of the issue;





- h) To seek by making requisite applications as may be required, any approval, consent or waiver from the Company's lenders and/ or any third parties (including industry data providers, customers, suppliers) with whom the Company has entered into various commercial and other agreements, and/ or any/ all concerned government, statutory and regulatory authorities, and/ or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of Equity Shares;
- i) Finalization of allocation and allotment of the Equity Shares on the basis of the subscription received. The ratio of allotment, investor category wise may be kept as per last QIP issue in consultation with the appointed lead managers.
- j) Approve determination of the list of QIBs to whom the offer to subscribe shall be made and doing all acts necessary in this regard, including organization of any meetings in this regard with such QIBs, subject to compliance with applicable laws;
- k) To do all such acts, deeds, matters and things and execute all such other documents and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transactions;
- l) To make and submit applications as may be necessary with the appropriate authorities and make the necessary regulatory filings in this regard in accordance with the SEBI ICDR Regulations and the SEBI Listing Regulations;
- m) Approval of all expenses incurred in relation to the QIP;
- n) Approval of Confirmation of allocation note and make application to NSDL & CDSL for corporate action.
- o) Approve submission of application for in principle approval, listing of the Equity Shares of the Company on the stock exchange(s) where the Company's shares are listed and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation of the concerned stock exchange(s); and
- p) To authorize or delegate the signing and execution of documents pertaining to the statutory filings done with RoC, BSE and NSE on behalf of the Company with respect to the QIP to the Company Secretary and for execution or signing of all other QIP related documents to the extent necessary, to any two finance executives, jointly, not below the rank of Manager of the Company."

"RESOLVED FURTHER THAT the Chairman of the said QIP Committee shall be appointed at each such meeting of the Committee."

"RESOLVED FURTHER THAT the quorum for the meetings of the aforesaid Committee shall be one-third of the total strength of the Committee or two members, whichever is higher in line with Sec 174 of the Companies Act, 2013."

"RESOLVED FURTHER THAT the action taken by the QIP Committee pursuant to the aforesaid delegation of powers be submitted to the Board for records at the time of the next Board Meeting(s)."

- 10) To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions in Sections 23(1)(b), 42 and 71 of the Companies Act, 2013 ('the Act'), read with Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Non-Convertible Securities) Regulations, 2021, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the shareholders be and is hereby accorded to the Board of Directors jointly, to offer, issue and allot, in one or more tranches/ combinations and including the exercise of a green shoe option if any, Secured or Unsecured, Non-convertible Debentures/Bonds of any type/ nomenclature, on private placement basis of an amount not more than Rupees Five hundred crore during the next twelve months within the overall borrowing limit of the company of Rupees Two thousand five hundred crore, for and on behalf of the Company, as deemed to be requisite and proper for the business of the Company including capex/ expansion projects, on such terms and conditions and at such times at par or at such premium or otherwise, as may be decided by the Board and, to such person or persons as the Board may decide."

"RESOLVED FURTHER THAT consent of the shareholders be and is hereby accorded to the Board of Directors to sub-delegate the above borrowing powers to CMD and Director (Finance) jointly and to appoint Trustees, Registrar & Transfer Agent, Law firms, Credit rating agencies, depositories, Arrangers to the issue, other advisors, consultants, co-managers, bankers and intermediaries and all such agencies as may be involved, etc. to approve/ execute/ sign /



finalize all necessary documents related to Non-convertible Debentures/Bonds facility/security/ charge creation etc., on behalf of the company, to finalize the detailed terms and conditions, structure of any type of Debentures/Bonds by the Company including each issue / tranches of Debentures/Bonds, to sign and submit MCF and Corporate Action forms with depositories for Issue programme of Debentures/Bonds, deposit / pay stamp duty, fees, sign/execute and deliver / file placement memorandum document(s), deed(s), declarations, undertakings and writing(s), etc. as may be required under the applicable SEBI regulations, circulars etc. for raising Debentures/Bonds from domestic/ foreign sources through Private Placement of Secured or Unsecured, Non-convertible Debentures/Bonds of any type/ nomenclature, in one or more tranches, including by inviting quotations/ bids/ book building etc. or any other process allowed under the regulations including on Electronic Bidding Platform (EBP)/ any other mode. It is also resolved to affix the common seal of the company on the required Debentures/Bonds facility/ security documents etc., thereto in accordance with the provisions of Article 75 of the Articles of Association of the Company.”

“RESOLVED FURTHER THAT in connection with the above, CMD and Director (Finance) jointly, be and are hereby authorized to carry out modifications, if any, and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient or consequential or incidental thereto, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including appointment of intermediaries, agencies, counter parties etc as may be required.”

“RESOLVED FURTHER THAT in connection with the above, Chairman and Managing Director and the Director (Finance) of the Company are jointly authorized to sub delegate the power of executing/ signing of necessary documents, declarations, undertakings, facility/ debentures/bonds documents/forms, agreements so approved, to any two authorized signatories/officers of the company, jointly on behalf of the company, not less than the level of Chief Manager (Finance), as may be required for the issuance/ finalization for raising funds through debentures/ bonds.”

By order of the Board

C S Singhi  
Company Secretary &  
Compliance Officer  
FCS 2570

Date: 1.9.2023

Place: Kolkata

**NOTES:**

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act'), in respect of Special Business (Item No. 6 to 10) as set out above is annexed hereto. Special Business appearing in the Notice is considered to be unavoidable by the Board and hence forming part of this Notice.
2. The Ministry of Corporate Affairs ("MCA") vide its Circulars dated 8.4.2020, 13.4.2020, 5.5.2020, 13.1.2021, 14.12.2021, 5.5.2022 and 28.12.2022 (collectively referred to as "MCA Circulars") has permitted the holding of Annual General Meeting ('AGM') through Video Conference/ Other Audio-Visual Means ("VC/OAVM") without physical presence of Members at a common venue. In addition to the above, Securities and Exchange Board of India (SEBI) vide its circulars dated 12.5.2020, 15.1.2021, 13.5.2022 and 5.1.2023 (collectively referred to as 'SEBI Circulars') has provided certain relaxations from compliance of certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). Pursuant to the provisions of the Act and the SEBI Listing Regulations read with Circulars issued by MCA and SEBI, the 56th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the 56th AGM shall be the Registered Office of the Company. National Securities Depositories Limited ("NSDL") will be providing facility for remote e-voting, participation in the AGM through VC / OAVM and e-voting during the AGM.
3. In accordance with above MCA Circulars and SEBI Circulars, the Notice of 56th AGM and Annual Report 2022-23 of the Company are being sent by electronic mode to Members whose email addresses are registered with the Company or the Depository Participant(s) ('DPs'), unless any Member has requested for a physical copy of the same. The Company shall send the physical copy of Annual Report 2022-23 to those Members who will request the same at investors\_cs@hindustancopper.com mentioning their Folio No./DP ID and Client ID. Members may note that Notice and Annual Report 2022-23 will be also available on the Company's website at www.hindustancopper.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL i.e. <https://www.evoting.nsdl.com>.
4. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a member of the Company. Since the AGM will be conducted through VC / OAVM, the physical attendance of the members has been dispensed with. Following which there is no requirement of appointment of Proxies. Hence, the Proxy Form is not annexed to the Notice. Also, Attendance Slip and Route Map are not annexed to the Notice.**
5. The details under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in case of appointment or re-appointment of a Director at the AGM forms part of the Notice.
6. Institutional / Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization letter shall be sent to the email address of Scrutinizer at kothari.navin@yahoo.com with a copy marked to evoting@nsdl.co.in and to investors\_cs@hindustancopper.com. Institutional / Corporate Members can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
7. In case of joint holders attending the AGM, the holder whose name appears first in order of names for the holding shall be entitled to vote.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. **The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2023 to 29th September, 2023 (both days inclusive).**
10. Dividend on equity shares as recommended by the Board, if approved at the meeting will be paid within 30 days of declaration to those members whose names appear in the Company's Register of Members and as per beneficial owner's position received from NSDL & CDSL as at the close of working hours on 22nd September, 2023.
11. **Pursuant to the Income Tax Act, 1961 as amended, dividend income is taxable in the hands of the Members w.e.f. 1.4.2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates. To enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their DPs or in case shares are held in physical form with the Company, by sending documents through email to the Company's email address at investors\_cs@hindustancopper.com or to Company's Registrars & Share Transfer**



**Agent, M/s. C B Management Services (P) Ltd (“the RTA”) at [rta@cbmsl.com](mailto:rta@cbmsl.com). For the detailed process, please visit ‘Investor’ page at website of the Company [www.hindustancopper.com](http://www.hindustancopper.com).**

12. Members are requested to notify immediately change in their address, if any, to the DPs in respect of their electronic shares, and to the Company/RTA in respect of their physical shares, quoting the folio numbers in form ISR-1 as per the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16.3.2023.
13. Members are requested to provide their Bank Account details (including MICR No., IFSC Code, Account Type etc.) to their DPs if the shares are held in demat form. In case the shares are held in physical form, such details in Form ISR-1 along with a cancelled cheque should be sent to the RTA in order to enable the Company to credit the dividend amount directly to their Bank account. In case of non-availability of MICR No. and IFSC Code, Dividend Warrant will be sent after mandatorily printing the Bank particulars on it. Further, members holding shares in dematerialized form and not submitted National Electronic Clearing System (NECS) form may please note that the bank account details as provided by their DPs to the Company will be printed on the dividend warrants. The Company will not entertain any direct request from such members for deletion of or change in such Bank Account details. As such, they are requested to immediately intimate their DPs about any changes in their bank account details.
14. Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the unclaimed dividend and the corresponding equity shares of the Company in respect of which dividend remain unclaimed for seven consecutive years has been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Details of such unclaimed dividend and corresponding shares transferred to IEPF are available on the Company's website [www.hindustancopper.com](http://www.hindustancopper.com) under the section ‘Investor’. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in Form No. IEPF-5 available at [www.iepf.gov.in](http://www.iepf.gov.in).
15. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16.3.2023 issued in suppression to earlier circulars viz. Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3.11.2021 and Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14.12.2021, it is mandatory for Physical Shareholders to furnish PAN, Nomination / Declaration to opt-out of Nomination, Contact details, Bank Account details and Specimen Signature. Further, as per the above SEBI Circular dated 16.3.2023, the folios wherein any one of the cited document/details not available on or after 1.10.2023, shall be frozen by the RTA. Frozen folios shall be referred by the RTA / Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31.12.2025. In view of above, concerned physical shareholders are requested to furnish their valid PAN, Nomination / Declaration to opt-out of Nomination, Contact details, Bank Account details and Specimen Signature immediately to the RTA / Company in the prescribed Form to ensure that their folios are not frozen after 1.10.2023. Detail of applicable Forms has been given below and the same are available at the website of the Company at the following weblink <https://www.hindustancopper.com/Page/pankyc> and website of the RTA at [www.cbmsl.com](http://www.cbmsl.com):

Sl. No.	Purpose	Form No.
1.	Request for registering PAN, KYC details or Changes /Updation thereof	ISR-1
2.	Confirmation of signature of securities holder by the Banker	ISR-2
3.	Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies	ISR-3
4.	Nomination Form	SH-13
5.	Cancellation or Variation of Nomination	SH-14
6.	Issue of Duplicate securities certificate, Replacement / Renewal / Exchange of securities certificate, Consolidation of securities certificate, Sub-division / Splitting of securities certificate, Consolidation of folios, Endorsement, change in the name of the holder, Claim from Unclaimed Suspense Account & Suspense Escrow Demat Account, Transposition	ISR-4
7.	Request for Transmission of Securities by Nominee or Legal Heir (For Transmission of securities on death of the Sole holder)	ISR-5

The physical shareholders whose folios have been frozen shall be eligible (i) To lodge any grievance or avail any service request from the RTA only after furnishing the complete documents as specified in the SEBI Circular dated 16.3.2023 (ii) For any payment including dividend, interest or redemption payment in respect of such frozen folios (only through electronic mode w.e.f. 1.4.2024) upon complying with the requirements of the SEBI Circular dated 16.3.2023.



16. Members holding shares in physical form are requested to convert their shares in demat mode. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Further, transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialised form.
17. Members may please note that SEBI vide its Circular dated 25.1.2022 has mandated listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at 'Investors' under Download.
18. Members holding shares in more than one folio, in identical order of names, are requested to send the relative Share Certificate(s) to the Company's RTA for consolidating their holdings in one folio.
19. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.

**PROCEDURE FOR ATTENDING THE AGM THROUGH VC / OAVM AND RAISING QUESTIONS / SEEKING CLARIFICATIONS ON RESOLUTIONS / ANNUAL REPORT**

20. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
21. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
22. Members are requested to join the meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
23. Members can join the AGM through VC/OAVM 15 minutes before and after the scheduled time of commencement of meeting by following the procedure mentioned in the Notice. Members may note that VC / OAVM provided by NSDL allows participation of 1000 Members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
24. As the AGM is being conducted through VC / OAVM, Members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at [investors\\_cs@hindustancopper.com](mailto:investors_cs@hindustancopper.com) to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before 23rd September, 2023 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
25. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at [investors\\_cs@hindustancopper.com](mailto:investors_cs@hindustancopper.com) on or before 23rd September, 2023. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
26. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.



## PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

27. Pursuant to Section 108 of the Act and Rules notified there under and Regulation 44 of SEBI Listing Regulations, the Company is providing its Members the facility to exercise their right to vote on resolutions using electronic voting system (remote e-voting) provided by NSDL. The remote e-voting period commences on 26th September, 2023 (9:00 am) and ends on 28th September, 2023 (5:00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of 22nd September, 2023 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A member who has cast his vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC/OAVM but shall not be entitled to cast his vote again on the day of AGM.
28. A person who is not a Member as on the cut-off date i.e. 22nd September, 2023, should treat this Notice of AGM for information purpose only. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2023.
29. In case of Individual Member holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after issue of the Notice and holding shares as of the cut-off date i.e. 22nd September, 2023, may follow steps mentioned under the process and manner of remote e-Voting mentioned below.
30. The process and manner of remote e-Voting are as under:

### **Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode**

In terms of SEBI circular dated 9.12.2020 on e-Voting facility provided by listed companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual Members holding securities in demat mode is given below:

- A) Individual Shareholders holding securities in demat mode with NSDL:
  1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <https://eservices.nsd.com> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
  2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
  3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
  4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on





- B) Individual Shareholders holding securities in demat mode with CDSL:
1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
  2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
  3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
  4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
- C) Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

Your User ID details are given below :



Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- (i) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (ii) Select "EVEN" of Hindustan Copper Ltd, which is 125011.
- (iii) For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- (iv) Now you are ready for e-Voting as the Voting page opens.
- (v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (vi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page





(viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote .

**Process for those Members whose email ids are not registered for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice**

- i. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 56th AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (a) a signed request letter mentioning name of Member, folio number and complete address; and (b) scanned copy of Share Certificate (front and back) (c) self-attested scanned copy of the PAN Card and AADHAR Card in support of the address of the Member as registered with the Company; to the email address of the RTA at [rta@cbmsl.com](mailto:rta@cbmsl.com) and the Company at [investors\\_cs@hindustancopper.com](mailto:investors_cs@hindustancopper.com).
- ii. In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (a) a signed request letter mentioning name of Member, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (b) self-attested scanned copy of client master or Consolidated Demat Account statement; and (c) self-attested scanned copy of the PAN Card and AADHAR Card, to the email address of the RTA at [rta@cbmsl.com](mailto:rta@cbmsl.com) and the Company at [investors\\_cs@hindustancopper.com](mailto:investors_cs@hindustancopper.com).
- iii. Alternatively, Member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by providing the details mentioned in Point (i) or (ii) as the case may be.
- iv. In terms of SEBI circular dated 9.12.2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Instructions for Members for e-voting on the day of the AGM are as under**

- i. Members may follow the same procedure for e-Voting on the day of 56th AGM as mentioned above for remote e-voting
- ii. Only those Members who will be present in the 56th AGM through VC/OAVM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.
- iii. The Members who have cast their vote by remote e-Voting prior to the 56th AGM may also participate in the 56th AGM through VC/ OAVM but shall not be entitled to cast their vote again.
- iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the 56th AGM shall be the same person mentioned for remote e-voting.

**General information for Members**

31. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password
32. Shri Navin Kothari, (Membership No. FCS 5935 and CP No 3725) of M/s N K & Associates, Practicing Company Secretary, has been appointed as the Scrutinizer for conducting remote e-voting and voting at the AGM in a fair and transparent manner. The Scrutinizer shall after the conclusion of e-voting at the 56th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him in writing, within 48 (forty eight) hours from the conclusion of the 56th AGM, who shall then countersign and declare the Result of voting forthwith.
33. The Result declared along with the Scrutinizer's Report shall be placed on the website of the Company at [www.hindustancopper.com](http://www.hindustancopper.com) and on the website of NSDL at <https://www.evoting.nsdl.com> immediately after the declaration of Results. The Company shall simultaneously forward the Results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The results shall be also displayed on the Notice Board of the Company at its registered office.



## ANNEXURE TO NOTICE

### [Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013]

#### Item No 6

Shri Ghanshyam Sharma, holding additional charge of Director (Finance), Hindustan Copper Ltd. (HCL) (from 13.9.2021), has been appointed as Director (Finance), HCL in terms of Ministry of Mines' Order No. Met.3-10/3/2020-Met.III dated 1.2.2023 from the date of assumption of the charge of the post till the date of his superannuation i.e. 31.5.2025 or until further orders, whichever is earlier. Shri Sharma has joined as Director (Finance), HCL on 28.2.2023. It is now proposed to regularize his appointment at the ensuing 56th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 2013 (the Act).

Born on 17.5.1965, Shri Ghanshyam Sharm is Chartered Accountant, having experience of more than 34 years in audit and working of various PSUs engaged in the field of Finance, Engineering, Telecommunication, Power, Consultancy, Construction, Paper and Exploration etc. He has worked in different capacities in varied PSUs like Telecom Consultants (India) Ltd, Nuclear Power Corporation Ltd, Hindustan Newsprint Ltd and Mineral Exploration Corporation Ltd. He has vast experience in Project Management of Power, Telecom, Exploration Projects and providing PMC Services. Involved in the execution of Projects costing Rupees eight thousand crore and Feeder Replacement Project costing Rupees four hundred fifty crore. Besides, Shri Sharma has got exposure in the field of financing of projects, i.e. raising of funds through issue of Bonds, Term Loan, Cash Credit etc. from bank and Suppliers' Credit etc. He has widely travelled and served in India & abroad like Kingdom of Saudi Arabia, Qatar and Afghanistan beside special assignment with the United Nations. Shri Sharma is Director on the Board of Khanij Bidesh India Ltd since 2.8.2022 and holding additional charge of the post of Director (Finance) of Mineral Exploration Corporation Ltd. from 28.02.2023 Prior to this, he was Director (Finance) in Hindustan Newsprint Ltd. Recently, in terms of Ministry of Mines Order No. Met.3-10/2/2022-METAL III. Part (1) dated 31.07.2023, Shri Sharma has also assumed additional charge of the post of Chairman and Managing Director of the Company from 01.08.2023.

Shri Ghanshyam Sharma is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority. None of the Directors, Managers and other Key Managerial Personnel (KMP) of the Company is related to Shri Sharma.

Shri Sharma does not hold directorship and the membership of the Committees of other listed companies including during last three years. He does not hold any share in his name or on a beneficial basis for any other person in the Company.

Shri Sharma has attended nine out of eleven Board meetings held during FY 2022-23 and possesses requisite skill and capabilities required to perform the role of director. The Board considers that his continued association would be of immense benefit to the Company and recommends the Ordinary Resolution regarding his appointment as Director (Finance) of the Company for approval by Members.

Except Shri Sharma, none of the Directors or KMP of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 6.

#### Item No 7

The Board, on the recommendation of the Audit Committee, approved appointment of M/s. Chatterjee & Co., Cost Accountants, Kolkata as Cost Auditor, to conduct audit of cost records of the Company for the FY 2023-24 at a remuneration of ₹90,000/- (Rupees ninety thousand only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, the Ordinary Resolution at Item No. 7 of the Notice requires approval and ratification by Members of the Company. None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 7 of the Notice.

#### Item No 8

Pursuant to Sections 23, 42 and 62 of the Act, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act and the rules made thereunder, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), each as amended, the approval of the Members is required by Special Resolution, for further issue of equity shares of the Company.

The Members of the Company had passed a Special Resolution on 28.1.2021 by Postal Ballot for issuance of 13,87,82,700 equity shares, in one or more tranches, equivalent to 15% of paid up equity capital of the Company through Qualified



Institutional Placement (QIP) method for funding the capex/ expansion plans of the Company for expanding the mines production capacity. This was as per Cabinet Committee of Economic Affairs (CCEA) approval in the meeting held on 1.8.2018. In the first tranche of QIP, launched on 7.4.2021 and closed on 12.4.2021, the Company had mobilized ₹500 crore (including premium) equivalent to 4.52 % of the then existing share capital of the Company for funding the ongoing 1st phase of mine expansion plan to raise production capacity from the level of 3.6 million tonnes per annum (MTPA) of ore to 20.20 MTPA of ore (in the 1st phase up to 12.20 MTPA and in 2nd phase up to 20.20 MTPA). After the first tranche of QIP, the GoI shareholding in HCL had come down from 76.05% to 72.76% and the Company complied with the minimum public shareholding as required by Securities Contract (Regulations) Rules, 1957. Post QIP, the Government of India conducted OFS in September – October, 2021 to the extent of 6.62% of increased capital & the GOI holding, now stands at 66.14% in the Company.

Under proviso to Section 172 (1) (a) of ICDR Regulations 2018, QIP is to be completed within a period of 12 months from the date of passing of the Special Resolution by Members of the Company. The existing Special Resolution passed by Members in the 55th AGM held on 28.9.2022 is valid up to 27.9.2023. Therefore, the Company is proposing to pass the Special Resolution set out at Item No. 8 of the AGM Notice. The fresh resolution will be valid for another one year from the date of passing of the resolution by the Members of the Company. Thus, the Company will have an enabling resolution in place for raising further funds through QIP which may be required for funding its ongoing capex/ expansion plans.

As the QIP may result in the issue of equity shares of the Company to investors who may or may not be Members of the Company, consent of the Members is being sought pursuant to Section 42, 62(1)(c) and other applicable provisions, if any, of the Act, the SEBI ICDR Regulations, SEBI Listing Regulations and any other laws for the time being in force and applicable. The detailed terms and conditions for the offer of equity shares will be determined by the Board in consultation with the lead managers, placement agents, advisors and such other agencies, as may be required to be consulted by the Company, considering the prevailing market conditions and in accordance with the applicable provisions of laws and other relevant factors.

Accordingly, approval of Members by way of a Special Resolution is sought to empower the Board of Directors to raise funds by issue of equity shares through QIP method to the extent of 9,69,76,680 equity shares (13,87,82,700 equity shares less 4,18,06,020 equity shares already raised in April, 2021) in one or more tranches, for funding the capex/ expansion plans of HCL duly approved by CCEA in accordance with various applicable rules and regulations, to eligible investors at such price or prices, at a discount or premium, in such manner and on such terms and conditions as may be decided by the Board in its discretion, taking into consideration, market conditions, and other relevant factors and wherever necessary in consultation with Lead Managers and other Advisors/Intermediaries. The pricing of the equity shares, including the floor price and any discount to the issue price, to be issued to QIBs pursuant to Chapter VI of the SEBI ICDR Regulations shall be determined by the Board/ QIP Committee in accordance with Chapter VI of the SEBI ICDR Regulations. The 'Relevant Date' for this purpose will be the date of the meeting in which the Board of Directors or the QIP Committee or any other Committee duly authorized by the Board, decides to open the proposed issue of equity shares. Any equity shares allotted would be listed on one or more stock exchanges in India.

The Board in its meeting held on 19.5.2023 has recommended passing of the Special Resolution mentioned at item No. 8 of the AGM Notice for approval by Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 8 of the AGM Notice.

#### **Item No 9**

In furtherance of the proposal to issue further equity shares of the Company by way of QIP as set out in Item No. 8, the Board has considered and recommended to delegate certain powers/authority in relation to the QIP to a Committee of the Board for the purpose of dealing with all matters and taking actions as may be required pertaining to the further issuance of shares/ securities by way of QIP for operational convenience and ensure compliance with legal requirements in a time bound manner.

The Board in its meeting held on 19.5.2023 has recommended the Special Resolution mentioned at item No. 9 of the AGM Notice for approval by Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 9 of the AGM Notice.

#### **Item No 10**

Pursuant to the provisions in Sections 23(1)(b), 42 and 71 of the Companies Act, 2013 ('the Act'), read with Rule 14(2)



of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions and in accordance with the provisions of SEBI (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company, consent of Members was obtained by passing Special Resolution on 28.9.2022 in the AGM to offer, issue and allot, in one or more tranches/ combinations and including the exercise of a green shoe option if any, Secured or Unsecured Non-convertible Debentures/Bonds of any type/ nomenclature, on private placement basis of an amount of ₹500 crore only within the overall borrowing limit of ₹2,500 crore only of the Company, for the business of the Company including capex/ expansion projects. The validity of the Special Resolution is for a period of one year up to 27.9.2023.

As per SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated 26.11.2018, Large Corporate (LC) having outstanding long-term borrowings of ₹100 crore or more, with original maturity of more than one year and credit rating of "AA and above", shall raise funds not less than 25% of total incremental borrowings by way of Debt Securities as defined by SEBI. Further, Chapter XII of Operational Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10.8.2021 and amended from time to time, inter-alia, mandates Large Corporates to raise minimum 25% of their incremental borrowings in a financial year through issuance of debt securities which has to be met over a contiguous block of three years from FY 2021-22 onwards. In FY 2022-23, the Company did not have any additional borrowing and hence the Company did not borrow by way of bonds/debentures as per the requirement of SEBI guidelines.

A borrower usually gets better terms by way of interest as well as repayment by issuing debentures/bonds vis-à-vis a bank loan. The interest rate and other terms of bank loans are set by a bank whereas when a Company issues debentures/ bonds, it sets the terms and conditions based on current market conditions and are usually better and more flexible than bank loans. Thus, to take advantage of better borrowing interest rate and to comply with SEBI guidelines, the Company proposes to keep an enabling provision of borrowing through Debentures/Bonds up to a limit of ₹500 crore within the overall borrowing limit of ₹2500 crore.

In view of the above, the Board in its meeting held on 19.5.2023 has recommended the Special Resolution mentioned at item No. 10 of the AGM Notice for approval by Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 10 of the AGM Notice.

Details of Directors seeking re-appointment at the AGM in terms of Regulations 36(3) of the SEBI Listing Regulations

### **Shri Sanjiv Kumar Singh**

Shri Sanjiv Kumar Singh is Director (Mining) of the Company with effect from 26.3.2022 in terms of Ministry of Mines' order No. 10/1/2020-Metal III dated 22.3.2022.

Born on 5.6.1966, Shri Sanjiv Kumar Singh is B. Tech and M. Tech in Open Cast Mining from Indian School of Mines, Dhanbad and MBA (Finance) from BIT Mesra, Ranchi. Shri Singh started his career in CMPDIL as Junior Executive Engineer in the year 1987 and thereafter he has held several key positions in CMPDIL and later on in NTPC Ltd. Shri Singh has got rich and varied experience spanning over 35 years in public sector companies in mine planning and design, preparation of MDO document, statutory clearance, evaluation of tenders and financial appraisal of the Projects. Prior to joining HCL, Shri Singh was General Manager (Coal Mining) in NTPC Ltd. Shri Singh has visited Indonesia & Australia regarding the acquisition of coal blocks for NTPC. He has also been a part of Indian delegation of India-Australia Energy Security Dialogue, held in Australia during February 7-12, 2016.

Shri Sanjiv Kumar Singh is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority. None of the Directors, Managers and other Key Managerial Personnel (KMP) of the Company is related to Shri Singh.

Shri Sanjiv Kumar Singh is not holding directorship and membership of the Committees of other companies/ listed companies including during last three years. He holds 275 equity shares in the Company.

He has attended nine out of eleven Board meetings held during FY 2022-23. Two out of eleven Board meetings during FY 2022-23 were held as Reviewing Authority under HCL (Conduct, Discipline & Appeal) Rules, 2021 wherein CMD and Functional Directors, being Disciplinary Authority and Appellate Authority respectively, recused themselves from the meeting.

Shri Singh possesses requisite skill and capabilities required to perform the role of director and the Board considers that his continued association would be of immense benefit to the Company.

Except Shri Singh, none of the Directors or KMP of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 3.

**Shri Sanjeev Verma**

Shri Sanjeev Verma, Director, Ministry of Mines, Government of India, is part time official Director of the Company with effect from 7.8.2020 in terms of Ministry of Mines' (MoM) Order No. 10/2/2002-Met.III dated 7.8.2020.

Born on 26.3.1979, Shri Sanjeev Verma is B.E. (Civil) and belongs to the Indian Railway Stores Service (IRSS) 2002 batch. As an Officer of IRSS, Shri Verma had dealt with procurement of goods and services for various users of Indian Railways (IR). He has expertise in e-procurement, digital supply chain, contract management and implementation of policies of the Government of India in purchase matters like Make in India, GeM, MSME, etc. Shri Verma had held several key positions in IR including Dy. Vigilance Officer, Chief Information Officer/IT in North Western Railway (NWR) which dealt with IT Infrastructure of the NWR and coordination with central software implementing agencies of IR. Presently, Shri Verma is Director in MoM since 1.3.2019 and looks after the issues related to auction of mines, mineral concessions, utilization of DMF and implementation of PMKKKY scheme.

Shri Sanjeev Verma is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority. None of the Directors, Managers and other Key Managerial Personnel (KMP) of the Company is related to Shri Verma.

Shri Sanjeev Verma is also appointed as Nominee Director on the Board of Bharat Aluminium Co. Ltd. Besides this, he does not hold directorship and membership of the Committees of other companies/ listed companies including during last three years. He does not hold any share in his name or on a beneficial basis for any other person in the Company.

He has attended ten out of eleven Board meetings held during FY 2022-23.

Shri Verma possesses requisite skill and capabilities required to perform the role of director and the Board considers that his continued association would be of immense benefit to the Company.

Except Shri Verma, none of the Directors or KMP of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 4.

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## REPORT OF THE BOARD OF DIRECTORS

### The Shareholders

### Hindustan Copper Ltd

### Kolkata

Your Directors have pleasure in presenting the fifty fifth Annual Report of Hindustan Copper Ltd (HCL/the Company) together with the audited statement of accounts and Auditors' Report thereon for the year ended 31.3.2023.

### 1. Performance

#### Financial Summary or highlights

The comparative working results for the FY 2022-23 vis-à-vis FY 2021-22 are as under:

(₹ in crore)

Particulars	2022-23	2021-22
(a) Turnover	1660.63	1812.21
(b) Profit/(Loss) before depreciation, amortization, finance cost & tax	586.51	560.88
(c) Less : Depreciation & Amortization	174.92	149.87
(d) Less : Finance Cost	15.93	28.94
(e) Profit/ (Loss) Before Tax from continuing operation	395.66	382.07
(f) Profit/(Loss) Before Tax from discontinuing operation	-	(0.35)
(g) Profit/(Loss) Before Tax from continuing & discontinuing operation	395.66	381.72
(h) Less : Provision for Taxation Net (Current & Deferred Tax)	100.35	7.94
(i) Profit after tax from Continuing & Discontinuing Operation	295.31	373.78
(j) Other Comprehensive Income (net of tax)	(9.57)	(22.22)
(k) Total Comprehensive Income for the year	285.74	351.56
(l) Add: Balance brought forward from the previous year	648.68	330.97
(m) Balance available for appropriation	934.42	682.53
(n) Less : Dividend	112.17	33.85
(o) Balance to be carried forward	822.25	648.68
(p) Earnings per Share (₹) (Both Basic & Diluted)	3.05	3.87

During 2022-23, the Turnover of the Company was ₹1660.63 crore as against ₹ 1812.21 crore during FY 2021-22 registering a decrease of 8.36%. The Company posted Profit Before Tax from continuing & discontinuing operation of ₹ 395.66 crore during the year as against ₹ 381.72 crore recorded during the previous year registering an increase of 3.65%. The Profit After Tax from continuing & discontinuing operation during FY 2022-23 is ₹ 295.31 crore as against ₹373.78 crore in FY 2021-22 registering a decrease of about 21%. The total borrowings of the Company has reduced from ₹408.32 crore as on 31.03.2022 to ₹156.39 crore as on 31.3.2023.

#### Physical performance:

The comparative physical performance of production and sales for the year 2022-23 vis-a-vis 2021-22 is as under:

Particulars	Unit	2022-23	2021-22
Ore	Lakh Tonnes	33.47	35.70
Metal in concentrate (MIC)	Tonnes	24,760	24,741
Cathode	Tonnes	7.32	621
CC Wire Rod - Own Production	Tonnes	Nil	1
CC Wire Rod – Tolling Production	Tonnes	6,558	1,240
Sales :	Tonnes		
CC Rod		Nil	1
Cathode		79	558
MIC		24,640	25,248
<b>Total</b>		<b>24,719</b>	<b>25,807</b>



Though MIC production during FY 2022-23 has shown marginal improvement compared to last year, the performance was below the target set for the year due to non-availability of adequate number of benches for mining at open pit mine of Malanjkhand Copper Project (MCP), Madhya Pradesh as the open pit mine has reached its ultimate depth and is in a transition phase from open cast to underground mining, under performance of contractual agencies engaged for underground mine development and production contract at MCP, suspension of production at Surda Mine, Ghatsila on account of non-execution of mining lease deed by the State Government of Jharkhand, crusher break down at Kolihan Copper Mine and continued 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 & execution of contract for loading & hauling of 6 LBCM rock at MCP open pit mine during FY 2022-23, execution of two small short-term contracts for production from the ready stopes of underground mine at MCP, the contract for which was awarded in FY 2021-22 and the contractor engaged for ore production from MCP underground mine started bringing the imported equipment at site leading to gradual ramp up of ore production from the MCP underground mine.

Though the Government of Jharkhand had extended the Surda Mining Lease period for another twenty years up to 31.3.2040 vide letter dated 6.1.2022 but execution of lease deed is awaited for want of Environmental Clearance (EC) from the Ministry of Environment, Forest and Climate Change (MOEF&CC), Delhi for the total lease area because of non-availability of Stage I forest clearance over remaining 65.52 ha of forest land within the Surda Mining Lease. The present status of forest clearance of Surda Mining Lease is that PCCF (Nodal), Forest Department, Government of Jharkhand has recommended the proposal for Stage I forest clearance to the State Government of Jharkhand which is pending since 13.4.2023.

To overcome the problem of water shortage at KCC, the Company has taken up the matter with the State Government of Rajasthan to increase the supply of water at KCC from Kumbharam project and measures are being taken for enhancement of rainwater storage & retaining capacity, improvement of internal water circulation system to reduce loss of water and enhancement of water reclamation from tailing dam.

## 2. Dividend

The Board of Directors of your Company has recommended payment of dividend equivalent to 18.32% on paid-up capital of the Company i.e. Re 0.92 per share of ₹ 5/- face value for the year 2022-23 for approval of shareholders in the Annual General Meeting. The outgo on this account will be ₹ 88.97 crore approx.

## 3. Material Changes, if any

No material change and commitment affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of the report.

## 4. Projects

The Company during FY 2020-21 had envisaged to enhance the ore production capacity from the current level of 4.24 million tonnes per annum (MTPA) to 12.20 MTPA by FY 2028-29. Status of different continuing mine expansion projects is as under:

### i. Malanjkhand Mine (Madhya Pradesh)

The proposed expansion of MCP will augment the ore production capacity from 2.5 MTPA to 5.0 MTPA by developing an underground mine below the existing open cast mine. The earlier awarded contract for development of underground mine at MCP had ended on 28.12.2021. To complete the residual work of underground mine construction, a consultancy contract was entrusted on M/s MECON, a reputed CPSE Consultancy Organization, for estimation of value of residual work, preparation of NIT document and evaluation of tenders which have been divided in multiple parts (Mine Excavation at North Side, Mine Excavation at South Side, Shaft Furnishing, Men & Material Hoisting system, Crushing & Pumping system, Power system, Main Mechanical Ventilator) to complete the work in an efficient manner. Out of the above multiple parts, the contracts for completion of mine development work at North & South side have been awarded and started in FY 2022-23. For production of copper ore from underground mine at MCP, a contract for Development, Production Drilling and Ore Production had been awarded to M/s SMS Ltd led consortium in July, 2019. M/s SMS Ltd has started production of copper ore from stope since July, 2022 and majorly completed the mobilization of production equipment at the site. Further, the Company has also awarded contract for construction of 3.00 MTPA Paste Fill Plant for back-filling the voids of Underground mine at MCP to the EPC contractor, M/s Shapoorji Pallonji and Company Private Ltd and the construction work has already commenced at the site.



ii. Khetri & Kolihan Mine (Rajasthan)

The proposed expansion of mines at western sector would increase ore production capacity from existing 1.0 MTPA to 3.0 MTPA. Mine-wise status is as under:-

- a. Kolihan Mine: Shaft sinking and creation of ore handling facilities below 0 mRL (meter Reduced Level) has been undertaken to augment the production capacity to 1.5 MTPA for which EC is already in place. The study report of Geophysical Exploration work, taken up in FY 2021-22, has shown possible extension of ore body upto -300mRL and the validation drilling is being carried out to confirm the prediction as well as for assessment of grade of ore as per standard practice. Based on outcome of the above, further activities like G2 level Exploration and Mine Planning will be taken up.
- b. Khetri mine: Execution of the earlier awarded contract to augment ore production capacity at the mine from 0.5 MTPA to 1.5 MTPA through deepening of existing shafts and other related activities, could not be completed due to extremely bad ground / fault zone encountered and as a result, the contract had to be terminated. To sustain the ore production from mine, another contract has been awarded for conversion of track mining to trackless mining at 0mRL and below for which contract has been awarded and the work has already been commenced. For the Banwas deposit of Khetri Mine, the Company had during FY 2016-17 appointed contractual agency for ore production. The contractual agency has produced 3,75,689 tonne of ore in FY 2022-23 and the target production is envisaged to be achieved by FY 2023-24.

iii. Surda Mine (Jharkhand)

The plan envisages sinking of shaft, deepening of various winzes to increase production capacity from 0.4 MTPA to 0.9 MTPA in Surda mine. The validity of Surda Mining Lease has been extended till 31.3.2040 by the Government of Jharkhand. EC was granted by the Ministry of Environment, Forest and Climate Change (MoEF&CC), Delhi for 0.9 MTPA ore production over 323.16 ha on 30.5.2022. Subsequently, during execution of Mining Lease deed, it was intimated by DMG, Ranchi on 29.8.2022 to submit amended EC over 388.68 ha. Accordingly, the EC amendment application was made and MoEF&CC, Delhi recommended the amendment subject to grant of Forest Clearance (FC) over balance 65.52 ha forest area within the mining lease.

The present status of forest clearance of Surda Mining Lease is that PCCF (Nodal), Forest Department, Government of Jharkhand has recommended the proposal for Stage-I forest clearance to the State Government of Jharkhand which is pending since 13.4.2023.

iv. Re-opening of closed mines at Indian Copper Complex (ICC) Ghatsila (Jharkhand)

The Company has initiated action to re-open the closed mines, development of new underground mine at Singhbhum Copper Belt of ICC namely, Kendadih and Rakha mines. Mine-wise status is given below:

- a. Kendadih mine: Kendadih mine was reopened in December, 2017 with commissioning of winders after completion of dewatering of the mine. Production contract has been awarded on 6.7.2021. Development activities and ore production were started, but the performance of the contract was not at all satisfactory as a result the said contract has been terminated on 25.05.2023.
- b. Rakha mine: Rakha Mining Lease has expired on 28.8.2021 and Application for extension of lease for further period of 20 years beyond 28.8.2021 was submitted to the office of DC, Government of Jharkhand on 30.4.2020. In response of the application for extension of Rakha Mining Lease, Govt. of Jharkhand has intimated that it is under process/ consideration as per Statute.

Simultaneously, for engagement of MDO (Mine Developer cum Operator) for re-opening and expansion of Rakha Copper Mine, development of a new underground mine at Chapri Block to produce 3 MTPA of ore and erection & commissioning of a matching capacity new Concentrator Plant at ICC, the Company has appointed Transaction Advisor for preparation of tender document and Mine Service Agreement (MSA). For selection of MDO, tendering action has been taken and web hosted in the platform of M/s. MSTC. Pre-bid meeting has been conducted on 15.2.2023 wherein four prospective bidders participated. Tendering action is in process.

Exploration:

During FY 2022-23 focus on exploration has been enhanced 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. Budget for exploration has been enhanced about five times with respect to last 10 year's expenditure on this head.

During FY 2022-23, 17,249 m of surface drilling and 12,660 m of underground definition drilling have been completed in different leases. Extension of ore bodies has been proved upto about 650 m vertical depth in Rakha Block and up to about





750 m vertical depth in Kendadih Block by taking up G2 level exploration. G2 level exploration is also in progress for the adjacent Rakha NW block. Validation drilling is in progress for confirmation of ore body extension up to (-) 300mRL, i.e. about 750m vertical depth, predicted through geophysical survey.

As on 1.4.2022, copper ore reserve and resources of the Company was 631.85 million tonnes with 0.99% of Cu. It is expected that the exploration activities taken up during the financial year will enhance copper ore reserve and resources of the Company.

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 on 3.1.2023. 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.

#### **5. Significant or material orders passed by the Regulators or Courts or Tribunals**

No significant or material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

#### **6. Utilization of funds raised through preferential allotment or QIP during the year**

The Company has raised funds of ₹500 crore approx. in April, 2021 through Qualified Institutional Placement (QIP) for meeting expansion/Capex plan of the Company by issuing 4,18,06,020 equity shares of face value of ₹ 5/- each at a price of ₹ 119.60 (including a premium of ₹114.60) per share from institutional investors including Mutual Funds, Banks, Insurance companies and FIIs. The Company has utilized ₹206.63 crore up to 31.3.2023. Funds raised through QIP has been utilized as per objects stated in the QIP Document dated 12.4.2021.

#### **7. Management Discussion and Analysis**

A report on Management discussion and analysis of the performance of the Company is given at **Annexure-I**.

#### **8. Information in respect of Subsidiary, Associate and Joint Venture**

Khanij Bidesh India Ltd (KABIL), a JV company between NALCO, HCL and MECL, was incorporated on 8.8.2019 with the objective to identify, acquire, develop, process and make commercial use of strategic and other minerals in overseas locations for supply in India and boost "Make in India" campaign. The shareholding of NALCO, HCL and MECL in KABIL is in the ratio of 40:30:30. The cumulative investment in KABIL as on 31st March, 2023 is ₹ ₹9.75 crore.

During the year, HCL has made additional investment of ₹6.30 Lakh in the equity of its subsidiary viz. Chhattisgarh Copper Ltd (CCL). The total paid up capital of CCL as on 31.3.2023 is ₹63.51 Lakh out of which 74% equity is held by HCL and remaining 26% is held by Chhattisgarh Mineral Development Corporation Ltd.

Information in respect of Subsidiary, Associate & Joint Venture (Form AOC 1) pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 is given in Notes to Financial Statements 2022-23.

#### **9. Deposits**

The Company has not taken any deposits covered under or which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

#### **10. Related Party Transactions (RPTs)**

Detail of RPT in Form AOC-2 is given at **Annexure - II**. Policy on RPTs and dealing with RPTs has been formulated and put up at the Company's website and can be accessed at [https://www.hindustancopper.com/Content/PDF/Policy%20on%20MRPT\\_RPT.pdf](https://www.hindustancopper.com/Content/PDF/Policy%20on%20MRPT_RPT.pdf).

#### **11. Maintenance of cost records**

The Company is required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013, and accordingly such accounts and records are being maintained.

#### **12. Name of companies which became and cease to be Subsidiaries, JVs or Associate Companies**

Nil during the year.



### 13. Establishment of Vigil mechanism

The Company has in place a Whistle Blower Policy which provide adequate safeguards against victimization of employees / directors who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy has been and put up at the Company's website and can be accessed at [https://www.hindustancopper.com/Content/PDF/Whistle\\_Blower\\_Policy.pdf](https://www.hindustancopper.com/Content/PDF/Whistle_Blower_Policy.pdf).

### 14. Application made or any proceeding under the Insolvency and Bankruptcy Code, 2016

Not applicable as no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.

### 15. Difference in valuation at the time of one time settlement and valuation while taking loan from the Banks or Financial Institutions

Not applicable as no one time settlement was done during the year.

### 16. Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Composition of the Internal Complaints Committee is available at the website of the Company and can be accessed at <https://www.hindustancopper.com/Content/PDF/Details%20of%20Internal%20Committee%20in%20HCL.pdf>

### 17. Risk Management Policy

The Board of Directors of the Company has developed and implemented a Risk Management Policy for the Company including identification therein of elements of risk, which in the opinion of the Board, may threaten the existence of the Company.

### 18. Dividend Distribution Policy

The Company has a Board approved 'Dividend Distribution Policy' in place prepared in terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR), 2015}. The Policy is available at the website of the Company and can be accessed at [https://www.hindustancopper.com/Content/PDF/Dividend\\_Distribution\\_Policy.pdf](https://www.hindustancopper.com/Content/PDF/Dividend_Distribution_Policy.pdf).

### 19. Internal Financial Controls

The Company has in place adequate internal financial control with reference to financial statements commensurate with its size and operations.

### 20. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given as **Annexure-III** forming part of this report.

### 21. Safety & Environment

Mine Safety & Environment management remains the high priority area of the Company. The Company is always aiming to achieve "Zero Accident" potential and committed to continue sustainable mining by diligently adhering the 'Sustainable Development Framework' stipulated by Indian Bureau of Mines (IBM), Government of India.

The Company continues to maintain the tradition of attracting recognition for its safety performance and, like previous years, this year also received a number of awards in mine safety environment management as indicated below:

- i. Malanjkhand Copper Mine declared winner of National Safety Award in the large opencast metalliferous mines category for Longest Injury Free Period by DGMS and has been awarded 5-star rating (highest possible rating in India) by Indian Bureau of Mines for sustainable mining.
- ii. The five mines of the Company (viz. Khetri, Kolihan, Malanjkhand, Surda and Kendadih) won various accolades in Annual Metalliferous Mine Safety Week under the aegis of respective regional office of Director General of Mine Safety (DGMS), Govt. of India and in Annual Mine Environment & Mineral Conservation (MEMC) Week of Indian Bureau of Mines (IBM), under the aegis of respective regional office of Govt. of India.

Besides the above, special training, regular refresher training program and on-the-job training are provided to all employees. Safety Campaigns like "Annual Mines Safety Week", "Fire Services Day", "Fire services week" and "Industrial Safety Day"



celebrations are conducted regularly with active participation of employees in all the Units of HCL.

## 22. Awards and Accolades:

- (i) HCL received the first prize of "Rajbhasha Implementation Excellence Award" for its best performance in the direction of progressive use and implementation of Hindi in the meeting of the Town Official Language Implementation Committee (Undertaking), Kolkata held on 25.8.2022.
- (ii) CMD, HCL was awarded the MGMI Award of Excellence for Non-Coal Mining for the year 2021-22 on 25.9.2022 by the Mining, Geological and Metallurgical Institute of India for his outstanding contribution in Non-Coal Mining Industry.
- (iii) HCL was felicitated as 'Sectoral Star' at the Fortune India's "The Next 500: Breaking news Frontiers event held on 24.6.2022 at New Delhi for its outstanding rising performance in the Metal Industry.

## 23. Corporate Social Responsibility (CSR)

The CSR Report in the prescribed format as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is at **Annexure-IV**.

## 24. Vigilance Activities

The focus of the Vigilance Department is on preventive / proactive measures through improvement of systems and procedures, ensuring transparency, adherence to established policies and guidelines etc. Systems improvement measures are being regularly brought to the notice of Management, which has implemented most of the suggestions.

The emphasis is on developing proper checks and balances in the working systems. At the same time, since punitive action is also required in case of misconduct to maintain discipline in the organization and to ensure fairness and probity in public life, prompt action is taken towards disposal of those cases also. Efforts are also continuing to create more and more awareness about vigilance amongst the employees of the organization.

## 25. Official Language Implementation

During FY 2022-23, HCL made constant endeavor to increase the use of Official Language Hindi in its Units/Offices. Hindi Diwas/ Week/ Fortnight were celebrated in the Units/Offices from 14.9.2022 to 29.9.2022. On this occasion, the messages of Hon'ble Home Minister, Hon'ble Mines Minister and CMD, HCL were circulated /read out. Various competitions were organized with a view to increase interest among employees towards the Official Language and winners were given awards on closing ceremony held on 28.9.2022. Employees are constantly motivated to use Hindi in their day-to-day official work. Hindi Workshops were conducted in the Corporate Office, Units/ Offices at regular intervals. Regular review of progressive use of Hindi was carried out in quarterly meetings of Official Language Implementation Committee under the Chairmanship of CMD at Corporate Office and Unit Heads in Units.

During FY 2022-23, HCL participated in the half-yearly meetings organized by the Town Official Language Implementation Committee (PSUs), Kolkata. HCL was awarded 'first prize' and 'active participation award' in the category of Corporate Office for outstanding work in the field of official language by CALTOLIC (Undertakings) on 30.1.2023.

The progressive use of Hindi is being reviewed regularly at Board meetings. The Company's in-house journal "Tamralipi" is published in Hindi and English languages and distributed among the employees. The recruitment advertisement is also published bilingual. Notices, etc. are uploaded on the Company's website in Hindi and English. In order to increase knowledge and popularity of Hindi amongst employees, a scheme of 'One Hindi word and One sentence every day' was implemented. The use of Hindi in the computer has been further increased and advance software Unicode Hindi Open Office has been made available to all units/offices of the Company. Practical training was given to employees to work in official language through modern technology.

## 26. Business Responsibility and Sustainability Report

Pursuant to Regulation 34 (2) of SEBI (LODR), 2015, Business Responsibility and Sustainability Report for FY 2022-23 describing various initiatives taken by the Company on social, environmental and governance perspective, is attached at **Annexure-V** which forms part of this report.

## 27. Annual Return

Annual Return pursuant to Section 92(3) of the Companies Act, 2013 is available at the website of the Company and can be accessed at <https://www.hindustancopper.com/Page/AnnualReturn>



## 28. Corporate Governance

Corporate Governance Report as per SEBI (LODR), 2015 is given at **Annexure-VI** forming part of this report together with Certificate on Corporate Governance.

## 29. Number of meetings of the Board

During 2022-23, eleven Board meetings were held on 2.5.2022, 28.5.2022, 29.6.2022, 30.6.2022, 13.8.2022, 3.9.2022, 12.11.2022, 16.12.2022, 1.2.2023, 28.3.2023 and 29.3.2023.

## 30. Directors' Responsibility Statement

In terms of Section 134(5) of Companies Act, 2013, your Directors confirm:

- (i) That in the preparation of the Annual Accounts for the year ended 31st March, 2023 the applicable Accounting Standards has been followed along with proper explanations relating to material departures.
- (ii) That such Accounting Policies have been selected and applied consistently and made adjustments and estimates which are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of 31st March, 2023 and of the Profit and Loss of the Company for the FY 2022-23.
- (iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the Annual Accounts on a going concern basis.
- (v) That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- (vi) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 31. Declaration by Independent Directors

Independent Directors of the Company have given declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

## 32. Familiarization Program for Independent Directors

On joining, Independent Directors are familiarized through induction program / presentation with the overview of business, operations, new projects and business model of the Company. Visit to Units is also organized as per their convenience. They are also updated on the changes / developments including in the relevant statutory / regulatory requirements from time-to-time. Detail of Directors' Training / Familiarization Program has been hosted at the Company's website and can be accessed at [https://www.hindustancopper.com/Content/PDF/Fam\\_Pro\\_Ind\\_Dir.pdf](https://www.hindustancopper.com/Content/PDF/Fam_Pro_Ind_Dir.pdf).

## 33. Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors

In the opinion of Board, the Independent Directors of HCL are person of integrity and possesses expertise and experience required to discharge their duty.

## 34. Manner of Annual evaluation of Board sub Committees and individual Directors

HCL being a Government Company, performance evaluation of its Directors and criteria of evaluation is decided and undertaken by the Government of India.

## 35. Code of Conduct

The Company has in place a Code of Conduct applicable to the Directors as well as Senior Management and the same has been circulated to all concerned and posted at the Company's website and can be accessed at [https://www.hindustancopper.com/Content/PDF/CC\\_Dir\\_Sr\\_Exe.pdf](https://www.hindustancopper.com/Content/PDF/CC_Dir_Sr_Exe.pdf). All Board members and senior management personnel have affirmed compliance of the Code for the year ended 31st March, 2023.

## 36. Directors and Key Managerial Personnel

During the year S/Shri R Kalyansundaram, Pawan Kumar Dhawan and Balwinder Singh Canth ceased to be Non-official Independent Director on completion of their tenure on 21.7.2022.

Shri Ghanshyam Sharma, holding additional charge of Director (Finance), HCL (from 13.9.2021), has in terms of Ministry



of Mines' order No. Met.3-10/3/2020-Met.III dated 1.2.2023 joined as Director (Finance), HCL with effect from 28.2.2023 and his tenure will be till the date of his superannuation i.e. 31.5.2025 or until further orders, whichever is earlier.

The Board places on record its appreciation for the valuable services and contribution made by S/Shri R Kalyansundaram, Pawan Kumar Dhawan and Balwinder Singh Canth during their tenure on the Board.

During 2022-23, Shri C S Singhi ceased to be Company Secretary of the Company on attaining the age of superannuation on 31.3.2023 and in his place Shri Mritunjay Kumar Dev, Senior Manager (CS) was appointed as Company Secretary from 1.4.2023. The Board however, again appointed Shri C S Singhi as Company Secretary and Compliance Officer of the Company on contractual basis initially for a period of one year with effect from 3.4.2023.

### 37. Secretarial Audit Report

M/s N K & Associates, Practicing Company Secretaries, has been appointed as Secretarial Auditor for FY 2022-23. Report given by the Secretarial Auditor is given at **Annexure –VII** to this report. With regard to observations of Secretarial Auditor about composition of the Board that “the Company did not have minimum required 50% Independent Directors on its Board during the period from 22.07.2022 to 31.03.2023”, it is stated that HCL, being a Government Company and in terms of its Articles of Association, appointment of all Directors on its Board is made by the President of India through orders issued by the Ministry of Mines, Government of India. The Company has no role to play in the appointment process. The Company has requested the Ministry of Mines to fill up the vacant post of Directors.

### 38. Auditors

M/s. Ghoshal & Ghosal, Chartered Accountants, Kolkata was appointed as Statutory Auditors to audit the accounts of the Company for the year 2022-23 by Comptroller and Auditor General of India (C&AG).

M/s Bandyopadhyaya Bhaumik & Co., Kolkata was appointed as Cost Auditor of the Company for carrying out the Cost Audit of Copper Ore, Concentrate, Cathode, Continuous Cast Copper Rods, other processed Copper and articles along with Sulphuric acid for the year 2022-23.

### 39. Comments of C&AG

The comments of C&AG under the Companies Act on the accounts of the Company for the year ended 31st March, 2023 are annexed to this report.

### 40. Appreciation

In conclusion, your Directors wish to place on record their appreciation of the hard work put in by all employees of the Company during the year under review. The Board gratefully acknowledges the valuable guidance and co-operation received from the Ministry of Mines and other Ministries/ Departments of the Government of India and the support received from the State Governments of Rajasthan, Jharkhand, Madhya Pradesh, Maharashtra, Gujarat and West Bengal and the Company's bankers, customers and office bearers of the recognized Trade Unions of different Units / Head Office. The Board also thanks all shareholders and investors for the trust reposed by them in the Company.

For and on behalf of the Board of Directors

Sd/-

Arun Kumar Shukla

Chairman and Managing Director

(DIN-03324672)

Place: Kolkata

Date: 10.7.2023



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### I. Industry Structure and Development

Copper, a malleable and ductile metallic element, is an excellent conductor of heat and electricity as well as being corrosion resistant and antimicrobial. Copper occurs naturally in the Earth's crust in a variety of forms. It can be found in sulfide deposits (as chalcopyrite, bornite, chalcocite, covellite), in carbonate deposits (as azurite and malachite), in silicate deposits (as chrysocolla and diopside) and as pure "native" copper.

The global demand for copper continues to grow: world refined usage has more than tripled in the last 50 years, thanks to expanding sectors such as electrical and electronic products, building construction, industrial machinery and equipment, transportation equipment, and consumer and general products.

Demand of copper is increasing due to progress of implementation of 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. The antimicrobial properties of copper are finding newer application after CoVID 19 pandemic. Copper being the green metal has been considered as a core driver for moving the global economy toward net zero emissions. Copper has been termed as new oil.

The global copper mine production and primary copper production remain flat during last three years and hence the secondary market for scrap copper will play an increasingly important role in meeting future growing demand.

Virtually all products made from copper can be recycled and recycled copper loses none of its physical and chemical properties. Although copper recycling rates are already significant, with over a third of the world's copper currently produced via secondary markets.

#### Global Business Scenario

World copper mine production increased by about 3.3% in Calendar Year (CY) 2022. The concentrate production increased by around 3% and solvent extraction-electrowinning (SX-EW) by about 5%. World refined copper production increased by about 3.5% in CY 2022 with primary production (electrolytic and electrowinning from ores) up by about 4% and secondary production (from scrap) up by 1.4%. World apparent refined copper usage grew by about 3% in CY 2022. In 2022, the world refined copper balance, indicated an apparent deficit of about 376,000 tonnes due to Chinese apparent usage (excluding changes in bonded/unreported stocks).

ICSG has reported that, World copper mine production in 2022, although continuing to increase, has underperformed vis-à-vis ICSG's April 2022 expectations, leading to a downward revision in growth rates from 5% to 3.9%.

Operational and geotechnical issues, strikes, water restrictions in Chile, lower than expected head grades and community actions in Peru have constrained mine output at a number of operations this year. However, world mine production in CY 2023 is benefiting from additional output from new and expanded mines, mainly in the D.R. Congo and Indonesia.

During last four-year period (2017- 2020) where only two major copper mines were commissioned, the pipeline of copper mine projects is improving. Major projects starting in CY 2021 to CY 2023 include Kamoakakula and Tenke (expansion) in the D.R Congo, Quellaveco in Peru and Spence-SGO and Quebrada Blanca QB2 in Chile. A number of medium and small projects, as well as expansions, have also started, or are expected to start in CY 2023. Most of the projects starting in this period are concentrate producing mines.

Globally, refined copper production growth was limited in CY 2022 by a series of planned and unplanned smelter shutdowns, mainly in the EU and Chile. However, refined copper production continued to significantly rise in China and D.R. Congo due to expanded capacity and this resulted in an overall global increase of 3.5%.

World refined production growth in 2023 will sustain mainly by the continued expansion of Chinese electrolytic capacity and new and expanded SX-EW operations in the D.R. Congo (electrowinning capacity).

Both primary (from concentrates) and secondary (from scrap) refined output are expected to present higher growth rates in CY 2023. Primary production will benefit from the increased supply of concentrates and secondary output from additions to secondary refinery capacity. SX-EW output growth is projected to be slightly lower in CY 2023 than in CY 2022 due to continued decline in Chilean output.

World apparent refined copper usage is expected to increase by about 1.4% in CY 2023.

The global economic outlook is challenging, manufacturing activity is expected to show sustained growth in most of the key copper end-use sectors.

Copper is essential to economic activity and the modern technological society. Additionally, infrastructure developments in



major countries and the global trend towards cleaner energy and electric cars will continue to support copper demand in the longer term.

#### Indian Copper Scenario

Compared with global markets, India has very limited copper ore reserve contributing about 0.31 % of world copper reserves. Mining production is just 0.2% of world's production, whereas refined copper production capacity is about 4% of world's production.

HCL hold around two-fifths of the copper ore reserves and resources in India with an average grade 1.32%. As on 1.4.2022, HCL has reserves (proved & probable) of about 2.73 million tonnes in terms of copper metal and total reserves and resource of 6.18 million tonnes in terms of copper metal (i e., 631.85 million tonnes of ore with average grade of 0.99% based on UNFC system).

Total copper resources in India is 12.16 million tonnes of which 2.73 million tonnes constitutes reserves, both in terms of copper metal as on 1.4.2015 as per NMI database (As per Indian Minerals Year Book 2019, 58th Edition, October, 2020).

There are three major players which dominate the copper industry in Indian markets. HCL in Public sector, M/s Hindalco Industries Ltd and M/s Sterlite Industries in Private Sector. It is reported that M/s Adani Group is installing custom copper smelter and refinery complex named as Kutch Copper Ltd of capacity of 1 million tonne in a phased manner. Refined copper production in India has declined significantly due to permanent closure order issued to M/s Sterlite Industries for their Smelter/refinery plant at Tuticorin by Tamilnadu government in May, 2018.

HCL is the only vertically integrated copper producer in the country which produces refined copper from its own mined ore, while M/s Hindalco Industries at Dahej in Gujarat and M/s Sterlite Industries (Vedanta) at Tuticorin in Tamil Nadu have set up port based smelting and refining plants. However, there are few installations to produce Electro-won copper but their capacities are still very low and production is inconsistent. There are several SMEs, MSMEs and unorganized sector working in the downstream and secondary recycling of copper in India.

In the fiscal year 2022-23, the copper ore production in India was 3.34 million tonnes. HCL has plans to increase its mining capacity from its current level of around 4.0 million tons per annum to 12.2 million tons per annum in phase –I (under implementation) and from 12.2 million tons per annum to 20.2 million tons per annum in phase-II through expansion of existing mines, re-opening of closed mines and opening of new mines. HCL carried out surface exploration drilling & underground definition drilling from April, 2022 till March, 2023 of 17,249 meters & 12,600 meter for enhancing copper ore reserve and resources within its mining leases. Metal in concentrate production of HCL in FY 2022-23 was 24,760 tonnes.

Refined copper production in India during FY 2022-23 (April-22 to Feb-23) was approx. 5.08 lakh tonnes (Vedanta- 1.37 lakh tonnes, HCL- 7.32 tonnes and Hindalco- 3.71 lakh tonnes), as compared to 4.42 lakh tonnes in FY 2021-22 (April-21 to Feb-22).

## **II. SWOT analysis**

### Strength

- Only Company mining copper ore in India.
- Fully developed infrastructure facilities
- Holding mining lease of more than 80% of country's copper reserves
- Vertically integrated operations greater business certainty
- Skilled and well-trained workforce
- Established brand value
- Wide distribution network and established customer base

### Weakness

- Smaller size mine deposits except Malanjkhand
- Aged equipment & old technology for value addition
- Low process efficiency
- High cost of logistics due to multi location units
- Low utilization of three plants, ICC, TCP & GCP resulting in cross subsidization
- Aged workforce



#### Opportunity

- Growing copper demand within country
- Ready market for copper concentrate in India due to large smelting/refining capacity
- Buoyancy in world copper prices
- Scope for expansion of mine capacity
- Opportunity to explore new deposits

#### Threat

- Volatility in LME Copper price affecting turnover/profitability
- Increasing cost of inputs
- Attrition of skilled manpower
- Risk in existing non-profitable business
- Limited availability of competent underground Metal mining contractor / Outsourcing agency in India

### III. Segment-wise or product-wise performance

Covered in the main report.

#### IV. Outlook

Copper demand is expected to grow in tandem with growth in Indian economy. The growing demand from the power sector in view of Government laying thrust on renewable energy and increasing demand from the households for consumer durables will increase the demand for copper in India. Manufacturers of hybrid and electric vehicle (EV) will also augment the consumption of copper as EVs use four times more copper than traditional internal combustion engines.

The market for EV is rapidly changing as leading manufacturer's debut new products, battery prices drop and Government incentives continue around the world. Copper is essential to EV technology and its supporting infrastructure. The evolving EV market will have a substantial impact on copper demand. The increase in the EV market will significantly impact copper demand. The projected demand for copper due to EVs is expected to increase by around 1.7 million tonnes by 2027. Copper demand is also expected to increase further in health sector due to its biocidal properties.

The per capita copper consumption in India is expected to increase from the current level of 0.6 Kg to 1 kg in coming years. The average per capita copper consumption of world is 3.2 kg.

#### V. Risks and concerns

The Company has laid down risk management framework keeping the Company's objectives, growth strategy and process complexities arising out of its business operations. Risk management in HCL is a continuous process of identifying, assessing and managing all the opportunities, threats and risks faced by the Company to achieve its goals.

#### VI. Internal control systems and their adequacy

HCL has internal control system and internal audit is being carried out on half yearly basis in order to achieve operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

#### VII. Discussion on financial performance with respect to operational performance

The financial performance for FY 2022-23 vis-à-vis FY 2021-22 is summarized below:

(₹ in crore)

Particulars	2022-23	2021-22
Turnover	1660.63	1812.21
Value of Production	1781.12	1812.88
Cost of production excluding depreciation, amortization and Finance Cost	1194.60	1252.00
Profit/(Loss) before depreciation, amortization and Finance Cost	586.51	560.88
Depreciation, Amortisation	174.92	149.87
Finance Cost	15.93	28.94
Profit/ (Loss) Before Tax from Continuing Operation	395.66	382.07
Profit/ (Loss) Before Tax from Discontinuing Operation	-	(0.35)
Profit/(Loss) Before Tax from continuing & discontinuing operation	395.66	381.72





(₹ in crore)

Particulars	2022-23	2021-22
Provision for taxation -Current	86.15	21.58
-Deferred	14.20	(13.64)
Profit/ (Loss) After Tax from Continuing & Discontinuing Operation	295.31	373.78

Capital Expenditure

During the year, the expenditure on account of Mine expansion, Mine development, Replacements & Renewals (R&R) of plant & machinery & green field exploration stood at ₹381.28 crore which was funded partially through internal resources of the Company and fund raised through QIP. No Government support for capital expenditure was asked for.

Contribution to Exchequer

During 2022-23, the Company contributed a sum of ₹397.10 crore to the exchequer by way of taxes and royalties, as against Rs 489.98 crore in 2021-22, as detailed below:

Particulars	₹ in crore	
	2022-23	2021-22
Sales Tax /GST Including GST TDS	126.99	33.11
Royalty and Cess	132.33	150.31
Income Tax	124.84	290.80
Others	13.04	15.76
<b>Total</b>	<b>397.10</b>	<b>489.98</b>

**VIII. Material developments in Human Resources / Industrial Relations front including number of people employed**

i. Manpower

As on 31.3.2023, the manpower of the Company was 1351. Category-wise break-up is tabulated below:

Employee Group	Category (No.)				
	Gen	SC	ST	OBC	Total
A	297	79	22	114	<b>512*</b>
B	9	1	0	2	<b>12</b>
C	309	110	107	129	<b>655</b>
D	64	67	22	19	<b>172</b>
<b>Total</b>	<b>679</b>	<b>257</b>	<b>151</b>	<b>264</b>	<b>1351</b>

Employee Group	Special Categories (No.)			
	ESM	PwD	LDP	Minorities
A	0	14	0	27
B	0	0	0	2
C	1	6	76	59
D	12	7	25	9
<b>Total</b>	<b>13</b>	<b>27</b>	<b>101</b>	<b>97</b>

\*Including 2 Deputationists.

Legends: Group A & B: Executives; Group C & D: Non-Executives; Gen: General; SC: Scheduled Caste; ST: Scheduled Tribe; OBC: Other Backward Class; ESM: Ex-Servicemen; PwD: Persons with Disabilities; LDP: Land Displaced Person.

(ii) Employment of SC/ST/OBC Community and PwD candidates

The Company adheres to the prescribed Government guidelines on reservation for SC/ST/OBC/PwD categories in its recruitment activities. The representation of SC, ST, OBC and PwD employees in the total manpower of 1351 as on 31.3.2023 was 19.02%, 11.18%, 19.54% and 1.99% respectively.

(iii) Employment of Women

The Group-wise strength of women employees as on 31.3.2023 vis-à-vis the total employee strength of the Company is given below:

Group	No. of Employees		Women Employees as % of total Employee
	Total	Women	
A	512	39	7.62
B	12	4	33.3
C	655	29	4.43
D	172	29	16.86
<b>Total</b>	<b>1,351</b>	<b>101</b>	<b>7.48</b>

iv. Employee Relations

During FY 2022-23, the Employee Relations continued to be harmonious and peaceful in all Units of the Company. The successful operation of various Bi-partite fora at the Apex, Unit and Shop-floor levels have contributed immensely towards smooth functioning of the Company.

During FY 2022-23, four meetings of the apex level Bi-partite Forum NJCC were held on 20.5.2022, 21.5.2022, 23.9.2022 and 2.1.2023. Major issues were discussed and some were resolved including finalization of 8th Wage Settlement of workers effective from 1.11.2017 for a period of 10 years up to 31.10.2027. The tripartite agreement was signed before Smt. Roopa Bharat, Deputy Chief Labour Commissioner (Central), Kolkata, on 3.1.2023.

v. Human Resource Development

Training and Development, based on identified needs, was given due priority by the Company for all levels of employees to increase employee effectiveness, utilization and productivity as well as to usher in a culture of innovation and creativity with emphasis on deciphering problem-solving skills. In FY 2022-23, 4483 mandays of training were achieved against a target of 2956 mandays. The Company selectively nominated employees for specialized training Programmes / Workshops / Seminars / Conferences / Webinars organized by reputed professional organizations and Institutes.

vi. Communal Harmony and National Integration

In the townships of the Company located at Khetri, Malanjkhanda and Ghatsila as well as in other places of work, the employees of different caste, creed, region and religion live together in harmony and celebrate all religious festivals with pomp and gaiety.

vii. Status of implementation of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been implemented across all the Units / Office of the Company. The constituted Internal Committees at Units / Offices are amended in accordance with the provisions contained in the Act. The details of the Internal Committees across HCL have been put up in the Company's website for wider circulation and easy access. A provision in this regard has also been incorporated in the Conduct, Discipline and Appeal Rules of HCL. HCL has a Board approved Policy known as Hindustan Copper Ltd (Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace) Policy and Rules, 2021. During the year, one complaint was received and resolved by the Internal Committee. SheBox portal is also regularly monitored.

viii. Status of implementation of The Persons with Disability Act, 1995

The number of employees belonging to Persons with Disabilities (PwD) category employed in the Company as on 31.3.2023 was 14 (fourteen) in Group A, 6 (Six) in Group C and 7 (Seven) in Group D, aggregating to 27 (twenty-seven).

- Recruitment: In recruitment matters the reservation for PwD was adhered to as per Government of India directives and duly incorporated in advertisement published, wherever applicable.
- Scholarship: HCL grants scholarship to employees' children under a special scheme. Particular care and wide publicity is given to the scheme. It has specific provision for PwD category children with relaxed eligibility criteria.
- Ramp: Ramps constructed at Hospitals, Works and General / Administrative Offices to enable easy access to elevated areas in buildings and ease of mobility. Provision of wheelchairs in Hospital/main administrative offices in Units / Projects is also available.



xi. Apprenticeship Training

HCL imparted apprenticeship training to 145 persons in FY 2022-23 in various trades.

x. Digital Payments

Payments of wages to all Contract Labour through digital mode has been ensured. To maximize cashless transactions by the Internal and External customers of HCL, 14 PoS machines have been installed at Guest House, Directors' Bungalow, Hospitals, Town and General Administration, Finance Department, Cash Sections, etc. in the three mining Units of HCL..

xi. Swachh Bharat Mission

In accordance with the Swachh Bharat Abhiyan launched by Govt. of India, intensive Swachhata Pakhwada was organized from 16th-30th November, 2022. Cleanliness activities were undertaken in all Units and Offices of HCL. Details of major activities undertaken are given below.

a. Upkeep and cleaning at

- i. Offices including common area premises, Plant and Mines.
- ii. Residential complexes, pathways and common areas of the Units.
- iii. Neighboring market, roads and parks surrounding Mines.

b. Conducted awareness campaign on cleanliness, distribution of hygiene kits, and sanitization in the neighborhood community.

Also, many special campaigns were also organized in the year in the Units and Offices of HCL on Swachhata as part of Special Campaign 2.0.

xii. Promotion of micro-enterprises

HCL has launched a platform on 15.7.2022 in Kuilisuta village, Jharkhand to promote micro-enterprises for craftsmen in various user segments of copper especially with a mission to revive Dokra craft, one of the earliest known methods of metal casting using lost-wax casting technique, reflecting the beauty of life in its various forms, in observance of the iconic week of Azadi Ka Amrit Mahotsav from 11.7.2022 to 17.7.2022.

**IX. Key financial ratios and details of significant changes therein (i.e. change of 25% or more as compared to the immediately previous financial year) along with detailed explanations thereof:**

Sr. No.	Key Financial Ratio	FY 2022-23	FY 2021-22	Difference	Reason for significant changes (i.e. change of 25% or more)
A	Current Ratio – (Current Assets / Current Liabilities)	0.84	1.08	22.39%	NA
B	Debt Equity Ratio- (Total Borrowings / Net Worth)	0.18	0.50	63.73%	Higher profit reported during the current year and repayment of loans.
C	Debt Service Coverage Ratio (DSCR) - (EBITDA/Current Borrowings)	4.21	2.60	61.78%	Higher profit reported during the current year and repayment of loans.
D	Return on Investment/Equity- (Annualised)-(PAT/Net worth)*100	34.49	46.10	25.17%	Less profit after tax reported during the current year as compared to previous year.
E	Inventory Turnover (times)- (Net sales/ Inventory of Finished Goods & Semi-finished in process)	23.60	29.01	18.66%	NA
F	Trade Receivables Turnover Ratio (times)- (Net Sales / Trades Receivables)	25.11	22.62	10.97%	NA
G	Trade Payables Turnover Ratio (times) - (Net sales / Trades Payable)	7.87	8.94	11.97%	NA
H	Net Capital Turnover Ratio – (Net Sales / Capital Employed)	1.17	1.24	-5.69%	NA



Sr. No.	Key Financial Ratio	FY 2022-23	FY 2021-22	Difference	Reason for significant changes (i.e. change of 25% or more)
I	Net Profit Ratio Margin- (PAT/ Net Sales)*100	17.78	20.63	13.78%	NA
J	Return on Capital Employed – (EBIT/ Capital Employed)*100	29.07	28.19	3.15%	NA
K	Operating Profit Margin – (EBIT- Other Income)/Net Sales*100	19.01	19.89	4.401%	NA
L	Interest Coverage Ratio - (EBIT/ Interest)	25.84	14.19	82.07%	Higher profit reported during the current year, less interest paid due to repayment of loans as compared to previous year.

[EBIT = Earning Before Interest & Tax; EBITDA = Earning before Interest, Tax, Depreciation & Amortisation; Net Worth = Equity (+) Other Equity (-) Capital Reserve (-) Currency Fluctuation Reserve (-) Mine Development Expenses; Capital Employed = Total Assets (-) Capital work In Progress (-) Current Liabilities]

**X. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.**

Return on Net Worth for FY 2022-23 is 34.49% as against 46.10% for FY 2021-22. The increase in Return on Net Worth is mainly due to increase in profit on account of higher sales realization.

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis - **Nil**
  - a. Name(s) of the related party and nature of relationship
  - b. Nature of contracts/arrangements/transactions
  - c. Duration of the contracts / arrangements/transactions
  - d. Salient terms of the contracts or arrangements or transactions including the value, if any
  - e. Justification for entering into such contracts or arrangements or transactions
  - f. date(s) of approval by the Board
  - g. Amount paid as advances, if any
  - h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of Contract/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Chhattisgarh Copper Ltd - Subsidiary**	Investment in equity shares and advance given for equity shares awaiting allotment	NA	₹ 47 Lakh	8.4.2015	Nil
Khanij Bidesh India Ltd- Joint Venture	Investment in equity shares	NA	₹ 975 Lakh	10.11.2017	Nil

(\*\* CCL is not Related Party under the Companies Act, 2013 but disclosed under IND AS 24)



## STATEMENT OF PARTICULARS IN TERMS OF RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

### (A) Conservation of energy-

(i) The steps taken or impact on conservation of energy:

- ▶ Conventional motors in continuous running equipment have been replaced by energy efficient motors in all plant areas to improve efficiency and reduction in energy consumption.
- ▶ Energy consumption is constantly monitored at the mines, plants and townships with a view to achieve overall reduction. In place of conventional lights, LED lights are installed in all five units to save energy and environment. The Company has saved around ₹92.4 Lakhs in FY 2022-23 by replacing conventional lights with LED lights.
- ▶ "IE3 energy efficient motors" has been made the standard specification, for motor procurement, across all applications in the units of HCL.
- ▶ Approximately 6.99 Lakh unit of solar electricity has been generated by the installed Solar Power Plants across various units at HCL resulting in a saving of ₹ 39.17 Lakhs during FY 2022-23.
- ▶ HCL has saved electricity charges of ₹ 550.61 Lakhs approx. during FY 2022-23 by taking various initiatives like reduction of contract demand, power factor improvement, introducing energy efficient equipment etc. across various units.

(ii) The steps taken by the company for utilizing alternate sources of energy:

- ▶ 386.5 kWp Roof top solar plant has been installed at MCP unit, which has produced approx. 3.78 lakhs of electricity in the year 2022-23 and saved approx. ₹ 20.4 lakhs.
- ▶ 200 kWp Roof top solar plant and 800 KWp ground based Solar Power plant have been installed at KCC unit and is ready for commissioning (Regulatory approval is awaited).
- ▶ 20 kWp Roof top solar plant has been installed at Surda, ICC unit, saved approx. 1.34 lakhs of electricity in the year 2022-23.
- ▶ Total 856.50 kWp solar plant has been implemented across various units of HCL. Approximately 6.99 Lakhs unit of solar electricity has been generated by the installed Solar Power Plants resulting in a saving of ₹ 39.17 Lakhs during FY 2022-23.

(iii) The capital investment on energy conservation equipment: ₹ 268.6 Lakhs

### (B) Technology Absorption-

(i) The efforts made towards technology absorption:

- ▶ A trial development has been done successfully to enhance capacity of Vertical Froth Pump at MCP to process high grade ore more than 1%.
- ▶ Up gradation of obsolete blower model FLANKT (centrifugal fan) to Twin Lobe Blowers (positive displacement blower) has been done at concentrator plant of MCP unit.
- ▶ A trial development has been done successfully for enhancing the capacity of Ball Mill discharge pump at MCP, by subsequently increasing Ball Mill's feed rate.
- ▶ An advanced PLC based control system at MCP was adopted for control of Vertical Boring Machine.
- ▶ Replacement/retrofitting of old Electro-Mechanical protection relay done with sophisticated, precise and reliable microprocessor based latest relay for better electrical protection of equipment and resources at MCP unit.
- ▶ Air Circuit Breakers are installed for isolation & safety against electrical hazards and also enhance overall reliability of remote areas, protection to transformers, starters & motors at MCP unit.
- ▶ MCP unit has procured and installed "Surpac" software for design and planning for underground project.
- ▶ A study has been conducted to establish a suitable system for communication and auto-signaling at MCP underground mine and procurement of suitable communication system is under process.
- ▶ The backing filling operation of under-ground void i.e. paste fill technology which will avoid the surface disposal of copper ore tailings and also reducing thereby the pollution load due to solid waste generated by the project. The construction of paste fill plant has started at MCP unit.



- KCC unit has conducted Drone Survey for its three mining leases for generation of high resolution orthomosaic images capable of showing details in lateral direction as well as its elevations.
  - New screen panels (Screen 20A & 30A is changed in 25mmX25mm to 20mmX25mm) have been installed in KCC unit, resulted in achieving maximum fineness (-20mm size) ore in rod mill feed.
  - The tripper arrangement in bedding building has been renovated at KCC unit for capacity enhancement.
  - Concreting work of floor of bedding building is under progress at KCC unit i.e. 8 out of 15 bays have been completed in FY 2022-23.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
- The Capacitor Banks (capacity 5760 KVAR) of Unity Power Factor has received yearly incentive in electricity bill and also received a TOD (Time-of-day Rebate) by constant monitoring of load and managing it in off peak hours.
  - Developed an alternate source/ vendor for OEM spares i.e. development of indigenous supplier to reduce the monopoly of OEM's in procurement process.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil
- (iv) The expenditure incurred on Research and Development – ₹ 6.03 crore which are booked under natural heads of accounts.

### **(C) Foreign exchange earnings and Outgo-**

#### Earnings in foreign exchange

During 2022-23, the Company earned foreign exchanges of ₹ 292.67 crore as against ₹ 352.50 crore during FY 2021-22.

#### Expenditure in foreign currency

During 2022-23, the Company spent foreign currency to the tune of ₹ 1.05 crore towards import of stores & spares, capital goods, travelling as compared to ₹ 7.91 crore in 2021-22.



## ANNUAL REPORT ON CSR ACTIVITIES

### 1. Brief outline on CSR Policy of the Company

#### Policy Statement

For Hindustan Copper Limited (HCL), the Corporate Social Responsibility (CSR) is a planned set of activities taking into consideration the Company's capabilities, expectations of the communities living in and around the areas of its operation as well as where it has its presence, targeted to have a significant positive impact in the long term. The aim is to play a catalytic role in the sustainable socio-economic development in the regions where the industry is located or where its interests lie, attempting to create an enabling working environment for HCL as well as income generation opportunities for the community keeping sight of sustained regional development.

#### Organization setup

The CSR projects in HCL are implemented under the guidance of the CSR Committee which presently comprises of three Directors out of which one is Independent Director. The terms of reference of the Committee is given below:

- (i) 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 of Companies Act;
- (ii) Recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and
- (iii) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

A Nodal Officer for CSR at Corporate level coordinates Company's CSR initiatives and is assisted by a team of designated officers. A Nodal Officer at each of the three Units coordinates CSR initiatives at Unit level.

#### Scope of activities

The CSR activities of HCL are as per the provisions of Schedule VII of the Companies Act, 2013.

#### Geographical Span

- (i) The CSR activities are undertaken essentially around areas of HCL Units, within a radius of 20 Km. At least 75% of the amount earmarked for CSR activities are to be spent in these areas.
- (ii) Of the remaining 25% of the CSR allocation after (a) above, around 20% may be utilized in areas beyond 20 Km. of the Unit but within the State in which the Units are located. Up to a maximum of 5% of the amount earmarked for CSR activities may be utilized anywhere in India to be decided by the CMD.

#### Planning

The identification of CSR activities at Unit / Corporate level are done by any one or combination of the following methods.

- (i) In-house planned projects
- (ii) Proposals from District Administration / Local Govt. body / Public Representatives, etc.
- (iii) Proposals/Requests from a registered & specialized body for providing financial assistance for carrying out specific CSR initiative subject to the condition that it fulfils the criteria as prescribed in the statute in this regard.

#### Implementation methodology

The CSR activities / projects are implemented using internal resources or through collaborating with NGOs / specialized agencies / trusts / institutions / foundations / societies / Government bodies, etc., in accordance with the provision of 'The Companies Act, 2013' and 'Companies (Corporate Social Responsibility Policy) Rules, 2014'. The expenditure incurred towards CSR has been certified by the CFO of the Company.

### 2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
1	Smt. Hemlata Verma, Independent Director (from 22.7.2022)	Chairperson	3	2
2	Shri Balwinder Singh Canth, Independent Director (Up to 22.7.2022)	Chairperson	3	1





Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
3	Shri Ghanshyam Sharma, Director (Finance)	Member	3	3
4	Shri Sanjay Panjiyar, Director (Operations) (from 22.7.2022)	Member	3	2
5	Shri R Kalyansundaram, Independent Director (up to 22.7.2022)	Member	3	1
6	Shri Avinash Janardan Bhide, Independent Director (up to 22.7.2022)	Member	3	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

a. Composition of CSR Committee: <https://www.hindustancopper.com/Page/BoardCommittees>

b. CSR Policy: <https://www.hindustancopper.com/Page/CSR>

c. CSR projects: <https://www.hindustancopper.com/Page/CSR>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – Not Applicable (NA).

However, HCL has been conducting biennial Impact Assessment of its CSR projects. The impact assessment of CSR Projects of FY 2018-19 & 2019-20 was completed in FY 2021-22.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ (-) 23.15 crore

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: NA

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any:

Sl.No.	Financial year	Amount required to be set-off for from preceding financial year, if any (₹ In lakhs)
1	2020-21	5911233.00
2	2021-22	7718767.00
	<b>Total</b>	<b>13630000.00</b>

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – ₹ 12517942.00



➤ Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
				Location of the project							Mode of Implementation - Through Implementing Agency	Name
Sl. No.	Name of the Project	Item no. from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation (Yes/No)		
1	Repair and Maintenance of existing Jal Minar	1	Yes	Jharkhand	East Singhbhum		79127	79127	NA	Yes	NA	NA
2	Medicines for Rural Medical Camps	1	Yes	Jharkhand	East Singhbhum		140575	140575	NA	Yes	NA	NA
3	Rural Medical Camps	1	Yes	Jharkhand	East Singhbhum		262832	262832	NA	No	M/s Vidya Niketan	CSR 00003886
4	Dialysis Unit for Sub Divisional Hospital, Ghatsila	1	Yes	Jharkhand	East Singhbhum		786240	786240	NA	Yes	NA	NA
5	Plantation	4	Yes	Rajasthan	Jhunjhunu		600000	315690	NA	Yes	NA	NA
<b>Total</b>							<b>1868774</b>	<b>1584464</b>				

➤ Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6		7	8	9	
					Location of the project				Mode of Implementation - Through Implementing Agency	Name
Sl. No.	Project ID	Name of the Project	Item no. from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in ₹)	Mode of Implementation Direct (Yes/No)		
1	HCL/CSR/22-23/JCC/DW/01	Repair and Maintenance of existing Proto-type Drinking water structures/ Jal Minar (Motor Pump repair, electrical wiring, etc)	1	Yes	Jharkhand	East Singhbhum	204762	Yes	M/s Vidya Niketan	CSR 00003886



1	2	3	4	5	6		7	8	9	
					Location of the project				Mode of Implementation	Mode of Implementation - Through Implementing Agency
Sl. No.	Project ID	Name of the Project	Item no. from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in ₹)	Direct (Yes/No)	Name	CSR Registration No.
2	HCL/CSR/22-23/MCP/DW/01	Supply of Drinking Water Borkheda, Chinditola, Suji & Khursipar 4 villages through Tankers	1	Yes	Madhya Pradesh	Balaghat	1197959	Yes	Direct	NA
3	HCL/CSR/22-23/IC/HL/01	Medicines for Rural Medical Camps	1	Yes	Jharkhand	East Singhbhum	161459	Yes	Direct	NA
4	HCL/CSR/22-23/IC/HL/02	Rural Medical Camps	1	Yes	Jharkhand	East Singhbhum	751000	No	M/s Vidya Niketan	CSR 00003886
5	HCL/CSR/22-23/MCP/HL/01	Health Camps in Borkheda & Chinditola Villages	1	Yes	Madhya Pradesh	Balaghat	491400	Yes	Direct	NA
6	HCL/CSR/22-23/KCC/HL/01	Health Camps & Activities on Covid-19	1	Yes	Rajasthan	Jhunjhunu	361670	Yes	Direct	NA
7	HCL/CSR/22-23/IC/NT/01	Improved vegetable cultivation	1	Yes	Jharkhand	East Singhbhum	90000	No	M/s Vidya Niketan	CSR 00003886
8	HCL/CSR/22-23/IC/NT/02	Improved pulses and oilseed cultivation	1	Yes	Jharkhand	East Singhbhum	70000	No	M/s Vidya Niketan	CSR 00003886
9	HCL/CSR/22-23/IC/NT/03	Nutritional garden	1	Yes	Jharkhand	East Singhbhum	320000	No	M/s Vidya Niketan	CSR 00003886
10	HCL/CSR/22-23/IC/NT/04	Mushroom Cultivation	1	Yes	Jharkhand	East Singhbhum	75000	No	M/s Vidya Niketan	CSR 00003886
11	HCL/CSR/22-23/MCP/HL/02	Promotion of Menstrual Hygiene	1	Yes	Madhya Pradesh	Balaghat	100000	Yes	Direct	NA
12	HCL/CSR/22-23/MCP/HL/03	Ambulance for Community Health Center, Birsia, MP	1	Yes	Madhya Pradesh	Balaghat	1540952	Yes	Direct	NA
13	HCL/CSR/22-23/CO/HL/01	Financial Support to Bihar Eye Bank Trust, Ranchi	1	No	Jharkhand	Ranchi	500000	No	Bihar Eye Bank Trust	CSR 00019414
14	HCL/CSR/22-23/IC/LH/01	Income Generation support to existing & new SHGs in Hand Glove/Wooden Craft/ Muri (Puffed Rice)/ Leaf Plate Unit, etc.	2	Yes	Jharkhand	East Singhbhum	633750	No	M/s Vidya Niketan	CSR 00003886
15	HCL/CSR/22-23/KCC/VS/01	Tailoring Center for Girls	2	Yes	Rajasthan	Jhunjhunu	500000	No	M/s Ramakrishna Mission	CSR 00006101



1	2	3	4	5	6		7	8	9	
					State	District			Name	Registration No.
16	HCL/CSR/22-23/MCP/ED/01	Library Development in 04 Government Schools in Birsā Block, Balaghat	2	Yes	Madhya Pradesh	Balaghat	99999	Yes	Direct	NA
17	HCL/CSR/22-23/KCC/LH/01	Micro Enterprise Development	2	Yes	Rajasthan	Jhunjhunu	857733	No	M/s Eco Craft Development Society	CSR 00013848
18	HCL/CSR/22-23/MCP/LH/01	Training to Youth / SHGs for Livelihoods	2	Yes	Madhya Pradesh	Balaghat	109343	Yes	Direct	NA
19	HCL/CSR/22-23/CO/ED/01	Education project under Community Policing Initiatives of SP Office, Mokochung, Nagaland	2	No	Nagaland	Mokokchung	800000	Yes	Direct	NA
20	HCL/CSR/22-23/CO/ED/03	Development of Science Laboratory in Jashpur, Chhattisgarh	2	No	Chhattisgarh	Jashpur	500000	No	M/s Akhil Bhartiya Vanvasi Kalyan Ashram	CSR 00008932
21	HCL/CSR/22-23/MCP/EV/01	Water Harvesting and Recharge Setups in surrounding villages	4	Yes	Madhya Pradesh	Balaghat	253774	Yes	Direct	NA
22	HCL/CSR/22-23/KCC/EV/01	Solid Waste Management	4	Yes	Rajasthan	Jhunjhunu	400000	Yes	Direct	NA
23	HCL/CSR/22-23/MCP/RD/01	Developing Community Halls / Village Halls in nearby villages	10	Yes	Madhya Pradesh	Balaghat	410807	Yes	Direct	NA
24	HCL/CSR/22-23/ICC/SP/02	Archery Training and Support	7	Yes	Jharkhand	East Singhbhum	285000	No	M/s Vidya Niketan	CSR 00003886
25	HCL/CSR/22-23/MCP/SP/01	Provision of Sports equipment to Schools / Villages Clubs in Birsā Block	7	Yes	Madhya Pradesh	Balaghat	164970	Yes	Direct	NA

1	2	3	4	5	6		7	8	9	
Sl. No.	Project ID	Name of the Project	Item no. from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
					State	District			Name	CSR Registration No.
26	HCL/CSR/22-23/ICC/DW/01	Repair of Jalminar at Kendadiah	1	Yes	Jharkhand	East Singhbhum	15300	Yes	M/s Vidya Niketan	CSR 00003886
27	HCL/CSR/22-23/ICC/DW/01	Water tank (1500 ltrs.) at Surda	1	Yes	Jharkhand	East Singhbhum	14600	Yes	M/s Vidya Niketan	CSR 00003886
28	HCL/CSR/22-23/ICC/LH/01	Support of 20 kgs. scrap metal for Micro Enterprise Project	2	Yes	Jharkhand	East Singhbhum	24000	Yes	Direct	NA
<b>TOTAL</b>							<b>10933478</b>			

(b) Amount spent in Administrative Overheads. ₹149465.00

(c) Amount spent on Impact Assessment, if applicable. - NIL

(d) Refund of unutilized amount for the CSR expenditure from FY 2016-17 towards Skill Training by National Skill Development Corporation (NSDC): ₹ 837387.00

(e) Total amount spent for the Financial Year [(a)+(b)+(c)-(d)]. ₹ 11830020.00

(f) CSR amount spent or unspent for the financial year 2022-23

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)	
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135
11830020.00	Amount	Date of transfer
	5067279.00	22.6.2023
	Amount	Name of the Fund
	NIL	NIL
	Amount	Date of transfer
	NIL	NIL

(g) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	NIL
ii.	Total amount spent for the financial year 2022-23	11830020.00
iii.	Excess amount spent for the financial year 2022-23 [(ii)-(i)]	11830020.00
iv.	Excess amount spent for the financial year 2020-21	5911233.00
v.	Excess amount spent for the financial year 2021-22	7718767.00
vi.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
vii.	Amount available for set off in succeeding financial years [(iii) + (iv) + (v) - (vi)]	25460020.00

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:



Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY 2019-20	NA	NA		NA	NA	NA	
2	FY 2020-21	1520766.85	NA	1520766.85	NA	NA	NA	
3	FY 2021-22*	1806639.00	284310.00	1522329.00	NA	NA	NA	
<b>Total</b>		<b>33,27,405.85</b>	<b>2,84,310.00</b>	<b>30,43,096.00</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	

\*\* ₹ 284310.00 shall be carried forward for FY 2023-24.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes

No

If Yes, enter the number of Capital assets created/ acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the Property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>				<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 – NA

Sd/-

Arun Kumar Shukla

Chairman and Managing Director

DIN: 03324672

Sd/-

Hemlata Verma

Chairperson - CSR Committee

DIN: 09549304

Place: Kolkata

Date: 10.7.2023

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT****Section A: General Disclosures****I. Details of the listed entity**

1. Corporate Identity Number (CIN) of the Listed Entity L27201WB1967GOI028825
2. Name of the Listed Entity HINDUSTAN COPPER LIMITED  
(A Government of India Enterprise)
3. Year of incorporation: 9th November, 1967
4. Registered office address: 'Tamra Bhavan'  
1, Ashutosh Chowdhury Avenue,  
Kolkata – 700019, West Bengal, India  
Tel. No: +91 033-2202 1000
5. Corporate address: 'Tamra Bhavan'  
1, Ashutosh Chowdhury Avenue,  
Kolkata – 700019, West Bengal, India  
Tel. No: +91 033-2202 1000
6. E-mail: investors\_cs@hindustancopper.com
7. Telephone: (+91) 033 2202 1000
8. Website: www.hindustancopper.com
9. Financial year for which reporting is being done. 2022-23
10. Name of the Stock Exchange(s) where shares are listed. National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra  
(East), Mumbai 400 051, India.  
BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001, India.
11. Paid-up Capital: ₹ 483.51 crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report. Shri C S Singhi,  
Company Secretary  
(+91) 033 2202 1024  
singhi\_cs@hindustancopper.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). Standalone

**II. Products/services**

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Mining of Copper Ore	Copper Concentrate	99%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Mining of Copper Ore (Copper Concentrate)	07291	99%



### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	2	7
International	Nil	Nil	Nil

Offices	Plants	
Corporate Office & Eastern Regional Office: "Tamra Bhawan", 1 Ashutosh Chowdhury Avenue, Kolkata State: West Bengal PIN: 700019, India	Khetri Copper Complex (KCC) P.O. Khetrinagar, Dist. Jhunjhunu State: Rajasthan PIN: 333504, India	Indian Copper Complex (ICC) P.O. Ghatsila, Dist. Singhbhum, State: Jharkhand PIN: 832303, India
Northern Regional Sales Office: SCOPE Minar, Core-2, North Tower, 2nd Floor, Laxmi Nagar District Centre, State: Delhi PIN- 110092 India	Malanjhand Copper Project (MCP) P.O. Malanjhand, Dist. Balaghat State: Madhya Pradesh PIN: 481116, India	Taloja Copper Project (TCP) P.O. Taloja, Dist. Raigad State: Maharashtra PIN: 410208, India
	Gujarat Copper Project (GCP)* 747, GIDC Industrial Area P.O. Jhagadia, Dist. Bharuch State: Gujarat PIN: 393110, India	

\*Operations at GCP is suspended since December, 2020

17. Markets served by the entity:

a) Number of locations

Locations	FY- 2022-23 Numbers	FY- 2021-22 Numbers
National (No. of States)	6	7
International (No. of Countries)	2	2

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Export Sale contribute approximately 25% to Hindustan Copper Limited's (HCL) Annual Turnover for 2022-23

c) A brief on types of customers:

Total tonnage of copper concentrate produced, is being sold through MoU and Online Global Tendering process using Government NIC portal for the Domestic/International customers.

### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES (Executives)</b>						
1	Permanent (D)	522	479	92%	43	8%
2	Other than Permanent (E)	92	89	97%	3	3%
3	<b>Total employees (D + E)</b>	<b>614</b>	<b>568</b>	<b>93%</b>	<b>46</b>	<b>7%</b>





WORKERS						
4	Permanent (F)	827	769	93%	58	7%
5	Other than Permanent (G)	2272	2203	97%	69	3%
6	<b>Total workers (F + G)</b>	<b>3099</b>	<b>2972</b>	<b>96%</b>	<b>127</b>	<b>4%</b>

b. Differently abled Employees and workers:

S. No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES (Executives)</b>						
1	Permanent (D)	14	13	93%	1	7%
2	Other than Permanent (E)	0	0	0%	0	0%
3	<b>Total differently abled employees (D + E)</b>	<b>14</b>	<b>13</b>	<b>93%</b>	<b>1</b>	<b>7%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	13	13	100%	0	0%
5	Other than Permanent (G)	0	0	0%	0	0%
6	<b>Total differently abled workers (F + G)</b>	<b>13</b>	<b>13</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

19. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	9	1	11%
Key Management Personnel	5*	0	0

\* Key managerial personnel include 4 members of the Board of Directors

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.57	2.35	3.54	1.43	0.00	1.32	1.17	4.65	1.44
Permanent Workers	1.94	0.00	1.78	0.32	0.00	0.29	0.18	0.00	0.16

#### V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Chattisgarh Copper Ltd	Subsidiary	74%	No
2	Khanij Bidesh India Ltd	Joint Venture	30%	No

#### VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 16606302284.05

(iii) Net worth (in ₹): 8561235314.81

#### VII. Transparency and Disclosures Compliances



23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	<a href="https://pgportal.gov.in/">https://pgportal.gov.in/</a>	25	0		19	0	
Investors (other than shareholders)	Not Applicable (NA)	NA	NA		NA	NA	
Shareholders	<a href="https://www.hindustancopper.com/Page/companysec">https://www.hindustancopper.com/Page/companysec</a>	1	0		1	0	
Employees and workers	<a href="https://www.hindustancopper.com/Content/PDF/EPMS.pdf">https://www.hindustancopper.com/Content/PDF/EPMS.pdf</a> <a href="https://www.hindustancopper.com/Page/HCLForum">https://www.hindustancopper.com/Page/HCLForum</a>	1	0		0	0	
Customers	Yes	0	0		0	0	
Value Chain Partners	Yes	0	0		0	0	
Other (please specify)- Individuals	<a href="https://pgportal.gov.in/">https://pgportal.gov.in/</a>	68	1		96	12	
Other -Ex Employees	<a href="https://pgportal.gov.in/">https://pgportal.gov.in/</a>	61	4		15	0	
<b>Total</b>		<b>156</b>	<b>5</b>		<b>131</b>	<b>12</b>	

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Adoption of new technology	O	Outdated technology and obsolete infrastructures.	1. Upgradation to the new efficient technologies. 2. Modernization of existing Copper complex infrastructure.	Positive
2	Employee Health & Safety (Including Working Conditions)	R	Lost Time Injury Frequency Rate (LTIFR).	1. Build Safety Leadership capability at all levels to achieve zero harm. 2. Excellence in Process Safety Management (PSM).	Negative



				<p>3. Achieve zero harm to contract employees by strengthening deployment of Contractor Safety Management Standard.</p> <p>4. Improvement in working conditions (Implementation of 5S).</p> <p>5. Implementation of latest Occupational Safety &amp; Health Management System Standards (OSHAS).</p>	
3	Research and Development	O	Environmental and Social Impacts	<p>1. Conducting Life Cycle Assessment of the product.</p> <p>2. Investments in specific technologies to improve the environmental and social impacts of products and processes.</p>	Positive
4	Critical incident risk management	R	Waste Managements	<p>1. Significant operational hazards associated with the structural integrity of Tailings Storage facilities (TSFs).</p>	Negative

**Section B: Management and Process Disclosures**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsibility Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

<b>PRINCIPLE 1:</b> Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	<b>PRINCIPLE 2:</b> Businesses should provide goods and services in a manner that is sustainable and safe.	<b>PRINCIPLE 3:</b> Businesses should respect and promote the well-being of all employees, including those in their value chains.
<b>PRINCIPLE 4:</b> Businesses should respect the interests of and be responsive to all its stakeholders.	<b>PRINCIPLE 5:</b> Businesses should respect and promote human rights.	<b>PRINCIPLE 6:</b> Businesses should respect and make efforts to protect and restore the environment.
<b>PRINCIPLE 7:</b> Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	<b>PRINCIPLE 8:</b> Businesses should promote inclusive growth and equitable development.	<b>PRINCIPLE 9:</b> Businesses should engage with and provide value to their consumers in a responsible manner.

SN	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	<a href="https://www.hindustancopper.com/Page/CodeandPolicy">https://www.hindustancopper.com/Page/CodeandPolicy</a> <a href="https://www.hindustancopper.com/Page/HCLForum">https://www.hindustancopper.com/Page/HCLForum</a> <a href="https://www.hindustancopper.com/Page/Sustainability">https://www.hindustancopper.com/Page/Sustainability</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



3	Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No	No								
4	Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		ISO 9001:2015							ISO 14001:2015 (at MCP)									
			ISO 14001:2015 (at MCP)							ISO 14001:2015 (at MCP)									
			ISO 45001:2018 (at MCP)																
			ISO/IEC 17025:2017 (at TCP)																
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nil																	
6	Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	NA																	
Governance, leadership, and oversight																			
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) HCL, a Mini Ratna Category -I Central Public Sector Enterprise under the Ministry of Mines, Government of India, is committed to achieve sustainability in terms of Environment, Social and Governance (ESG) aspects. HCL acknowledges its role in mitigating the impact of climate change and prioritizes environmental stewardship. As a responsible corporate organization, HCL is fully conscious of its societal responsibilities. The company places significant emphasis on Corporate Governance.																		
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									Shri Sanjiv Kumar Singh Director (Mining)									
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									No									
10	Details of Review of National guideline on Responsible Business Conduct (NGRBC) by the company.																		
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board /Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes									Yes								
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
12	If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:									NA									



### Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

#### PRINCIPLE 1:

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	8	(P-4) & (P-8)	77.77%
Key Managerial Personnel (KMP)	6	(P-1), (P-3), (P-6), (P-7) & (P-9)	100%
Employee other than BoD and KMPs	78	(P-1), (P-3), (P-7), (P-8) & (P-9)	65.70%
Workers			24.78%

Note: Topics covering different Principles are:

P-1 (Program on “Forensic Accounting & Red Flags for Prevention of Frauds, Program on Preventive Vigilance); P-3 (Program on “Awareness & Early Detection on Cancer”, Program on “Stroke Management - Prevention & Precautions”, Labour Codes, Health Care workers, Workshop on Happiness); P-4 (Training program on ‘Master Class for Building Better Boards’); P-6 (Advanced Training on Environmental, Social Governance Standard, Statutory issues on Environmental clearance & Forest Clearance); P-7 (Program on “High Performance Leadership”, Public Procurement through GeM portal); P-8 (Program on IDs of CPSEs, Opening up of Coal & Mines Sector – Opportunities Ahead, Building a sustainable tomorrow); P-9 (Program on NPS, Program on “Motivation & Life Lessons”, Compliance with respect to TDS Provision, Vendors Grievance Redressal and development programme, Awareness and Sensitization programme on POSH).

#### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website)

Monetary					
	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (INR)	Brief of the Case	Has an appeal been preferred (Yes/ No)
Penalty / Fine	Nil	NA			
Settlement	Nil	NA			
Compounding fee	Nil	NA			



Non- Monetary				
	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/ No)
Imprisonment	Nil	NA		
Punishment	Nil	NA		

**3. Details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	NA

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

No. The Company is making continuous efforts in improving the systems and procedures so that they are transparent and in conformity with the extant rules & procedures, thereby ensuring that the working atmosphere and Company's dealings / transactions with other entities are relatively free from corruption. The Company has formulated its Code of Ethics & Business conduct for employees, Whistle Blower Policy and Hindustan Copper Limited (Conduct, Discipline and Appeal) Rules 2021 which pertain to maintenance of ethics and prevention of bribery & corruption. Its Code of Business Ethics governs the manner in which the Company carries out its activities and interacts with its stakeholders.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	--	Nil	--
Number of complaints received in relation to issues of conflict of interest of the KMPs	Nil	--	Nil	--

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

NA

**Leadership Indicators**

**1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, HCL has formulated Code of Fair Disclosure and Code of Conduct to regulate, monitor and report Trading by Designated Person and Policy on Materiality of Related Party Transactions & Dealing with Related Party Transactions. The purpose of these policies is to enhance Corporate Governance by establishing an ethical and transparent process for managing the affairs of the Company.



**PRINCIPLE 2:**

**Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators**

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	0.58%	0.97%	1. Implementation of Online Water Quality and CAAQMS installations 2. Establishment of a Mine Dewatering System 3. Implementation of measures for Dust Suppression and Waste Disposal to minimize environmental impact 4. Adoption of Wildlife Conservation Plan and Plantation initiatives to protect and preserve wildlife. 5. Implementation of Rainwater Harvesting systems and Environmental Monitoring programs

- a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, HCL is a copper mining company and its raw material is copper ore which is extracted from own mines under laid down procedures and with due compliance of all environment and safety aspects.

- b. If yes, what percentage of inputs were sourced sustainably?**

100%

- Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Plastics (including packaging)	Empty Plastic Drums/Cans and waste Rubber items are sold through M/s. MSTC Ltd.'s tendering process.
E-waste	E-waste are sold through M/s. MSTC Ltd.'s tendering process to State Pollution Control Board (SPCB) authorized agencies/vendors.
Hazardous Waste	Hazardous wastes are sold through M/s. MSTC Ltd.'s tendering process to SPCB authorized agencies/vendors.
Other Waste	Wooden pallet, Iron scrap, Steel Strap including Cold Roll Control Annealed (CRCA) wastes are sold through M/s. MSTC Ltd.'s tendering process. Bio-medical Waste generated are handed over to SPCB authorized Common Bio-medical Waste Treatment Facility (CBWTF).

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities**

No

**Leadership Indicators**

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (yes/ no). If yes provide the web link
07291	Mining of Copper Ore (Copper Concentrate)	99%	Cradle to gate	No	No



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Copper Concentrate	Air Pollution Water Pollution	Pollution prevention and control measures are implemented as per the guidelines of Ministry of Environment, Forest and Climate Change (MoEF&CC), State Pollution Control Board (SPCB) and Indian Bureau of Mines (IBM) and upgraded from time to time. These measures are regularly upgraded to ensure compliance with evolving standards and regulations.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input Material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Continuous Cast Copper Wire Rod (CCR) rejected in quality	15%	4%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous Waste	NA	NA	NA	NA	NA	NA
Other Waste (scrap)	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

### PRINCIPLE 3:

Businesses should respect and promote the well-being of all employees, including those in their value chains.

#### Essential Indicators

1. a. Details of measures for the well-being of employees

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT EMPLOYEES (Executives)</b>											
Male	479	479	100%	479	100%	NA	NA	479	100%	479	100%
Female	43	43	100%	43	100%	43	100%	NA		43	100%
<b>Total</b>	<b>522</b>	<b>522</b>	<b>100%</b>	<b>522</b>	<b>100%</b>	<b>43</b>	<b>8%</b>	<b>479</b>	<b>92%</b>	<b>522</b>	<b>100%</b>





OTHER THAN PERMANENT EMPLOYEES											
Male	89	89	100%	89	100%	NA	NA	NA	NA	89	100%
Female	3	3	100%	3	100%	3	100%	NA	NA	3	100%
<b>Total</b>	<b>92</b>	<b>92</b>	<b>100%</b>	<b>92</b>	<b>100%</b>	<b>3</b>	<b>3%</b>	<b>NA</b>	<b>NA</b>	<b>92</b>	<b>100%</b>

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT WORKERS											
Male	769	769	100%	769	100%	NA	NA	769	100%	769	100%
Female	58	58	100%	58	100%	58	100%	NA	NA	58	100%
<b>Total</b>	<b>827</b>	<b>827</b>	<b>100%</b>	<b>827</b>	<b>100%</b>	<b>58</b>	<b>7%</b>	<b>769</b>	<b>93%</b>	<b>827</b>	<b>100%</b>
OTHER THAN PERMANENT WORKERS											
Male	2203	*	-	2203	100%	NA	NA	NA	NA	2203	100%
Female	69	*	-	69	100%	69	100%	NA	NA	69	100%
<b>Total</b>	<b>2272</b>		<b>-</b>	<b>2272</b>	<b>100%</b>	<b>69</b>	<b>3%</b>	<b>NA</b>	<b>NA</b>	<b>2272</b>	<b>100%</b>

\* Hospitals at each Unit provide health facilities on chargeable basis. Manpower deployed through empaneled manpower supply agency are covered under Health & Accidental Insurance.

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
Employee State Insurance (ESI)	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA

**3. Accessibility of workplaces**

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has formulated Equal Opportunity Policy and the same can be accessed at <https://www.hindustancopper.com/Page/HCLForum>

**5. Return to work and retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees (Executives)		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes/ No (If yes, then give details of the mechanism in brief)	
Permanent Workers	Yes, in HCL there is a "Workmen's Grievance Redressal Procedure" for Workers. An aggrieved worker may submit his/her grievance to their reporting officer and further to the next chain in command, if not satisfied.
Other than Permanent Workers	Yes, other than permanent workers may submit their grievance to their reporting officer in the Company.
Permanent Employees	Yes, permanent employees may submit their grievance to their reporting officer and further to the next chain in command, if not satisfied.
Other than Permanent Employees	Yes, other than permanent employees may submit their grievance to their reporting officer in the Company.

**7. Membership of employees and worker in association(s) or unions recognized by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	<b>522</b>	<b>481</b>	<b>92%</b>	<b>520</b>	<b>488</b>	<b>94%</b>
- Male	479	442	92%	478	448	94%
- Female	43	39	91%	42	40	95%
<b>Total Permanent Workers</b>	<b>827</b>	<b>801</b>	<b>97%</b>	<b>954</b>	<b>934</b>	<b>98%</b>
- Male	769	743	97%	884	864	98%
- Female	58	58	100%	70	70	100%

**8. Details of training given to employees and workers (permanent):**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES (Executives)</b>										
Male	479	114	24%	287	60%	478	24	5%	182	38%
Female	43	13	30%	20	47%	42	1	2%	21	50%
<b>Total</b>	<b>522</b>	<b>127</b>	<b>24%</b>	<b>307</b>	<b>59%</b>	<b>520</b>	<b>25</b>	<b>5%</b>	<b>203</b>	<b>39%</b>
<b>WORKERS</b>										
Male	769	59	8%	148	19%	884	41	5%	240	27%
Female	58	1	2%	7	12%	70	0	0%	8	11%
<b>Total</b>	<b>827</b>	<b>60</b>	<b>7%</b>	<b>155</b>	<b>19%</b>	<b>954</b>	<b>41</b>	<b>4%</b>	<b>248</b>	<b>26%</b>



**9. Details of performance and career development reviews of employees and workers (permanent):**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>EMPLOYEES (Executives)</b>						
Male	479	479	100%	478	478	100%
Female	43	43	100%	42	42	100%
<b>Total</b>	<b>522</b>	<b>522</b>	<b>100%</b>	<b>520</b>	<b>520</b>	<b>100%</b>
<b>WORKERS</b>						
Male	769	248	32%	884	244	28%
Female	58	12	21%	70	14	20%
<b>Total</b>	<b>827</b>	<b>260</b>	<b>31%</b>	<b>954</b>	<b>258</b>	<b>27%</b>

**10. Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).  
If yes, the coverage such system?

Yes, Occupational Safety & Health Management System Standard ISO 45001:2018 have been established at MCP.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The following processes are used by the Company to identify work-related hazards & assess risks on a routine and non-routine basis:

- Hazard Identification and Risk Assessment.
- Safety Management Plan.
- Safety Inspections / Observations.
- Accident Investigation.
- Interactions with employees.
- Meetings of the Pit Safety Committee.
- Action on observations of Workman Inspectors.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N).**

Yes.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No).**

Yes.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	3.87	1.96
Total recordable work-related injuries	Employees	0	1
	Workers	28	16
No. of fatalities (safety incident)	Employees	0	0
	Workers	1	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	1	0



## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- SOPs are framed for each work and work is carried out in accordance with the SOPs.
- The 'Zero Harm Policy' has been implemented at the units.
- Regular training, including pre-employment safety induction and on job training of workers is in place.
- Regular inspections are conducted by supervisors and senior officials.
- An 'on-site emergency plan' approved by the Chief Inspector of Factories is available.
- Mock drills and safety instructions are conducted at the beginning of each shift.
- Enquiry reports are prepared, discussed in the Pit Safety Committee Meeting and the recommendations are implemented.

## 13. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	18	9		8	7	
Health and safety	16	4		20	7	

## 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

## 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Nil

### Leadership Indicators

#### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Employees	Yes
Workers	Yes

#### 2. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	1	1	0

#### 3. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

No.



**PRINCIPLE 4:**

**Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

HCL has a mechanism in place to identify both its internal and external stakeholders. Suppliers, dealers, contractors and transporters are identified through Expression of Interest (EOI) and vendor registration. Investors are identified through periodic reports. Regular correspondence and interaction are maintained with them as part of the stakeholder engagement process.

HCL also engages in various CSR activities to take care of the communities within a radius of 20 km from its units/offices.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Community	Yes	Community Meetings	Fortnightly	Understanding community issues and implementing CSR projects
Government Bodies / Statutory Bodies	No	Meetings, Emails, Letters	Event Based	Providing updates on the progress of various projects of the Company and periodical reporting
Suppliers, Customer, Dealers, Contractors, Transporters	No	Meetings, Emails, Letters	Event Based	Concerns regarding products, tendering, procurement, etc.
Shareholders	No	Meetings, Emails, Newspaper, Notice Board, Website, correspondences with Stock Exchanges	Event Based	Spreading awareness, addressing grievances, and furnishing various information, reports, etc.

**Leadership Indicators**

**1. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Yes, the Company undertakes various initiatives to engage with disadvantaged or marginalized stakeholders with special needs. All decisions that impact such stakeholders are taken only post deliberations.

Prior to implementation of CSR projects, inputs / feedbacks are taken and surveys are conducted within 20 km radius around the mining areas to identify feasible need-based CSR projects. The needs of the communities, especially the disadvantaged and marginalized amongst them, are prioritized.

**PRINCIPLE 5:**

**Businesses should respect and promote human rights.**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:**



Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees covered (B)	% (B/A)	Total (C)	No. of employees covered (D)	% (D/C)
<b>EMPLOYEES (Executives)</b>						
Permanent	522	0	0%	520	0	0%
Other than permanent	92	0	0%	56	0	0%
<b>Total Employees</b>	<b>614</b>	<b>0</b>	<b>0%</b>	<b>576</b>	<b>0</b>	<b>0%</b>
<b>WORKERS</b>						
Permanent	827	0	0%	954	0	0%
Other than permanent	2272	0	0%	2614	0	0%
<b>Total Workers</b>	<b>3099</b>	<b>0</b>	<b>0%</b>	<b>3568</b>	<b>0</b>	<b>0%</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES (Executives)</b>										
<b>Permanent</b>	<b>522</b>	<b>0</b>	<b>0</b>	<b>522</b>	<b>100%</b>	<b>520</b>	<b>0</b>	<b>0</b>	<b>520</b>	<b>100%</b>
Male	479	0	0	479	100%	478	0	0	478	100%
Female	43	0	0	43	100%	42	0	0	42	100%
<b>Other than Permanent</b>	<b>92</b>	<b>0</b>	<b>0</b>	<b>92</b>	<b>100%</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>56</b>	<b>100%</b>
Male	89	0	0	89	100%	54	0	0	54	100%
Female	3	0	0	3	100%	2	0	0	2	0%
<b>WORKERS</b>										
<b>Permanent</b>	<b>827</b>	<b>0</b>	<b>0</b>	<b>827</b>	<b>100%</b>	<b>954</b>	<b>0</b>	<b>0</b>	<b>954</b>	<b>100%</b>
Male	769	0	0	769	100%	884	0	0	884	100%
Female	58	0	0	58	100%	70	0	0	70	100%
<b>Other than Permanent</b>	<b>2272</b>	<b>20</b>	<b>1%</b>	<b>2252</b>	<b>99%</b>	<b>2614</b>	<b>20</b>	<b>1%</b>	<b>2594</b>	<b>99%</b>
Male	2203	20	1%	2183	99%	2541	20	1%	2521	99%
Female	69	0	0	69	100%	73	0	0	73	100%

**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	4	₹ 73,67,928/-	0	NA
Key Managerial Personnel	1	₹ 1,16,84,540/-	0	NA
Employees other than BoD and KMP	474	₹ 20,43,615/-	43	₹ 17,79,295/-
Workers	769	₹ 14,15,126/-	58	₹ 13,84,959/-

\* Board of Directors is comprised of four functional directors, viz., Chairman and Managing Director (CMD), Director (Operations), Director (Finance) and Director (Mining), two Government nominee directors (part-time official) representing the Ministry of Mines, Government of India and three Independent directors (part-time non-official). The Government Nominee Directors are not entitled to any remuneration. They are only eligible for travelling, boarding & lodging expenses for attending meetings. Independent directors are also not paid any remuneration except sitting fees at the rate of ₹25,000/- per Board meeting and ₹20,000/- per Committee meeting and are also eligible for boarding, lodging and travelling expenses for attending the meeting.

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**



Yes, HR department has policies which ensure the implementation of human rights as per applicable guidelines. Issues raised under human rights are addressed by Shri K. P. Bisoi, DGM (HR).

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

HCL has policies and practices in place to address grievances. The Company has a 'Workmen's Grievance Procedure' for Workers to resolve their grievances. Similarly, aggrieved Executives may submit their grievance to their Reporting Officer and further to the next chain in command, if not satisfied on any matter including matter related to human rights. Further, to address grievances of employees belonging to SC/ST/OBC and PWD categories, HCL has an online Grievance Redressal Mechanism in ERP (Enterprise Resource Planning).

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	Nil	1	Nil	
Discrimination at workplace	Nil	1*	The case is pending before NCSC.	1	1	The case is pending before NCSC.
Child Labor	Nil	Nil	-	Nil	Nil	-
Forced Labor/ Involuntary Labor	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

\* Carried forwarded from FY 2021-22.

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

To prevent adverse consequences to the Complainant in discrimination and harassment cases, the willing complainants are transferred to different section/department/unit/office.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Company addresses human rights issues through its own codes and procedures in compliance with applicable laws. HCL adheres to the statutes of India such as Mines Act and Factories Act which embody human rights principles such as prevention of child labor, forced labor etc.

The Company has a structured mechanism in place to address human rights issues such as equal opportunity to all, non-discrimination, removing pay anomaly, etc. Adequate efforts are made to eliminate discrimination and harassment such as workers' participation from mines to corporate level, concessions to persons with disability, prohibition of sexual harassment of women at workplace. HCL is an equal opportunity employer and does not discriminate among employees based on color, caste, race, region, religion, gender, etc. The Company also implements directives of Government of India for reservation of SC/ST/ OBC/PWD/Ex-Servicemen in recruitment and promotion, whenever specified.

**9. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100 %
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	



**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Nil

**Leadership Indicator**

**1. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes

**PRINCIPLE 6:**

**Businesses should respect and make efforts to protect and restore the environment.**

**Essential Indicators**

**1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	528762	547556
Total fuel consumption (B)	93356	70535
Energy consumption through other sources (C)	2631	2532
Total energy consumption (A+B+C)	624749	620623
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.000038	0.000034
Energy intensity per Metric Ton of turnover	0.187	0.174

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Yes, M/s National Productivity Council

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)**

**If yes, disclose whether targets set under the PAT scheme have been achieved. (Y/N).**

No.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	6563131	8509618
(ii) Groundwater	2249680	1951766
(iii) Third party water	20519	17997
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) <b>(i + ii + iii + iv + v)</b>	<b>8833330</b>	<b>10479381</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>2457123</b>	<b>5119407</b>
<b>Water intensity per rupee of turnover (water consumed / turnover)</b>	<b>0.00014796</b>	<b>0.0002825</b>
<b>Water intensity per Metric Ton of turnover</b>	<b>0.73430353</b>	<b>1.434007591</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No





**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	µg/m <sup>3</sup>	18.80	21.62
SOx	µg/m <sup>3</sup>	17.11	9.98
Particulate matter (PM-2.5)	µg/m <sup>3</sup>	42.89	45.73
Particulate matter (PM-10)	µg/m <sup>3</sup>	58.27	75.35
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others- Carbon monoxide	mg/m <sup>3</sup>	0.26	0.33

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	GHG Emissions FY 22-23	GHG Emissions FY 21-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MTCO <sub>2</sub> e	6988	5603
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MTCO <sub>2</sub> e	119706	123961
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	<b>MTCO<sub>2</sub>e</b>	<b>0.0000076</b>	<b>0.0000071</b>
<b>Total Scope 1 and Scope 2 emission intensity</b>	<b>MTCO<sub>2</sub>e /Metric Tonne</b>	<b>0.0379</b>	<b>0.0363</b>

The emission factor used for calculating emissions is sourced from the CO<sub>2</sub> baseline Database version 18 of Central Electricity Authority.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Yes, M/s National Productivity Council

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

No

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tons)</b>		
Plastic waste (A)	0	0.075
E-waste (B)	0	1.36
Bio-medical waste (C)	0.6346	0.696
Construction and demolition waste (D)	0	0
Battery waste (E)	4.27	17.35
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA



Other Non-hazardous waste generated (H). Please specify, if any.		
Material Scrap	375	485
Copper Ore Tailings	3528702	3496331
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>3529081.905</b>	<b>3496835.481</b>
<b>For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tons)</b>		
<b>Category of waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)</b>		
<b>Category of waste</b>		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations (Handed over to Authorized Recyclers)	379.9	504.4
<b>Total</b>	<b>379.9</b>	<b>504.4</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

**9. Briefly describe the waste management practices adopted in your establishments.**

HCL follows the practices and procedures for waste management and it undertakes the following activities in this regard:

- E-Waste is handed over to parties authorized by the Pollution Control Board (PCB);
- Bio-medical waste is handed over to a Common Bio-medical Waste Treatment Facility (CBWTF) authorized by the PCB;
- Hazardous waste is handed over to parties authorized by the PCB;
- Spent oil is sold to a PCB authorized recycler;
- Tailings are used for backfilling in the mine to fill the voids generated during mining operations.

**Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. (Ex: Improving materials selection and product design, using recycled, re-used or renewable materials, substituting inputs that have hazardous characteristics with inputs that are non- hazardous).**

NA

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)
1	Malanjkhand Copper Project P.O. Malanjkhand, Dist. Balaghat Madhya Pradesh, India	Mining (Opencast and Underground) and beneficiation	Yes



2	Indian Copper Complex P.O. Ghatsila, Dist. Singhbhum, Jharkhand, India	Underground Mining and beneficiation	Yes
3	Khetri Copper Complex P.O. Khetrinagar, Dist. Jhunjhunu Rajasthan, India	Underground Mining and beneficiation	Yes

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Surda Copper Mine for production of 0.9 million TPA (ROM) by HCL, located at village (s) - Surda, Sohada, Pathargora, Benashole villages and Forest Block No. 1098, Tehsil-Ghatsila, District-East Singhbhum, Jharkhand (MLA-323.16 ha)	EC Identification No. EC22A001 JH124978 File No. J-11015/80 /2012-IA-II(M)	30.5.2022	Yes	Yes	Nil
EIA/EMP studies for proposed expansion of Mosabani Copper Ore Concentrate Plant from 0.612 MTPA to 0.9 MTPA	EC Identification No. EC22B000 JH116308 File no. EC/ SEIAA/2013-14 /25/2013/135	28.6.2022	Yes	Yes	Nil

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules there under (Y/N).**

No

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
1	Under section 15 of EP Act, 1986	Excess production at ICC	High Court Case by JSPCB	Case Stayed by the High court.
2	31 (A) of Air Act, 1981	At KCC gas turbine plant is operated without obtaining permission from the RSPCB	Nil	Applied for CTO on 26.12.22 to RSPCB
3	Under Water Act, 1974 & Air Act, 1981 provisions	RSPCB instructed to provide dry stacking tailing plant, with proper mechanism for seepage collection and pumping	Nil	Exploring for upgradation of water recovery system from tailing.



## Leadership Indicators

### 1. Provide break-up of the total energy consumed (in Giga Joules) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	2631	2532
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>2631</b>	<b>2532</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	528762	547556
Total fuel consumption (E)	73486	67188
Energy consumption through other sources (F)	19870	3347
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>622118</b>	<b>618091</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Yes, M/s National Productivity Council

### 2. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area	Khetri Copper Complex (KCC), Khetri, Jhunjhunu, Rajasthan	
(ii) Nature of operations	Mining and Beneficiation	
(iii) Water withdrawal, consumption and discharge in the following format:		
Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	1136915	902580
(ii) Groundwater	443774	557891
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kiloliters)</b>	<b>1580689</b>	<b>1460471</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>890376</b>	<b>894800</b>
<b>Water intensity per rupee of turnover</b>	<b>0.0000536</b>	<b>0.0000494</b>
<b>Water intensity per Metric Ton of turnover</b>	<b>0.266</b>	<b>0.251</b>
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
<b>(i) Into Surface water</b>		
- No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(ii) Into Groundwater</b>		
- No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(iii) Into Seawater</b>		
- No treatment	-	-
With treatment – please specify level of treatment	-	-



<b>(iv) Sent to third parties</b>		
- No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(v) Others (Mines Water)</b>		
- No treatment	690313	565671
With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kiloliters)</b>	<b>690313</b>	<b>565671</b>

**3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emission / effluent discharge / waste generated please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Sale of overburden generated from mining activity at MCP	Overburden generated from mining activity is sold for using as metals in construction activities.	Reduction in virgin stone quarry mining /excavation.
2	Use of tailings for filling the underground mine voids	Tailing is used for back filling in the mine to fill the voids generated during mining operation.	Reduction in quantity of solid waste
3	Replacement of 1000 Tuberods (40 watts) with 22 Watts LEDs	Energy Efficiency Measures	Saving of 70,000 units/ annually
4	Installation of Energy Efficient 3 HT (375kw) and 3 LT (90kw) motors at Dewatering pumps	Energy Efficiency Measures	Saving of 1,00,000 units by HT and 24,000 units by LT
5	Installation of 2000 KLD capacity Sewage Treatment Plant	Sewage Treatment Plant	700 KLD is recycled and reused in the process
6	Tailings are channelised to Tailing Pond outside the mining lease area	The water from the tailing pond is recirculated for gainful purpose. The tailing that has accumulated in the tailing pond will be used in mines for Paste filling of void stopes	Water conservation and reuse of Tailings in Mines void backfilling

**4. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

No

**5. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

The hazardous waste generated during mining activities by value chain partners / contractors are disposed of as per prevailing environmental norms and guidelines.

**6. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

100%

**PRINCIPLE 7:**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations. 07 (Seven)**

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**



S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1	Standing conference of Public Enterprises (SCOPE)	National
2	Women in Public Sector (WIPS)	National
3	National institute of Personnel Management (NIPM)	National
4	The Indian Society for Training and Development (ISTD)	National
5	Indian National Committee (INC) World Mining Congress (WMC)	National
6	Confederation of Indian Industry (CII)	National
7	Indian Primary Copper Producers Association (IPCPA)	National

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Nil

**PRINCIPLE 8:**

**Businesses should promote inclusive growth and equitable development.**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Nil

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Nil

**3. Describe the mechanisms to receive and redress grievances of the community.**

Grievances of the communities are addressed through the Centralized Public Grievance Redress and Monitoring System (CPGRAMS), email / letter and meetings.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	49 %	27 %
Sourced directly from within the district and neighboring districts	63 %	40 %

**Leadership Indicator**

**1. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

S. No.	State	Aspirational Districts	Amount spent (in INR)
1	Jharkhand	East Singhbhum	40,63,110.00

**2. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Yes.

**(b) From which marginalized /vulnerable groups do you procure?**

SC/ST, Women's Entrepreneurs (MSME)

**(c) What percentage of total procurement (by value) does it constitute?**

3% (Approx)

**3. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Nil

**4. Details of beneficiaries of CSR Projects (FY 2022-23)**

S. No.	CSR Project	No. of persons benefitted from CSR projects	% Of beneficiaries from vulnerable and marginalized groups
1	Repair and Maintenance of existing Proto-type Drinking water structures/ Jal Minar (Motor Pump repair, electrical wiring, etc.) Health near ICC	2000	100%
2	Supply of Drinking Water Borkheda, Chinditola, Suji & Khursipar 4 villages through Tankers Health near MCP	3000	100%
3	Rural Medical Camps Health near ICC	10397	100%
4	Health Camps in Borkheda & Chinditola Villages Health near MCP	3333	100%
5	Health Camps & Activities on Covid-19 Health near KCC	780	100%
6	Improved vegetable cultivation Nutrition near ICC	50	100%
7	Improved pulses and oilseed cultivation Nutrition near ICC	50	100%
8	Nutritional garden Nutrition near ICC	100	100%
9	Mushroom Cultivation Nutrition near ICC	50	100%
10	Promotion of Menstrual Hygiene Health near MCP	3000	100%
11	Ambulance for Community Health Center, Birsa, MP Health near MCP	2000	100%
12	Income Generation support to existing & new SHGs in Hand Glove/ Wooden Craft/ Muri (Puffed Rice)/ Leaf Plate Unit, etc. Livelihood near ICC.	195	100%
13	Tailoring Center for Girls Vocational Skills near KCC	90	100%
14	Training to Youth / SHGs for Livelihoods Livelihood near MCP	500	100%
15	Education project under Community Policing Initiatives of SP Office, Mokokchung, Nagaland Education	400	100%
16	Archery Training and Support Sports near ICC	120	100%
17	Repair and Maintenance of existing Jal Minar Health near ICC	400	100%
18	Rural Medical Camps Health near ICC	2745	100%
19	Micro Enterprise Development near ICC	30	100%
20	Developing Community Halls / Village Halls in nearby villages near MCP	3200	100%
21	Water Harvesting and Recharge Setups in surrounding villages near MCP	200	100%
22	Provision of Sports equipment to Schools / Villages Clubs in Birsa Block near MCP	6500	100%

**PRINCIPLE 9:****Businesses should engage with and provide value to their consumers in a responsible manner.****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Complaints received from customers are sent to the concerned departments to investigate and provide resolution of the same. Corrective actions are taken to avoid reoccurrence of the cause of such complaints. Feedback is obtained from customers and SOPs are strictly followed to minimise the grievance of the Customers.



**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA		Nil	NA	
Advertising	Nil	NA		Nil	NA	
Cyber-security	Nil	NA		Nil	NA	
Delivery of essential services	Nil	NA		Nil	NA	
Restrictive Trade Practices	Nil	NA		Nil	NA	
Unfair Trade Practices	Nil	NA		Nil	NA	
Other	Nil	NA		Nil	NA	

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary Recall	Nil	NA
Forced Recall	Nil	NA

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has formulated IT Policy & Cyber Security Policy Manual and the same can be accessed at the link [https://www.hindustancopper.com/Content/PDF/IT\\_PCSM.pdf](https://www.hindustancopper.com/Content/PDF/IT_PCSM.pdf)

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

NA (As copper concentrate is the intermediate product of the final product, which is castings made up of copper)

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Product and services offered by the Company can be accessed at the link <https://hindustancopper.com/Page/CopperConcentrate>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

HCL regularly invites existing and new customers to educate/ inform/ familiarize them with details & specification of the product.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

NA





4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

NA

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).**

Yes

5. **Provide the following information relating to data breaches:**

a. **Number of instances of data breaches along-with impact.**

Nil

b. **Percentage of data breaches involving personally identifiable information of customers.**

Nil



## CORPORATE GOVERNANCE REPORT

### 1. Company's Philosophy

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.

### 2. Board of Directors

#### a. Composition:

As on date of report, the Board of Directors is comprised of four functional directors, viz., Chairman and Managing Director (CMD), Director (Operations), Director (Finance) and Director (Mining), two Government nominee directors (part-time official) representing the Ministry of Mines, Government of India and three Independent directors (part-time non-official). Presently three posts of Independent Directors are lying vacant since 21.7.2022. The Company has requested the Ministry of Mines, Government of India to fill up the vacant post of Directors and the matter is under consideration of the Government.

#### b. Meetings, attendance & other directorship

During 2022-23, eleven Board meetings were held on 2.5.2022, 28.5.2022, 29.6.2022, 30.6.2022, 13.8.2022, 3.9.2022, 12.11.2022, 16.12.2022, 1.2.2023, 28.3.2023 and 29.3.2023. Attendance of directors at Board meetings and at the last Annual General Meeting (AGM), number of directorship and membership in committees of other companies, including the names of the listed entities where they are director and category thereof is as follows:

Name of the director	No of Board meetings attended out of 11 held*	Attendance at last AGM held on 28.9.2022	No of directorship in other companies	No of committee position held in other companies		Category of directorship in other listed entities
				Chairman	Member	
<b>(i) Functional/ Executive Director</b>						
Shri Arun Kumar Shukla, CMD	9	Yes	2	Nil	Nil	Nil
Shri Sanjay Panjiyar Director (Operations)	9	Yes	1	Nil	Nil	Nil
Shri Ghanshyam Sharma** Director (Finance)	9	Yes	2	Nil	Nil	Nil
Shri Sanjiv Kumar Singh Director (Mining)	9	Yes	Nil	Nil	Nil	Nil
<i>(*2 out of 11 Board meetings during FY 2022-23 were held as Reviewing Authority under HCL (Conduct, Discipline &amp; Appeal) Rules, 2021 wherein CMD and Functional Directors, being Disciplinary Authority and Appellate Authority respectively, recused themselves from the meeting.) (**Joined as Director (Finance), w.e.f. 28.2.2023. Earlier holding additional charge of the post of Director (Finance), HCL from 13.9.2021.)</i>						
<b>(ii) Part time official (Govt. Nominee) Directors</b>						
Shri Shakil Alam	8	No	NIL	Nil	Nil	Nil
Shri Sanjeev Verma	10	No	Nil	Nil	Nil	Nil
<b>(iii) Part time non-official (Independent) Directors</b>						
Shri R Kalyansundaram*	4	NA	NA	NA	NA	NA
Shri Pawan Kumar Dhawan*	4	NA	NA	NA	NA	NA
Shri Balwinder Singh Canth*	4	NA	NA	NA	NA	NA
Shri Annadevara Gurunadha Krishna Prasad	8	Yes	1	Nil	Nil	Nil
Shri Avinash Janardan Bhide	11	Yes	Nil	Nil	Nil	Nil
Smt. Hemlata Verma	11	Yes	Nil	Nil	Nil	Nil
<i>(*Ceased to be director w.e.f. 21.7.2022)</i>						



**c. Skills/expertise/competence of the Board of Directors:**

As against skills/ expertise / competence in the fields of Mining, Operations, Projects, Finance, Legal, Public Policy and Administration identified by the Board, the present Board Members possess the following:

Sr. No.	Name and Designation	Skills/ expertise/ competence available
1.	Shri Arun Kumar Shukla CMD	B. Tech (Mining Engg.), M. Tech. (Environmental Engg.), LLB and expertise in mining, operations, legal and administration.
2.	Shri Sanjay Panjiyar Director (Operations)	B. Tech (Production Engineering), PGDCA and expertise in operations and projects.
3.	Shri Ghanshyam Sharma Director (Finance)	CA and having expertise in Management, costing and financing of various projects.
4.	Shri Sanjiv Kumar Singh Director (Mining)	B. Tech, M. Tech in Open Cast Mining, MBA (Finance) and expertise in mine planning and design, preparation of MDO document and financial appraisal of Projects
5.	Shri Shakil Alam Government Nominee Director	MA (Economics), Indian Economic Service officer presently Economic Adviser, Ministry of Mines, Gol and having expertise in economics, finance and policy formulation.
6.	Shri Sanjeev Verma Government Nominee Director	B.E.(Civil), Indian Railway Stores Service Officer presently, Director, Ministry of Mines, Gol and having expertise in e-procurement, digital supply chain, contract management, policy formulation and working in Government and Public Sector.
7.	Shri Annadevara Gurunadha Krishna Prasad Independent Director	B. Com, CA, having expertise in Finance, Statutory Audit and Taxation.
8.	Shri Avinash Janardan Bhide Independent Director	B.Sc (Microbiology), LLB, having expertise in legal matters specially Criminal Laws
9.	Smt. Hemlata Verma Independent Director	B.A (Honours) and a Social Worker, actively involved in the upliftment and improvement of social life.

- d. None of the directors of the Company are inter se related. As per declaration given, none of the non-executive directors are holding any equity shares / convertible instruments in the Company. Familiarization program imparted to Independent Directors is available at the Company' website and can be accessed at [https://www.hindustancopper.com/Content/PDF/Fam\\_Pro\\_Ind\\_Dir.pdf](https://www.hindustancopper.com/Content/PDF/Fam_Pro_Ind_Dir.pdf).
- e. It is confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (LODR) 2015 and are independent of the management.
- f. Detailed reasons for resignation of Independent Director(s) before the expiry of tenure along with a confirmation by such Director(s) that there are no other material reasons other than those provided: No Independent Director resigned during the year and hence not applicable.
- g. Particulars of senior management including the changes therein since the close of the previous financial year is given below:

Sr. No.	Name	Designation	Date of Joining
1.	Shri Chhattar Singh Singhi	Executive Director (Company Secretary)	1.7.1996
2.	Shri Smarajit Dey (superannuated on 31.1.2023)	Executive Director & Unit Head	11.12.1984
3.	Shri Sree Kumar	Executive Director & Unit Head	7.10.1985
4.	Shri Sunil Parashar	General Manager (Commercial)	21.8.1989
5.	Shri Shyam Sundar Sethi (up to 24.1.2023)	General Manager (Ops., Law & HR)	25.8.1989



Sr. No.	Name	Designation	Date of Joining
6.	Shri Shyam Sundar Sethi (from 24.1.2023)	General Manager & Unit Head	25.8.1989
7.	Shri Ravi Kumar Gupta	General Manager (Finance)	8.10.1991
8.	Shri Ghanshyam Das Gupta	General Manager & Unit Head	30.6.2017
9.	Shri Kali Prasad Bisoi (from 24.1.2023)	Deputy General Manager (Human Resource)	28.10.2011
10.	Shri Binod Kumar Gupta	Deputy General Manager (Mines)	9.10.2014
11.	Shri Ramananda Adhikari	Deputy General Manager (Chemical)	18.4.1995
12.	Shri Abhimanue Singh	Deputy General Manager (Mechanical)	1.11.1991
13.	Shri Abhijit Sinha (from 6.2.2023)	Assistant General Manager (Mechanical)	21.8.1989

#### h. Remuneration paid to Directors

##### (i) Whole-time Directors

The details of remuneration paid to the whole-time Directors during 2022-23 was as follows:

Name of the Director	All elements of remuneration package i.e. salary, PF contribution, pension, gratuity, etc. (₹)	Performance Linked Incentives (₹)	Other Benefits (₹)	Total (₹)
Shri Arun Kumar Shukla CMD	67,86,801	6,07,969	Medical : 41,289 Accommodation : 6,54,318 Electricity : 37,450 Meal Coupon : 30,000	81,57,827
Shri Sanjay Panjiyar Director (Operations)	45,72,302	NA	Medical : 44,923 Accommodation : 6,55,007 Electricity : 28,845 Meal Coupon : 30,000	53,31,077
Shri Ghanshyam Sharma Director (Finance)	3,65,574	NA	Medical : Nil Accommodation : 52,256 Electricity : Nil Meal Coupon : 2,500	4,20,330
Shri Sanjiv Kumar Singh Director (Mining)	49,03,420	NA	Medical : 30,492 Accommodation : 7,28,168 Electricity : 22,290 Meal Coupon : 30,000	57,14,370
<b>Total</b>	<b>1,66,28,097</b>	<b>6,07,969</b>	<b>23,87,538</b>	<b>1,96,23,604</b>

##### (ii) Part time non-official (Independent) Directors

Independent directors are not paid any remuneration except sitting fees at the rate of ₹ 25,000/- per Board meeting and ₹20,000/- per Committee meeting and are also eligible for boarding, lodging and travelling expenses for attending the meeting. During 2022-23, the amount of sitting fees paid to Independent directors was as follows:

SI No	Name of the director	Sitting Fees (₹)		
		Board meetings	Committee meetings	Total
1.	Shri R Kalyansundaram	1,00,000	60,000	1,60,000
2.	Shri Pawan Kumar Dhawan	1,00,000	1,00,000	2,00,000



3.	Shri Balwinder Singh Canth	1,00,000	80,000	1,80,000
4.	Shri Annadevara Gurunadha Krishna Prasad	2,00,000	2,20,000	4,20,000
5.	Shri Avinash Janardan Bhide	2,75,000	2,20,000	4,95,000
6.	Smt. Hemlata Verma	2,75,000	1,80,000	4,55,000
	<b>Total</b>	<b>10,50,000</b>	<b>8,60,000</b>	<b>19,10,000</b>

(iii) Part time official (Govt. Nominee) Directors

The Govt. Nominee Directors are not entitled to any remuneration. They are only eligible for travelling, boarding & lodging expenses for attending meetings.

**Service contracts, notice period, severance fee:**

The whole-time directors are appointed by the President of India for a period of five years from the date of taking over charge or till the date of superannuation (presently 60 years of age) or till further order from the Government of India, whichever event occurs the first. The appointment may, however, be terminated by either side on three months' notice or on payment of three months' salary in lieu thereof.

Part time official (Government nominee) directors representing the Ministry of Mines are appointed by the President of India till further orders from the Ministry of Mines.

Part time non-official (Independent) directors are appointed by the President of India for a period of three years. HCL being a Government Company, performance evaluation of its Independent directors and criteria of evaluation is decided and undertaken by the Government.

No stock option has been given to the Directors of HCL.

There is no provision for payment of severance fees to directors.

**3. Audit Committee**

The terms of reference of the Audit Committee is as per the Companies Act, 2013, SEBI (LODR), 2015 and approved by the Board. Brief description of the terms of reference is as under:

- (i) 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;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) 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;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system;
- (xiii) Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing, seniority, reporting structure, etc.;
- (xiv) Discussion with internal and statutory auditors of any significant findings and follow up there on;
- (xv) 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;



- (xvi) To review the functioning of the Whistle Blower mechanism;
- (xvii) Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
- (xviii) 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.
- (xix) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its Shareholders.
- (xx) The audit committee shall mandatorily review the following information:
- management discussion and analysis of financial condition and results of operations;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses; and
  - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - statement of deviations:
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).
- (xxi) Approval of related party transactions and subsequent material modifications thereof;
- (xxii) Omnibus approval for related party transactions proposed to be entered into by the Company;
- (xxiii) Review the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.

During 2022-23, the Committee met five times on 28.5.2022, 25.6.2022, 13.8.2022, 12.11.2022 and 1.2.2023. The composition of the Committee and attendance of Members at the meetings is given below:

Name	Category	Position	Number of meetings attended out of 5 held
Shri Annadevara Gurunadha Krishna Prasad (Member from 2.2.2022 to 21.7.2022 and Chairman from 22.7.2022)	Independent Director	Chairman	5
Shri Pawan Kumar Dhawan (upto 21.7.2022)	-do-	-do-	2
Shri Avinash Janardan Bhide (from 22.7.2022)	-do-	Member	3
Smt. Hemlata Verma (from 22.7.2022)	-do-	-do-	3
Shri R Kalyansundaram (upto 21.7.2022)	-do-	-do-	2

#### 4. Nomination and Remuneration Committee

The terms of reference of the Committee is as per applicable provisions of the Companies Act, 2013, SEBI (LODR), 2015 and office memorandum No.2 (70) / 08-DPE (WC)-GL-XVI / 08 dated 26.11.2008, issued by the Department of Public Enterprises (DPE), Government of India (GoI). In terms of above office memorandum, the Committee also recommends payment of Performance Related Pay (PRP) and policy for its distribution across the executives (including functional directors) of the Company within the prescribed limits. The Committee also act as an advisory body to the Board for all matters relating to Human Resources including Recruitment, Promotion and Training.

Being a Government Company, the remuneration, terms and conditions of appointment of Directors and Key Managerial Personnel (KMP) and employees of the Company are governed by the guidelines issued by the DPE, GoI from time to time. During 2022-23, the Committee met six times on 29.4.2022, 24.5.2022, 27.5.2022, 13.8.2022, 16.12.2022, 31.1.2023 and 17.3.2023 (Adjourned). The composition of the Committee and attendance of the members at the meetings is given below:



Name	Category	Position	Number of meeting attended out of 6 held
Shri Avinash Janardan Bhide (Member from 2.2.2022 to 21.7.2022, Chairman from 22.7.2022)	Independent Director	Chairman	5
Shri Balwinder Singh Canth (upto 21.7.2022)	-do-	-do-	3
Smt. Hemlata Verma (from 22.7.2022)	-do-	Member	3
Shri Annadevara Gurunadha Krishna Prasad (from 22.7.2022)	-do-	-do-	3
Shri Pawan Kumar Dhawan (upto 21.7.2022)	-do-	-do-	3

#### 5. Stakeholders Relationship Committee

The terms of reference of the Stakeholders Relationship Committee briefly include the following:

- Resolving the grievances of the security holders 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.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During 2022-23, the Stakeholders Relationship Committee met once on 17.3.2023. The composition of the Committee and attendance of Members at the meeting is given below:

Name	Category	Position	Number of meeting attended out of 1 held
Shri Avinash Janardan Bhide (Member from 23.2.2022 to 21.7.2022, Chairman from 22.7.2022)	Independent Director	Chairman	1
Shri Annadevara Gurunadha Krishna Prasad (upto 21.7.2022)	-do-	-do-	NA
Shri Sanjay Panjiyar (from 22.7.2022)	Director (Operations)	Member	1
Shri Ghanshyam Sharma	Director (Finance)	-do-	1
Shri Pawan Kumar Dhawan (upto 21.7.2022)	Independent Director	-do-	NA

Shri C S Singhi, Company Secretary is the Compliance Officer. During 2022-23 the Company received one complaint and the same was resolved to the satisfaction of shareholder and there was no complaint pending as on 31.3.2023.

#### 6. Risk management committee

The terms of reference of the Risk Management Committee is as per provisions of the SEBI (LODR), 2015 and briefly include the following:

- To formulate a detailed Risk Management Policy which shall include:
  - Identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To monitor and evaluate risks associated with the business of the Company and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
- To periodically review the Risk Management Policy;



- (iv) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; and
- (v) Appointment and removal of the Chief Risk Officer.

During 2022-23, the Risk Management Committee met twice on 29.7.2022 and 23.1.2023. The composition of the Committee and attendance of Members at the meeting is given below:

Name	Category	Position	Number of meeting attended out of 2 held
Shri Sanjiv Kumar Singh	Director (Mining)	Chairman	2
Shri Sanjay Panjiyar	Director (Operations)	Member	2
Shri Ghanshyam Sharma	Director (Finance)	-do-	2
Shri Annadevara Gurunadha Krishna Prasad	Independent Director	-do-	2
Shri R Kalyansundaram (upto 21.7.2022)	-do-	-do-	NA
Shri Balwinder Singh Canth (upto 21.7.2022)	-do-	-do-	NA
Shri Sunil Parashar	Head of M & C	-do-	2

## 7. General body meeting

### Annual General Meeting:

Details of Annual General Meetings held during last three years are as under:

Year	Date	Time	Location	Number of special resolutions passed
2020-21	29.9.2020	11:00 AM	Deemed venue at 'Tamra Bhawan', 1 Ashutosh Chowdhury Avenue, Kolkata-700019 attended by Members through video conferencing or other audio video means	Nil
2021-22	22.9.2021	11:00 AM	-do-	4
2022-23	28.9.2022	10:30 AM	-do-	3

Extraordinary General Meeting: Nil

### Postal Ballot Meeting:

During 2022-23 two Ordinary and three Special Resolutions were passed on 15.6.2022 through Postal Ballot by way of remote e-voting, the result of which was declared on 17.6.2022. Shri Navin Kothari, (Membership No. FCS 5935 and CP No 3725) of M/s N K & Associates, Practicing Company Secretary was appointed as the Scrutinizer for scrutinizing the Postal Ballot through e-voting in a fair and transparent manner and National Securities Depository Ltd was appointed to provide e-voting facility to the Members of the Company. Details of voting on resolutions is given below:

Description of Resolutions	Voted in favour of Resolution		Voted against the Resolution	
	Number of Votes	As a % of total number valid votes	Number of Votes	As a % of total number valid votes
Appointment of Shri Ghanshyam Sharma (DIN 07090008) as Director (Finance) of the Company (As Ordinary Resolution)	788035833	99.995	41558	0.005
Appointment of Shri Sanjiv Kumar Singh (DIN 09548389) as Director (Mining) of the Company (As Ordinary Resolution)	788037154	99.995	38719	0.005
Appointment of Shri Annadevara Gurunadha Krishna Prasad (DIN 02557375) as part time non-official (Independent) Director of the Company (As Special Resolution)	777071299	98.604	11003330	1.396





Appointment of Shri Avinash Janardan Bhide (DIN 09388571) as part time non-official (Independent) Director of the Company (As Special Resolution)	788023137	99.993	51649	0.007
Appointment of Smt. Hemlata Verma (DIN 09549304) as part time non-official (Independent) Director of the Company (As Special Resolution)	775401919	98.392	12673020	1.608

No special resolution is proposed to be conducted through Postal Ballot in the ensuing AGM. Person who conducted Postal Ballot exercise and procedure of Postal Ballot is therefore not applicable.

#### 8. Means of communication:

The quarterly and annual financial results was published in Business Standard / Financial Express (English) and Bartaman (Bengali) during the year. The financial results are available at the Company's website and can be accessed at <https://www.hindustancopper.com/Page/QuarterlyResult>. Also, the same is displayed on the website of BSE and NSE. Presentations made to institutional investors or to analysts are available at the Company's website and can be accessed at [https://www.hindustancopper.com/Content/PDF/CP\\_Aug\\_2021.pdf](https://www.hindustancopper.com/Content/PDF/CP_Aug_2021.pdf).

#### 9. General Shareholder information

i. 56th Annual General Meeting (AGM)

Date : 29th September, 2023 (Friday)

Time : 11:00 AM

Venue : Not applicable as the Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated 5th May, 2020 and for details please refer to Notice convening the AGM.

ii. Financial Year : From 1st April to 31st March each year

iii. Book closure date : 23rd September, 2023 to 29th September, 2023 (both days inclusive)

iv. Dividend payment date: The dividend, if declared at the AGM would be paid to shareholders within 30 days from the date of AGM.

v. Listing on Stock Exchanges:

Name of Stock Exchanges	Address	Stock Code	Date from which listed	Payment of listing fee for FY 2022-23
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	513599	2.8.1994	Yes
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	HINDCOPPER	15.9.2010	Yes

vi. Stock market price data

Monthly high and low price of Company's shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during the FY 2022-23 was as follows:

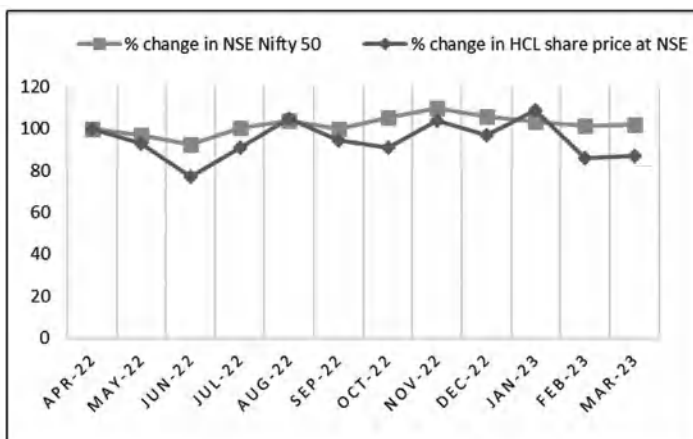
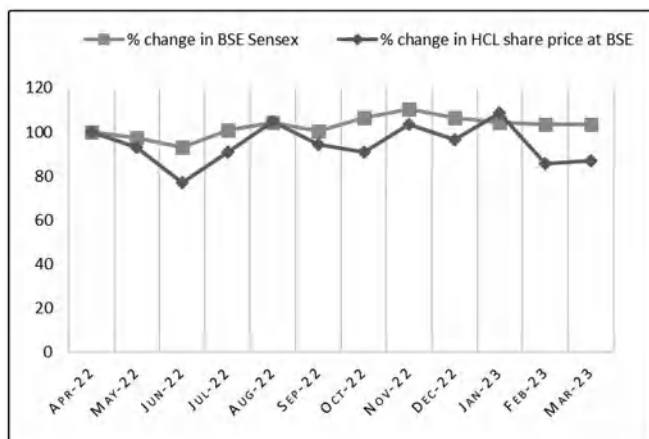
(In ₹)

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
April, 2022	129.40	111.65	113.30	129.50	111.60	113.30
May, 2022	113.95	88.75	105.20	113.95	88.70	105.10
June, 2022	109.00	81.20	87.15	108.95	81.20	87.10



Month	BSE			NSE		
	High	Low	Close	High	Low	Close
July, 2022	103.50	83.40	103.05	103.50	83.30	103.05
August, 2022	121.70	102.05	118.70	121.70	102.00	118.75
September, 2022	123.65	100.15	106.90	123.65	100.20	106.95
October, 2022	112.80	102.55	103.05	111.75	102.55	103.00
November, 2022	120.15	102.50	117.25	120.20	102.25	117.30
December, 2022	122.45	99.35	109.60	122.50	99.30	109.60
January, 2023	132.40	109.65	123.15	132.35	109.55	123.30
February, 2023	124.75	95.60	97.30	124.30	95.55	97.25
March, 2023	104.26	94.00	98.44	104.30	93.85	98.35

vii. Share price of HCL in comparison to BSE SENSEX and NSE NIFTY over the base of April, 2023 closing price in percentage terms is plotted below:



viii. Suspension of equity shares of HCL from trading by stock exchanges and reasons thereof - Nil

ix. Registrar & Share Transfer Agent

M/s C B Management Services (P) Ltd

P- 22, Bondel Road, Kolkata- 700 019

Telephone: (033) 2280 6692, 4011 6700 /18 /23 /28

Fax: (033) 4011 6739

E-mail: rta@cbmsl.com

Website: www.cbmsl.com

x. Share transfer system

In terms of Regulation 40(1) of SEBI (LODR) 2015, as amended, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Further, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.



xi. Shareholding Pattern as on 31.3.2023

Sr. No.	Category	No. of shares held	%
1	President of India	63,96,13,373	66.14
2	Mutual Funds	3,61,12,710	3.73
3	Financial Institutions/Banks	40,20,607	0.42
4	Insurance Companies	11,88,71,521	12.29
5	Bodies Corporate	98,86,560	1.02
6	FPI/NRIs	2,16,38,725	2.24
7	Trusts & Foundations	1,48,226	0.02
8	Indian Public	13,24,07,491	13.69
9	IEPF	1,27,131	0.01
10	HUF	37,35,848	0.39
11	Others	4,61,828	0.05
	<b>Total</b>	<b>96,70,24,020</b>	<b>100.00</b>

xii. Distribution of shareholding as on 31.3.2023

Range	Shares	Folios	% of Shares
1	3,15,15,636	2,86,826	3.26
501	1,72,63,962	21,519	1.79
1001	1,64,63,369	10,862	1.70
2001	95,19,298	3,709	0.98
3001	64,15,600	1,785	0.66
4001	70,08,882	1,488	0.72
5001	1,59,52,916	2,171	1.65
10001	2,83,89,208	1,428	2.94
50001	79,24,523	113	0.82
100001	82,65,70,626	115	85.48
<b>Total</b>	<b>96,70,24,020</b>	<b>3,30,016</b>	<b>100.00</b>

xiii. Dematerialization of shares and liquidity

The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE531E01026 with effect from 29.8.2008. Status of dematerialization as on 31.3.2023 was as follows:

Particulars	No. of Shares	% of Holding	No. of folio
DEMAT:			
a) N S D L	88,92,56,141	91.96	1,09,135
b) C D S L	7,77,43,316	8.04	2,20,574
PHYSICAL	24,563	0.00	307
<b>Total</b>	<b>96,70,24,020</b>	<b>100.00</b>	<b>3,30,016</b>

xiv. Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity: The Company has neither issued any GDR/ADR nor any convertible instrument till date.

xv. Commodity price risk or foreign exchange risk and hedging activities: Price of Company's copper products are linked to London Metal Exchange copper prices. As regard foreign exchange risk, the Company has a natural hedge.



Disclosure of commodity risks and other hedging activity in HCL in the prescribed format as per SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2018 / 0000000141 dated 15.11.2018 is given at Appendix-I.

xvi. Plant locations

- |  |  |  |
|--|--|--|
| 1. Indian Copper Complex<br>P.O.Ghatsila, Dist.Singhbhum,<br>Jharkhand | 2. Khetri Copper Complex<br>P.O.Khetrinagar, Dist.Jhunjhunu<br>Rajasthan                       | 3. Malanjkhanda Copper Project<br>P.O.Malanjkhanda, Dist.Balaghat,<br>Madhya Pradesh |
| 4. Taloja Copper Project<br>P.O.Taloja, Dist.Raigad<br>Maharashtra     | 5. Gujarat Copper Project<br>747, GIDC Industrial Area<br>P.O. Jhagadia, Dist-Bharuch, Gujarat |  |

xvii Address for correspondence

Hindustan Copper Ltd.  
"Tamra Bhawan",  
1 Ashutosh Chowdhury Avenue,  
Kolkata 700019  
e-mail: investors\_cs@hindustancopper.com  
Tel. No. (033) 2202 1000/ 2283 2226

xviii List of credit ratings obtained by the Company along with any revisions thereto during the year 2022-23, for all debt instruments or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad-

Sr. No.	Instrument for which credit rating obtained	Credit Rating in FY 2022-23	Credit Rating in FY 2021-22
1	Term Loan	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)
2	Fund-based Facilities	On Long Term Scale [ICRA]AA (Stable) On Short Term Scale [ICRA] A1+	On Long Term Scale [ICRA]AA (Stable) On Short Term Scale [ICRA] A1+
3	Non-fund-based Facilities	[ICRA] A1+	[ICRA] A1+
4	Commercial Paper	[ICRA] A1+	[ICRA] A1+

10. Other Disclosures

- a. The Company has not entered into any transaction of material significance with the related parties during the year. The Company's Policy on Related Party Transactions is available at its website and can be accessed at [https://www.hindustancopper.com/Content/PDF/Policy%20on%20MRPT\\_RPT.pdf](https://www.hindustancopper.com/Content/PDF/Policy%20on%20MRPT_RPT.pdf).
- b. No penalties/strictures have been imposed on the Company by Stock Exchanges, SEBI or any statutory authority on any matters related to capital markets during last three years except that BSE and NSE have imposed penalty on the Company during last three financial years due to vacant posts of Independent directors / Independent woman director and in FY 2021-22 for delay of three days in giving prior intimation of date of Board meeting which was held on 12.2.2022 to the Exchanges. The details of penalty imposed is given below:

Name of Exchange/ Status	Penalty imposed for FY 2020-21	Penalty imposed for FY 2021-22	Penalty imposed for FY 2022-23
BSE	₹ 10,79,700/-	₹ 21,65,300/-	₹ 9,55,800/-
NSE	₹ 16,22,500/-	₹ 21,65,300/-	₹ 9,55,800/-

HCL, being Government owned Company, appointment of Directors is done by Orders issued by the Government of India as per its Articles of Association. The Company has taken up the matter with the Ministry / Exchanges for waiver of fine. BSE vide email dated 19.4.2021 waived the fine imposed for the quarter ended September, 2020 to December, 2020. NSE vide Letter No. NSE/ LIST-SOP/REG/REVERSAL/0381 dated 5.4.2023 waived the fine for the period 22.3.2022 to 31.3.2022.



- c. The Company has formulated Whistle Blower Policy and it is affirmed that no personnel has been denied access to the Audit Committee. The Policy is available at the Company's website and can be accessed at [https://www.hindustancopper.com/Content/PDF/Whistle\\_Blower\\_Policy.pdf](https://www.hindustancopper.com/Content/PDF/Whistle_Blower_Policy.pdf).
- d. Policy for determining 'material' subsidiaries is available at Company's website and can be accessed at <https://www.hindustancopper.com/Content/PDF/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>
- e. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) in Part C of Schedule -V to the SEBI (LODR), 2015, with reasons thereof: Nil
- f. Adoption of discretionary requirements as specified in Part E of Schedule II of SEBI (LODR), 2015: Nil
- g. Pursuant to Regulation 17 (8) of SEBI (LODR) 2015, the CEO and CFO of the Company have given compliance certificate to the Board.
- h. HCL, being a Government Company, has complied with the provisions of Regulations 17 to 27 of SEBI (LODR), 2015 as applicable except that three posts of Independent Directors are lying vacant since 21.7.2022 and performance evaluation of Directors including Independent Directors is done by the Government. The Company has disseminated on its website all information as listed under clause (b) to (i) of Regulation 46 (2) of SEBI (LODR), 2015 under 'Investors' page at Company's website under the link <https://www.hindustancopper.com/Page/InvestorRelations>.
- i. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): In April, 2021, the Company has raised around ₹500 crore through Qualified Institutions Placement (QIP) by allotment of 4,18,06,020 equity shares of ₹5/- each at an issue price of ₹119.60 per equity share to the qualified institutional buyers. Up to 31.3.2023, the Company has utilized ₹206.63 crore for funding the ongoing mine expansion projects of the Company. Funds raised through QIP has been utilized as per objects stated in the QIP Placement Document dated 12.4.2021.
- j. 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Nil
- k. Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: The Company has one subsidiary Company namely, Chhattisgarh Copper Ltd (CCL) which is not a material subsidiary as per provisions of SEBI (LODR) 2015. CCL is yet to commence its operations and its net worth does not exceed ten percent of the net worth of the Company.
- l. Certificate from M/s N K & Associates, Practicing Company Secretary, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, MCA or any such statutory authority is enclosed as Appendix-II.
- m. Non-acceptance of recommendation of Committees of the Board during the year – Nil
- n. Details of fees paid during 2022-23 to the Statutory Auditor of the Company (M/s. Ghoshal & Ghosal) and to the Statutory Auditor of the Subsidiary (M/s. K M Jain & Co.) is given below:

(₹ in Lakh)

Heads	Fees paid by Hindustan Copper Ltd	Fees paid by Chhattisgarh Copper Ltd (Subsidiary Company)	Total
Statutory Audit Fees	14.70	0.15	14.85
Limited Review Fees	14.70	0.20	14.90
		<b>Total</b>	<b>29.75</b>

- o. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- a. number of complaints at the beginning of financial year as on 1.4.2022: Nil
- b. number of complaints filed during the financial year 2022-23: Nil
- c. number of complaints disposed of during the financial year 2022-23: Nil
- d. number of complaints pending at the end of the financial year as on 31.3.2023: Nil



### Appendix I to Corporate Governance Report

1. Risk management policy of the Company with respect to commodities including through hedging (Such policy shall take into account total exposure of the entity towards commodities, commodity risks faced by the Company, hedged exposures, etc. as specified below):
  - HCL already has Risk Management Policy in place.
2. Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:
  - a. Total exposure of the Company to commodities in INR : Nil in FY 2022-23
  - b. Exposure of the Company to various commodities : Nil in FY 2022-23

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
NA	NA	NA	NA	NA	NA	NA	NA

- c. Commodity risks faced by the Company during the year and how they have been managed: NA.



## Appendix II to Corporate Governance Report

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**[Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members  
Hindustan Copper Limited  
Kolkata

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hindustan Copper Ltd having CIN L27201WB1967GOI028825** and having registered office at **Tamra Bhavan 1, Ashutosh Chowdhury Avenue, Kolkata-700019** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Shri Arun Kumar Shukla	03324672	01/10/2018
2.	Shri Sanjay Panjiyar	02846267	31/07/2021
3.	Shri Ghanshyam Sharma	07090008	13/09/2021
4.	Shri Sanjiv Kumar Singh	09548389	26/03/2022
5.	Shri Shakil Alam	09272903	06/08/2021
6.	Shri Sanjeev Verma	08836996	07/08/2020
7.	Shri Annadevara Gurunath Krishna Prasad	02557375	03/11/2021
8.	Shri Avinash Janardan Bhide	09388571	03/11/2021
9.	Smt Hemlata Verma	09549304	22/03/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For N.K & Associates  
Company Secretaries

Sd/

Navin Kothari

Proprietor

Place: Kolkata  
Date: 04.05.2023

FCS No.: 5935, CP No.: 3725  
PEER REVIEW NO.:1384/2021  
UDIN No.: F005935E000253314



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Hindustan Copper Limited  
Kolkata

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindustan Copper Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - f. Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);
  - g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
  - h. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period);
  - i. Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- vi. The Company is engaged in the business activities ranging from stage of mining to beneficiation, smelting, refining and casting of refined copper metal into downstream saleable products. The Company markets copper cathodes, continuous cast copper rod and by-products, such as anode slime (containing precious metals), copper sulphate and sulphuric acid.





- vii. The following Act(s)/ Guideline(s) are specifically applicable for the aforesaid businesses to the Company:
- Corporate Governance Guidelines issued by the Department of Public Enterprise vide their OM. No. 18(8)/2005-GM dated 14th May, 2010;
  - The Mines Act, 1952
  - Explosive Act, 1884 and Explosive Rules, 2008
  - Mines & Minerals (Development & Regulation) Act, 1957
  - The Metalliferous Mines Regulations, 1961
- viii. We have also examined compliance with the applicable clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India.
  - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, the Company did not have minimum required 50% Independent Directors on its Board during the period from 22.07.2022 to 31.03.2023.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For N.K & Associates  
Company Secretaries  
Sd/-

Navin Kothari  
Proprietor

FCS No. 5935; C P No.: 3725

Peer Review No.: 1384/2021

UDIN: F005935E000319853

Place: Kolkata

Date: 17.05.2023

Note: This report is to be read with my letter of even date which is annexed as 'Annexure A' forms an integral part of this report.



## ANNEXTURE A TO SECRETARIAL AUDIT REPORT

To,  
The Members  
Hindustan Copper Limited  
Kolkata

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. In view of financial records and books of accounts being subjected to audit by the Internal Auditor, Statutory Auditor, Cost Auditor and C&AG Auditor and relying on the reports submitted by the above agencies from time to time, we have not separately verified the financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For N.K & Associates  
Company Secretaries

Sd/-  
Navin Kothari  
Proprietor

FCS No. 5935; C P No.: 3725  
Peer Review No.: 1384/2021  
UDIN: F005935E000319853

Place: Kolkata  
Date: 17.05.2023



## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members,  
Hindustan Copper Limited,  
Kolkata

We have examined the compliance of conditions of corporate governance by Hindustan Copper Limited ('the Company'), for the year ended 31st March, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

The compliance of conditions of corporate governance is the responsibility of the management. Our examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Regulations except that:

1. The Company did not have minimum required 50% Independent Directors on its Board during the period from 22.07.2022 to 31.03.2023 in FY 2022-23.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
N. K & Associates  
Company Secretaries

Sd/-  
Navin Kothari  
Proprietor

FCS No 5935 CP No 3725  
Peer Review No.: 1384/2021  
UDIN: F005935E000304827

Date: 15.05.2023  
Place: Kolkata

### Ten years at a glance- Standalone

(₹ in lakh)

YEAR	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Share Capital	48351	48351	46261	46261	46261	46261	46261	46261	46261	46261
Other Equity	159854	142774	62671	49766	117436	106468	100435	94795	93281	136666
Net Worth (Excluding Capital Reserve, Currency Fluctuation Reserve & Mine Development Expenditure)	85612	81085	53675	33929	95924	83159	83127	86142	93910	104136
Borrowings	15639	40832	113743	156367	107011	65695	47207	20715	-	-
Net Block (Including CWIP)	103896	96430	150101	156905	133860	99154	63286	57393	31110	32634
Current Assets	70117	92152	80973	103718	137002	115728	131121	168902	169033	122871
Current Liabilities	83814	81479	91884	144752	104535	106701	74809	106551	96298	35233
Net Turnover	166063	181221	176084	80317	175329	159926	110181	96348	100484	147973
Profit/(Loss) before Taxation	39566	38172	8690	(53806)	23000	12169	9420	3961	8045	43065
Tax Expenses	10035	794	(2308)	3129	8449	4208	3226	187	1285	14423
Profit/(Loss) after Taxation	29531	37378	10998	(56935)	14551	7961	6194	3774	6760	28642
Dividend including Dividend Tax (Dividend Tax is not applicable from FY 2020-21 onwards)	8897	11217	3385	-	5800	2789	2227	-	1670	10825
No. of Employees (Nos.)	1351	1476	1649	1931	2195	2508	2843	3252	3676	4112



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of Hindustan Copper Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **Hindustan Copper Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "**the Standalone Financial Statements**").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("**the Act**") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

#### Emphasis of Matter

We draw attention to the following matters:

- Note No. 40 (1)(i) of the accompanying Standalone Financial Statements which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Company by various parties and Government authorities;
- Note No. 40(5) of the accompanying Standalone Financial Statements which states that the Lease agreement for Rakha Mining Lease at the Indian Copper Complex was valid up to 28.08.21. It is also to be noted that the Lease agreement for Kendadih mines expire on 02.06.23. Application for renewal for both the lease agreements have been submitted as per regulations, and is currently under process.
- Note 40(5) of the Standalone Financial Statements which states that the mined-out ore kept at pit top of Surda mine has not been transported to the Concentrator Plant since July 2022, due to non-issuance of challan/permit by State Authorities, Jharkhand due to non-receipt of Surda Lease Deed, which is under process. Consequently the vendor bills are lying unprocessed and further extraction of ore is currently not happening.
- Note No.40(6) the accompanying Consolidated Financial Statements wherein the Company has made assessment of possible impairment loss during the year with respect to Plant and Machinery at the Nickel Plant and Moubhandar Plant, having book value of ₹5,649.07. The study revealed that the fair market value of the specified Plant and Machinery as on 31st March 2023, was higher than their Book value and consequently there was no requirement to recognize any Impairment Loss during the year, as per provisions of Ind AS 36
- Note No.40 (7) of the accompanying Standalone Financial Statements which states that the title deeds for freehold



and leasehold land and building acquired in respect of Gujarat Copper Project (GCP) with book value of ₹4,756.01 Lakh (PY:-₹5,026.13 Lakh) as at March 31,2023 are yet to be executed in favor of the Company;

- f) Note No.40 (9) of the accompanying Standalone Financial Statements wherein, balances under the head Claims Recoverable, Loans & Advances, Deposits from and with various parties and certain balances of trade receivables, trade payables and other current liabilities have not been confirmed as at March 31, 2023, although letters have been sent by the Company seeking confirmation of balances. Consequential impact upon receipt of such confirmation / reconciliation / adjustments of such balances, if any is not ascertainable at this stage.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the year ended March 31,2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SI No.	Key Audit Matters	Auditor's Response
1.	<p><b><u>Adjustment of revenue and proper application of Ind AS 115 "Revenue from Contracts with Customers" in respect of accuracy of revenue recognition and adjustments for the ore quality variances involving critical estimates</u></b></p> <p>Referred in Note 2.5 of the Standalone Financial Statements</p> <p>The revenue recognized by the Company in any particular contract , is as per the contract terms. There are subsequent adjustments made to the initial transaction price for a) the difference in LME rate considered during the initial transaction and the Quotational Period b) for mismatch in the grade of the Ore.</p> <p>The variation in the contract price for mismatch of grade of the ore, if not settled mutually between the parties to the contract is referred to third party testing.</p> <p>The final adjustment to revenue is then made basis the outcome of the findings of the third party</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have assessed the application of the provisions of Ind AS 115, in respect of the Company's revenue recognition and appropriateness of the estimated adjustments in the process</p> <p>We have selected transactions on sample basis and tested for identification of contracts, involving disagreements relating to grade mismatch , evaluation of the satisfaction of the performance obligation , and checking for the adjustment to the revenue due to variation in the transaction price</p> <p><b><u>Audit Conclusion</u></b></p> <p>No material exceptions identified.</p>
2.	<p><b><u>Provisions recognized and Contingent liabilities disclosed with respect to certain legal and tax matters</u></b></p> <p>The Company and its jointly controlled entity is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. Management's disclosures with regards to contingent liabilities are presented in Note No.40 (1) (i) to the Standalone Financial Statements.</p>	<p><b><u>Principal Audit Procedure</u></b></p> <p>Our audit procedures relating to provisions recognized and contingencies disclosed regarding certain legal and tax matters included the followings:</p> <ul style="list-style-type: none"> <li>■ Understanding and evaluating the design and operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the Standalone Financial Statements in respect of these matters;</li> <li>■ Obtaining details of legal and tax matters, inspecting the supporting documents to evaluate management's assessment of probability of outcome and the magnitude of potential loss, and testing related to provisions and disclosures in the Standalone Financial Statements</li> </ul>



SI No.	Key Audit Matters	Auditor's Response
	<p>The assessment of the risks associated with the litigations is based on complex assumptions. This requires use of judgment to establish the level of provisioning, increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed.</p>	<ul style="list-style-type: none"> <li>■ Reviewing orders and other communication from regulatory authorities and management responses thereto;</li> <li>■ Reviewing management expert's legal advice and opinion as applicable, obtained by the company's management for evaluating certain legal matters and evaluating competence and capabilities of the experts; and</li> <li>■ Using auditor's own judgment in evaluating certain significant and complex direct and indirect tax matters</li> </ul> <p><b>Audit Conclusion</b> No material exceptions identified</p>
<p>3.</p>	<p><b><u>Assessment of indication of impairment and the recoverable amount of cash generating units (CGUs)</u></b> Refer Note40(6) of the accompanying Standalone Financial Statements. There is an assessment done by the Company at the end of each reporting period for any indication that an asset may be impaired. Based on such indications, impairment testing was performed by the management with the help of an independent third party, in accordance with the requirements of Ind AS 36 "Impairment of Assets" for their Nickel Plant and the Moubhandar Plant situated in Ghatshila Based on the report submitted by the independent third party, no need was identified for making any Impairment Provisions for the FY 2022-23</p>	<p><b><u>Principal Audit Procedures</u></b> Our audit procedures related to assessment of indication of impairment and recoverable amounts of these CGUs included the followings:</p> <ul style="list-style-type: none"> <li>● Understanding and evaluating the design and operating effectiveness of controls for identification and assessment of any potential impairment, including determining the carrying amount and recoverable amount of the CGUs;</li> <li>● Relying on the report of external agency appointed solely for evaluating the assessment of impairment at plants this year and</li> <li>● Using auditor's own judgments/assessment for testing appropriateness of the method and model used for determining the recoverable amount, and mathematical accuracy of the models' calculations</li> <li>● Testing related presentation and disclosures in the Standalone Financial Statements.</li> </ul> <p><b>Audit Conclusion</b> No material exceptions identified</p>
<p>4.</p>	<p><b><u>Valuation of employees' defined benefit obligations and other long term benefits</u></b> The company has recognized long-term employee benefit liabilities and defined benefit obligations, (net of planned plan asset against funded gratuity obligation) in the Standalone Financial Statements. The valuation of employee benefit obligations is dependent on market conditions and assumptions made. The key audit matter specifically relates to the following key assumptions, like Discount rate, Life expectancy and Inflation forecasts. The setting of these assumptions is complex, and involves the exercise of significant judgment on the part of the Management along with the external Actuarial Specialists.</p>	<p>Our audit procedures relating to the valuation of employees defined benefit obligations and other long term benefits included the following :</p> <ul style="list-style-type: none"> <li>● In testing the valuation, we have examined the reports of external actuarial specialists to review the key actuarial assumptions, and the methodology adopted for the calculation of the liability</li> <li>● We evaluated the assumption made by the management and the Actuary to ensure that they are consistent with the principles of Ind AS 19</li> </ul> <p><b>Audit Conclusion</b> Based on the above procedures, we are satisfied that the methodology and assumptions applied in relation to determining the liabilities are acceptable</p>



### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors, Management Discussion and Analysis Report, Report on CSR activities, Business Responsibility Report, Corporate Governance Report and other annexure to Directors Report including Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. The Report of the Board of Directors including annexures and other related statements forming part of the Company's annual report is expected to be made available to us after the date of our this auditor report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

If, based on the Report of the Board of Directors including annexures and other related statements which form part of the annual report and made available to us after the date of this audit report, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

### **Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on





whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except as reported in Clause (c) of the "Emphasis of Matters" paragraph above;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by Ministry of Corporate Affairs, Section 164(2) of the Act regarding disqualification of Directors, is not applicable to the Company, since it is a Government Company;



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- g) As per Notification No. GSR 463(E) dated 05-06-2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies.  
Accordingly, reporting in accordance with requirement of provisions of Section 197(16) of the Act is not applicable on the Company.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements—[Refer Note No. 40(1) to the accompanying Standalone Financial Statements];
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested ( either from borrowed funds or share premium or any other source or kind of funds) by the Company to or any other person(s) or entity(ies) , including foreign entities (“Intermediaries), with the understanding , whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(“ Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”) , with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities, identified in any manner whatsoever by, or on behalf of the Funding Party, (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances , nothing has come to our notice that has caused us to believe that the representation under sub-clause (a) and (b) contain any mutual misstatement,
- 3) As required under Section 143(5) of the Act, we give in the “**Annexure C**”, a statement on the directions and sub-directions issued by the Comptroller and Auditor General of India in respect of the Company.
- 4) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act 2013,

For **Ghoshal and Ghosal**  
Chartered Accountants  
(Firm’s Registration No.FRN 304013E)

CA Siddhartha Pal  
Partner

(Membership No.059017)

UDIN: 23059017BGXJVS1641

Place: Kolkata

Date: 19-05-2023

**"Annexure A" to the Independent Auditor's Report**

**{Referred to in Paragraph (1) of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report}**

- i. In respect of the Company's fixed assets:
- (a) The Company has maintained records showing full particulars, including quantitative details and situation of fixed assets. *Further asset identification numbers and codification of some movable tangible assets along with make/model number needs to be assigned to the assets and particulars like quantitative details in case of few old assets along with their description, particulars of depreciation, amortization or impairment have to be properly disclosed in the Fixed Asset Register. Location details and areas of freehold land and leasehold land held by the Company at different locations needs to be updated in the Fixed Asset Register.*
- (b) According to the information and explanations given to us, the fixed assets of the Company has been physically verified by the management every year so that all the assets of Units/offices are covered once in a block of three years interval, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. As per the phased program, physical verification of assets held at Malanjkhanda Copper Project, Gujarat Copper Project, Indian Copper Complex and Rakha Copper Project, have been carried out during the year. Discrepancies noted have been properly dealt with in the books of accounts.
- (c) On the basis of the information compiled by the Company and considering the voluminous nature and various locations, we report that title/lease deeds and other documents of title in respect of immovable properties as referred in Note No.3A, 3B and 3C of the accompanying Standalone Financial Statements, are held in the name of the Company, *except in case of lands (both freehold and leasehold) and building acquired in respect of Gujarat Copper Project having net book value of ₹ 4,756.01 Lakh (Previous Year ₹ 5026.13Lakh) as at March 31, 2023 are yet to be executed in favor of the Company.* [Note No.40 (7) of the accompanying Standalone Financial Statements].

Description of Property	Gross carrying value of Land as per FA register	Held in the name of	Whether promoter, director, or their relative or employee	Period held	Reason for not being held in the name of the Company
Plot No: 747, GIDC Mega Estate, Jhagadia, Bharuch, PIN Code-393110	₹ 37,95,26,288.69	Jhagadia Copper Limited	No	Since Oct 2016	Case filed in Hon'ble High Court, Ahmedabad

- ii. The physical verification of Semi-Finished and In-Process (WIP) stocks and Finished Goods as per the policy adopted by the Company is conducted departmentally in all the units (Indian Copper Complex, Khetri Copper Complex, Malanjkhanda Copper Project, Taloja Copper Project & Gujarat Copper Project) at reasonable intervals during the year by a duly approved committee and again at the end of the every financial year, at least once in a block of three years along with an Independent external agency appointed in this regard by duly approved committee.
- During the year, the inventory of semi-finished and In-process (WIP) and inventory of Finished Goods have been physically verified and certified by duly appointed external agencies at Malanjkhanda Copper Project, In our opinion and according to the information and explanations given to us, discrepancies noticed on such physical verification of inventories, which were not material, have been properly dealt with in the books of accounts.
- In respect of stores and spares, physical verification has been conducted by the external agencies at Indian Copper Complex, Malanjkhanda Copper Project, Khetri Copper Complex and Taloja Copper Project. In our opinion and according to the information and explanations provided to us, discrepancies noticed on such physical verification of inventories, which were not material, have been properly dealt with in the books of accounts.
- We have also checked the quarterly statements filed by the Company with Banks with whom they hold a sanctioned working capital limit in excess of ₹5 crores and have not come across any material discrepancies.
- iii. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership or other parties, covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the clauses (iii) (a), (iii) (b), (iii) (c), (iii) (d), (iii)



- (e) and (iii) (f) of the paragraph 3 of the order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not given any loan or made any investment, given any guarantee or provided any security in connection with such loan given/Investment made to which provisions of Section 185 of the Act apply. The provisions of Section 186 of the Act, in our opinion, are not applicable to the Company.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Companies Act 2013 and rules framed there-under during the year.
- vi. According to the information and explanations given to us, the maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of mining activities of the Company. We have broadly reviewed the same and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- According to the information and explanations given to us, there is no arrear of undisputed statutory dues as at March 31, 2023 outstanding for a period of more than six months from the date of becoming payable except water cess aggregating of ₹2,331.40 Lakh payable to Water Resources Department, Government of Jharkhand accrued from the financial year 1999-00 to 2022-23.
- (b) According to the information and explanations given to us and as per the records of the Company, there are disputed statutory dues, which have not been deposited as on March 31, 2023 as given herein below:-

**Statement of Disputed Statutory Dues as on 31.03.2023 ( FY 2022-23)**

Name of the Statue	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Gross Dispute Amount (₹ in lakh)	Amount Deposited under protest / Provisions made (₹ in lakh)	Balance Amount not paid (₹ in lakh)
Central Excise Act	Central Excise	2014-15 to 2016-17(ICC)	High Court of Jharkhand	560.60	-	560.60
Jharkhand Valued Added Tax Act.	State Sales Tax/ VAT	2017-18	State Tax Authority	130.00	-	130.00
Madhya Pradesh Value Added Tax Act.	Entry Tax	1994-95 (MCP)	Commissioner (Appeals) Jabalpur	5.38	5.38	-
Madhya Pradesh Value Added Tax Act.	State Sales Tax/ VAT	2009-2010 (MCP)	Sales Tax Authority (Bhopal)	34.47	13.40	21.07
Madhya Pradesh Value Added Tax Act.	State Sales Tax/ VAT	2011-12 (MCP)	Sales Tax Authority (Bhopal)	16.66	8.03	8.63
Madhya Pradesh Value Added Tax Act.	State Sales Tax/ VAT	2012-13 (MCP)	Sales Tax Authority (Bhopal)	99.89	39.96	59.93
Central Excise Act	Central Excise	2010-11 TO 2013-14(MCP)	CESTAT	627.60	68.37	559.23



Name of the Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Gross Dispute Amount (₹ in lakh)	Amount Deposited under protest / Provisions made (₹ in lakh)	Balance Amount not paid (₹ in lakh)
Rajasthan Value Added Tax Act.	Central Excise	2007.08 TO 2014-15(KCC)	Hon'ble High Court, Jaipur	676.40	364.73	311.67
Central Excise Act	Central Excise	2014-15 & 2018-19(KCC)	CESTAT Mumbai, New Delhi & Kolkata	3417.71	9.57	3408.14
Maharashtra Value Added Tax Act.	State Sales Tax/ VAT	1994-95, 2011-12, 2012-13 & 2013-14 (TCP)	Appellate Authority	18.81	2.00	16.81
Panvel Municipal Corporation Act	Local Body Tax	01.01.2017 TO 30.06.2017 (TCP)	Panvel Municipal Corporation	5789.42	-	5789.42
Panvel Municipal Corporation Act	Property Tax	01.10.2016 TO 31.03.2023 (TCP)	Panvel Municipal Corporation	68.71	-	68.71
Income Tax Act	Income Tax	2004-05 & 2007-08 (HO)	High Court of Kolkata	1200.0	-	1200.00
Income Tax Act	Income Tax	2002-03,2003-04,2004-05, 2006-07, 2007-08, 2008-09, 2012-13, 2013-14,2017-18 & 2018-19 (HO)	ITAT/ Commissioner of Income Tax (Appeal)	21884.40	-	21884.40
Water (Prevention and Control of Pollution) Cess Act, 1977	Water Cess	1999-20 TO 2020-21(ICC)	Water Resources Department, Government of Jharkhand	2331.4	2331.4	-
<b>GRAND TOTAL</b>				<b>36,861.45</b>	<b>2,842.84</b>	<b>34,018.61</b>

- viii. According to the information and explanation provided to us, we did not come across any instance of any transactions not recorded being disclosed or surrendered before the tax authorities as income during the year
- ix. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. Term loans were applied for the purpose for which the loans were obtained..The Company has not issued any debentures and also not borrowed any loans from financial institutions or government. We did not come across any data to suggest that funds raised for short term purposes were used for long term purpose. There were no loans raised during the year by pledging of securities held in its subsidiaries, joint ventures or associate companies.
- x. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. There was a preferential allotment of shares during the year in compliance with section 42 and section 62 of the Companies Act 2013, for which the proceeds were utilized for the purpose for which the



- funds were raised, The unutilized portion of the funds raised have been kept separately in the form of fixed deposits for utilization in the subsequent financial year.
- xi. To the best of our knowledge and according to the information and explanations given to us and based on the audit procedure performed, we report that no cases of fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year. Consequently, the requirement to file a report under sub-section (12) of section 143 of the Companies Act 2013 did not arise. The register for whistle-blower complaints have been reviewed during the year.
- xii. In our opinion, the Company is not a Nidhi Company and as such, provisions of paragraph 3(xii) of the said order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of books of accounts, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. Based on information and explanations provided to us, and based on our audit procedures, it appears that the Company has an internal audit system commensurate with the size and nature of its business. We have been provided with and considered the Half yearly internal audit report for the period ending 30th September 2022. The report for the period ending 31st March 2023, was not made available to us.
- xv. According to the information and explanations given to us and based on our examination of books of accounts, the Company has not entered into any non-cash transactions specified under Section 192 of the Act with its Directors or persons connected to them. Accordingly provisions of paragraph 3(xv) of the said order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and as such, reporting under this clause is not applicable to the Company.
- xvii. According to the information and explanations given to us and based on our examination of books of accounts, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year. Accordingly Clause 3(xviii) of the Order is not applicable.
- xix. Basis the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our understanding of the Board of Director and Management plans, and according to the information and explanations given to us, we are of the opinion that no material uncertainty exists as on the date of the audit report that the company is capable of meeting its liabilities existing at the date of the Balance Sheet, as and when they fall due within a period of one year from the Balance Sheet date.
- xx. According to the information and explanations given to us and based on our examination of books of accounts, the requirement to keep aside funds for CSR as per provisions of Section 135 of the Companies Act 2013, did not arise for the FY 2022-23.

For **Ghoshal and Ghosal.**  
Chartered Accountants  
(Firm's Registration No.304013E)

**CA Siddhartha Pal**

Partner

(Membership No.059017)

UDIN: 23059017BGXJVS1641

Place: Kolkata

Date: 19-05-2023



## **"Annexure B" to the Independent Auditor's Report**

*{Referred to in Paragraph (2) (f) of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report}*

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Hindustan Copper Limited** (hereinafter referred as "the **Company**") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

However further improvement is required in strengthening of the monitoring of the controls in respect of accounting for expenses and fixed assets, confirmation/reconciliation of balances for current and non-current assets, trade payables and other current liabilities. The internal control system for inventories of stores and spares with regard to receipt, issue for production and generation of report from ERP is required to be further strengthened.

There is scope to leverage the ERP to strengthen some of the existing controls, more specifically around Fixed Assets, and posting of Journal Vouchers.

However, our opinion is not qualified in respect of the above matters

For **Ghoshal and Ghosal**,  
Chartered Accountants  
(Firm's Registration No.304013E)

**CA Siddhartha Pal**  
Partner  
(Membership No.059017)  
UDIN: 23059017BGXJVS1641

Place: Kolkata

Date: 19-05-2023



**"Annexure C" to the Independent Auditor's Report**

{Referred to in Paragraph (3) of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report}

Sl. No.	Details/Directions	Auditor's Reply	Action Taken and Impact on Accounts and Financial statements
1.	Whether the Company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with financial implications, if any may be stated.	Yes, the Company has a system in place to process all the accounting transactions through IT System.	There is no impact on the accounts and financial statements.
2.	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	Based on the information available and as explained to us, there was no restructuring of any existing loan or cases of any waiver/write off of debts/loans/interest etc. made by any lender to the Company due to the Company's inability to repay the loan during FY2022-23.	There is no impact on the financial statements
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	Based on the information available and as explained to us, no funds were received/receivable for specific schemes from Central/State agencies during FY 2022-23.	There is no impact on the accounts and financial statements.

For **Ghoshal and Ghosal**  
Chartered Accountants  
(Firm's Registration No.304013E)

**CA Siddhartha Pal**  
Partner  
(Membership No.059017)  
UDIN: 23059017BGXJVS1641

Place: Kolkata  
Date: 19-05-2023



## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HINDUSTAN COPPER LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of Hindustan Copper Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Hindustan Copper Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the  
Comptroller & Auditor General of India

Place : Kolkata  
Date: 21.07.2023

Atul Prakash  
Principal Director of Audit (Mines)  
Kolkata



(₹ in lakh)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	<b>3A &amp; 3B</b>	26994.15	25638.72
(b) Other Intangible Assets	<b>3C &amp; D</b>	3774.29	2518.01
(c) Capital Work In Progress	<b>4</b>	73127.97	68273.65
(d) Financial Assets			
(i) Investments	<b>5</b>	950.62	50.91
(ii) Others	<b>6</b>	1139.45	47.05
(e) Deferred Tax Assets (Net)	<b>7</b>	16370.24	17468.39
(f) Non-Current Tax Assets (Net)	<b>8</b>	2628.16	2628.16
(g) Other Non-Current Assets	<b>9</b>	103412.22	90998.19
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	<b>10</b>	11653.27	11300.18
(b) Financial Assets			
(i) Investments	<b>11</b>	-	10.32
(ii) Trade receivables	<b>12</b>	6614.62	8009.98
(iii) Cash and cash equivalents	<b>13</b>	1554.18	25942.38
(iv) Bank Balances other than above	<b>14</b>	28547.49	10622.09
(v) Others	<b>15</b>	2503.16	2547.21
(c) Current Tax Assets (Net)	<b>16</b>	-	20.87
(d) Other current assets	<b>17</b>	19244.08	29376.48
<b>Total Assets</b>		<b>298513.90</b>	<b>295452.59</b>
<b>EQUITY AND LIABILITIES</b>			
(1) Equity			
(a) Equity Share Capital	<b>18</b>	48351.20	48351.20
(b) Other Equity	<b>19</b>	159853.90	142774.15
<b>Liabilities</b>			
<b>1 NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	<b>20</b>	1720.21	19312.19
(ii) Lease Liabilities	<b>21</b>	27.54	46.01
(iii) Other financial liabilities	<b>21</b>	996.13	-
(b) Other non-current liabilities	<b>22</b>	1444.53	843.53
(c) Provisions	<b>23</b>	2306.06	2646.29
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	<b>24</b>	13918.36	21519.88
(ii) Trade Payables	<b>25</b>	21098.08	20268.38
(iii) Lease Liabilities	<b>26</b>	20.23	21.62
(iv) Other financial liabilities	<b>26</b>	12214.22	10150.03
(b) Other current liabilities	<b>27</b>	23208.12	18129.48
(c) Provisions	<b>28</b>	12708.94	11389.83
(d) Current Tax Liabilities (Net)	<b>29</b>	646.38	-
<b>Total Equity &amp; Liabilities</b>		<b>298513.90</b>	<b>295452.59</b>
<b>Corporate Information</b>	<b>1</b>		
<b>Significant Accounting Policies</b>	<b>2</b>		
<b>General Notes on Accounts</b>	<b>40</b>		

The notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date attached.

For Ghoshal & Ghosal  
Chartered Accountants  
FRN 304013E

C.S.Singhi  
Company Secretary  
(M No. FCS 2570)

For and on behalf of the Board of Directors

Ghanshyam Sharma  
Director (Finance) & CFO  
(DIN 07090008)

Arun Kumar Shukla  
Chairman and Managing Director & CEO  
(DIN : 03324672)

CA Siddhartha Pal  
Partner  
(M No. 059017)

Place : Kolkata  
Dated : 19.05.2023



(₹ in lakh except EPS)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
I Revenue from Operations	30	167733.47	182193.34
II Other Income	31	9587.21	5024.32
III <b>Total Income (I+II)</b>		<b>177320.68</b>	<b>187217.66</b>
<b>EXPENSES</b>			
IV Materials Consumed	32	1522.45	13615.25
Changes in Inventories of Finished Goods, Semi-Finished and Work-In-Process	33	(790.97)	5930.57
Employee Benefits Expense	34	30453.56	37181.47
Finance Cost	35	1593.06	2893.91
Depreciation and Amortisation Expense	36	17492.08	14987.34
General, Administration & Other Expenses	37	87484.12	74402.38
<b>Total Expenses (IV)</b>		<b>137754.30</b>	<b>149010.92</b>
V <b>Profit /(Loss) before exceptional items and tax (III-IV)</b>		<b>39566.38</b>	<b>38206.74</b>
VI Exceptional items		-	-
VII <b>Profit /(Loss) before tax (V-VI)</b>		<b>39566.38</b>	<b>38206.74</b>
VIII <b>Tax Expense</b>	38		
1) Current Tax		8615.00	2166.77
2) Deferred Tax		1420.07	(1363.81)
IX <b>Profit /(Loss) for the period from continuing operations after tax (VII-VIII)</b>		<b>29531.31</b>	<b>37403.78</b>
X Profit/(Loss) from discontinued operations		-	(34.70)
XI Tax expense of discontinued operations		-	(8.73)
XII Profit /(Loss) from discontinued operations after tax (X -XI)		-	(25.97)
XIII Profit /(Loss) for the period after tax (IX+XII)		<b>29531.31</b>	<b>37377.81</b>
XIV Other Comprehensive Income /(Loss)	39		
a(i) Items that will not be reclassified to Profit / (Loss)		(1279.09)	(2969.07)
a(ii) Income Tax relating to items that will not be reclassified to Profit / (Loss)		321.92	747.26
b(i) Items that will be reclassified to Profit / (Loss)		-	-
b(ii) Income Tax relating to items that will be reclassified to Profit / (Loss)		-	-
XV Total Comprehensive Income/ (Loss) for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		<b>28574.14</b>	<b>35156.00</b>
XVI Earning per equity share (for continuing operations)			
1 Basic (₹)		3.05	3.87
2 Diluted (₹)		3.05	3.87
XVII Earning per equity share (for discontinued operations)			
1 Basic (₹)		-	-
2 Diluted (₹)		-	-
XVIII Earning per equity share (for discontinued & continuing operations)			
1 Basic (₹)		3.05	3.87
2 Diluted (₹)		3.05	3.87
<b>Corporate Information</b>	1		
<b>Significant Accounting Policies</b>	2		
<b>General Notes on Accounts</b>	40		

The notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For Ghoshal & Ghosal  
Chartered Accountants  
FRN 304013E

C.S.Singhi  
Company Secretary  
(M No. FCS 2570)

Ghanshyam Sharma  
Director (Finance) & CFO  
(DIN 07090008)

Arun Kumar Shukla  
Chairman and Managing Director & CEO  
(DIN : 03324672)

CA Siddhartha Pal  
Partner  
(M No. 059017)

Place : Kolkata  
Dated : 19.05.2023



**Statement of Changes in Equity**

**A. Equity Share Capital**

(₹ in lakh)

Balance as at 1 <sup>st</sup> April, 2021	Changes in equity share capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2021	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2022
46260.90	-	-	2090.30	48351.20

**B. Other Equity**

Particulars	General Reserve	Capital Reserve	Share Premium Account	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the April 1, 2021	8965.97	21166.24	-	313.00	(870.84)	33096.91	62671.28
Dividends paid	-	-	-	-	-	(3384.58)	(3,384.58)
Profit for the Year	-	-	-	-	-	37377.81	37377.81
Other Comprehensive Income (net of tax)	-	-	-	-	-	(2221.81)	(2221.81)
Amount addition during the year	-	-	47909.70	75.00	346.75	-	48331.45
Amount used during the year	-	-	-	-	-	-	-
Balance at the March 31, 2022	8965.97	21166.24	47909.70	388.00	(524.09)	64868.33	142774.15

**A. Equity Share Capital**

(₹ in lakh)

Balance as at 1 <sup>st</sup> April, 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2022	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2023
48351.20	-	-	-	48351.20

**B. Other Equity**

Particulars	General Reserve	Capital Reserve	Share Premium Account	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the April 1, 2022	8965.97	21166.24	47909.70	388.00	(524.09)	64868.33	142774.15
Dividends paid	-	-	-	-	-	(11217.48)	(11,217.48)
Profit for the Year	-	-	-	-	-	29531.31	29531.31
Other Comprehensive Income (net of tax)	-	-	-	-	-	(957.17)	(957.17)
Amount addition during the year	-	-	-	-	111.09	-	111.09
Amount used during the year	-	-	-	(388.00)	-	-	(388.00)
Balance at the March 31, 2023	8965.97	21166.24	47909.70	-	(413.00)	82224.99	159853.90

In terms of our report of even date attached.

**For Ghoshal & Ghosal**  
Chartered Accountants  
FRN 304013E

**CA Siddhartha Pal**  
Partner  
(M No. 059017)

**C.S.Singhi**  
Company Secretary  
(M No. FCS 2570)

**Ghanshyam Sharma**  
Director (Finance) & CFO  
(DIN 07090008)

**Arun Kumar Shukla**  
Chairman and Managing Director & CEO  
(DIN : 03324672)

For and on behalf of the Board of Directors

Place : Kolkata  
Dated : 19.05.2023



(₹ in lakh)

	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>NET PROFIT/ (LOSS) BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS</b>	<b>39566.38</b>	<b>38206.74</b>
Adjusted for :		
Depreciation	2626.35	3569.79
Foreign Currency Fluctuation	991.04	287.81
Provisions charged	885.31	9249.97
Provisions written back	(5381.85)	(860.11)
Interest expense	1593.06	2893.91
Amortisation	14865.73	11260.14
Interest income	(2146.68)	(1727.01)
Loss / (Profit) on disposal of fixed assets	(165.40)	(59.75)
<b>OPERATING PROFIT/ (LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>52833.94</b>	<b>62821.49</b>
Adjusted for :		
Decrease/ (Increase) in Trade & other Receivables	2401.83	7887.32
Decrease/ (Increase) in Inventories	(317.06)	6197.51
Decrease/ (Increase) in Current & Non-Current assets	10818.84	12785.95
Increase/ (Decrease) in Current & Non-Current Liabilities	9467.81	25401.37
<b>CASH GENERATED FROM OPERATIONS</b>	<b>75205.36</b>	<b>115093.64</b>
Tax Refund received	-	-
Taxes paid (Net)	(7847.49)	(9857.37)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>67357.87</b>	<b>105236.27</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(10187.53)	(22479.59)
Sale of Fixed Assets	236.54	118.50
Interest received	1671.20	1532.74
Investment in Joint Venture / Subsidiary	(906.30)	(7.39)
Mine Development Expenditure	(24544.07)	(19565.46)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(33730.16)</b>	<b>(40401.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Non-Current borrowings / (Loan repaid)	(25301.85)	(68,684.17)
Issue of Equity Share Capital	-	2,090.30
Share premium on Equity Share Capital	-	47,909.70
Dividends paid	(11217.48)	(3,384.58)
Interest paid	(1725.83)	(3042.89)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(38245.16)</b>	<b>(25111.64)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4617.45)</b>	<b>39723.43</b>
<b>CASH AND CASH EQUIVALENTS - opening balance</b>	<b>31533.36</b>	<b>(8190.07)</b>
<b>CASH AND CASH EQUIVALENTS - closing balance</b>	<b>26915.91</b>	<b>31533.36</b>
<b>(Details in Annexure - A)</b>		

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For Ghoshal & Ghosal  
Chartered Accountants  
FRN 304013E

C.S.Singhi  
Company Secretary  
(M No. FCS 2570)

Ghanshyam Sharma  
Director (Finance) & CFO  
(DIN 07090008)

Arun Kumar Shukla  
Chairman and Managing Director & CEO  
(DIN : 03324672)

CA Siddhartha Pal  
Partner  
(M No. 059017)  
Place : Kolkata  
Dated : 19.05.2023

**ANNEXURE - A**

(₹ in lakh)

<b>1</b>	<b>CASH AND CASH EQUIVALENTS - opening balance</b>	<b>01/04/2022</b>	<b>01/04/2021</b>
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	25942.38	853.55
ii)	Current Financial Assets - Bank Balance other than above (Note 14) (Excluding Unpaid Dividend of ₹ 16.48 lakh)	10605.21	210.05
iii)	Current Financial Assets - Investments (Note 11)	10.32	9.95
iv)	Non-current Financial Assets - Others (Note 6)	47.05	13.89
v)	Current Financial Liabilities - Borrowings (Note 24) (Excluding Long Term Loans of ₹16448.28 lakh)	(5071.60)	(9277.51)
		<b>31533.36</b>	<b>(8190.07)</b>
	<b>CASH AND CASH EQUIVALENTS - closing balance</b>	<b>31/03/2023</b>	<b>31/03/2022</b>
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	1554.18	25942.38
ii)	Current Financial Assets - Bank Balance other than above (Note 14) (Excluding Unpaid Dividend of ₹ 25.21 Lakh)	28522.28	10605.21
iii)	Current Financial Assets - Investments (Note 11)	-	10.32
iv)	Non-current Financial Assets - Others (Note 6)	1139.45	47.05
v)	Current Financial Liabilities - Borrowings (Note 24) (Excluding Long Term Loans of ₹ 9618.36 lakh)	(4300.00)	(5071.60)
		<b>26915.91</b>	<b>31533.36</b>
2.	The Cash Flow Statement has been prepared as set out in Indian Accounting Standard (IND AS) 7 : STATEMENT OF CASH FLOWS, as amended by Companies (Indian Accounting Standards) (Amendment) Rules 2016. This is the Cash Flow Statement referred to in our report of even date attached.		



## 1. Corporate Information

Hindustan Copper Limited, established in 1967 and domiciled in India is a Central public sector undertaking under the administrative control of Ministry of Mines, Government of India. The registered office of the company is situated at Kolkata. The principal activities of the company are exploration, exploitation, mining of copper and copper ore including beneficiation of minerals, smelting and refining. The Company has copper mines & concentrator plants in Malanjkhand Copper Project at Madhya Pradesh (MCP), Khetri Copper Complex at Rajasthan (KCC) and Indian Copper Complex, Ghatsila at Jharkhand (ICC). The company has facilities of Smelter & Refinery plant at ICC and Gujarat Copper Project, Gujarat (GCP) for production of copper cathode and thereafter conversion of cathode to Copper wire rod at Taloja Copper Project, Taloja, Maharashtra (TCP). The Company is primarily engaged in the business of mining and processing of copper ore, which has been grouped as a single segment in accordance with the 'Ind AS 108 - Operating Segments'. The Company is listed with BSE Ltd. and National Stock Exchange of India Ltd.

## 2. Significant Accounting Policies

### 2.1 Basis of Accounting

The financial statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under Companies Act, 2013.

### 2.2 Application of Indian Accounting Standards (Ind-AS)

The Company adopted Indian Accounting Standards (Ind AS) from April 1, 2016 and accordingly the financial statements have been prepared in accordance with the recognition and measurement principles as notified by MCA under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS Rules"), as amended and other relevant provisions of the Companies Act, 2013.

The Company has complied all the Ind AS as applicable and relevant to the Company.

### 2.3 (i) Use of Estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revision to accounting estimates are recognised in the period on which the estimates are revised and, if material their effects are disclosed on the notes to the financial statements.

### (ii) Changes in Accounting Policies and Errors

- a) Any change in Accounting Policy is applied retrospectively, unless impracticable, adjusting the opening balance of each affected component of equity for the earlier prior period presented and the other comparative amount disclosed for each period presented.
- b) Errors/omissions discovered in the current year relating to prior periods are treated immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total Revenue from Operation (Net of statutory levies) as per the last audited financial statement of the company

### 2.4 Current and Non-current Classification

The Company presents assets and liabilities in the Balance sheet based on current/non-current classification. An asset are treated as current by the company when:

- a) its expects to realize the asset, or intends to sell or consume it in its normal operating cycle;
- b) it holds the assets primarily for the purpose of trading;
- c) it expects to realize the asset within twelve months after the reporting date; or
- d) the asset is cash or cash equivalent (as defined under Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Except the above, all other assets are classified as Non-current.

A liability is treated as current by the company when:





- a) it expects to settle the liability realize the asset, or intends to sell or consume it in its normal operating cycle;
- b) it expects to settle the liability in its normal operating cycle;
- c) it holds the liability primarily for the purpose of trading;
- d) the liability is due to be settled within twelve months after the reporting period; or
- e) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Except the above, all other liabilities are classified as non-current.

## 2.5 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and fair value has been defined taking into account contractually defined terms of payment. Operating revenue recognized is net of all promotional expenses and discounts, rebates and/or any other incentive to customers.

### (i) Sale of Products

An entity shall account for a sale contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods to be transferred;
- (c) the entity can identify the payment terms for the goods to be transferred;
- (d) the contract has commercial substance i.e the risk, ownership, timing or amount of the entity's future cash flows etc is expected to change as a result of the contract; and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods that will be transferred to the customer.

In case of sale of Copper Concentrate, Copper Reverts, Anode Slime etc. and tolling of Copper Concentrate of Khetri and Malanjkhand origin, sales / tolling at the end of the accounting period are recorded on provisional basis as per standard parameters for want of actual specifications and differential sales value are recorded only on receipt of actual. This is as per consistent practice followed by the company.

### (ii) Sale of Services

Income from conversion of job work is accounted for on the basis of actual quantity dispatched. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

### (iii) Other Operating Revenues

#### a. Sale of Scrap

Sale of Scrap is accounted for on delivery of material.

#### b. Interest from Customers

In case of credit sales, interest up to the date of Balance Sheet on all outstanding bills is accounted for on accrual basis.

#### c. Interest from Contractors against mobilisation advance for mining operations

Interest up to the date of Balance Sheet on all mobilisation advances for mining operations is accounted for on accrual basis.

#### d. Penalty and Liquidated Damages



Penalty and liquidated damages are accounted for as and when these are realised by the company as per contract terms.

#### **(iv) Other Income**

##### **a. Claims**

Claims are recognized in the Statement of Profit & Loss (Net of any payable) including receivables from Government towards subsidy, cash incentives, reimbursement of losses, etc, when there is certainty of realisation of such claim and that can be measured reliably.

##### **b. Dividend and Interest from Investments**

Dividend income from Investments is recognised in the Statement of Profit and Loss when the right to receive the dividend has been established and it is certain that the economic benefits will flow to the company and the amount of income can be measured reliably.

Interest Income from a financial asset is recognised using Effective Interest Method. When it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

##### **c. Profit on Sale of Investment**

Profit on sale of investment is recognised upon transfer of title by the company and is determined as the difference between the sales price and the then carrying value of the investment.

##### **d. Provisions not required written back**

Provisions/Liabilities created from business activities in earlier years no longer required are accounted for.

##### **e. Others**

Any other income is recognised on accrual basis.

## **2.6 Employees Benefit**

### **Retirement benefit costs and termination benefits**

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss. Past service cost is recognized in Statement of Profit or Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- i. Service cost (including current service cost, past service cost, etc.);
- ii. Net interest expense or income; and
- iii. Re-measurement.

The company presents the first two components of defined benefit costs in profit or loss in the line item 'employee benefits expense'.

The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the company defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the company can no longer withdraw the offer of the termination benefit and when the company recognises any related restructuring costs.

### **Short-term and other long-term employee benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.



Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

#### **Deficit in Provident Fund**

Deficit, if any, in the accounts of Provident Fund Trust ascertained on the basis of last audited accounts of the Trust is accounted for as a charge to Revenue.

### **2.7 Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated using the effective interest method and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

### **2.8 Taxation**

Income tax expense represents the sum of current tax and deferred tax.

#### **Current tax**

The current tax payable is based on taxable profit for the year as determined from net profit before tax as represented in Statement of Profit and Loss and Other Comprehensive Income, in line with different provisions under Income Tax Act 1961. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### **Current and Deferred Tax for the year**

Current and deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **2.9 (a) Property Plant and Equipments (PPE)**

The cost of an item of PPE is recognized as an asset if and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i. Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii. Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence



of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Pending reconciliation/receipt of the final bills against capital items, capitalization is done on the basis of cost booked and depreciation is charged accordingly. Price differences, if any, are adjusted in the year of finalization of bills.

In respect of expenditure during construction/development of a new unit/project in a new location, all direct capital expenditure as well as all indirect expenditure incidentals to construction are capitalized allocating to various items of PPE on an appropriate basis. Expansion programme involving construction concurrently run with normal production activities in an existing unit, all direct capital expenditure in relation to such expansion are capitalized but indirect expenditure are charged to revenue. Borrowing costs that are attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Expenses incurred for implementation of new projects are carried forward against respective projects till execution. Expenses rendered in fruituous projects abandoned subsequently are provided for in the Statement of Profit & Loss.

Physical verification of PPE is conducted every year so that all the units/offices are covered once in a block of three years interval. Shortage/(Excesses), if any, identified on such physical verification is duly adjusted in the books of accounts in the year of identification.

### **Depreciation and Amortization**

The company has used the exemption available in Ind AS 101 with respect to recognition of Plant, Property and Equipment (PPE) and Intangible Assets at their carrying value being deemed cost.

The depreciable amount of an item of PPE is allocated on a straight line basis over its useful life prescribed in Part C of Schedule II of the Companies Act, 2013 or actual useful life of assets assessed by the Technical Committee of the company, whichever is lower. The residual value and the useful life of an asset are reviewed, at each financial year-end. Component of an item of PPE with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from that of the asset. The Company has chosen a benchmark of ₹100 lakh as significant value for identification of a separate component. Depreciation on all such items have been provided from the date they are 'available for Use' till the date of sale and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. The residual value of all such items is taken at 5% of the original cost of individual asset.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Certain consumable items of small value whose useful life is very limited are directly charged to revenue in the year of purchase.

From the date Ind AS came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per estimate of remaining useful life. Wherever, the remaining useful life of an asset is nil, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.

## **2.9 (b) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. An internally generated intangible asset arising from development is recognized if all the conditions stipulated in "Ind AS 38-Intangible Asset" are met. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption



of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date and its useful life is reviewed in each reporting period to determine whether events and circumstances continue to support an indefinite useful life estimate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

Mining rights are treated as intangible assets and all related costs thereof are amortised over their respective estimated useful life on straight line basis.

Intangible Assets other than Software are amortized over estimated useful life which is equivalent to license period, generally not more than 5 years.

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use with a nil residual value. Otherwise the cost of software will be charged in the year of incurrence.

## 2.10 Capital Work in Progress

Assets in the course of construction are included under capital work –in-progress and are carried at cost, less any recognized impairment loss. Such capital work-in-progress, on completion, is transferred to the appropriate category of property, plant and equipment.

## 2.11 (a) Mine Development Expenditure

**In case of underground mines:** The expenditure on development of a new mine in all cases and on subsequent development of a working mine is capitalized and depleted on the basis of ore raised during the year and the mineable ore reserves estimated from time to time.

**In case of working mines, where development activities are going on simultaneously:** Expenses are apportioned between capital and revenue on the basis of in-house technical estimates. Once a level is declared as ready for production any ore generated from that level is considered as production ore level.

**In respect of open cast mines:** The expenditure on removal of waste and overburden, is capitalized and the same is depleted in relation to actual ore production during the year on the stripping ratio which is re-assessed periodically based on the estimated ore reserve as well as the quantity of waste excavation in respect of open cast mines. Subsequently, If any ore is reclaimed from overburden, the same is included in inventory at a value based on opening rate of mine development expenditure with a corresponding credit in Mine development expenditure.

Expenditure incurred on development of new deposits are capital in nature and is included in mine development expenditure. If subsequently the development activities are found to be not viable, the expenditure on such development work included in mine development expenditure is written off in the year in which it is decided to abandon the project.

If a working mine is closed due to economic reasons, the un-depleted value of Mine Development Expenditure related to that mine is provided in the books of accounts in the year in which it is decided to close or suspend operation of the mine. If later on, the closed / suspended mines are re-opened and the company remains the owner of the mines, the unamortized Mine Development Expenditure which was fully provided in the year of closure will be written back in the books of accounts in the year of re-opening and the company will be depleting it year wise based on the estimated remaining life of that mine.

## 2.11 (b) Accounting Policy for Accounting of Incidental Ore raised during construction/expansion/development of Mines

**In case of Sale of Products** processed out of Incidental Ore raised during Mine construction / expansion/development, the derived realisable value of ore raised is credited to Capital Work in Progress / Mine Development Expenditure as the case may be, with a corresponding charge to the Statement of Profit/(Loss), under the head 'Cost of Materials Consumed' with sub-head "Value of Ore Raised during Mine construction/expansion/development" by the same amount. The sale proceeds of such sale is included in aggregate Turnover in the Statement of Profit /(Loss).



**In case of Incidental Ore raised during Mine construction /expansion/ development not processed and is held as stock on the closing date**, the cost of ore or derived realisable value whichever is lower, is credited to Capital Work in Progress/Mine Development Expenditure with corresponding debit to cost of Inventory as the case may be. However, Inventory under this head should not be accumulated for a period more than six months.

## 2.12 Overhauling Expenses

Revenue expenditure attributable to overhaul of smelter and/ or refinery is charged off to the Statement of Profit & Loss in the year of incurrence.

## 2.13 Mine Closure Expenditure

Financial implications towards final mine closure plans under relevant Acts and Rules are technically estimated and Mine Closure liability is created based on the estimated life of the mines over the period by charging the same to Statement of Profit and Loss.

## 2.14 Non-Current Assets Held for Sale

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset (or all the assets and liabilities in the group) are to be measured in accordance with applicable Indian Accounting Standards. The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification except as permitted by Ind AS 105.

## 2.15 Inventories

Stocks of stores and spare parts, loose tools and materials-in-transit are valued at the lower of the net realizable value and cost. The raw materials are also valued at the lower of the net realizable value and weighted average cost to the unit if the finished goods in which they will be incorporated are expected to be sold below cost. Loose tools when issued are charged off to revenue.

Finished goods and work-in-process are valued at the lower of the net realizable value and weighted average cost to the unit. The cost is exclusive of financing cost, such as, interest, bank charges, administration overhead, etc. Ore is valued at cost since its realisable value cannot be ascertained.

The value of slag under work-in-process is taken at equivalent value to the extent credited to the process, where the said products have been generated. The reverts under work- in-process are valued at lower of cost (equivalent value of concentrate) and net realizable value.

The stock of anode slime arising from treatment and refining processes are stated at realizable value based on the yearend London Metal Exchange price for gold and silver after making due adjustments of their physical recovery and the treatment and refining charges.

The inventories out of inter-unit transfers (material in transit) at the close of the year are valued and accounted in the books of the transferor unit on the basis of cost-plus transportation to the transferee unit or net realisable value whichever is lower.

Imported materials are valued at the lower of the net realizable value and weighted average cost. In the event where final price is not determined valuation is made on provisional cost. Variations are accounted for in the year of finalization.

Provision is made in the accounts every year, for non-moving stores and spares (other than insurance spares) which have not moved for more than five years. Insurance spares are fully provided for on the expiry of the life of the relevant Property Plant and Equipments.

Physical verification of Semi-Finished and In-Process (WIP) and Finished Goods is conducted departmentally in all the units at reasonable intervals during the year by a duly approved committee. Also, physical stock verification of WIP and Finished Goods is undertaken by a duly approved committee at the end of every financial year alongwith an independent agency once in a block of three years. In respect of Stores and Spares, physical verification is carried out by external agencies once in every year covering all the units. Shortage/(Excesses), if any, identified on such physical verification is duly adjusted in the books of accounts in the year of identification

## 2.16 Government Grants



All government grants are recognized as deferred income and it will be taken to Statement of Profit and Loss over the period of time in accordance with the pattern in which the obligations are met.

### **2.17 Impairment of Assets (Other than Financial Assets)**

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### **2.18 Foreign Exchange Transactions**

Transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency monetary items (except overdue recoverable where realizability is uncertain) are converted using the closing rate as defined in the Ind AS-21- The effects of changes in Foreign Exchange Rates. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Statement of Profit and Loss.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, liability in foreign currency loans relating to acquisition of fixed assets is converted using the closing rate as defined in Ind AS 21-The effects of changes in Foreign Exchange Rates and the difference in exchange is recognized in terms of exemptions given in paragraph D13AA of Appendix D to Ind AS-101, where the effect of exchange differences on foreign currency loans of the company is accounted for by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets and shall be depreciated over the balance life of the assets.

Other long term foreign currency monetary items are accumulated in 'Equity Component of Foreign Currency asset/liability Account' and amortized over the balance period of the asset/liability by recognition as income or expense in each of such periods as stated under Para 29A of Ind As 21.

### **2.19 Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Wherever no reliable estimate could be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets are not recognised in the financial statements but are disclosed in Notes to the Accounts. Such



assets occur when the inflow of economic benefits is probable. Such contingent assets are assessed continuously, if it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

## 2.20 Financial Instruments

Non Derivative Financial Instruments

### (i) Initial Recognition

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

### (ii) Subsequent Recognition

#### a. Financial assets

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss.

#### b. Financial Liabilities

Financial liabilities are subsequently measured at amortized cost using Effective Interest Rate (EIR) method except for derivatives, which are measured at fair value.

### Derivative Financial Instruments

All derivatives are recognized and measured at fair value with changes in fair value being recognized in profit or loss for the period.

### Impairment of financial assets

At each reporting date, assessment is made whether the credit risk on a financial instrument has increased significantly or not since initial recognition.

If the credit risk on a financial instrument has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12 month expected credit losses. If the credit risk on that financial instrument has increased significantly since initial recognition, the loss allowance is measured for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

## 2.21 Events Occurring after the Reporting Period

The company adjusts the amount recognized in its financial statements to reflect adjusting material events after the reporting period and does not adjust the amount to reflect non-adjusting events after the reporting period. However where retrospective restatement is not practicable for a particular prior period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

## 2.22 Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders in Annual General meeting and interim dividends are recorded as a liability on the date of declaration by the directors in the meeting of the Board of Directors.

## 2.23 Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at bank and on hand and short term deposit with an original maturity of three months or less which are subject to insignificant risk of changes in value.

## 2.24 Rounding of amounts





DESCRIPTION	Owned Assets										Leased Assets (Right of Use)			Grand Total
	Free Hold Land	Buildings including Sanitary and Water Supply System	Plant, Machinery and Mining Equipment	Furniture & Fixtures & Office Equipment	Vehicles	Roads, Bridges and Culverts	Railway Siding	Electrical Equipment and Installation	Shafts and Inclines	Total	Leasehold Land	Vehicle		
(₹ in lakh)														
<b>Gross Carrying Amount</b>														
Gross Carrying Amount as at 01.04.2021	2446.58	6969.77	40595.53	403.13	236.97	1943.12	293.86	2963.30	444.21	56296.47	1488.20	-	-	57784.67
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	1,907.99	1,304.56	29.05	-	-	-	414.49	1251.96	4908.05	-	83.04	-	4991.09
Inter-head Transfer In/(Out)	-	-	(0.01)	-	-	-	-	(17.89)	-	(17.90)	-	-	-	(17.90)
Transfer From Discarded Assets	-	4.22	-	-	-	-	-	-	-	4.22	-	-	-	4.22
Transfer To Discarded Assets	-	-	(200.26)	(0.07)	(1.62)	-	-	-	-	(201.95)	-	-	-	(201.95)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	(0.44)	(48.02)	0.37	19.12	(0.48)	-	-	29.27	(0.18)	-	-	-	(0.18)
<b>Gross Carrying Amount as at 31.03.2022</b>	<b>2446.58</b>	<b>8881.54</b>	<b>41651.80</b>	<b>432.48</b>	<b>254.47</b>	<b>1942.64</b>	<b>293.86</b>	<b>3359.90</b>	<b>1725.44</b>	<b>60988.71</b>	<b>1488.20</b>	<b>83.04</b>	<b>83.04</b>	<b>62559.95</b>
<b>Accumulated Depreciation &amp; Impairment</b>														
Accumulated Depreciation as at 01.04.2021	-	3156.47	21137.47	202.06	130.00	1433.93	163.35	1899.85	69.95	28193.08	40.19	-	-	28233.27
Depreciation charge during the year	-	419.04	2807.20	42.48	23.34	62.06	32.66	189.60	40.86	3617.24	19.75	18.05	-	3655.04
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	(17.88)	-	(17.88)	-	-	-	(17.88)
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	5074.02	0.05	-	-	-	119.93	-	5194.00	-	-	-	5194.00
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(143.20)	-	-	-	-	-	-	(143.20)	-	-	-	(143.20)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2022</b>	<b>-</b>	<b>3575.51</b>	<b>28875.49</b>	<b>244.59</b>	<b>153.34</b>	<b>1495.99</b>	<b>196.01</b>	<b>2191.50</b>	<b>110.81</b>	<b>36843.24</b>	<b>59.94</b>	<b>18.05</b>	<b>18.05</b>	<b>36921.23</b>
<b>Net Carrying Amount as at 31.03.2022</b>	<b>2446.58</b>	<b>5306.03</b>	<b>12776.31</b>	<b>187.89</b>	<b>101.13</b>	<b>446.65</b>	<b>97.85</b>	<b>1168.40</b>	<b>1614.63</b>	<b>24145.47</b>	<b>1428.26</b>	<b>64.99</b>	<b>64.99</b>	<b>25638.72</b>
<b>Gross Carrying Amount</b>														
Gross Carrying Amount as at 01.04.2022	2446.58	8881.54	41651.80	432.48	254.47	1942.64	293.86	3359.90	1725.44	60988.71	1488.20	83.04	83.04	62559.95
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	724.08	2114.69	65.93	-	-	-	397.65	4.56	3306.91	-	-	-	3306.91
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	(69.47)	(1.48)	(0.10)	-	-	(0.01)	-	(71.06)	-	-	-	(71.06)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	(0.01)	-	(0.01)	-	-	-	(0.01)
<b>Gross Carrying Amount as at 31.03.2023</b>	<b>2446.58</b>	<b>9605.62</b>	<b>43697.02</b>	<b>496.93</b>	<b>254.37</b>	<b>1942.64</b>	<b>293.86</b>	<b>3757.53</b>	<b>1730.00</b>	<b>64224.55</b>	<b>1488.20</b>	<b>83.04</b>	<b>83.04</b>	<b>65795.79</b>
<b>Accumulated Depreciation &amp; Impairment</b>														
Accumulated Depreciation as at 01.04.2022	-	3575.51	28875.49	244.59	153.34	1495.99	196.01	2191.50	110.81	36843.24	59.94	18.05	18.05	36921.23
Depreciation/Amortisation charge during the year	-	464.96	966.14	37.39	15.27	62.06	31.34	189.10	73.64	1839.90	19.75	20.76	20.76	1880.41
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	4040.47	29841.63	281.98	168.61	1558.05	227.35	2380.60	184.45	38683.14	79.69	38.81	38.81	38801.64
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2023</b>	<b>2446.58</b>	<b>5565.15</b>	<b>13855.39</b>	<b>214.95</b>	<b>85.76</b>	<b>384.59</b>	<b>66.51</b>	<b>1376.93</b>	<b>1545.55</b>	<b>25541.41</b>	<b>1408.51</b>	<b>44.23</b>	<b>44.23</b>	<b>26994.15</b>
<b>Net Carrying Amount as at 31.03.2023</b>	<b>2446.58</b>	<b>5565.15</b>	<b>13855.39</b>	<b>214.95</b>	<b>85.76</b>	<b>384.59</b>	<b>66.51</b>	<b>1376.93</b>	<b>1545.55</b>	<b>25541.41</b>	<b>1408.51</b>	<b>44.23</b>	<b>44.23</b>	<b>26994.15</b>

Note : HCL has used the exemption available in Ind AS 101 with respect to recognition of Property, Plant, Equipments (PPE) and Intangible Assets at their carrying value.



**Note : 3 (B) Property, Plant and Equipment (Discarded Assets)**

DESCRIPTION	(₹ in lakh)									
	Free Hold & Lease Hold Land	Buildings including Sanitary and Water Supply System	Plant, Machinery and Mining Equipment	Furniture & Fixtures & Office Equipment	Vehicles	Roads, Bridges and Culverts	Railway Siding	Electrical Equipment and Installation	Shafts and Inclines	Total
<b>Gross Carrying Amount</b>										
Gross Carrying Amount as at 01.04.2021	3.64	181.91	946.38	39.68	23.09	24.93	-	62.23	92.30	1374.16
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Active Assets	-	(4.22)	-	-	-	-	-	-	-	(4.22)
Disposals	-	-	(10.34)	-	(0.41)	-	-	-	-	(10.75)
Impairment Losses	-	-	-	-	-	-	-	-	-	-
<b>Gross Carrying Amount as at 31.03.2022</b>	<b>3.64</b>	<b>177.69</b>	<b>936.04</b>	<b>39.68</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.19</b>
<b>Accumulated Depreciation &amp; Impairment</b>										
Accumulated Depreciation as at 01.04.2021	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	(0.43)	-	-	-	-	-	-	(0.43)
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2022</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>
<b>Net Carrying Amount as at 31.03.2022</b>	<b>3.64</b>	<b>177.69</b>	<b>936.47</b>	<b>39.68</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.62</b>
Less Provisions for Discarded Assets	-	-	-	-	-	-	-	-	-	1359.62
<b>Net Carrying Amount (Net of Provisions) as at 31.03.2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gross Carrying Amount</b>										
Gross Carrying Amount as at 01.04.2022	3.64	177.69	936.04	39.68	22.68	24.93	-	62.23	92.30	1359.19
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Active Assets	-	-	(0.08)	(0.03)	-	-	-	-	-	(0.10)
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
<b>Gross Carrying Amount as at 31.03.2023</b>	<b>3.64</b>	<b>177.69</b>	<b>935.97</b>	<b>39.65</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.09</b>
<b>Accumulated Depreciation &amp; Impairment</b>										
Accumulated Depreciation as at 01.04.2022	-	-	(0.43)	-	-	-	-	-	-	(0.43)
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	(0.43)	-	-	-	-	-	-	(0.43)
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2023</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>
<b>Net Carrying Amount as at 31.03.2023</b>	<b>3.64</b>	<b>177.69</b>	<b>936.40</b>	<b>39.65</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.52</b>
Less Provisions for Discarded Assets	-	-	-	-	-	-	-	-	-	1359.52
<b>Net Carrying Amount (Net of Provisions) as at 31.03.2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: HCL has used the exemption available in Ind AS 101 with respect to recognition of Property, Plant, Equipments (PPE) and Intangible Assets at their carrying value.



**Note : 3 (C) Other Intangible Assets**

(₹ in lakh)

DESCRIPTION	Mining Rights	Total 3(C)	Wildlife		Grand Total 3 (C+D)
			Conservation Plan Assets	Total 3(D)	
<b>Gross Carrying Amount</b>					
Gross Carrying Amount as at 01.04.2021	3072.76	3072.76	-	-	3072.76
Exchange Differences	-	-	-	-	-
Additions	52.61	52.61	-	-	52.61
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
Adjustments	(0.23)	(0.23)	-	-	(0.23)
<b>Gross Carrying Amount as at 31.03.2022</b>	<b>3125.14</b>	<b>3125.14</b>	-	-	<b>3125.14</b>
<b>Accumulated Depreciation &amp; Impairment</b>					
Accumulated Depreciation as at 01.04.2021	415.02	415.02	-	-	415.02
Depreciation charge during the year	192.11	192.11	-	-	192.11
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Impairment Losses	-	-	-	-	-
Exchange Differences	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2022</b>	<b>607.13</b>	<b>607.13</b>	-	-	<b>607.13</b>
<b>Net Carrying Amount as at 31.03.2022</b>	<b>2518.01</b>	<b>2518.01</b>	<b>0.00</b>	<b>0.00</b>	<b>2518.01</b>
<b>Gross Carrying Amount</b>					
Gross Carrying Amount as at 01.04.2022	3125.14	3125.14	-	-	3125.14
Exchange Differences	-	-	-	-	-
Additions	602.75	602.75	1408.00	1408.00	2010.75
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
Adjustments	-	-	-	-	-
<b>Gross Carrying Amount as at 31.03.2023</b>	<b>3727.89</b>	<b>3727.89</b>	<b>1408.00</b>	<b>1408.00</b>	<b>5135.89</b>
<b>Accumulated Depreciation &amp; Impairment</b>					
Accumulated Depreciation as at 01.04.2022	607.13	607.13	-	-	607.13
Depreciation charge during the year	613.66	613.66	140.80	140.80	754.46
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Impairment Losses	-	-	-	-	-
Exchange Differences	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
Adjustments	-	-	0.01	0.01	0.01
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2023</b>	<b>1220.79</b>	<b>1220.79</b>	<b>140.81</b>	<b>140.81</b>	<b>1361.60</b>
<b>Net Carrying Amount as at 31.03.2023</b>	<b>2507.10</b>	<b>2507.10</b>	<b>1267.19</b>	<b>1267.19</b>	<b>3774.29</b>



**Note No 4. CAPITAL WORK IN PROGRESS(CWIP)**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Building	279.30	183.63
ii) Plant & Machinery	22902.01	21528.49
iii) Others including Mine Expansion	69254.55	83876.90
<b>TOTAL</b>	<b>92435.86</b>	<b>105589.02</b>
Less: Value of Ore Raised during Mine construction/ expansion	996.77	12939.25
Less: BG Encashment	-	6080.65
Less: Provision	18311.12	18295.47
<b>CLOSING BALANCE</b>	<b>73127.97</b>	<b>68273.65</b>
<b>PROVISION FOR CWIP</b>		
OPENING BALANCE	18295.47	16170.85
Additions during the year	15.65	2124.62
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>18311.12</b>	<b>18295.47</b>

a) **CWIP ageing schedule**

Amount in CWIP for a period of

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (₹ in lakh)
i) Projects in progress	2049.73	2705.97	1963.86	66408.41	73127.97
ii) Projects temporarily suspended/Provisioned	-	-	-	18311.12	18311.12
Grand Total	2049.73	2705.97	1963.86	84719.53	91439.09
Less : Provisions made				18311.12	18311.12
Net Balance	2049.73	2705.97	1963.86	66408.41	73127.97

**Note No 5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS**

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) <b>Investments in equity instruments - (classified as at cost)</b>		
Investment in Subsidiary Company - Chhattisgarh Copper Limited (CCL)	47.00	40.70
(Investment in CCL 470,000 Nos. (Previous Year 407,000 Nos.) of equity shares of ₹10 (Previous Year ₹10) each fully paid up as at 31.03.2023)		
Less : Provision for share of Loss of Investment in Subsidiary upto 31.03.2023	41.22	36.91
<b>TOTAL</b>	<b>5.78</b>	<b>3.79</b>

**Details of Subsidiary**

Principal Activity and place of incorporation	Principal place of business	Proportion of ownership interest / voting rights held by the Company as on 31.03.2022
Exploration & Mining and beneficiation of copper & its associated minerals	Chhattisgarh	74%



ii) **Investments in equity instruments - (classified as at cost)**

A Joint Venture Company (JVC) named Khanij Bidesh India Limited (KABIL) was formed on 01.08.2019 among National Aluminium Company (NALCO), Hindustan Copper Limited (HCL) and Mineral Exploration Corporation Limited (MECL) Investment in JV Company - Khanij Bidesh India Limited (KABIL)

(Investment in KABIL 97,50,000 Nos. (Previous Year 7,50,000 Nos. ) of equity shares of ₹ 10 (Previous Year ₹ 10) each fully paid up as at 31.03.2023)

Add/(Less): Group Share of Profits/(Loss) in Jv/Associates upto 31.03.2022

975.00	75.00
30.16	27.88
<b>944.84</b>	<b>47.12</b>

**TOTAL**

**Details of JVC**

Principal Activity and place of incorporation	Principal place of business	Proportion of ownership interest / voting rights held by the Company as on 31.03.2023
To identify , explore, acquire, develop, process primarily strategic minerals overseas for supply to India for meeting domestic requirements and for sale to any other countries for commercial use.	New Delhi	30%

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
iii) Non Trade Investment in Debentures	0.17	0.17
Less : Provision for diminution in value	0.17	0.17
<b>TOTAL</b>	<b>950.62</b>	<b>50.91</b>
<b>AGGREGATE BOOK VALUE - UNQUOTED</b>	<b>950.62</b>	<b>50.91</b>
<b>AGGREGATE BOOK VALUE - QUOTED</b>	<b>Nil</b>	<b>Nil</b>
<b>MARKET PRICE OF QUOTED INVESTMENT</b>	<b>-</b>	<b>-</b>

**Note No 6. NON - CURRENT FINANCIAL ASSETS - OTHERS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Bank deposits with more than 12 months maturity		
- With scheduled banks	1139.45	47.05
<b>TOTAL</b>	<b>1139.45</b>	<b>47.05</b>

**Note No 7. DEFERRED TAX ASSETS (NET)**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) <b>DEFERRED TAX ASSET</b>		
Opening Balance	17557.13	16008.38
Adjustment/Credit during the year	(763.80)	1548.75
<b>CLOSING BALANCE</b>	<b>16793.33</b>	<b>17557.13</b>



<b>ii) DEFERRED TAX LIABILITY</b>			
Opening Balance	(2144.95)	(1960.01)	
Adjustment/Credit during the year	(656.27)	(184.94)	
<b>CLOSING BALANCE</b>		<b>(2801.22)</b>	<b>(2144.95)</b>
<b>i)-ii) DEFERRED TAX ASSETS / (LIABILITIES) (Net)</b>		<b>13992.11</b>	<b>15412.18</b>
<b>iii) DEFINED BENEFIT PLANS</b>			
Opening Balance	2056.21	1308.95	
Adjustment/Credit during the year	321.92	747.26	
<b>CLOSING BALANCE</b>		<b>2378.13</b>	<b>2056.21</b>
<b>DEFERRED TAX ASSETS / (LIABILITIES) (Net) including OCI</b>		<b>16370.24</b>	<b>17468.39</b>

(Refer Note No. 40 General Notes on Accounts Point No. 17)

**Note No 8. NON-CURRENT TAX ASSETS (NET)**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Income Tax (including advance income tax, TDS & excluding current tax liability) Unsecured - Considered good	2628.16	2628.16
<b>TOTAL</b>	<b>2628.16</b>	<b>2628.16</b>

**Note No 9. OTHER NON - CURRENT ASSETS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a) MOBILISATION ADVANCES</b>		
i) Secured (considered good)	1572.68	1600.20
ii) Unsecured (considered good)	-	-
iii) Unsecured (considered doubtful)	0.02	0.02
Less: Provisions for Capital Advances *	0.02	0.02
	<b>1572.68</b>	<b>1600.20</b>
<b>b) Mine Development Expenditure</b>		
As per Last Balance Sheet	94062.85	39626.60
Add: Expenditure / Capitalised during the Year (as per Note Below)	26943.44	66372.39
	121006.29	105998.99
Less: Value of Ore Raised during Mine construction/ expansion/development	525.68	676.00
Less: Write off unamortized Mine Development Expenditure	1865.17	
Less: Amortisation during the Year	14865.73	
	17256.58	11260.14
	103749.71	94062.85
Less: Provision**	1910.17	4664.86
<b>TOTAL</b>	<b>101839.54</b>	<b>89397.99</b>

**Note: MINE DEVELOPMENT EXPENDITURE / CAPITALISED DURING THE YEAR**

i) Salaries, Wages, Allowances	336.34	1300.20
ii) Contribution to Provident & Other Funds	27.24	90.04
iii) Workmen & Staff Welfare Expenses	3.84	6.72



PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
iv) Stores, Spares & Tools Consumed	136.85	579.62
v) Power, Fuel & Water	118.79	37.74
vi) Royalty	27.00	42.56
vii) Repair & Maintenance	18.03	378.21
viii) Insurance	1.98	1.07
ix) MD Expenses Exploration	666.61	-
x) Contractual Job for Process	25260.54	58638.08
xi) Depreciation	8.52	85.25
xii) Other Expenses	337.70	5212.90
<b>TOTAL</b>	<b>26943.44</b>	<b>66372.39</b>

The above expenditure is in addition to the expenses shown under the respective natural head of accounts indicated and charged in the Statement of Profit and Loss Account for the year and in the relevant schedules thereof.

Amortisation during the year is in relation to the expenses incurred on mines which are under operation/production and does not include expenditure on prospecting of minerals in new mines area.

<b>TOTAL (a+b)</b>	<b>103412.22</b>	<b>90998.19</b>
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**PROVISIONS FOR CAPITAL ADVANCES \***

Opening Balance	0.02	0.02
Additions during the year	-	-
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>0.02</b>	<b>0.02</b>

**PROVISIONS FOR MDE EXPENDITURE \*\***

Opening Balance	4664.86	4664.86
Additions during the year	-	-
Amount used during the year	2754.69	-
<b>CLOSING BALANCE</b>	<b>1910.17</b>	<b>4664.86</b>

**Note No 10. INVENTORIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Raw Materials	-	-
ii) Semi-Finished and In-Process (at lower of cost or net realisable value)	25488.08	24697.11
Less: Provision for Semi-Finished and In-Process *	18450.28	18450.28
iii) Finished Goods (at lower of cost or net realisable value)	-	-
iv) Stores and spares	6141.47	6528.38
Stores in transit/ pending inspection	913.25	1000.25
	7054.72	7528.63
Less: Provision for Obsolete Stores & Spares **	2439.25	2475.28
<b>TOTAL</b>	<b>11653.27</b>	<b>11300.18</b>



(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>PROVISION FOR SEMI-FINISHED AND IN-PROCESS *</b>		
<b>OPENING BALANCE</b>	18450.28	18454.83
Additions during the year	-	-
Amount used during the year	-	4.55
<b>CLOSING BALANCE</b>	<b>18450.28</b>	<b>18450.28</b>
<b>PROVISION FOR OBSOLETE STORES &amp; SPARES **</b>		
<b>OPENING BALANCE</b>	2475.28	2351.23
Additions during the year	468.58	139.41
Amount used during the year	504.61	15.36
<b>CLOSING BALANCE</b>	<b>2439.25</b>	<b>2475.28</b>

**Note No 11. CURRENT FINANCIAL ASSETS - INVESTMENTS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Investments in Mutual Fund (Maturity within 3 months from date of original investments)	Number of NAV (in ₹) units	
UTI MONEY MARKET - GROWTH	- - (51.736) (2490.77)	- 1.29
SBI ULTRA SHORT TERM DEBT FUND - GROWTH	- - (132.117) (4897.07)	- 6.47
CANARA REBECO LIQUID FUND - GROWTH	- - (38.993) (2549.80)	- 0.99
IDBI LIQUID FUND - GROWTH	- - (68.469) (2291.12)	- 1.57
<b>TOTAL</b>	-	<b>10.32</b>
<b>AGGREGATE BOOK VALUE - UNQUOTED</b>	-	<b>-</b>
<b>AGGREGATE BOOK VALUE - QUOTED</b>	-	<b>7.84</b>
<b>MARKET PRICE OF QUOTED INVESTMENT</b>	-	<b>10.32</b>

**Note No 12. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>DEBTS OUTSTANDING</b>		
i) - Secured - Considered good	6614.62	8009.98
ii) - Unsecured - Considered good	-	-
iii) - Considered doubtful	983.81	1990.28
	7598.43	10000.26
Less: Allowances for bad & doubtful debts *	983.81	1990.28
<b>TOTAL</b>	<b>6614.62</b>	<b>8009.98</b>





(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>ALLOWANCES FOR BAD &amp; DOUBTFUL DEBTS *</b>		
<b>OPENING BALANCE</b>	1990.28	1066.87
Additions during the year	-	923.41
Amount used during the year	1006.47	-
<b>CLOSING BALANCE</b>	<b>983.81</b>	<b>1990.28</b>

**Explanatory Note: -**

Debt due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director of the Company is a partner or a Director or a member amounts to ₹ Nil (Previous year ₹ Nil).

**Trades Receivable ageing schedule**

**Outstanding for following periods from due date of payment**

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (₹ in lakh)
i) Undisputed Trades receivables- considered good	6613.71	0.91	-	-	-	6614.62
ii) Undisputed Trades receivables- which have significant increase in credit risk	-	-	214.14	570.22	199.46	983.82
<b>Grand Total</b>	<b>6613.71</b>	<b>0.91</b>	<b>214.14</b>	<b>570.22</b>	<b>199.46</b>	<b>7598.44</b>
<b>Less: Provisions</b>						983.82
Net Balance						6614.62

**Note No 13. CURRENT FINANCIAL ASSETS - CASH & CASH EQUIVALENTS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. CASH AND CASH EQUIVALENTS</b>		
i. Cash on hand including imprest	0.25	0.25
ii. Balance with Banks		
- Current Account	133.03	336.76
<b>II. OTHER BALANCES WITH BANK</b>		
Bank deposits upto 3 months maturity from date of original investment		
- With scheduled banks	1420.90	25605.37
<b>TOTAL</b>	<b>1554.18</b>	<b>25942.38</b>

**Note No 14. CURRENT FINANCIAL ASSETS - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS**

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
I. Other Balances with Bank		
- In Dividend Bank Account	25.21	16.88
II. Bank deposits with more than 3 months and upto 12 months maturity		
- With scheduled banks	28522.28	10605.21
	<b>28547.49</b>	<b>10622.09</b>

**Note No 15. CURRENT FINANCIAL ASSETS - OTHERS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a) ADVANCES*</b>		
Employees		
- Secured (considered good)	39.50	41.38
- Unsecured (considered doubtful)	2.03	2.03
Less : Provisions for doubtful Advances*	<u>2.03</u>	<u>2.03</u>
	39.50	41.38
<b>b) INTEREST ACCRUED ON</b>		
i) Investments	561.79	197.53
ii) Deposits	29.51	35.95
iii) Others	<u>117.66</u>	<u>-</u>
	708.96	233.48
<b>c) CLAIMS RECOVERABLE</b>		
Claims recoverable from different agencies	1931.96	2451.76
Less: Provision for Doubtful Claims **	<u>177.26</u>	<u>179.41</u>
<b>TOTAL (a+b+c)</b>	<b><u>2503.16</u></b>	<b><u>2547.21</u></b>
<b>DETAILS OF PROVISIONS</b>		
<b>PROVISION FOR DOUBTFUL ADVANCES *</b>		
<b>OPENING BALANCE</b>	2.03	2.03
Additions during the year	-	-
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b><u>2.03</u></b>	<b><u>2.03</u></b>
<b>PROVISION FOR DOUBTFUL CLAIMS **</b>		
<b>OPENING BALANCE</b>	179.41	179.41
Additions during the year	-	-
Amount used during the year	<u>2.15</u>	<u>-</u>
<b>CLOSING BALANCE</b>	<b><u>177.26</u></b>	<b><u>179.41</u></b>
<b>Explanatory Note: -</b>		
<b>PARTICULARS OF LOANS AND ADVANCES DUE FROM DIRECTORS</b>		
i) Amount due at the end of the year	₹ Nil	₹ Nil
ii) Advance due by firms or private companies in which any Director of the Company is a Partner or a director or a member amounts to ₹ Nil (Previous year ₹ Nil)		

**Note No 16. CURRENT TAX ASSETS (Net)**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current Tax Assets</b>		
Income Tax (including advance income tax, TDS & excluding current tax liabilities) Unsecured - Considered good	-	9953.41
<b>Current Tax Liabilities</b>		
Opening Balance	-	7800.00
Additions during the year	-	9950.00
Amount used during the year	-	7817.46
<b>TOTAL</b>	<b><u>0.00</u></b>	<b><u>9932.54</u></b>
<b>CURRENT TAX ASSETS (Net)</b>	<b><u>0.00</u></b>	<b><u>20.87</u></b>



**Note No 17. OTHER CURRENT ASSETS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a) Advances to contractors / suppliers		
- Secured (considered good)	-	-
- Unsecured (considered good)	941.81	170.48
- Unsecured (considered doubtful)	1403.01	1508.16
	2344.82	1678.64
b) Other Advances		
- secured (considered good)	41.04	40.89
- Unsecured (considered doubtful)	13.93	13.93
	54.97	54.82
	2399.79	1733.46
Less : Provision for Doubtful Loans and Advances *	1417.24	1522.09
	982.55	211.37
e) <b>DEPOSITS</b>		
Other Deposits	8369.24	8279.97
Less: Investment / Funded with Insurance Companies (Tranfered to Provision for Leave Encashment)	-	4322.32
Less : Provision for Doubtful Deposits **	55.71	75.56
	8313.53	8204.41
f) <b>OTHER CURRENT ASSETS</b>		
Other Current Assets	560.18	346.17
Less: Provision for Other Current Assets ***	3.52	3.52
	556.66	342.65
g) <b>OTHER RECOVERABLES</b>		
IGST/CGST & SGST	9391.34	20618.05
<b>TOTAL</b>	<b>19244.08</b>	<b>29376.48</b>

**DETAILS OF PROVISIONS**

**PROVISION FOR DOUBTFUL LOANS AND ADVANCES\***

<b>OPENING BALANCE</b>	1522.09	1168.41
Additions during the year	0.03	384.47
Amount used during the year	104.88	30.79
<b>CLOSING BALANCE</b>	<b>1417.24</b>	<b>1522.09</b>

**PROVISIONS FOR DEPOSITS \*\***

<b>OPENING BALANCE</b>	75.56	75.56
Additions during the year	-	-
Amount used during the year	19.85	-
<b>CLOSING BALANCE</b>	<b>55.71</b>	<b>75.56</b>

**PROVISION FOR OTHER CURRENT ASSETS \*\*\***

<b>OPENING BALANCE</b>	3.52	3.52
Additions during the year	-	-
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>3.52</b>	<b>3.52</b>



**Note No 18. EQUITY SHARE CAPITAL**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	In No.	(₹ in lakh)	In No.	(₹ in lakh)
<b>a) AUTHORISED SHARE CAPITAL</b>				
- Equity Share Capital	1800000000	90000.00	1800000000	90000.00
- 7.50% Non-Cum. Redeemable Preference Shares	2000000	20000.00	2000000	20000.00
<b>b) PAR VALUE PER EQUITY SHARE (in ₹)</b>		5.00		5.00
<b>c) PAR VALUE PER PREFERENCE SHARE (in ₹)</b>		1000.00		1000.00
<b>d) NO. OF SHARES ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
- Equity Share Capital	967024020	48351.20	967024020	48351.20
- 7.50% Non-Cum. Redeemable Preference Shares	-	-	-	-
<b>TOTAL</b>		<b>48351.20</b>		<b>48351.20</b>

**e) RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL**

OUTSTANDING:	No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
OUTSTANDING AS ON 01.04.2022	967024020	48351.20	925218000	46260.90
Add: Share Capital issued/ subscribed during the year			41806020	2090
Less: Reduction in Share Capital		-		-
OUTSTANDING AS ON 31.03.2023	967024020	48351.20	967024020	48351.20

**f) TERMS/RIGHTS ATTACHED TO EQUITY SHARES**

The Company has only one class of Equity Shares having par value of ₹ 5/- each and is entitled to one vote per share.

**g) SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER**

HOLDING MORE THAN 5 PERCENT OF THE NUMBER OF SHARES	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	In No.	In (%)	% Change during the year	In No.	In (%)	% Change during the year
- President of India	639613373	66.14%	-	639613373	66.14%	9.90%
- Life Insurance Corporation of India	114979785	11.89%		117779785	12.18%	



**Note No 19. OTHER EQUITY**

(₹ in lakh)

	<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
a)	<b>CAPITAL RESERVE *</b>		
	<b>AS PER LAST BALANCE SHEET</b>	21166.24	21166.24
b)	<b>SHARE PREMIUM ACCOUNT</b>		
	<b>AS PER LAST BALANCE SHEET</b>	47909.70	-
	Add: Addition during the year	-	47909.70
	Less: Reduction during the year	-	-
	<b>AS AT BALANCE SHEET DATE</b>	<u>47909.70</u>	<u>47909.70</u>
c)	<b>GENERAL RESERVE</b>		
	<b>AS PER LAST BALANCE SHEET</b>	8965.97	8965.97
d)	<b>MINE CLOSURE RESERVE</b>		
	<b>AS PER LAST BALANCE SHEET</b>	388.00	313.00
	Add: During the year	-	75.00
	Less: Amount reversed during the year	-	-
	Less: Transfer to other Non-current Liabilities	-	-
	<b>AS AT BALANCE SHEET DATE</b>	<u>388.00</u>	<u>-</u>
			388.00
e)	<b>CURRENCY FLUCTUATION RESERVE **</b>		
	<b>AS AT BALANCE SHEET DATE</b>	(524.08)	(870.84)
	Add: Equity Component of Foreign Currency Loan	111.08	346.75
	Less: Amount reversed during the year	-	-
	Less: Amount used during the year	-	-
	<b>AS AT BALANCE SHEET DATE</b>	<u>(413.00)</u>	<u>(524.09)</u>
f)	<b>RETAINED EARNING ***</b>	<u>82224.99</u>	<u>64868.33</u>
	<b>TOTAL</b>	<b><u>159853.90</u></b>	<b><u>142774.15</u></b>
	<b>Details of Retained Earning ***</b>		
	Profit /(Loss) for the period after tax as per statement of Profit and Loss	29531.31	37377.81
	Other Comprehensive Income /(Loss) as per Statement of Profit and Loss (net of tax)	(957.17)	(2221.81)
	Total Comprehensive Income /(Loss) for the period	<u>28574.14</u>	<u>35156.00</u>
	Balance brought forward	<u>64868.33</u>	<u>33096.91</u>
	<b>BALANCE AVAILABLE FOR APPROPRIATION</b>	<b>93442.47</b>	<b>68252.91</b>
i)	Less :Dividend	<u>11217.48</u>	<u>3384.58</u>
	<b>BALANCE CARRIED FORWARD</b>	<b>82224.99</b>	<b>64868.33</b>

\* Capital Reserve is created from the Grant received from the Government of India during the approval of Financial Re-structuring proposal by Ministry of Mines and out of Capital Profits over the years. This Reserve is not created out of Revenue Profits of the Company.

\*\* Currency Fluctuation Reserve is not created out of Revenue Profits of the Company.

**Note No 20. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>LONG TERM LOANS</b>		
▪ From Banks/ FIs		
- Secured		
- EXIM Bank (Loan II) (First pari-passu charge on movable fixed assets, both present and future of the Company, excluding GCP and TCP)	-	2525.34
- SBI (First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future , excluding leasehold land/property)	1720.21	7934.97
- HDFC (First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future , excluding leasehold land/property)	-	4608.11
- AXIS (First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future , excluding leasehold land/property)	-	2050.00
- Federal Bank	-	2193.77
<b>TOTAL</b>	<b>1720.21</b>	<b>19312.19</b>

**Note No 21. NON-CURRENT FINANCIAL LIABILITIES - OTHERS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease Liability - Right of Use - Vehicle	27.54	46.01
Wildlife Conservation Plan - Liability	996.13	-
<b>TOTAL</b>	<b>1023.67</b>	<b>46.01</b>

**Note No 22. OTHER NON-CURRENT LIABILITIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Others (Compensation received from Govt of Jharkhand for repair of township)	843.53	843.53
ii) <b>Mine Closure Liability</b>		
As per Last Balance Sheet / Transfer from Other Equity	388.00	-
Add: Provision made during the year	213.00	-
Less: Amount used during the year	-	-
Sub-Total	601.00	-
<b>TOTAL (i)+(ii)</b>	<b>1444.53</b>	<b>843.53</b>



**Note No 23. NON-CURRENT PROVISIONS**

(₹ in lakh)

<b>PARTICULARS</b>		<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
<b>PROVISION FOR EMPLOYEE BENEFITS</b>			
i)	<b>PROVISION FOR LEAVE ENCASHMENT</b>		
	<b>AS PER LAST BALANCE SHEET</b>	7438.69	8371.26
	Additions during the year	481.09	(946.63)
	Amount used during the year	-	(14.06)
	<b>CLOSING BALANCE</b>	7919.78	7438.69
	Less: Investment / Funded with Insurance Companies (Tranfered from Deposits)	5651.46	4322.32
	<b>NET CLOSING BALANCE</b>	<b>2268.32</b>	<b>3116.37</b>
ii)	<b>PROVISION FOR GRATUITY</b>		
	<b>AS PER LAST BALANCE SHEET</b>	(538.34)	(3296.97)
	Additions during the year	1486.25	3258.63
	Amount used/funded during the year	1,000.00	500.00
	<b>CLOSING BALANCE</b>	(52.09)	(538.34)
iii)	<b>PROVISION FOR LTC</b>		
	<b>AS PER LAST BALANCE SHEET</b>	68.26	66.42
	Additions during the year	21.56	1.84
	Amount used/funded during the year	-	-
	<b>CLOSING BALANCE</b>	89.82	68.26
	<b>TOTAL</b>	<b>2306.05</b>	<b>2646.29</b>

(Ref. Note No 40 General Notes on Accounts Point No. 18)

**Note No 24. CURRENT FINANCIAL LIABILITIES - BORROWINGS**

(₹ in lakh)

<b>PARTICULARS</b>		<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
<b>SHORT TERM LOANS</b>			
	- Cash Credit- From Banks/ Fls	-	21.60
	- WC DL- From Banks/ Fls	4300.00	5050.00
	- Secured (Secured by hypothecation of Stock-in-Trade, Stores & Spare Parts and Book Debts, both present and future of the Company)		
<b>LONG TERM LOANS</b>			
	- Due in next 1 year		
	- EXIM Bank (Loan II)	2737.53	10101.37
	- SBI ECB	6880.83	6346.91
	<b>TOTAL</b>	<b>13918.36</b>	<b>21519.88</b>

**Note No 25. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE**

(₹ in lakh)

		<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
i)	Total outstanding dues of micro enterprises and small enterprises	131.52	594.38
ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	20966.55	19674.00
	<b>TOTAL</b>	<b>21098.07</b>	<b>20268.38</b>



**Trades Payable ageing schedule** **Outstanding for following periods from due date of payment**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	131.52	-	-	-	131.52
ii) Others	9709.55	8199.00	694.00	2364.00	20966.55
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
<b>TOTAL</b>	<b>9841.07</b>	<b>8199.00</b>	<b>694.00</b>	<b>2364.00</b>	<b>21098.07</b>

**Note No 26. OTHER CURRENT LIABILITIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Interest accrued but not due on borrowings & term loans	49.08	181.85
ii) Unpaid dividend	25.21	16.88
iii) Deposits/ Retention money	11024.92	8586.28
iv) Other liabilities	1115.01	1365.02
	<b>12214.22</b>	<b>10150.03</b>
v) Lease Liability - Right of Use - Vehicle	20.23	21.62
<b>TOTAL</b>	<b>12234.45</b>	<b>10171.65</b>

**Note No 27. OTHER CURRENT LIABILITIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Statutory dues payables	5819.25	4618.59
ii) Advances from Customers	839.30	1838.96
iii) Other liabilities	16548.97	11671.93
<b>TOTAL</b>	<b>23208.12</b>	<b>18129.48</b>

**Note No 28. CURRENT - PROVISIONS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a) PROVISION FOR EMPLOYEE BENEFITS</b>		
<b>i) PROVISION FOR LEAVE ENCASHMENT AS PER LAST BALANCE SHEET</b>	1340.62	1304.34
Additions during the year	-	36.28
Amount used during the year	127.85	-
<b>CLOSING BALANCE</b>	<b>1212.77</b>	<b>1340.62</b>
<b>ii) PROVISION FOR GRATUITY AS PER LAST BALANCE SHEET</b>	(1915.50)	(1953.89)
Additions during the year	427.17	38.39
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>(1488.33)</b>	<b>(1915.50)</b>
<b>iii) PROVISION FOR LEAVE TRAVEL CONCESSION (LTC) AS PER LAST BALANCE SHEET</b>	119.57	117.56
Additions during the year	-	3.85
Amount used during the year	9.77	1.84
<b>CLOSING BALANCE</b>	<b>109.80</b>	<b>119.57</b>





	<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
iv)	<b>PROVISION FOR PRP/INCENTIVE</b>		
	<b>AS PER LAST BALANCE SHEET</b>	2190.00	1394.00
	Additions during the year	1930.00	1941.00
	Amount used during the year	-	1145.00
	<b>CLOSING BALANCE</b>	<b>4120.00</b>	<b>2190.00</b>
v)	<b>PROVISION FOR WAGE REVISION</b>		
	<b>AS PER LAST BALANCE SHEET</b>	8064.87	1878.87
	Additions during the year	1235.01	9067.87
	Amount used during the year	1741.95	2881.87
	<b>CLOSING BALANCE</b>	<b>7557.93</b>	<b>8064.87</b>
b)	<b>OTHERS</b>		
i)	<b>DIVIDEND</b>		
	<b>AS PER LAST BALANCE SHEET</b>	-	-
	Additions during the year	11,217.48	3384.58
	Amount used during the year	11,217.48	3384.58
	<b>CLOSING BALANCE</b>	<b>-</b>	<b>-</b>
ii)	<b>PROVISION - OTHERS</b>		
	<b>AS PER LAST BALANCE SHEET</b>	1590.27	1299.89
	Additions during the year	153.88	553.42
	Amount used during the year	547.38	263.04
	<b>CLOSING BALANCE</b>	<b>1196.77</b>	<b>1590.27</b>
	<b>TOTAL</b>	<b>12708.94</b>	<b>11389.83</b>

(Refer Note No. 40 General Notes on Accounts Point No. 18 & 19)

**Note No 29. CURRENT TAX LIABILITIES**

(₹ in lakh)

<b>PARTICULARS</b>	<b>For the year ended 31<sup>st</sup> March, 2023</b>	<b>For the year ended 31<sup>st</sup> March, 2023</b>
<b>Current Tax Liabilities</b>		
Opening Balance	9932.54	
Additions during the year	8615.00	
Amount used during the year	-	
Current Liabilities	<u>18,547.54</u>	<u>-</u>
<b>TOTAL</b>		
<b>Less : Current Tax Assets</b>		
Income Tax (including advance income tax, TDS)	17901.16	
Unsecured - Considered good	646.38	
<b>Closing Balance</b>	<u>646.38</u>	<u>-</u>

**Note No 30. REVENUE FROM OPERATIONS**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>SALE OF PRODUCTS</b>		
- Domestic	136796.33	145970.62
- Export	29266.69	35249.89
	166063.02	181220.51
Less : Discount & Rebate	-	-
<b>SALES (Net of Discounts) (A)</b>	<b>166063.02</b>	<b>181220.51</b>
<b>SALE OF SERVICES (B)</b>	<b>450.52</b>	<b>89.43</b>
<b>OTHER OPERATING INCOME (C)</b>		
-Sale of Scrap	392.31	508.70
-Interest from Customers	3.20	13.76
-Interest from Contractors against mobilization advances for mining operations	21.08	77.62
- Penalty & Liquidated Damages	803.34	284.41
Less : Refunded during the year	- 803.34	1.09
<b>SUB-TOTAL (C)</b>	<b>1219.93</b>	<b>883.40</b>
<b>TOTAL (A+B+C)</b>	<b>167733.47</b>	<b>182193.34</b>

**Note No 31. OTHER INCOME**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
- Claims Received	0.16	0.83
- Interest from Term Deposits	1617.61	1286.08
- Interest - Others	529.07	401.46
- Profit on sale of Assets	165.40	59.75
- Profit on sale of Investment	2.74	39.52
- Profit on Fair Value of Investment	(2.48)	0.37
- Others	1892.86	2376.20
- Balances not required written back #	5381.85	860.11
<b>TOTAL</b>	<b>9587.21</b>	<b>5024.32</b>

**Details of Balances not required written back #**

- Bad and doubtful Debts, advances/deposits & claims	1002.00	4.26
- Excess provisions on account of shortage, non-moving, obsolete & insurance Stores & Spares and finished goods	356.82	17.12
- Provision for Discarded Assets /Loss of Assets no longer required	0.03	10.31
- Provision Written back of MDE Expenditure	2754.69	-
- Provision for Interest on MSME	-	310.41
- Old Liability Written Back for S.Creditors, SD & EMD & Others	1268.31	518.01
<b>TOTAL</b>	<b>5381.85</b>	<b>860.11</b>



**Note No 32 . MATERIALS CONSUMED**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Raw Materials Consumed	-	-
Value of Ore Raised during Mine expansion/construction/ development	1522.45	13615.25
<b>TOTAL</b>	<b>1522.45</b>	<b>13615.25</b>

**Note No 33 . CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED AND WORK- IN-PROCESS**

(₹ in lakh)

	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A. OPENING STOCK:</b>		
Finished Goods	-	-
Semi-Finished and In-Process	24697.11	30627.68
<b>TOTAL OPENING STOCK</b>	<b>24697.11</b>	<b>30627.68</b>
<b>B. CLOSING STOCK:</b>		
Finished Goods	-	-
Semi-Finished and In-Process	25488.08	24697.11
<b>TOTAL CLOSING STOCK</b>	<b>25488.08</b>	<b>24697.11</b>
<b>(INCREASE)/ DECREASE (A-B)</b>	<b>(790.97)</b>	<b>5930.57</b>

**Note No 34. EMPLOYEE BENEFITS EXPENSE**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Salaries, Wages & Allowances	21305.42	30018.05
Bonus/Ex-gratia/Performance Related Pay	2452.50	1738.62
Contribution to Provident & Other Funds	2185.84	1944.97
Workmen & Staff Welfare Expenses	1556.85	2299.95
Gratuity & Leave Encashment	2952.95	1179.88
<b>TOTAL</b>	<b>30453.56</b>	<b>37181.47</b>

**Explanatory Note: -**

The detail of Remuneration paid/payable to Directors as included in above payments are as follows: -

(i) Salaries & Allowances	108.57	108.57
(ii) Contribution to Provident & Other Funds	8.08	8.08
(iii) Re-imbursment of Medical Expenses	0.08	0.08
(iv) Leave Encashment	1.44	1.44
(v) Gratuity paid	-	-
(vi) Other Benefits	29.66	29.66
<b>TOTAL</b>	<b>147.83</b>	<b>147.83</b>

In addition the Whole-time Directors are allowed the use of company car for private purpose and have been provided with residential accomodation as per terms of their appointment / Government guidelines and the charges are recovered at the rates prescribed by the Government.



**Note No 35. FINANCE COST**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
- Interest on Cash Credit	752.63	488.29
- Others ( including Term Loans)	728.13	2401.28
- Others - Vehicle	3.88	4.34
- Wildlife Conservation Plan	108.42	-
<b>TOTAL</b>	<b>1593.06</b>	<b>2893.91</b>

**Note No 36. DEPRECIATION AND AMORTISATION EXPENSE**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A DEPRECIATION</b>		
(i) Depreciation on Owned Assets	1839.90	3617.24
Less: Depreciation transferred to Mine Development Expenditure	8.52	85.25
<b>SUB TOTAL (i)</b>	<b>1831.38</b>	<b>3531.99</b>
(ii) Depreciation on Leased Assets- Leasehold Land	19.75	19.75
(iii) Depreciation on Leased Assets -Vehicle	20.76	18.05
<b>SUB TOTAL(A)= (i+ii+iii)</b>	<b>1871.89</b>	<b>3589.79</b>
<b>B Depreciation on Other Intangible Assets -(Mining Rights)</b>	613.66	192.11
Less: Depreciation transferred to Discontinuing Operations	-	34.70
<b>SUB TOTAL (B)</b>	<b>613.66</b>	<b>157.41</b>
<b>C Wildlife Conservation Plan</b>	<b>140.80</b>	<b>-</b>
<b>SUB TOTAL(A+B+C)</b>	<b>2626.93</b>	<b>3727.20</b>
<b>D AMORTISATION</b>		
Amortisation during the year *	14865.73	11260.14
<b>SUB TOTAL (D)</b>	<b>14865.73</b>	<b>11260.14</b>
<b>TOTAL (A+B+C+D)</b>	<b>17492.08</b>	<b>14987.34</b>

\* Amortisation during the year is in relation to the expenses incurred on mines which are under operation/production and does not include expenditure on prospecting of minerals in new mines area.

**Note No 37. OTHER EXPENSES**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A. OTHER MANUFACTURING EXPENSES</b>		
- Stores ,Spares& Tools Consumed	10562.76	8255.64
- Consumption of Power, Fuel & Water	12153.25	12372.01
- Royalty, Cess & Decretal amount	13353.12	14441.30
- Contractual Job for Process	34289.30	19750.51
- Handling & Transportation	1219.83	1121.97
- Tolling Charges	-	80.31
<b>SUB TOTAL (A)</b>	<b>71578.26</b>	<b>56021.74</b>
<b>B. REPAIRS &amp; MAINTENANCE &amp; MAJOR OVERHAUL EXPENSES</b>		
- Building	145.47	71.87
- Machinery	3784.43	3788.47
- Others	394.16	279.62
<b>SUB TOTAL (B)</b>	<b>4324.06</b>	<b>4139.96</b>



PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>C. ADMINISTRATION EXPENSES</b>		
- Insurance	306.01	316.15
- Rent	117.08	116.52
- Rates and Taxes	2017.77	1079.71
- Security Expenses	825.47	1198.01
- Travelling and Conveyance	382.22	188.06
- Telephone, Telex and Postage	105.29	102.89
- Advertisement and Publicity	97.42	23.33
- Printing and Stationery	38.55	24.14
- Books & Periodicals	1.49	1.12
- Consultancy Charges - Indigenious	481.52	349.16
- Loss on Sale of Assets(Net)	-	-
- MTM Debit/(Credit) Foreign Exchange	991.04	287.81
- Exchange Rate Variation (Net)	-	-
- Corporate Social Responsibility Expenses	118.30	77.19
- Hire Charges	208.81	172.46
- Audit Expenses (Refer detail below at SI 1)	41.22	48.25
- Independent Directors Expenses	19.10	25.85
- Bank Charges	137.18	100.08
- Other General Expenses	4808.02	879.98
<b>SUB TOTAL (C)</b>	<b>10696.49</b>	<b>4990.71</b>
<b>D. PROVISIONS (Refer detail below at SI 2)</b>	<b>885.31</b>	<b>9249.97</b>
<b>TOTAL (A+B+C+D)</b>	<b>87484.12</b>	<b>74402.38</b>

**Note No 37. OTHER EXPENSES (Contd.)**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Explanatory Note: -</b>		
<b>1) Detail of Audit Expenses are as under: -</b>		
<b>i) Statutory Auditors</b>		
- Statutory Audit Fees	14.70	14.70
- Tax Audit Fees	3.30	3.30
-In Other Capacity	14.70	19.04
- Reimbursement of Expenses	1.18	0.36
	33.88	37.40
<b>ii) Cost Auditors</b>		
- Cost Audit Fees	0.90	0.90
- Reimbursement of Expenses	0.04	0.01
	0.94	0.91
<b>iii) Internal Auditors</b>		
- Audit Fees	4.45	8.73
- Reimbursement of expenses	1.95	1.21
	6.40	9.94
<b>TOTAL</b>	<b>41.22</b>	<b>48.25</b>



(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>2) Detail of Provisions are as under: -</b>		
Doubtful debts	0.13	923.41
Doubtful advances / deposits	0.04	237.43
Provisions for Obsolete /Non-moving Stores	466.36	79.58
Provisions for WIP & Finished Goods	-	-
Provisions for Capital Work In Progress	-	2124.63
Provisions for Loss of Assets	179.13	0.09
Provision for Discarded Fixed Asset	-	-
Interest on MSMED	0.64	52.79
Provision for Mine Closure Expenditure	213.00	75.00
Provision for Impairment Loss	-	5194.00
Provision for Others	19.41	548.01
Provision for Loss of Joint Venture	2.29	0.24
Provision for Loss of Subsidiary	4.31	14.79
<b>TOTAL</b>	<b>885.31</b>	<b>9249.97</b>

**Note No 38. TAX EXPENSE**

(₹ in lakh)

	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
CURRENT TAX		
Income Tax Provision	8615.00	9950.00
Income Tax relating to earlier years	-	(7783.23)
Deferred Tax Account	1420.07	(1363.81)
<b>TOTAL</b>	<b>10035.07</b>	<b>802.96</b>

**Note No 39. OTHER COMPREHENSIVE INCOME/(LOSS)**

(₹ in lakh)

	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
A(i) Items that will not be reclassified to Profit/(Loss)		
Actuarial gain/loss recognised in the year for employees : Gratuity	(1279.09)	(2969.07)
<b>TOTAL (A(i))</b>	<b>(1279.09)</b>	<b>(2969.07)</b>
A(ii) Income Tax relating to items that will not be reclassified to Profit /(Loss)	321.92	747.26
<b>TOTAL (A(ii))</b>	<b>321.92</b>	<b>747.26</b>
B(i) Items that will be reclassified to Profit/ (Loss)		
<b>TOTAL (B(i))</b>	<b>-</b>	<b>-</b>
B(ii) Income Tax relating to items that will be reclassified to Profit / ( Loss)		
<b>TOTAL (B(ii))</b>	<b>-</b>	<b>-</b>

**Notes forming part of the Accounts-Standalone****40 GENERAL NOTES ON ACCOUNTS****1. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)****(i) Contingent Liabilities: -**

	<b>2022-23</b>	<b>2021-22</b>
	<b>(₹ in lakh)</b>	<b>(₹ in lakh)</b>
a. Claims against the company not acknowledged as debt:		
i. Disputed VAT / CST / Entry Tax / Other Taxes	8494.74	6641.03
ii. Disputed Excise Duty	5282.31	2897.00
iii. Disputed Income Tax	23084.40	23069.63
iv. Other Demand	114870.12	57127.38
<b>SUB-TOTAL (A)</b>	<b>151731.57</b>	<b>89735.04</b>
b. Other money for which the company is contingently liable :		
i. Bank Guarantee	4723.39	4087.02
ii. Letter of Credit	177.47	413.77
iii. Bill discounting	-	-
<b>SUB-TOTAL (B)</b>	<b>4900.86</b>	<b>4500.79</b>
<b>GRAND TOTAL (A+B)</b>	<b>156632.43</b>	<b>94235.83</b>

**(ii) Commitments: -***(₹ in lakh)*

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance and deposit)	108030.72	49660.97
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**Details of Claims against the Company not acknowledged as debt (of 1(i)(a) above)****VAT/CST/ENTRY TAX & OTHER TAXES**

There are demand notices totaling to Gross Demand of ₹ 8494.74 lakh (Previous Year ₹ 6641.03 lakh) from various State Revenue Authorities regarding VAT/CST/Entry Tax/Other Taxes against which the company has deposited under protest ₹ 433.50 lakh (Previous Year ₹ 433.50 lakh) shown under Note No. 17 Other Current Assets. The company is contesting the demand and the management as well as the legal advisors/consultants are of the opinion that its contention will likely to be upheld by the Appellate Authorities. The company also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the company.

**EXCISE DUTY**

There are demand notices totaling to Gross Demand of ₹ 5282.31 lakh (Previous Year ₹ 2897.00 lakh) from Central Excise Authorities regarding Excise Duty against which the company has deposited under protest ₹ 77.94 lakh (Previous Year ₹ 77.94 lakh) shown under Note No. 17 Other Current Assets. The company is contesting the demand and the management as well as the legal advisors/consultants are of the opinion that its contention will likely to be upheld by the Appellate Authorities. The company also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the company.

**INCOME TAX**

There are Income Tax demand notices totaling to Gross Demand of ₹ 23084.40 lakh (Previous Year ₹ 23069.63 lakh) against which the company has deposited under protest ₹ Nil (Previous Year ₹ 683.92 lakh) shown under Note No. 29 Current Tax Liabilities (Net of Current Tax Assets). The management as well as the income tax consultant are of the opinion that its contention will likely to be upheld by the Appellate Authorities/High Court. The company also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the company.



**OTHER DEMAND**

1. The pending litigation cases totaling to ₹ 114870.12 lakh (Previous Year ₹ 57127.38 lakh) which the company is contesting before different Legal Forums / Courts. The management as well as the legal advisors/consultants are of the opinion that its position will likely to be upheld in the appellate proceedings. The company also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the company.
2. During the year, the company has made a provision amounting to ₹ 1930.00 lakh (Previous year ₹ 1941.00) in terms of DPE guidelines towards Performance Related Pay payable to the executives for F.Y. 2022-23 which is shown under 'Employee Benefits Expense'.
3. During the year, wage revision of workmen of the company has been finalized on 03.01.2023 for the period 10 years w.e.f 01.11.2017 to 31.10.2027.
4. Lease premium paid for land for mining purposes including payment for Net Present Value (NPV) of forest area paid to forest department and amount paid towards wildlife conservation plan are capitalized under the head "Other Intangible Assets" shown under Note No. 3(C&D)
5. Surda Mining Lease period has been extended by Directorate of Mines & Geology; Govt. of Jharkhand vide order dated 06.01.2022 for a period of 20 years w.e.f 01.04.2020 to 31.03.2040. Validity of Kendadih Mining Lease period is till 02.06.2023 and Rakha Mining Lease was till 28.08.2021. However, application for extension of Mining Lease period for a period of 20 years for both Kendadih and Rakha Mining Leases have been submitted to Govt. of Jharkhand on 16.03.2022 and 30.04.2020 respectively. Presently both the applications are in process as per regulation. The mined-out ore kept at pit-top of Surda Mine could not be transported to the concentrator plant because of non-issuance of challan/permit by State Authorities, Jharkhand due to non-receipt of Surda Lease Deed, which is under process. HCL has taken exploration activity in Rakha mine in phase wise manner to complete G2 exploration within the Mine lease area.
6. KCC : The commercial operation of Smelter, Refinery and Sulphuric Acid Plant at Khetri Copper Complex (KCC) were suspended since December 2008. The Company suffered loss on account of impairment of the said plants valued by an independent consultant in earlier years and consequently a total sum of ₹ 464.01 lakh was provided in the accounts for impairment loss in compliance with the guidelines of IND AS 36 on "Impairment of Assets", out of which some impaired assets has been sold/written off and net impairment of ₹ 461.88 lakh is appearing in books of accounts as on 31.03.2023.  
 ICC : The company has recently carried out valuation work of Moubhandar Plant & Nikel Plant at ICC by an external Agency and as per valuation report ,the carrying value of assets are more than the net book value of the assets
7. The title deeds for Freehold and Leasehold Land and Building acquired in respect of Gujarat Copper Project (GCP) with book value of ₹ 4756.01 lakh is yet to be executed (Previous year ₹ 5026.13 lakh).

Description of a property	Gross carrying value of Land (₹ in lakh)	Title deeds held in the name of	Whether title deed holder is promoter, director or their relatives or employee of promoter/director	Property held since which date	Reasons for not being held in the name of the company
Plot No. 747, GIDC Mega Estate, Jhagadia, Bharuch, Gujarat, Pin -393110.	3795.26	Jhagadia Copper Limited	NA	Asset Capitalized date : 01-Oct-2016	Case Filled in Hon'ble High Court, Ahmedabad

8. At ICC, Pollution Control Plant under Package I & III amounting to ₹ 2100.50 lakh have not been capitalized for want of completion of trial / guarantee run as per terms of contract. As a matter of prudence, full provision for the same has been made in the accounts to take care of efflux of time over the years.
9. Confirmation letters of majority of balances under the heads Trade Payables, Claims Recoverable, Loans & Advances, Trade Receivables and Deposits from and with various parties/ Government Departments have been sent but in number of cases such confirmation letters from the parties are yet to be received.





10. During the year, the company has spent a sum of ₹ 126.67 lakh on account of Corporate Social Responsibility (CSR) expenses. Refund amount of ₹ 8.37 lakh received towards unspent balance for the Skill Training Project (Kaushal Vikash Yojana) implemented with HCL under CSR at three mining Units of HCL has been adjusted with CSR expenses of the current year. Since the company is not liable to incurred CSR Expenses for FY 2022-23, the amount spent ₹ 118.30 lakh in FY 2022-23 will be set off /carry forward against subsequent year CSR liability.
11. Information related to Micro, Small and Medium Enterprises Development Act, 2006 is disclosed hereunder:

a)

a)	i) Principal amount remaining unpaid to any supplier at the end of the financial year (not due)	₹ 131.51 lakh
	ii) Interest due on above	-
b)	Amount of interest paid by the buyer in terms of Section 16 of the Act, along with amount of payment made beyond the appointed date during the year	-
c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	₹ 918.06 lakh
d)	Amount of interest accrued and remaining unpaid at the end of the financial year	₹ 918.06 lakh
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	₹ NIL

The information has been given of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available to the Company.

b) The Company has accepted and paid all invoices of Goods & Services raised on HCL through TREDS Portal.

12. Management has not become aware of any instance of fraud by the company or any fraud on the company by its officers and employees during the current financial year.
13. Since the company is primarily engaged in the business of manufacture and sale of copper products, the same is considered to be the only primary reportable business segment and accordingly has been reported. As the Company operates predominantly within the geographical limits of India, no secondary segment reporting has been considered as per IND AS 108 "Operating Segments".
14. Sales for the period include FOB value of Export Sales: -

	2022-23		2021-22	
	Qty (MT)	₹ in lakh	Qty (MT)	₹ in lakh
Anode Slime*	-	-	-	(508.41)
Copper Reverts*	222.605	1126.33	680.023	3280.82
Copper Concentrate (CMT)*	4326.37	28140.36	5306.46	32477.48
<b>Total</b>		<b>29266.69</b>		<b>35249.89</b>

\* Export Sales value includes debit of differential/settlement price of final & provisional sales invoice as per contract.

15. In terms of IND AS 24 on "Related Party Disclosures":

**Transactions with Related Party during the year and balance outstanding as on 31.03.2023 are as under:**

(i) Where control exists:

₹ in lakh

Name of Related Party	Nature of Relationship	Type of Transaction	Year ended	
			31.03.2023	31.03.2022
Chhattisgarh Copper Limited (CCL)	Subsidiary	Investment in shares	47.00	40.70
		Advances given	-	-
Name of Related Party	Nature of Relationship	Type of Transaction	Year ended	
			31.03.2023	31.03.2022
Khanij Bidesh India Limited (KABIL)	Joint Venture	Investment in shares	975.00	75.00
		Advances given	-	-



(ii) The Key Management Personnel are given below:

Particulars	Key Management Personnel	Total Remuneration	
		Year ended 2022-23	Year ended 2021-22
<b>FUNCTIONAL DIRECTORS</b>			
Receiving of Services	1. Sri Arun Kumar Shukla Chairman-and-Managing Director	81.58	61.40
	2. Shri Sanjay Panjiyar Director (Operations) (w.e.f 31.07.2021)	53.31	32.42
	3. Shri Ghanshyam Sharma Director (Finance) (Additional charge from 13.09.2021 to 27.02.2023 & Whole Time Director w.e.f 28.02.2023)	4.20	-
	4. Shri Sanjiv Kumar Singh Director (Mining) (w.e.f 31.07.2021)	57.14	0.77
	5. Sri Santosh Sharma Ex-Chairman-and-Managing Director	-	3.70 ( Arrear salary)
	6. Sri S K Bandyopadhyay Ex-Director (Finance) (upto 13.09.2021)	-	32.19
	7. Sri Anupam Anand Ex- Director (Personnel)	-	4.30 ( Arrear salary)
	8. Sri S K Bhattacharya Ex-Director (Mining)	-	13.05 ( PRP & Arrear salary)
<b>OTHER THAN FUNCTIONAL DIRECTORS</b>			
	9. Sri C S Singhi Company Secretary	121.86	52.82

**INDEPENDENT DIRECTORS**

		Date of appointment	Upto
Sri Pawan Kumar Dhawan	-	22.07.2019	22.07.2022
Sri Balwinder Singh Canth	-	22.07.2019	22.07.2022
Sri R Kalyansundaram	-	22.07.2019	22.07.2022
Sri Avinash Janardan Bhide	-	03.11.2021	
Sri A G Krishna Prasad	-	03.11.2021	
Smt. Hemlata Verma	-	22.03.2022	

( ₹ in lakh)

Sl. No.	Payment to Independent Directors	Year ended 31.03.2023	Year ended 31.03.2022
1.	Sitting Fees	19.10	25.85

Balance Outstanding with Key Managerial Personnel as on 31.03.2023

Sl. No.	Particulars	As on 31.03.2023	As on 31.03.2022
1.	Amount payable	Nil	Nil
2.	Amount receivable	Nil	Nil



16. In terms of IND AS 33 on “Earning per Share” :

(₹ in lakh)

	BASIC	DILUTED
Profit / (Loss) After Tax	29531.31 (37377.81)	29531.31 (37377.81)
Denominator used: Weighted average number of Equity Shares of ₹ 5/- (Previous year ₹ 5/- each) outstanding during the period.	967024020 (967024020)	967024020 (967024020)
Earnings Per Share (₹)	3.05 (3.87)	3.05 (3.87)

17. The Company has accounted for Deferred Tax in accordance with the guidelines of Ind AS 12 on “Income Taxes” as per notification under section 133 of the Companies Act, 2013. The Deferred tax balances are set out below: -

Particulars	Deferred Tax Asset/ (Liability) as at 01.04.2022	Credit/ (Charge) during 2022-23	Deferred Tax Asset/ (Liability) as at 31.03.2023
Deferred Tax Asset :-			
Difference between provision made in accounts and claims made as per I. T Act	17557.13	(763.80)	16793.33
	17557.13	(763.80)	16793.33
Deferred Tax Liability: -			
Difference between net book value of depreciable capital assets vis-a-vis WDV as per IT Act	(2144.95)	(656.27)	(2801.22)
	(2144.95)	(656.27)	(2801.22)
Deferred Tax Asset (Net) – Recognised in Statement of Profit & Loss	15412.18	(1420.07)	13992.11
Deferred Tax Asset (Net) - Defined Benefit Plan – Recognised in OCI	2056.21	321.92	2378.13
Total Deferred Tax Asset (Net)	17468.39	(1098.15)	16370.24

18. PROVISIONS FOR CONTINGENCIES: -

(₹ in lakh)

Particulars	Plant Property & Equipment (PPE) / Fixed Assets	Capital WIP & Advance	Mine Development Expenditure	Others	TOTAL
Carrying amount as at 01.04.2022	16725.83	18295.48	4664.86	43057.11	82743.28
Amount provided/Adj. during the year		15.65		18022.04	17221.87
Amounts utilized against provision	0.10		2754.69	16282.38	18221.35
Carrying amount as at 31.03.2023	16725.73	18311.13	1910.17	44796.77	81743.80


**19. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS IN TERMS OF Ind AS 19 :**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded through Life Insurance Corporation of India, SBI Life Insurance Co. Ltd. and India First Life Insurance and are managed by separate trust. The Company has also funded through Life Insurance Corporation of India and SBI Life Insurance Co. Ltd towards leave encashment. Expenses recognized in Statement of Profit & Loss and Other Comprehensive Income amounting to ₹ 4053.00 lakh in respect of Gratuity, Leave Encashment and Leave Travel Concession which have been provided for as stated below.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss, Other Comprehensive Income and Mine Development Expenditure and the funded status and amounts recognized in the balance sheet for the respective plans.

(₹ in lakh)

	Gratuity (Funded plan)	Leave Encashment (Partially funded Plan)	Leave Travel Concession (Non-funded Plan)
(i) <u>Changes in Present Value of Obligation</u>			
Present Value of obligation as on last valuation	9930.01	8779.31	187.83
Current service cost	702.00	864.04	
Interest cost	577.79	554.76	
Total Actuarial gain/(loss)	1279.09	996.86	49.75
Benefits Paid	3720.72	2062.42	37.95
Present value of obligation as on valuation date	8768.17	9132.55	199.63
(ii) <u>Changes in Fair Value of Plan Assets</u>			
Fair value of Plan Assets at Beginning of period	12383.85	4322.32	
Interest Income (Provisional)	645.46	325.83	
Employer Contributions	1000.00	3062.42	
Benefits paid	3720.72	2062.42	
Return on Plan Assets excluding Interest Income	-	-	
Fair value of Plan Assets at End of measurement period	10308.59	5648.15	
(iii) <u>Table Showing Reconciliation to Balance Sheet</u>			
Funded Status	1540.42	(3484.40)	
Fund Asset	10308.59	5648.15	
Fund Liability	8768.17	9132.55	
(iv) <u>Expenses recognized in the Statement of Profit and Loss Account</u>			
Current service cost	702.00	864.04	
Net Interest cost	(67.67)	228.93	
Actuarial (gain)/loss	-	996.86	49.75
Benefit Cost (Expense Recognized in Statement of Profit/loss)	634.33	2089.83	49.75
(v) <u>Other Comprehensive Income</u>			
Total Actuarial (gain)/loss	1279.09	-	



	Return on Plan Asset, Excluding Interest Income	-	-	-
	Balance at the end of the Period	1279.09	-	-
	Net(Income)/Expense for the Period Recognized in OCI	1279.09	-	-
(vi)	<u>Table Showing Plan Assumptions</u>			
	Discount Rate	7.16% p.a.	7.16% p.a.	7.16% p.a.
	Expected Return on Plan Asset	7.37%,7.50%,7.02% etc	7.16%	-
	Rate of Compensation Increase (Salary Inflation)	6.00% p.a.	6.00% p.a	-
	Average expected future service (Remaining working Life)	8 years	8 years	8 years
	Mortality Table	IALM 2012-2014 ULTIMATE	IALM 2012-2014 ULTIMATE	IALM 2012-2014 ULTIMATE
	Superannuation at age-Male	60 years	60 years	60 years
	Superannuation at age-Female	60 years	60 years	60 years
	Early Retirement & Disablement (All Causes Combined)	1% p.a.	1% p.a.	1% p.a.

The details of the plan assets as on 31.03.2023 towards gratuity & leave encashment are as follows:

in ₹ lakh

Investment in Life Insurance Corporation of India	4447.98
Investment in SBI Life Insurance Co. Ltd	10884.45
Investment in India First Life Insurance	617.11
Fund with Gratuity Trust Savings Bank Accounts	7.21
<b>Total</b>	<b>15956.75</b>

Return on Plan Assets during the year (Provisional) : ₹ 971.29 lakh.

The estimates of future salary increases were considered in actuarial valuation after considering inflation, seniority, promotion and other relevant factors. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

20. The Company as Lessee has taken certain vehicles on lease for a period of four years, which can be further extended at mutually agreed terms. There are no escalations in the lease rentals as per terms of the agreement. However, the Company has purchase option for such vehicles at the end of the lease term. Accordingly the Company has adopted Ind AS 116 during the current financial year & accounted for the leasing entries as per IND AS 116.

The following are the carrying amounts of lease liabilities recognised and the movements during the year

(₹ In Lakh)

Particulars	For the year ended 31.03.2023
Opening Balance	67.63
Additions in lease liabilities	-
Interest cost during the year	3.87
Payment of lease liabilities	23.73
Closing Balance	47.77
Current Liabilities	20.23
Non-Current Liabilities	27.54



21. The physical verification of Semi-Finished and In-Process (WIP) and Finished Goods has been conducted departmentally in all the units (ICC, KCC, MCP, TCP & GCP) at the end of the current year by a duly approved internal committee.

In respect of stores and spares, physical verification has been conducted by the external agencies in all the units during the year. Shortages/ (Excesses) identified on such physical verification have been duly adjusted in the books of accounts.

22. The physical verification of fixed assets which is required to be conducted every year so that all the units/offices are covered once in a block of three years interval. During the year, physical verification of fixed assets has been conducted by external agencies for MCP, GCP and ICC & RCP.

## 23. Financial Instrument

### 1. Derivatives not designated as hedging instruments

The Company uses Commodity Futures Contracts to manage its commodity price risk. The Commodity Futures Contracts are not designated as hedging instruments and are entered into for periods consistent with commodity price risk exposure of the underlying transactions, generally from one to four months. However in the year FY 22-23, the Company has not entered into any Commodity Futures Contract.

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to four months.

### Commodity price risk

In the year FY 22-23, the Company has not purchased any such copper blister/ anode for its plant in GCP.

Hedging the price volatility of copper purchases is in accordance with the Risk Management Policy approved by the Board of Directors. The hedging relationships are for a period between 1 and 4 months based on existing purchase agreements. The Company designated only the spot-to-spot movement of the entire commodity purchase price as the hedged risk. It has been decided by the company not to follow the hedge accounting for these instruments.

As at 31 March 2023, the fair value of the open position of commodity future contracts is nil.

### 2. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in lakh)

Particulars	Total carrying value as at March 31, 2023	Total carrying value as at March 31, 2022	Fair Value as at March 31, 2023	Fair Value as at March 31, 2022
Financial Assets at FV through Statement of Profit & Loss				
Mutual Funds	-	7.84	-	10.32
Derivatives not designated as hedges				
Future Contract Receivable on commodity	-	-	-	-
Total of Financial Assets	-	7.84	-	10.32
Financial Liabilities				
Derivatives not designated as hedges				
Forward Cover Contract Liability	-	-	-	-
Total of Financial Liabilities	-	-	-	-



3. The Management considered the Service fees of Rs 15 lakh paid on the Exim Bank Term loan amounting to Rs. 30000 lakh drawn on 29.05.2018 as immaterial, as the amount of service fee was only 0.009% of the Turnover (FY 2022-23) of the company and hence the same was not considered as a transaction cost in terms of fair valuation at initial recognition under INDAS 109. Further, the Management assessed that for the purpose of IND AS 109, the carrying value of loan is considered as its fair value as no loan could be provided at a rate lower than the rate of interest of Exim Bank loan for similar terms and conditions of the loan at that point of time. Similarly, the Management considered the total of Upfront fees & Other charges of ₹ 245.33 lakh paid on the SBI ECB loan amounting to ₹ 17734.75 lakh drawn during July 2018 to January 2019 as immaterial, as the amount of such fees/charges was only 0.15% of the Turnover (FY 2022-23) of the company and hence the same was not considered as a transaction cost in terms of fair valuation at initial recognition under INDAS 109. Further, the Management assessed that for the purpose of IND AS 109, the carrying value of loan is considered as its fair value as no loan could be provided at a rate lower than the rate of interest of SBI ECB loan for similar terms and conditions of the loan at that point of time.

The Management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Company enters into derivative financial instruments with various counterparties, principally with financial institutions having Investment grade credit ratings. Foreign exchange forward contracts and commodity futures contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing.

#### 4. Fair Value Hierarchy

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value

(₹ in lakh)

Particulars	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FV through Statement of Profit &amp; Loss</b>					
<b>Non-derivative financial assets</b>					
Mutual funds	31 <sup>st</sup> March, 2023	-	-	-	-
<b>Derivative financial assets</b>					
Future Contract Receivable on commodity	31 <sup>st</sup> March, 2023	-	-	-	-
<b>Liabilities measured at fair value: Derivative financial liabilities</b>					
Forward Cover Contract Liability	31 <sup>st</sup> March, 2023	-	-	-	-
<b>Assets measured at FV through OCI</b>	31 <sup>st</sup> March, 2023	-	-	-	-



(₹ in lakh)

Particulars	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FV through Statement of Profit &amp; Loss</b>					
<b>Non-derivative financial assets</b>					
Mutual funds	31 <sup>st</sup> March, 2022	10.32	-	-	10.32
<b>Derivative financial assets</b>					
Future Contract Receivable on commodity	31 <sup>st</sup> March, 2022	-	-	-	-
<b>Liabilities measured at fair value: Derivative financial liabilities</b>					
Forward Cover Contract Liability	31 <sup>st</sup> March, 2022	-	-	-	-
<b>Assets measured at FV through OCI</b>	31 <sup>st</sup> March, 2022	-	-	-	-

## 5. Financial Risk Management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk- Foreign Exchange	Future commercial transactions, Recognised financial assets and financial liabilities	Sensitivity analysis	Forward foreign exchange contracts and natural hedge as sales are also denominated in foreign exchange.
Market-Commodity Price Risk	Purchase of Copper	Price Sensitivity	Commodity Futures Contract
Credit risk	Trade receivables	Ageing analysis	Sales are mainly done against Advance or Letters of Credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Cash flow management

### a) Market Risk

#### i) Foreign Currency Risk

The Company operates at international level which exposes the company to foreign currency risk arising from foreign currency transaction primarily from Imports, exports and foreign currency borrowing. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency other than INR as on reporting date.

(As of March 31, 2023)

Particulars	Rs. in lakh
Cash & cash equivalents	-
Trade Receivables	821.71
Trade Payables	-
Loans	(11338.57)
Others (if any)	-
Net Assets / (Liabilities)	(10516.86)





(As of March 31, 2022)

Particulars	Rs. in lakh
Cash & cash equivalents	-
Trade Receivables	854.71
Trade Payables	-
Loans	(26908.59)
Others (if any)	-
Net Assets / (Liabilities)	(26053.88)

**Sensitivity**

The sensitivity of profit or loss to changes in exchange rate arises mainly from foreign currency denominated financial instrument.

Particulars	Impact on Profit Before Tax	
	March 31, 2023	March 31, 2022
Increase by 5%	566.93	1345.43
Decrease by 5 %	(566.93)	(1345.43)

**ii) Commodity Price Risk**

The company's exposure to Commodity price from copper price fluctuation in international market does not arise as the company hedges all its imports through Future contracts at LME.

**b) Credit Risk**

Credit risk refers to the risk of default on its obligation by the Debtors resulting in a financial loss. The company sells majority of its products either against Advance from Customers or Letters of Credit. Accordingly, credit risk from Trade receivables has not been considered as credit risk.

**Credit risk exposure**

An analysis of age of Trade receivables at each reporting date is summarized as follows:

(₹ in lakh)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
	Gross	Gross
Not past due	-	-
Past not more than six months	6613.71	8009.98
Past due more than six months but not more than one year	0.91	-
More than one year	983.82	1990.28
Total	7598.44	10000.26
Less Allowances for Bad & Doubtful Debts	983.82	1990.28
Net Debtors	6614.62	8009.98

Customer credit risk is managed by each business unit subject to the Company's established Marketing policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.



The maximum exposure to credit risk at the reporting date is ₹ 983.82 lakh for which full provision has been made in the accounts as disclosed in Note No 12.

#### Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are scheduled banks. We consider the credit quality of Term deposits with such banks as good as these banks are under the regulatory framework of Reserve Bank of India. We review these banking relationships on an ongoing basis.

#### c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents and cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by striving to maintain adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfall.

Short term liquidity requirements consists mainly of Loans, Sundry creditors, Expense payable, Employee dues arising during the normal course of business as of each reporting date. We strive to maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

The table below provides details regarding the contractual maturities of financial liabilities. The table has been drawn up based on the undiscovered cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

#### As of March 31, 2023

(₹ in lakh)

Particulars	On Demand	Less than 3 months	3 months to 1 year	1-3 years	3-5 years	5-7 years	Total
Short term borrowings (cash credit)	-	-	-	-	-	-	-
Short term borrowings (Others)	-	4300.00	-	-	-	-	4300.00
Long Term Borrowings	-	4457.74	5160.62	1720.21	-	-	11338.57
<b>Total</b>	<b>-</b>	<b>8757.74</b>	<b>5160.62</b>	<b>1720.21</b>	<b>-</b>	<b>-</b>	<b>15638.57</b>

#### As of March 31, 2022

(₹ in lakh)

Particulars	On Demand	Less than 3 months	3 months to 1 year	1-3 years	3-5 years	5-7 years	Total
Short term borrowings (cash credit)	21.60	-	-	-	-	-	21.60
Short term borrowings (Others)	-	5050.00	-	-	-	-	5050.00
Long Term Borrowings	-	1586.99	14861.31	14644.07	4668.10	-	35760.47
<b>Total</b>	<b>21.60</b>	<b>6636.99</b>	<b>14861.31</b>	<b>14644.07</b>	<b>4668.10</b>	<b>-</b>	<b>40832.07</b>

#### 6. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the Company. The primary objective of the Company's capital management is to maximise the shareholder value.



**24. INFORMATION IN RESPECT OF SUBSIDIARY, ASSOCIATE & JOINT VENTURE (FORM AOC 1)**

(Pursuant to Section 129(3) of Companies Act 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

**PART – A - SUBSIDIARY**

₹ in lakh

Sl. No.	Particulars	Year ended 31.03.2023
1	Name of the subsidiary	Chhattisgarh Copper Limited (CCL)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency	INR
4	Equity Share Capital	63.51
5	Other equity	(55.70)
6	Total assets	8.75
7	Total liabilities	0.94
8	Investments	Nil
9	Total Income from operations (net)	Nil
10	Profit/(Loss) from ordinary activities before tax	(5.82)
11	Tax expense	Nil
12	Profit/(Loss) from ordinary activities after tax	(5.82)
13	Proposed Dividend	Nil
14	% of shareholding	74%

**Note :**

1. CCL is yet to commence operations.
2. The subsidiary has neither been liquidated nor sold during the year.

**PART – B – ASSOCIATE/ JOINT VENTURE**

₹ in lakh

Sl. No.	Particulars	Year ended 31.03.2023
1	Name of the Associate/Joint Venture	Khanij Bidesh India Limited (KABIL)
2	Latest audited Balance Sheet Date	31.03.2023
3	Date on which the Associate/Joint Venture was associated or acquired	01.08.2019
4	Nos. of Shares of Associate/Joint Venture held by the company on the year end.	
	Nos. of Equity Shares	97,50,000 Nos.
	Amount of investment in Associate/Joint Venture	975.00
	Extent of holding (%)	30%
5	Description of how there is significant influence	Controlling 30% shareholding
6	Reason why the Associate/Joint Venture is not consolidated	Not applicable
7	Net Worth attributable to shareholding as per latest audited Balance Sheet (30% of HCL)	955.29
8	Profit/(Loss) for the year	34.37
	Considered in consolidation	10.31
	Not considered in consolidation	24.06

**Note :**

1. KABIL is yet to commence operations.
2. The associate/joint venture has neither been liquidated nor sold during the year.

Pursuant to Section 186(4) of the Companies Act, 2013, details of investment made and advance given to subsidiary & joint venture have been shown under Note No. 5 & 17 respectively. However, no loan has been given to the subsidiary and joint venture during the year.



**25. THE INCOME TAX EXPENSE FOR THE YEAR CAN BE RECONCILED TO THE ACCOUNTING PROFIT AS FOLLOWS:**

₹ in lakh

	Year ended 31.03.2023	Year ended 31.03.2022
Profit / (Loss) before Tax from continuing operations	39566.38	38206.74
Income Tax expense calculated @ 25.168%	9958.07	9615.87
Effect of Income Tax	(1343.07)	334.13
Effect of Deferred Tax	1420.07	(1363.81)
Income Tax effect of earlier years	-	(7783.23)
Income Tax expense recognized in profit or loss	10035.07	802.96

26. The value of assets, other than fixed assets and non-current assets, have realizable value at least equal to the amount at which they are stated.
27. Gujarat Copper Project of the Company consists of three units namely, Anode furnace (Smelter), Refinery and Kaldo Furnace along with land, buildings & other assets having aggregate book value of ₹ 21355.85 lakh as at March 31, 2022. The commercial operation of Gujarat Copper Project was suspended since August 2019 due to non-availability of feed material at economical price. Accordingly, the company had assessed the loss on account of impairment of the said plant excluding land, building, roads etc. valued by an Independent consultant & consequently a sum of ₹ 9708.21 lakh had been provided in the accounts of FY 2020-21. During the FY 2021-22, the Company had further re-assessed the impairment study of the said plant excluding land, building, roads etc by an independent consultant and a sum of ₹ 5194.00 lakh had been booked as impairment loss. Total cumulative amount of ₹ 14902.21 lakh has been provided in the accounts for impairment loss in compliance with the guidelines of IndAS-36 on "Impairment of Assets" as per notification under section 133 of the Companies Act, 2013. The Asset Monetization plan (AMP) has been sent to Ministry vide e mail dated 27.11.2021 which include Assets of GCP in addition to other assets for approval. Since only value of the assets at GCP is more than ₹ 100.00 crore, the company can initiate further action on AMP after obtaining approval from DIPAM. The Net Book value as on 31.03.2023 is ₹ 6138.73 lakh.
28. During the financial year 2021-22, Provident Fund (PF) Trusts maintained for the employees of the Company namely ICC PF Trust and KCC PF Trust have incurred a total loss of ₹116.06 lakh. As per Accounting Policy of the Company, deficit in PF Trusts ascertained on the basis of last audited accounts of the Trust is accounted for as a charge to Revenue. Accordingly, the Company has made a provision of ₹116.06 lakh during the current financial year towards total deficit in PF Trust of FY 2021-22.
29. The Board of Directors of the Company has recommended payment of dividend at rate of ₹ 0.92 per share on ₹ 5/- face value for the year 2022-23 for approval of shareholders in the Annual General Meeting. The outgo on this account will be ₹ 8896.62 lakh (approx.)
30. Consequent upon the Judgment of Common Cause dated 02.08.2017, which is applicable only to the mining leases of iron and manganese ore, passed by the Apex court in the case of Common Cause Vs UOI and others, a demand of ₹ 4353.78 lakh was raised by the District Mining Officer of Jamshedpur for running the Surda mine without valid environment clearance (EC) although Surda mine has a valid mining lease, forest clearance and it has adhered to the terms of approved mining plan and it was working on valid Consent to Operate. Based on the Revision Application filed by the Company, the Revisional Authority of the Ministry of Mines, after hearing at length both parties had issued specific direction against the demand of District Mining Officer (DMO) not to take any coercive measures in terms of recovery of the said demand. On revision of demand from ₹ 4353.78 lakh to ₹ 12690.49 lakh by the office of the District Mining Officer and subsequently revised to ₹ 92940.06 lakh by the State Government, the Company again appealed before the Revisional Authority and the last hearing was held on 29.09.2022 through video conferencing and interim stay, granted earlier, is continued by the Revisional Authority till the next date of hearing. Further, MMDR Amendment Act, 2021 has come into force w.e.f. 28.03.2021 which clearly explained the expression "raising, transporting or causing to raise or transport any mineral without any lawful authority" shall mean raising, transporting or causing to raise or transport any mineral by a person without prospecting license, mining lease or composite license. Based on the clarification, the Company believes that the judgement of the case will be in favour of the Company and is of the view that the same has not to be shown as Contingent Liability as on 31.03.2023.
31. The previous year's figures have been regrouped / rearranged, wherever necessary.



**40. GENERAL NOTES ON ACCOUNTS :**

**Additional information forming part of accounts for year ended March 31, 2023**

**( Figures in brackets pertain to those of previous year )**

**40.1 Capacities, production, stocks and sales**

Class of goods	Unit	Licensed capacity	Installed capacity (As certified by management)	Actual production	Opening Stock		Closing Stock		Sales		Issued for internal consumption intermedialate products and others / Grade adjustment / quantity
					Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	

**Manufacturing Activities**

**a : Main products**

1 Wire bar *	MT	39400 (39400)	39400 (39400)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
2 Wire rod (Excluding conversion)	MT	60000 (60000)	60000 (60000)	- (1)	- (-)	- (-)	- (-)	- (-)	- (1)	- (8.81)	- (-)
3 Cathode including Toll Smelted Cathode	MT	99500 (99500)	68500 (68500)	7 (621)	79 (7)	653.31 (43.16)	7 (79)	59.05 (653.31)	79 (558)	658.00 (4485.91)	0 (-9)
4 Metal in Concentrate	CMT			24760 (24741)	317 (730)	994.99 (2291.54)	296 (317.00)	1192.57 (994.99)	24640 (25248)	163357.76 (173541.09)	141 (93)

**b : By products**

1 Gold	KG	264 (264)	698 (698)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
2 Silver	KG	4763 (4763)	9868 (9868)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.00 (-)	- (-)
3 Nickel sulphate	MT	250 (250)	390 (390)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0 (-)	- (-)
4 Selenium	KG	10000 (10000)	14600 (14600)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.00 (-)	- (-)
5 Sulphuric acid	MT	236000 (236000)	236000 (236000)	- (-)	46 (46)	- (-)	46 (46)	- (-)	- (-)	- (-)	- (-)



40. GENERAL NOTES ON ACCOUNTS :												
Additional information forming part of accounts for year ended March 31, 2023												
( Figures in brackets pertain to those of previous year )												
Class of goods	Unit	Licensed capacity	Installed capacity (As certified by management)	Actual production	Opening Stock		Closing Stock		Sales		Issued for internal consumption intermediate products and others / Grade adjustment / quantity	
					Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh		
<b>c : Allied and semi- Finished products</b>												
1	Anode slime	MT	NA	-	-	3	669.59	3	320.95	-	-	-
			(NA)	(-)	(3)	(-)	(-)	(3)	(669.59)	(-)	(-508.31)	(-)
2	Copper mould	MT	NA	-	-	-	-	-	-	-	-	-
			(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3	Kyanite	MT	NA	-	-	-	-	-	-	-	-	-
			(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
4	Others	MT	NA	-	-	-	-	-	-	-	2047.26 ****	-
			(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(3693.00)	-
<b>d : Work in Progress</b>												
i)	Metal in Ore			27989	(27610)	1171	2392.07	1626	4593.65	-	-	27534
						(1361)	(3039.30)	(1171)	(2392.07)	-	-	(27800)
ii)	Other WIP						19987.16 **		19321.86 ***			
							(25252.33)		(19987.16)			
<b>GRAND TOTAL</b>							<b>24697.11</b>		<b>25488.08</b>		<b>166063.02</b>	
							<b>(30627.68)</b>		<b>(24697.11)</b>		<b>(181220.51)</b>	
Note :												
* Due to change in product demand, the Company is no longer making this product.												
(₹ in lakh)												
	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Anode in floor/ Anode in cell	Scrap	Others	Total	TOTAL		
										Reverts	Refinery Dust	Others
** Opening Work in progress includes												
Current year	-	605.58	-	158.21	7.83	126.80	-	19088.74	19987.16			
Previous year	-	2366.76	-	101.87	1.31	1899.91	145.98	20736.49	25252.33			
*** Closing Work in progress includes												
Current year	-	15.50	-	206.78	9.74	61.93	-	19027.90	19321.86		0.00	
Previous year	-	605.58	-	158.21	7.83	126.80	-	19088.74	19987.16			
**** Other Sales value includes	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Granulated Slag	Anode	Refinery Dust	Others			
Current year	-	1126.33	-	-	-	440.72	347.21	106.88	26.12		2047.26	
Previous Year	-	3280.82	-	-	-	382.20	-	0.02	29.96		3693.00	



**40. GENERAL NOTES ON ACCOUNTS (Contd.)**

Additional information forming part of accounts for year ended March 31, 2023

**40.2 RAW MATERIALS CONSUMED**

	Quantity		Value	
	Year ended 2022-2023	Year ended 2021-2022	Year ended 2022-2023	Year ended 2021-2022
	CMT	CMT	(₹ in lakh)	(₹ in lakh)
Concentrate own production	-	-	-	-
Concentrate excluding own production	-	-	-	-
Cathode	-	-	-	-

**40.3 Imported and indigenous raw materials, stores**

spare parts and components consumed ( as certified by the management )				
RAW MATERIALS:	%	%		
Imported	-	-	-	-
Indigenous	-	-	-	-
	-	-	-	-
<b>STORES &amp; SPARES:</b>				
(Direct and Stores & Spares booked in Mine Development, Shut-down and Fuel)				
Imported	-	0.37	-	36.43
Indigenous	100.00	99.63	11863.78	9929.66
	<b>100.00</b>	<b>100.00</b>	<b>11863.78</b>	<b>9966.09</b>

**40.4 C.I.F. value of imports**

Raw Material			-	-
Components, spare parts and stores			-	681.05
			<b>0.00</b>	<b>681.05</b>

**40.5 Expenditure in foreign currency**

Travelling			81.45	0.00
Others (Including CIF value of imports as above)			23.39	791.20
			<b>104.84</b>	<b>791.20</b>

**40.6 Earning in foreign Exchange**

Export of Goods (FOB)			29266.69	35249.89
			<b>29266.69</b>	<b>35249.89</b>



<b>40.7 Payment to Whole Time Directors</b>				
Salaries and allowances			144.76	108.57
Company's contribution to provident and other funds			12.64	8.08
Re-imburement of Medical expenses			1.17	0.08
Leave Encashment			16.65	1.44
Gratuity			-	0.00
Other Benefits			21.01	29.66
			<b>196.24</b>	<b>147.83</b>

**Note :**

In addition, the Whole Time Directors are allowed the use of company car for private purpose and have been provided with residential accomodation as per terms of their appointment/Government guidelines





## INDEPENDENT AUDITOR'S REPORT

To  
The Members of Hindustan Copper Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **Hindustan Copper Limited** (hereinafter referred to as the "Holding company") and its one subsidiary company (Holding and its subsidiary together referred to as "the Group") and its one jointly controlled entity, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the **Consolidated Financial Statements**").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the other auditor's report on the audit of financial statements of subsidiary company and the unaudited financial statements of the jointly controlled entity, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the **Act**") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entity as at March 31, 2023, and its consolidated profit (including Other Comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*" section of our report. We are independent of the Group and its jointly controlled entity in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountants of India and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report as referred in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Emphasis of Matter

We draw attention to the following matters:

- Note No. 40(1)(i) of the accompanying Consolidated Financial Statements which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Company by various parties and Government authorities;
- Note No. 40(5) of the accompanying Standalone Financial Statements which states that the Lease agreement for Rakha Mining Lease at the Indian Copper Complex was valid up to 28.08.21. It is also to be noted that the Lease agreement for Kendadih mines expire on 02.06.23. Application for renewal for both the lease agreements have been submitted as per regulations, and is currently under process.
- Note 40(5) of the Standalone Financial Statements which states that the mined-out ore kept at pit top of Surda mine has not been transported to the Concentrator Plant since July 2022, due to non-issuance of challan/permit by State Authorities, Jharkhand due to non-receipt of Surda Lease Deed, which is under process. Consequently the vendor bills are lying unprocessed and further extraction of ore is currently not happening.



- d) Note No.40(6) the accompanying Consolidated Financial Statements wherein the Company has made assessment of possible impairment loss during the year with respect to Plant and Machinery at the Nickel Plant and Moubhandar Plant, having book value of ₹5,649.07. The study revealed that the fair market value of the specified Plant and Machinery as on 31st March 2023, was higher than their Book value and consequently there was no requirement to recognize any Impairment Loss during the year, as per provisions of Ind AS 36
- e) Note No.40(7) of the accompanying Consolidated Financial Statements which states that the title deeds for freehold and leasehold land and building acquired in respect of Gujarat Copper Project (GCP) with book value of ₹4,756.01 Lakh (PY:-₹5,026.13 Lakh) as at March 31,2023 are yet to be executed in favor of the Company;
- f) Note No.40(9) of the accompanying Consolidated Financial Statements wherein, balances under the head Claims Recoverable, Loans & Advances, Deposits from and with various parties and certain balances of trade receivables, trade payables and other current liabilities have not been confirmed as at March 31, 2023, although letters seeking confirmation of balances had been sent out by the Company. Consequential impact upon receipt of such confirmation /reconciliation / adjustments of such balances, if any is not ascertainable at this stage.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SI No.	Key Audit Matters	Auditor's Response
1	<p><b><u>Adjustment of revenue and proper application of Ind AS 115 "Revenue from Contracts with Customers" in respect of accuracy of revenue recognition and adjustments for the ore quality variances involving critical estimates</u></b></p> <p>Referred in Note 2.6 of the Consolidated Financial Statements.</p> <p>The revenue recognized by the Company in any particular contract, is as per the contract terms. There are subsequent adjustments made to the initial transaction price for a) the difference in LME rate considered during the initial transaction and the Quotational Period b) for mismatch in the grade of the Ore.</p> <p>The variation in the contract price for mismatch of grade of the ore, if not settled mutually between the parties to the contract is referred to third party testing.</p> <p>The final adjustment to revenue is then made basis the outcome of the findings of the third party</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have assessed the application of the provisions of Ind AS 115, in respect of the Company's revenue recognition and appropriateness of the estimated adjustments in the process</p> <p>We have selected transactions on sample basis and tested for identification of contracts, involving disagreements relating to grade mismatch, evaluation of the satisfaction of the performance obligation, and checking for the adjustment to the revenue due to variation in the transaction price</p> <p><b><u>Audit Conclusion</u></b></p> <p>No material exceptions identified</p>
2.	<p><b><u>Provisions recognized and Contingent liabilities disclosed with respect to certain legal and tax matters</u></b></p> <p>The Group and its jointly controlled entity is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities.</p> <p>Management's disclosures with regards to contingent</p>	<p><b><u>Principal Audit Procedure</u></b></p> <p>Our audit procedures relating to provisions recognized and contingencies disclosed regarding certain legal and tax matters included the followings:</p> <ul style="list-style-type: none"> <li>Understanding and evaluating the design and operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the Consolidated Financial Statements in respect of these matters;</li> </ul>



SI No.	Key Audit Matters	Auditor's Response
	<p>liabilities are presented in Note No.40(1) (i) to the Consolidated Financial Statements. The assessment of the risks associated with the litigations is based on complex assumptions. This requires use of judgment to establish the level of provisioning, increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed.</p>	<ul style="list-style-type: none"> <li>■ Obtaining details of legal and tax matters, inspecting the supporting documents to evaluate management's assessment of probability of outcome and the magnitude of potential loss, and testing related to provisions and disclosures in the Consolidated Financial Statements</li> <li>■ Reviewing orders and other communication from regulatory authorities and management responses thereto;</li> <li>■ Reviewing management expert's legal advice and opinion as applicable, obtained by the Holding company's management for evaluating certain legal matters and evaluating competence and capabilities of the experts; and</li> <li>■ Using auditor's own judgment in evaluating certain significant and complex direct and indirect tax matters</li> </ul> <p><b>Audit Conclusion</b> No material exceptions identified</p>
3	<p><b><u>Assessment of indication of impairment and the recoverable amount of cash generating units (CGUs)</u></b></p> <p>Refer Note No. 40(6), of the accompanying Consolidated Financial Statements.</p> <p>There is an assessment done by the Company at the end of each reporting period for any indication that an asset may be impaired.</p> <p>Based on such indications, impairment testing was performed by the management with the help of an independent third party, in accordance with the requirements of Ind AS 36 "Impairment of Assets" for their Nickel Plant and Moubhandar Plant, situated in Ghatshila</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit procedures related to assessment of indication of impairment and recoverable amounts of these CGUs included the followings:</p> <ul style="list-style-type: none"> <li>● Understanding and evaluating the design and operating effectiveness of controls for identification and assessment of any potential impairment, including determining the carrying amount and recoverable amount of the CGUs;</li> <li>● Relying on the report of external agency appointed solely for evaluating the assessment of impairment at plants this year and calculating the recoverable amount and impairment loss</li> <li>● Using auditor's own judgments/assessment for testing appropriateness of the method and model used for determining the recoverable amount, mathematical accuracy of the models' calculations and evaluating reasonableness of key assumptions used in future cash flow projections such as future use of those assets or management plan;</li> <li>● Testing related presentation and disclosures in the Consolidated Financial Statements.</li> </ul> <p><b>Audit Conclusion</b> No material exceptions identified</p>
4.	<p><b><u>Valuation of employees' defined benefit obligations and other long term benefits</u></b></p> <p>The company has recognized long-term employee benefit liabilities and defined benefit obligations, (net of planned plan asset against funded gratuity obligation) in the Standalone Financial Statements.</p> <p>The valuation of employee benefit obligations is dependent on market conditions and assumptions made. The key audit matter specifically relates to</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit procedures relating to the valuation of employees defined benefit obligations and other long term benefits included the following :</p> <ul style="list-style-type: none"> <li>● In testing the valuation, we have examined the reports of external actuarial specialists to review the key actuarial assumptions, and the methodology adopted for the calculation of the liability</li> </ul>



SI No.	Key Audit Matters	Auditor's Response
	the following key assumptions, like Discount rate, Life expectancy and Inflation forecasts. The setting of these assumptions is complex, and involves the exercise of significant judgment on the part of the Management along with the external Actuarial Specialists.	<ul style="list-style-type: none"> <li>We evaluated the assumption made by the management and the Actuary to ensure that they are consistent with the principles of Ind AS 19</li> </ul> <p><b>Audit Conclusion</b> Based on the above procedures, we are satisfied that the methodology and assumptions applied in relation to determining the liabilities are acceptable</p>

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors, Management Discussion and Analysis Report, Report on CSR activities, Business Responsibility Report, Corporate Governance Report and other annexure to Directors Report including Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. The Report of the Board of Directors including annexures and other related statements forming part of the Holding company's annual report is expected to be made available to us after the date of this audit report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

If, based on the Report of the Board of Directors including annexures and other related statements which form part of the annual report and made available to us after the date of this audit report, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and consolidated cash flows of the Group and its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and its Jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Jointly controlled entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the Consolidated Financial Statements by the Directors of the Holding company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for assessing the ability of the Group and its Jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group and its jointly controlled entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its jointly controlled entity is also responsible for overseeing the financial reporting process of the Group and its jointly controlled entity.



### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the companies within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the companies included in the consolidated financial statements of which we are the Independent auditors. For the other companies included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit



matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements / financial information of one Subsidiary company namely Chhattisgarh Copper Limited whose financial statements / financial information reflect total assets of ₹8.75 Lakh as at March 31, 2023, Group's share of total revenue of ₹ Nil for the period from 1st April 2022 to 31st March 2023 and net cash outflows amounting to ₹0.49 lakh for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements / financial information of subsidiary company have been audited by other auditor and whose report has been furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to amount and disclosures included in respect of this subsidiary company, is based solely on the report of such other auditor and the procedures performed by us are as stated in paragraph above.

The Consolidated Financial Statements include the unaudited financial statements for the year ended March 31, 2023 of one jointly controlled entity namely Khanij Bidesh India Limited, whose financial statements / financial information reflect total assets of ₹3,215.25 Lakh as at March 31, 2023 and Group's share of total revenue of ₹ 132.63 Lakh for the period from 1st April 2022 to 31st March 2023, as considered in the Consolidated Financial Statements. These unaudited financial statements / financial information, which are not material to the Group, have been certified by the Holding company's management and furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to amount and disclosures included in respect of this jointly controlled entity, is based solely on such unaudited financial statements.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

- 1) The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Consolidated Financial Statements as referred in Proviso to Para 2 of the said Order.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements except as reported in Clause (c) of the "Emphasis of Matters" paragraph above;
  - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended;
  - e) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Companies.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its jointly controlled entity the operating effectiveness of such controls, refer to our separate Report in "**Annexure-A**";
  - g) As per Notification No. GSR 463(E) dated 05-06-2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of Section 197(16) of the Act is not applicable.
  - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to



the explanations given to us:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group and its jointly controlled entity.–[Refer Note No.40 (1) to the accompanying Consolidated Financial Statements];
  - ii. The Group and its jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund at the Holding company. While there were no amount, required to be transferred, to the Investor Education and Protection Fund by the subsidiary company and jointly controlled entity as reported by them.
  - iv. (a) In case of the Holding Company and its subsidiary, CCL and its Joint Venture KABIL, the respective managements have represented, that to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned, or invested ( either from borrowed funds or share premium or any other source or kind of funds) by the Company to or any other person(s) or entity(ies) , including foreign entities (“Intermediaries”), with the understanding , whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“ Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) In case of the Holding Company and its subsidiary, CCL and its Joint Venture KABIL, the respective managements have represented, that to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”) , with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities, identified in any manner whatsoever by, or on behalf of the Funding Party, (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) In case of the Holding Company and its subsidiary, CCL and its Joint Venture KABIL based on such audit procedures, that the respective auditors have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (a) and (b) contain any mutual misstatement
- 3) As required by Section 143(5) of the Act, we give in the “**Annexure-B**”, a statement on the matters specified in the Directions issued by the Comptroller and Auditor General of India in respect of the Group and its jointly controlled entity. This statement has been prepared incorporating the comments of the Auditors’ of the subsidiary company to the extent as reported.
- 4) In case of the Holding Company, the dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act 2013,
- No dividend was declared or paid in case of the subsidiary CCL, or the joint venture KABIL during the year and hence compliance with section 123 of the Companies Act, 2013 is not applicable.

For **Ghoshal and Ghosal**

Chartered Accountants

(Firm's Registration No.FRN 304013E)

CA Siddhartha Pal

Partner

(Membership No.059017)

UDIN: 23059017BGXJVU6834

Place: Kolkata

Date: 19-05-2023



## **“Annexure A” to the Independent Auditor’s Report**

{Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditor’s Report to the Members of Hindustan Copper Limited}

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Financial Statements of the Group and its jointly controlled entity as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Hindustan Copper Limited (hereinafter referred as “the Holding company”) as of March 31, 2023 and considered the report of auditor of the subsidiary company as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, subsidiary company and its jointly controlled entity are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group and its jointly controlled entity considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Group and its jointly controlled entity based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by the Other Auditors in terms of their reports referred to in the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A group’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A group’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group’s assets that could have a material effect on the financial statements.





### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Group has generally maintained, in all material respects, internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Group and its jointly controlled entity considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by The Institute of Chartered Accountants of India.

However further improvement is required in strengthening of the monitoring of the controls in respect of accounting for expenses and fixed assets, confirmation/reconciliation of balances for current and non-current assets, trade payables and other current liabilities. The internal control system for inventories of stores and spares with regard to receipt, issue for production and generation of report from ERP is required to be further strengthened.

There is scope to leverage the ERP to strengthen some of the existing controls, more specifically around Fixed Assets, and generating suitable accounting MIS that aids review of the accounting information.

However, our opinion is not qualified in respect of the above matters

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to the subsidiary company, incorporated in India is based on the corresponding report of the auditors of the subsidiary company incorporated in India.. The Joint Venture is unaudited.

For **Ghoshal and Ghosal.**  
Chartered Accountants  
(Firm's Registration No.304013E)

**CA Siddhartha Pal**  
Partner  
(Membership No.059017)  
UDIN: 23059017BGXJUV6834

Place: Kolkata  
Date: 19-05-2023



**"Annexure B" to the Independent Auditor's Report**

{Referred to in Paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report to the Members of Hindustan Copper Limited}

Sl. No.	Details/Directions	Auditor's Reply	Action Taken and Impact on Accounts and Financial statements
1.	Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with financial implications, if any may be stated.	Yes, the Group has system in place to process all the accounting transactions through IT System.	There is no impact on the accounts and Consolidated Financial Statements.
2.	Whether there is any restructuring of any existing loan or cases of wavier/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Based on the information available and as explained to us, there was no restructuring of any existing loan or cases of any waiver/write off of debts/loans/interest etc. made by any lender to the Company due to the Company's inability to repay the loan during FY2022-23	There is no impact on the accounts and Consolidated Financial Statements.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	Based on the information available and as explained to us at the Holding company no funds received/receivable for specific schemes from Central/ State agencies during FY 2022-23	There is no impact on the accounts and Consolidated Financial Statements.

For **Ghoshal and Ghosal,**  
Chartered Accountants  
(Firm's Registration No.304013E)

**CA Siddhartha Pal**

Partner

(Membership No.059017)

UDIN: 23059017BGXJVU6834

Place: Kolkata

Date: 19-05-2023



## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN COPPER LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of consolidated financial statements of Hindustan Copper Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on these financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Hindustan Copper Limited for the year ended 31 March 2023 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Hindustan Copper Limited but did not conduct supplementary audit of the financial statements of its subsidiary company Chhattisgarh Copper Limited and joint venture company Khanij Bidesh India Limited (KABIL) for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the  
Comptroller & Auditor General of India

Atul Prakash  
Principal Director of Audit (Mines)  
Kolkata

Place : Kolkata  
Date: 21.07.2023



(₹ in lakh)

PARTICULARS	Note No.	As at	
		31 <sup>st</sup> March ,2023	31 <sup>st</sup> March, 2022
<b>ASSETS</b>			
(1) <b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	<b>3A &amp; 3B</b>	26995.73	25640.91
(b) Other Intangible Assets	<b>3C &amp; D</b>	3774.29	2518.01
(c) Capital Work In Progress	<b>4</b>	73127.97	68273.65
(d) Financial Assets			
(i) Investments	<b>5</b>	955.15	44.83
(ii) Others	<b>6</b>	1139.45	47.05
(e) Deferred Tax Assets (Net)	<b>7</b>	16370.24	17468.39
(f) Non-Current Tax Assets (Net)	<b>8</b>	2628.16	2628.16
(g) Other Non-Current Assets	<b>9</b>	103412.21	90998.19
(2) <b>CURRENT ASSETS</b>			
(a) Inventories	<b>10</b>	11653.27	11300.18
(b) Financial Assets			
(i) Investments	<b>11</b>	0.00	10.32
(ii) Trade receivables	<b>12</b>	6614.62	8009.98
(iii) Cash and cash equivalents	<b>13</b>	1556.02	25944.71
(iv) Bank Balances other than above	<b>14</b>	28547.49	10622.09
(v) Others	<b>15</b>	2503.16	2547.21
(c) Current Tax Assets (Net)	<b>16</b>	0.00	20.87
(d) Other current assets	<b>17</b>	19249.39	29380.46
<b>Total Assets</b>		<b>298527.15</b>	<b>295455.01</b>
<b>EQUITY AND LIABILITIES</b>			
(1) Equity			
(a) Equity Share Capital	<b>18</b>	48351.20	48351.20
(b) Other Equity	<b>19</b>	159866.23	142771.86
Attributable to Non Controlling Interest			
(a) Equity Share Capital		16.51	14.30
(b) Other Equity		(16.50)	(12.97)
<b>Liabilities</b>			
1 <b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	<b>20</b>	1720.21	19312.19
(ii) Lease Liabilities	<b>21</b>	27.54	46.01
(iii) Other financial liabilities	<b>21</b>	996.13	-
(b) Other non-current liabilities	<b>23</b>	1444.53	843.53
(c) Provisions	<b>23</b>	2306.05	2646.29
(2) <b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	<b>24</b>	13918.36	21519.88
(ii) Trade Payables	<b>25</b>	21098.07	20268.38
(iii) Lease Liabilities	<b>26</b>	20.23	21.62
(iv) Other financial liabilities	<b>26</b>	12214.22	10150.03
(b) Other current liabilities	<b>27</b>	23208.65	18130.11
(c) Provisions	<b>28</b>	12709.34	11392.58
(d) Current Tax Liabilities	<b>29</b>	646.38	-
<b>Total Equity &amp; Liabilities</b>		<b>298527.15</b>	<b>295455.01</b>
Corporate Information	<b>1</b>		
Significant Accounting Policies	<b>2</b>		
General Notes on Accounts	<b>40</b>		

The notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For **Ghoshal & Ghosal**  
Chartered Accountants  
FRN 304013E

**C.S.Singhi**  
Company Secretary  
(M No. FCS 2570)

**Ghanshyam Sharma**  
Director (Finance) & CFO  
(DIN 07090008)

**Arun Kumar Shukla**  
Chairman and Managing Director & CEO  
(DIN : 03324672)

**CA Siddhartha Pal**  
Partner  
(M No. 059017)

Place : Kolkata  
Dated : 19.05.2023



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakh except EPS)

	Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>				
I	Revenue from Operations	30	167733.47	182193.34
II	Other Income	31	9587.21	5024.32
III	<b>Total Income (I+II)</b>		<b>177320.68</b>	<b>187217.66</b>
<b>EXPENSES</b>				
IV	Materials Consumed	32	1522.45	13615.25
	Changes in Inventories of Finished Goods, Semi-Finished and Work-In-Process	33	(790.97)	5930.57
	Employee Benefits Expense	34	30453.56	37181.47
	Finance Cost	35	1593.06	2893.91
	Depreciation and Amortisation Expense	36	17492.66	14988.05
	General, Administration & Other Expenses	37	87482.76	74397.06
	<b>Total Expenses (IV)</b>		<b>137753.52</b>	<b>149006.31</b>
V	<b>Profit /(Loss) before exceptional items and tax (III-IV)</b>		<b>39567.16</b>	<b>38211.35</b>
VI	Exceptional items		-	-
VII	<b>Profit /(Loss) before tax (V-VI)</b>		<b>39567.16</b>	<b>38211.35</b>
VIII	<b>Tax Expense</b>	38		
1)	Current Tax		8615.00	2166.77
2)	Deferred Tax		1420.07	(1363.81)
IX	Profit/(Loss) for the period from continuing operations after tax (VII-VIII)		<b>29532.09</b>	<b>37408.39</b>
IX(A)	PROFIT/(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Owners (IX-IX(B))		<b>29535.63</b>	<b>37411.10</b>
IX(B)	PROFIT/(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Non Controlling Interest		<b>(3.54)</b>	<b>(2.71)</b>
X	Profit/(Loss) from discontinued operations		-	(34.70)
XI	Tax expense of discontinued operations		-	(8.73)
XII	Profit/(Loss) from discontinued operations after tax (X -XI)		-	<b>(25.97)</b>
XIII	Profit/(Loss) for the period after tax (IX+XII)		<b>29532.09</b>	<b>37382.42</b>
XIV	Share of Profit/(Loss) of Joint venture/ Associate		<b>10.31</b>	<b>(2.29)</b>
XV	NET PROFIT/(LOSS) FOR THE PERIOD AFTER TAX & SHARE OF PROFIT/(LOSS) OF JV/ ASSOCIATE (XIII+XIV)		<b>29542.40</b>	<b>37380.13</b>
XV(A)	PROFIT/(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Owners (XV-XV(b))		<b>29545.94</b>	<b>37382.84</b>
XV(B)	PROFIT/(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Non Controlling Interest		<b>(3.54)</b>	<b>(2.71)</b>
XVI	OTHER COMPREHENSIVE INCOME /(LOSS)	39		
a(i)	Items that will not be reclassified to Profit / (Loss)		<b>(1279.09)</b>	<b>(2969.07)</b>
a(ii)	Income Tax relating to items that will not be reclassified to Profit / Loss		<b>321.92</b>	<b>747.26</b>
b(i)	Items that will be reclassified to Profit / (Loss)		-	-
b(ii)	Income Tax relating to items that will be reclassified to Profit/ (Loss)		-	-
XVII	TOTAL COMPREHENSIVE INCOME /(LOSS) FOR THE PERIOD (XV+XVI)			
	(Comprising Profit/(Loss) and Other Comprehensive Income for the period)		<b>28585.23</b>	<b>35158.32</b>
	Attributable to Owners of the Company		<b>28588.77</b>	<b>35161.03</b>
	Non Controlling Interest		<b>(3.54)</b>	<b>(2.71)</b>
XVIII	Earning per equity share (for continuing operations)			
1	Basic (₹)		3.06	3.87
2	Diluted (₹)		3.06	3.87
XIX	Earning per equity share (for discontinued operations)			
1	Basic (₹)		-	(0.00)
2	Diluted (₹)		-	(0.00)
XX	Earning per equity share (for discontinued & continuing operations)			
1	Basic (₹)		3.06	3.87
2	Diluted (₹)		3.06	3.87
	<b>Corporate Information</b>	1		
	<b>Significant Accounting Policies</b>	2		
	<b>General Notes on Accounts</b>	40		

The notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For **Ghoshal & Ghosal**  
Chartered Accountants  
FRN 304013E

**C.S.Singhi**  
Company Secretary  
(M No. FCS 2570)

**Ghanshyam Sharma**  
Director (Finance) & CFO  
(DIN 07090008)

**Arun Kumar Shukla**  
Chairman and Managing Director & CEO  
(DIN : 03324672)

**CA Siddhartha Pal**  
Partner  
(M No. 059017)

Place : Kolkata  
Dated : 19.05.2023



**Statement of Changes in Equity**

<b>A . Equity Share Capital</b>		(₹ in lakh)		
Balance at the 1 <sup>st</sup> April, 2021	Changes in equity share capital due to prior period errors	Restated balance as on 1 <sup>st</sup> April, 2021	Changes in equity share capital during the year	Balance at the 31 <sup>st</sup> March, 2022
46260.90	-	-	2090.30	48351.20

**B. Other Equity**

Particulars	General Reserve	Capital Reserve	Share Premium Account	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the April 1,2021	8965.97	21166.24	0.00	313.00	(870.84)	33079.32	62653.69
Dividends paid	-	-	-	-	-	(3384.58)	(3384.58)
Profit for the Year After Tax - Attributable to Owners	-	-	-	-	-	37382.84	37382.84
Profit for the Year After Tax - Attributable to Non Controlling Interest	-	-	-	-	-	(2.71)	(2.71)
Other Comprehensive Income (net of tax)	-	-	-	-	-	(2221.81)	(2221.81)
Amount addition during the year	-	-	47909.70	75.00	346.76	-	48331.46
Amount used during the year	-	-	-	-	-	-	-
Balance at the March31,2022	8965.97	21166.24	47909.70	388.00	(524.08)	64853.06	142758.89

**A . Equity Share Capital**

<b>A . Equity Share Capital</b>		(₹ in lakh)		
Balance at the 1 <sup>st</sup> April, 2022	Changes in equity share capital due to prior period errors	Restated balance as on 1 <sup>st</sup> April, 2022	Changes in equity share capital during the year	Balance at the 31 <sup>st</sup> March,2023
48351.20	-	-	-	48351.20

**B. Other Equity**

Particulars	General Reserve	Capital Reserve	Share Premium Account	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the April 1,2022	8965.97	21166.24	47909.70	388.00	(524.08)	64853.06	142758.89
Dividends paid	-	-	-	-	-	(11217.48)	(11,217.48)
Profit for the Year After Tax - Attributable to Owners	-	-	-	-	-	29545.94	29545.94
Profit for the Year After Tax - Attributable to Non Controlling Interest	-	-	-	-	-	(3.54)	(3.54)
Other Comprehensive Income (net of tax)	-	-	-	-	-	(957.17)	(957.17)
Amount addition during the year	-	-	-	-	111.08	-	111.08
Amount used during the year	-	-	-	(388.00)	-	-	(388.00)
Balance at the March31,2023	8965.97	21166.24	47909.70	-	(413.00)	82220.81	159849.72

In terms of our report of even date attached.

For **Ghoshal & Ghosal**  
Chartered Accountants  
FRN 304013E  
**CA Siddhartha Pal**  
Partner  
(M No. 059017)

**C.S.Singhi**  
Company Secretary  
(M No. FCS 2570)

**Ghanshyam Sharma**  
Director (Finance) & CFO  
(DIN 07090008)

For and on behalf of the Board of Directors

**Arun Kumar Shukla**  
Chairman and Managing Director & CEO  
(DIN : 03324672)

Place : Kolkata  
Dated : 19.05.2023



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakh)

	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>NET PROFIT/ (LOSS) BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS</b>	<b>39567.16</b>	<b>38211.35</b>
Adjusted for :		
Depreciation	2626.93	3570.49
Foreign Currency Fluctuation	991.04	287.81
Provisions charged	878.71	9234.94
Provisions written back	(5381.85)	(860.11)
Interest expense	1593.06	2893.91
Amortisation	14865.73	11260.14
Interest income	(2146.68)	(1727.01)
Loss / (Profit) on disposal of fixed assets	(165.40)	(59.75)
<b>OPERATING PROFIT/ (LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>52828.70</b>	<b>62811.77</b>
Adjusted for :		
Decrease/ (Increase) in Trade & other Receivables	2401.83	7887.32
Decrease/ (Increase) in Inventories	(317.06)	6197.51
Decrease/ (Increase) in Current & Non-Current assets	10813.53	12780.79
Increase/ (Decrease) in Current & Non-Current Liabilities	9478.12	25404.24
<b>CASH GENERATED FROM OPERATIONS</b>	<b>75205.12</b>	<b>115081.63</b>
Tax Refund received	-	-
Taxes paid (Net)	(7847.49)	(9857.37)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>67357.63</b>	<b>105224.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(10187.53)	(22479.59)
Sale of Fixed Assets	236.54	118.50
Interest received	1671.20	1532.74
Investment in Joint Venture / Subsidiary	(906.30)	-
Mine Development Expenditure	(24544.07)	(19,565.46)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(33730.16)</b>	<b>(40393.81)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Non-Current borrowings / (Loan repaid)	(25301.85)	(68684.17)
Issue of Equity Share Capital	-	2090.30
Share premium on Equity Share Capital	-	47909.70
Dividends paid	(11217.48)	(3384.58)
Interest paid	(1725.83)	(3042.89)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(38245.16)</b>	<b>(25109.04)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4617.69)</b>	<b>39721.41</b>
<b>CASH AND CASH EQUIVALENTS - opening balance</b>	<b>31535.44</b>	<b>(8185.97)</b>
<b>CASH AND CASH EQUIVALENTS - closing balance</b>	<b>26917.75</b>	<b>31535.44</b>
( details in Annexure - A )		

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For **Ghoshal & Ghosal**  
Chartered Accountants  
FRN 304013E

**C.S.Singhi**  
Company Secretary  
(M No. FCS 2570)

**Ghanshyam Sharma**  
Director (Finance) & CFO  
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**Arun Kumar Shukla**  
Chairman and Managing Director & CEO  
(DIN : 03324672)

**CA Siddhartha Pal**  
Partner  
(M No. 059017)  
Place : Kolkata  
Dated : 19.05.2023



**ANNEXURE - A**

(₹ in lakh)

<b>1</b>	<b>CASH AND CASH EQUIVALENTS - opening balance</b>	<b>01/04/2022</b>	<b>01/04/2021</b>
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	25944.46	857.65
ii)	Current Financial Assets - Bank Balance other than above (Note 14) (Excluding Unpaid Dividend of ₹ 16.48 Lakh)	10605.21	210.05
iii)	Current Financial Assets - Investments (Note 11)	10.32	9.95
iv)	Non-current Financial Assets - Others (Note 6)	47.05	13.89
v)	Current Financial Liabilities - Borrowings (Note 24) (Excluding Long Term Loans of ₹ 16448.28 lakh)	(5071.60)	(9277.51)
		<b>31535.44</b>	<b>(8185.97)</b>
	<b>CASH AND CASH EQUIVALENTS - closing balance</b>	<b>31/03/2023</b>	<b>31/03/2022</b>
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	1554.18	25944.16
ii)	Current Financial Assets - Bank Balance other than above (Note 14) (Excluding Unpaid Dividend of ₹ 25.21 Lakh)	28522.28	10605.21
iii)	Current Financial Assets - Investments (Note 11)	-	10.32
iv)	Non-current Financial Assets - Others (Note 6)	1139.45	47.05
v)	Current Financial Liabilities - Borrowings (Note 24) (Excluding Long Term Loans of ₹ 9618.36 lakh)	(4300.00)	(5071.60)
		<b>26915.91</b>	<b>31535.44</b>
2.	The Cash Flow Statement has been prepared as set out in Indian Accounting Standard (IND AS) 7 : STATEMENT OF CASH FLOWS, as amended by Companies (Indian Accounting Standards) (Amendment) Rules 2016. This is the Cash Flow Statement referred to in our report of even date attached.		





## 1. Corporate Information

Hindustan Copper Limited, established in 1967 and domiciled in India is a Central public sector undertaking under the administrative control of Ministry of Mines, Government of India. The registered office of the Group is situated at Kolkata. The principal activities of the Company are exploration, exploitation, mining of copper and copper ore including beneficiation of minerals, smelting and refining. The Company has copper mines & concentrator plants in Malanjkhand Copper Project at Madhya Pradesh (MCP), Khetri Copper Complex at Rajasthan (KCC) and Indian Copper Complex, Ghatsila at Jharkhand (ICC). The company has facilities of Smelter & Refinery plant at ICC and Gujarat Copper Project, Gujarat (GCP) for production of copper cathode and thereafter conversion of cathode to Copper wire rod at Taloja Copper Project, Taloja, Maharashtra (TCP). The Group is primarily engaged in the business of mining and processing of copper ore, which has been grouped as a single segment in accordance with the 'Ind AS 108 - Operating. The Group is listed with BSE Ltd. and National Stock Exchange of India Ltd.

Chhattisgarh Copper Limited (CCL), established on 21.05.2018 and domiciled in India, is a Joint Venture Company (JVC) formed between Hindustan Copper Limited (HCL) and Chhattisgarh Mineral Development (CMD) for exploration, mining and beneficiation of copper and its associated minerals in the State of Chhattisgarh. Since HCL holds 74% equity in JVC, it is also a Subsidiary of HCL as per Section 2(87) of the Companies Act, 2013.

## 2. Significant Accounting Policies

### 2.1 Basis of Accounting

The financial statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under Companies Act, 2013.

### 2.2 Basis of consolidation

#### 2.2.1 Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses, Intercompany transactions, balances and unrealized gains on transactions between Company companies are eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

#### 2.2.2 Joint Ventures

Joint Ventures are those joint arrangements whereby the Company is having rights to the net assets of the arrangements. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost.

#### 2.2.3 Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of post-acquisition profit or losses of the investee in profit and loss, and the Company's share of Other Comprehensive Income of the investee in the Other Comprehensive Income.

### 2.3 Application of Indian Accounting Standards (Ind-AS)

The Group adopted Indian Accounting Standards (Ind AS) from April 1, 2016 and accordingly the financial statements have been prepared in accordance with the recognition and measurement principles as notified by MCA under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS Rules"), as amended and other relevant provisions of the Companies Act, 2013.

The Group has complied all the Ind AS as applicable and relevant to the Group.



#### 2.4(i) Use of Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revision to accounting estimates are recognised in the period on which the estimates are revised and, if material their effects are disclosed on the notes to the financial statements.

#### ii) Changes in Accounting Policies and Errors

- a) Any change in Accounting Policy is applied retrospectively, unless impracticable, adjusting the opening balance of each affected component of equity for the earlier prior period presented and the other comparative amount disclosed for each period presented.
- b) Errors/omissions discovered in the current year relating to prior periods are treated immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total Revenue from Operation (Net of statutory levies) as per the last audited financial statement of the Group.

#### 2.5 Current and Non-current Classification

The Group presents assets and liabilities in the Balance sheet based on current/non-current classification. An asset are treated as current by the Group when:

- a) its expects to realize the asset, or intends to sell or consume it in its normal operating cycle;
- b) it holds the assets primarily for the purpose of trading;
- c) it expects to realize the asset within twelve months after the reporting date; or
- d) the asset is cash or cash equivalent (as defined under Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Except the above, all other assets are classified as Non-current.

A liability is treated as current by the Group when:

- a) its expects to settle the liability realize the asset, or intends to sell or consume it in its normal operating cycle;
- b) it expects to settle the liability in its normal operating cycle;
- c) it holds the liability primarily for the purpose of trading;
- d) the liability is due to be settled within twelve months after the reporting period; or
- e) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Except the above, all other liabilities are classified as non-current.

#### 2.6 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and fair value has been defined taking into account contractually defined terms of payment. Operating revenue recognized is net of all promotional expenses and discounts, rebates and/or any other incentive to customers.

##### Sale of Products

An entity shall account for a sale contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods to be transferred;
- (c) the entity can identify the payment terms for the goods to be transferred;



- (d) the contract has commercial substance i.e the risk, ownership, timing or amount of the entity's future cash flows etc is expected to change as a result of the contract; and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods that will be transferred to the customer.

In case of sale of Copper Concentrate, Copper Reverts, Anode Slime etc. and tolling of Copper Concentrate of Khetri and Malanjkhand origin, sales / tolling at the end of the accounting period are recorded on provisional basis as per standard parameters for want of actual specifications and differential sales value are recorded only on receipt of actual. This is as per consistent practice followed by the Group.

### **Sale of Services**

Income from conversion of job work is accounted for on the basis of actual quantity dispatched. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

### **Other Operating Revenues**

#### **a. Sale of Scrap**

Sale of Scrap is accounted for on delivery of material.

#### **b. Interest from Customers**

In case of credit sales, interest up to the date of Balance Sheet on all outstanding bills is accounted for on accrual basis.

#### **c. Interest from Contractors against mobilisation advance for mining operations**

Interest up to the date of Balance Sheet on all mobilisation advances for mining operations is accounted for on accrual basis.

#### **d. Penalty and Liquidated Damages**

Penalty and liquidated damages are accounted for as and when these are realised by the company as per contract terms.

### **Other Income**

#### **a. Claims**

Claims are recognized in the Statement of Profit & Loss (Net of any payable) including receivables from Government towards subsidy, cash incentives, reimbursement of losses, etc, when there is certainty of realisation of such claim and that can be measured reliably.

#### **b. Dividend and Interest from Investments**

Dividend income from Investments is recognised in the Statement of Profit and Loss when the right to receive the dividend has been established and it is certain that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest Income from a financial asset is recognised using Effective Interest Method. When it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

#### **c. Profit on Sale of Investment**

Profit on sale of investment is recognised upon transfer of title by the Group and is determined as the difference between the sales price and the then carrying value of the investment.

#### **d. Provisions not required written back**

Provisions/Liabilities created from business activities in earlier years no longer required are accounted for.

#### **e. Others**

Any other income is recognised on accrual basis.



## 2.7 Employees Benefit

### Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss. Past service cost is recognized in Statement of Profit or Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- i. Service cost (including current service cost, past service cost, etc.);
- ii. Net interest expense or income; and
- iii. Re-measurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'employee benefits expense'.

The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Group defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

### Deficit in Provident Fund

Deficit, if any, in the accounts of Provident Fund Trust ascertained on the basis of last audited accounts of the Trust is accounted for as a charge to Revenue.

## 2.8 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated using the effective interest method and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

## 2.9 Taxation

Income tax expense represents the sum of current tax and deferred tax.

**Current tax**

The current tax payable is based on taxable profit for the year as determined from net profit before tax as represented in Statement of Profit and Loss and Other Comprehensive Income, in line with different provisions under Income Tax Act 1961. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**Current and Deferred Tax for the year**

Current and deferred tax are recognized in Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**2.10 (a) Property Plant and Equipments (PPE)**

The cost of an item of PPE is recognized as an asset if and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i. Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii. Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Group incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The Group has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Pending reconciliation/receipt of the final bills against capital items, capitalization is done on the basis of cost booked and depreciation is charged accordingly. Price differences, if any, are adjusted in the year of finalization of bills.

In respect of expenditure during construction/development of a new unit/project in a new location, all direct capital expenditure as well as all indirect expenditure incidentals to construction are capitalized allocating to various items of PPE on an appropriate basis. Expansion programme involving construction concurrently run with normal production activities in an existing unit, all direct capital expenditure in relation to such expansion are capitalized but indirect expenditure are charged to revenue. Borrowing costs that are attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.



Expenses incurred for implementation of new projects are carried forward against respective projects till execution. Expenses rendered in fructuous projects abandoned subsequently are provided for in the Statement of Profit & Loss. Physical verification of PPE is conducted every year so that all the units/offices are covered once in a block of three years interval. Shortage/(Excesses), if any, identified on such physical verification is duly adjusted in the books of accounts in the year of identification.

### **Depreciation and Amortization**

The Group has used the exemption available in Ind AS 101 with respect to recognition of Plant, Property and Equipment (PPE) and Intangible Assets at their carrying value being deemed cost.

The depreciable amount of an item of PPE is allocated on a straight line basis over its useful life prescribed in Part C of Schedule II of the Companies Act, 2013 or actual useful life of assets assessed by the Technical Committee of the Group, whichever is lower. The residual value and the useful life of an asset are reviewed, at each financial year-end. Component of an item of PPE with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from that of the asset. The Company has chosen a benchmark of ₹ 100 lakh as significant value for identification of a separate component. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. The residual value of all such items is taken at 5% of the original cost of individual asset.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Certain consumable items of small value whose useful life is very limited are directly charged to revenue in the year of purchase.

From the date Ind AS came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per estimate of remaining useful life. Wherever, the remaining useful life of an asset is nil, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.

### **2.10 (b) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. An internally generated intangible asset arising from development is recognized if all the conditions stipulated in "Ind AS 38-Intangible Asset" are met. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date and its useful life is reviewed in each reporting period to determine whether events and circumstances continue to support an indefinite useful life estimate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

Mining rights are treated as intangible assets and all related costs thereof are amortised over their respective estimated useful life on straight line basis.

Intangible Assets other than Software are amortized over estimated useful life which is equivalent to license period, generally not more than 5 years.



Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use with a nil residual value. Otherwise the cost of software will be charged in the year of incurrence.

## 2.11 Capital Work in Progress

Assets in the course of construction are included under capital work –in-progress and are carried at cost, less any recognized impairment loss. Such capital work-in-progress, on completion, is transferred to the appropriate category of property, plant and equipment.

### 2.11 (a) Mine Development Expenditure

**In case of underground mines :** The expenditure on development of a new mine in all cases and on subsequent development of a working mine is capitalized and depleted on the basis of ore raised during the year and the mineable ore reserves estimated from time to time.

**In case of working mines, where development activities are going on simultaneously:** Expenses are apportioned between capital and revenue on the basis of in-house technical estimates. Once a level is declared as ready for production any ore generated from that level is considered as production ore level.

**In respect of open cast mines :** The expenditure on removal of waste and overburden, is capitalized and the same is depleted in relation to actual ore production during the year on the stripping ratio which is re-assessed periodically based on the estimated ore reserve as well as the quantity of waste excavation in respect of open cast mines. Subsequently, If any ore is reclaimed from overburden, the same is included in inventory at a value based on opening rate of mine development expenditure with a corresponding credit in Mine development expenditure.

Expenditure incurred on development of new deposits are capital in nature and is included in mine development expenditure. If subsequently the development activities are found to be not viable, the expenditure on such development work included in mine development expenditure is written off in the year in which it is decided to abandon the project.

If a working mine is closed due to economic reasons, the un-depleted value of Mine Development Expenditure related to that mine is provided in the books of accounts in the year in which it is decided to close or suspend operation of the mine. If later on, the closed / suspended mines are re-opened and the Group remains the owner of the mines, the unamortized Mine Development Expenditure which was fully provided in the year of closure will be written back in the books of accounts in the year of re-opening and the Group will be depleting it year wise based on the estimated remaining life of that mine.

### 2.11(b) Accounting Policy for Accounting of Incidental Ore raised during construction/expansion/development of Mines

**In case of Sale of Products** processed out of Incidental Ore raised during Mine construction / expansion/ development, the derived realisable value of ore raised is credited to Capital Work in Progress / Mine Development Expenditure as the case may be, with a corresponding charge to the Statement of Profit/(Loss), under the head 'Cost of Materials Consumed' with sub-head "Value of Ore Raised during Mine construction/expansion/development" by the same amount. The sale proceeds of such sale is included in aggregate Turnover in the Statement of Profit /(Loss).

**In case of Incidental Ore raised during Mine construction /expansion/ development not processed and is held as stock on the closing date,** the cost of ore or derived realisable value whichever is lower, is credited to Capital Work in Progress/Mine Development Expenditure with corresponding debit to cost of Inventory as the case may be. However, Inventory under this head should not be accumulated for a period more than six months.

### 2.12(c) Mineral Exploration and Evaluation Expenditures

#### 2.12(c)(i) Pre-exploration costs

Pre-exploration costs are expensed in the period in which they are incurred.



### 2.12(c) (ii) **Exploration and Evaluation Assets (E & E Assets)**

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as acquisition of rights to explore, materials used, topographical, geological, geochemical and geophysical evaluation, surveying costs, sampling, drilling costs, activities in relation to evaluation of technical feasibility and commercial viability of extracting a mineral resource, consultancy cost, payments made to contractors etc. during the exploration phase. Costs not directly attributable to exploration and evaluation activities are expensed in the period in which they occur.

Administrative and general overhead cost that are directly attributable to the assets are capitalized as E & E Assets.

E & E Assets may be tangible or intangible. To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption may be part of the cost of the intangible asset created. However, the asset being used remains a tangible asset.

When a project is deemed to no longer have commercially viable prospects for the Group, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to Statement of Profit & Loss.

The Group assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction".

Exploration and evaluation Assets are also tested for impairment before the assets are transferred to development properties.

As the Group currently has not commenced commercial operations, any incidental revenues, including receipt of input tax credit receivables, earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

### 2.13 **Overhauling Expenses**

Revenue expenditure attributable to overhaul of smelter and/ or refinery is charged off to the Statement of Profit & Loss in the year of incurrence.

### 2.14 **Mine Closure Expenditure & Decommissioning/Site restoration liability**

Financial implications towards final mine closure plans under relevant Acts and Rules are technically estimated and Mine Closure liability is created based on the estimated life of the mines over the period by charging the same to Statement of Profit and Loss.

### 2.15 **Non-Current Assets Held for Sale**

The Group classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset (or all the assets and liabilities in the group) are to be measured in accordance with applicable Indian Accounting Standards. The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification except as permitted by Ind AS 105.

### 2.16 **Inventories**

Stocks of stores and spare parts, loose tools and materials-in-transit are valued at the lower of the net realizable value





and cost. The raw materials are also valued at the lower of the net realizable value and weighted average cost to the unit if the finished goods in which they will be incorporated are expected to be sold below cost. Loose tools when issued are charged off to revenue.

Finished goods and work-in-process are valued at the lower of the net realizable value and weighted average cost to the unit. The cost is exclusive of financing cost, such as, interest, bank charges, administration overhead, etc. Ore is valued at cost since its realisable value cannot be ascertained. The value of slag under work-in-process is taken at equivalent value to the extent credited to the process, where the said products have been generated. The reverts under work- in-process are valued at lower of cost (equivalent value of concentrate) and net realizable value.

The stock of anode slime arising from treatment and refining processes are stated at realizable value based on the yearend London Metal Exchange price for gold and silver after making due adjustments of their physical recovery and the treatment and refining charges.

The inventories out of inter-unit transfers (material in transit) at the close of the year are valued and accounted in the books of the transferor unit on the basis of cost plus transportation to the transferee unit or net realisable value whichever is lower.

Imported materials are valued at the lower of the net realizable value and weighted average cost. In the event where final price is not determined valuation is made on provisional cost. Variations are accounted for in the year of finalization.

Provision is made in the accounts every year, for non-moving stores and spares (other than insurance spares) which have not moved for more than five years. Insurance spares are fully provided for on the expiry of the life of the relevant Property Plant and Equipments.

Physical verification of Semi-Finished and In-Process (WIP) and Finished Goods is conducted departmentally in all the units at reasonable intervals during the year by a duly approved committee. Also, physical stock verification of WIP and Finished Goods is undertaken by a duly approved committee at the end of every financial year alongwith an independent agency once in a block of three years. In respect of Stores and Spares, physical verification is carried out by external agencies once in every year covering all the units. Shortage/(Excesses), if any, identified on such physical verification is duly adjusted in the books of accounts in the year of identification

### 2.17 Government Grants

All government grants are recognized as deferred income and it will be taken to Statement of Profit and Loss over the period of time in accordance with the pattern in which the obligations are met.

### 2.18 Impairment of Assets (Other than Financial Assets)

The Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 2.19 Foreign Exchange Transactions

Transactions in currencies other than the Group's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.



At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency monetary items (except overdue recoverable where realizability is uncertain) are converted using the closing rate as defined in the Ind AS-21- The effects of changes in Foreign Exchange Rates. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Statement of Profit and Loss.

In case of long term foreign currency monetary items outstanding as of 31<sup>st</sup> March 2016, liability in foreign currency loans relating to acquisition of fixed assets is converted using the closing rate as defined in Ind AS 21-The effects of changes in Foreign Exchange Rates and the difference in exchange is recognized in terms of exemptions given in paragraph D13AA of Appendix D to Ind AS-101, where the effect of exchange differences on foreign currency loans of the Group is accounted for by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets and shall be depreciated over the balance life of the assets.

Other long term foreign currency monetary items are accumulated in 'Equity Component of Foreign Currency asset/liability Account' and amortized over the balance period of the asset/liability by recognition as income or expense in each of such periods as stated under Para 29A of Ind As 21.

## 2.20 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Wherever no reliable estimate could be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets are not recognised in the financial statements but are disclosed in Notes to the Accounts. Such assets occur when the inflow of economic benefits is probable. Such contingent assets are assessed continuously, if it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

## 2.21 Financial Instruments

### Non Derivative Financial Instruments

#### (i) Initial Recognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### (ii) Subsequent Recognition

##### a. Financial assets

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss.



b. Financial Liabilities

Financial liabilities are subsequently measured at amortized cost using Effective Interest Rate (EIR) method except for derivatives, which are measured at fair value.

**Derivative Financial Instruments**

All derivatives are recognized and measured at fair value with changes in fair value being recognized in profit or loss for the period.

**Impairment of financial assets**

At each reporting date, assessment is made whether the credit risk on a financial instrument has increased significantly or not since initial recognition.

If the credit risk on a financial instrument has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12 month expected credit losses. If the credit risk on that financial instrument has increased significantly since initial recognition, the loss allowance is measured for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

**2.22 Events Occurring after the Reporting Period**

The Group adjusts the amount recognized in its financial statements to reflect adjusting material events after the reporting period and does not adjust the amount to reflect non-adjusting events after the reporting period. However where retrospective restatement is not practicable for a particular prior period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

**2.23 Dividends**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders in General meeting and interim dividends are recorded as a liability on the date of declaration by the directors in the meeting of the Board of Directors.

**2.24 Cash and Cash Equivalents**

Cash and cash equivalent in the Balance Sheet comprise cash at bank and on hand and short term deposit with an original maturity of three months or less which are subject to insignificant risk of changes in value.

**2.25 Rounding of amounts**

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'Rupees in lakh' upto two decimal points.



DESCRIPTION	Owned Assets										Leased Assets (Right of Use)			Grand Total
	Free Hold Land	Buildings including Sanitary and Water Supply System	Plant, Machinery and Mining Equipment	Furniture & Fixtures & Office Equipment	Vehicles	Roads, Bridges and Culverts	Railway Siding	Electrical Equipment and Installation	Shafts and Inclines	Total	Leasehold Land	Vehicle		
<b>Gross Carrying Amount</b>	2446.58	6969.77	40595.53	408.54	236.97	1943.12	293.86	2963.30	444.21	56301.88	1488.20	-	57790.08	
Gross Carrying Amount as at 01.04.2021	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exchange Differences	-	1,907.99	1,304.56 (0.01)	29.05	-	-	-	414.49 (17.89)	1251.96	4908.05 (17.90)	-	83.04	4991.09 (17.90)	
Additions	-	4.22	-	-	-	-	-	-	-	4.22	-	-	4.22	
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer From Discarded Assets	-	-	(200.26)	(0.07)	(1.62)	-	-	-	-	-	-	-	(201.95)	
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer	-	(0.44)	(48.02)	0.37	19.12	(0.48)	-	-	29.27	(0.18)	-	-	(0.18)	
<b>Gross Carrying Amount as at 31.03.2022</b>	<b>2446.58</b>	<b>8881.54</b>	<b>41651.80</b>	<b>437.90</b>	<b>254.47</b>	<b>1942.64</b>	<b>293.86</b>	<b>3359.90</b>	<b>1725.44</b>	<b>60994.13</b>	<b>1488.20</b>	<b>83.04</b>	<b>62565.36</b>	
<b>Accumulated Depreciation &amp; Impairment</b>														
Accumulated Depreciation as at 01.04.2021	-	3156.47	21137.47	204.58	130.00	1433.93	163.35	1899.85	69.95	28195.60	40.19	-	28235.79	
Depreciation charge during the year	-	419.04	2807.20	43.18	23.34	62.06	32.66	189.60 (17.88)	40.86	3617.94 (17.88)	19.75	18.05	3655.74 (17.88)	
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Impairment Losses	-	-	5074.02	0.05	-	-	-	119.93	-	5194.00	-	-	5194.00	
Exchange Differences	-	-	(143.20)	-	-	-	-	-	-	(143.20)	-	-	(143.20)	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Adjustments</b>														
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2022</b>	-	<b>3575.51</b>	<b>28875.49</b>	<b>247.81</b>	<b>153.34</b>	<b>1495.99</b>	<b>196.01</b>	<b>2191.50</b>	<b>110.81</b>	<b>36846.46</b>	<b>59.94</b>	<b>18.05</b>	<b>36924.45</b>	
<b>Net Carrying Amount as at 31.03.2022</b>	<b>2446.58</b>	<b>5306.03</b>	<b>12776.31</b>	<b>190.08</b>	<b>101.13</b>	<b>446.65</b>	<b>97.85</b>	<b>1168.40</b>	<b>1614.63</b>	<b>24147.66</b>	<b>1428.26</b>	<b>64.99</b>	<b>25640.91</b>	
Gross Carrying Amount	2446.58	8881.54	41651.80	437.90	254.47	1942.64	293.86	3359.90	1725.44	60994.13	1488.20	83.04	62565.36	
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additions	-	724.08	2114.69	65.93	-	-	-	397.65	4.56	3306.91	-	-	3306.91	
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer To Discarded Assets	-	-	(69.47)	(1.48)	(0.10)	-	-	(0.01)	-	(71.06)	-	-	(71.06)	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer	-	-	-	-	-	-	-	(0.01)	-	(0.01)	-	-	(0.01)	
<b>Adjustments</b>														
<b>Gross Carrying Amount as at 31.03.2023</b>	<b>2446.58</b>	<b>9605.62</b>	<b>43697.02</b>	<b>502.35</b>	<b>254.37</b>	<b>1942.64</b>	<b>293.86</b>	<b>3757.53</b>	<b>1730.00</b>	<b>64229.97</b>	<b>1488.20</b>	<b>83.04</b>	<b>65801.20</b>	
<b>Accumulated Depreciation &amp; Impairment</b>														
Accumulated Depreciation as at 01.04.2022	-	3575.51	28875.49	247.81	153.34	1495.99	196.01	2191.50	110.81	36846.46	59.94	18.05	36924.45	
Depreciation/Amortisation charge during the year	-	464.96	966.14	38.00	15.27	62.06	31.34	189.10	73.64	1840.51	19.75	20.76	1881.02	
Inter-head Transfer In/(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Impairment Losses	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Adjustments</b>														
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2023</b>	-	<b>4040.47</b>	<b>29841.63</b>	<b>285.81</b>	<b>168.61</b>	<b>1558.05</b>	<b>227.35</b>	<b>2380.60</b>	<b>184.45</b>	<b>38686.97</b>	<b>79.69</b>	<b>38.81</b>	<b>38805.47</b>	
<b>Net Carrying Amount as at 31.03.2023</b>	<b>2446.58</b>	<b>5565.15</b>	<b>13855.39</b>	<b>216.53</b>	<b>85.76</b>	<b>384.59</b>	<b>66.51</b>	<b>1376.93</b>	<b>1545.55</b>	<b>25542.99</b>	<b>1408.51</b>	<b>44.23</b>	<b>26995.73</b>	

Note : HCL has used the exemption available in Ind AS 101 with respect to recognition of Property, Plant, Equipments (PPE) and Intangible Assets at their carrying value.



**Note : 3 (B) Property, Plant and Equipment (Discarded Assets)**

(₹ in lakh)

DESCRIPTION	Free Hold & Lease Hold Land	Buildings including Sanitary and Water Supply System	Plant, Machinery and Mining Equipment	Furniture & Fixtures & Office Equipment	Vehicles	Roads, Bridges and Culverts	Railway Siding	Electrical Equipment and Installation	Shafts and Inclines	Total
<b>Gross Carrying Amount</b>										
Gross Carrying Amount as at 01.04.2021	3.64	181.91	946.38	39.68	23.09	24.93	-	62.23	92.30	1374.16
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Active Assets	-	(4.22)	-	-	-	-	-	-	-	(4.22)
Disposals	-	-	(10.34)	-	(0.41)	-	-	-	-	(10.75)
Impairment Losses	-	-	-	-	-	-	-	-	-	-
<b>Gross Carrying Amount as at 31.03.2022</b>	<b>3.64</b>	<b>177.69</b>	<b>936.04</b>	<b>39.68</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.19</b>
<b>Accumulated Depreciation &amp; Impairment</b>										
Accumulated Depreciation as at 01.04.2021	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	(0.43)	-	-	-	-	-	-	(0.43)
<b>Accumulated Depreciation &amp; Impairment as at 31.03.2022</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>
<b>Net Carrying Amount as at 31.03.2022</b>	<b>3.64</b>	<b>177.69</b>	<b>936.47</b>	<b>39.68</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.62</b>
Less Provisions for Discarded Assets	-	-	-	-	-	-	-	-	-	1359.62
<b>Net Carrying Amount (Net of Provisions) as at 31.03.2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gross Carrying Amount</b>										
Gross Carrying Amount as at 01.04.2022	3.64	177.69	936.04	39.68	22.68	24.93	-	62.23	92.30	1359.19
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Active Assets	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(0.08)	(0.03)	-	-	-	-	-	(0.10)
Impairment Losses	-	-	-	-	-	-	-	-	-	-
<b>Gross Carrying Amount as at 31.03.2023</b>	<b>3.64</b>	<b>177.69</b>	<b>935.97</b>	<b>39.65</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.09</b>
<b>Accumulated Depreciation &amp; Impairment</b>										
Accumulated Depreciation as at 01.04.2022	-	-	(0.43)	-	-	-	-	-	-	(0.43)
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	(0.43)	-	-	-	-	-	-	(0.43)
<b>Accumulated Depreciation &amp; Impairment as at 31.03.2023</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.43)</b>
<b>Net Carrying Amount as at 31.03.2023</b>	<b>3.64</b>	<b>177.69</b>	<b>936.40</b>	<b>39.65</b>	<b>22.68</b>	<b>24.93</b>	<b>-</b>	<b>62.23</b>	<b>92.30</b>	<b>1359.52</b>
<b>Less Provisions for Discarded Assets</b>										
<b>Net Carrying Amount (Net of Provisions) as at 31.03.2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: HCL has used the exemption available in Ind AS 101 with respect to recognition of Property, Plant, Equipments (PPE) and Intangible Assets at their carrying value.



**Note : 3 (C) Other Intangible Assets**

(₹ in lakh)

(₹ in lakh)

DESCRIPTION	Mining Rights	Total 3(C)	Wildlife Conservation Plan Assets	Total 3(D)	Grand Total 3 ( C+D)
<b>Gross Carrying Amount</b>					
Gross Carrying Amount as at 01.04.2021	3072.76	3072.76	-	-	3072.76
Exchange Differences	-	-	-	-	-
Additions	52.61	52.61	-	-	52.61
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
Adjustments	(0.23)	(0.23)	-	-	(0.23)
<b>Gross Carrying Amount as at 31.03.2022</b>	<b>3125.14</b>	<b>3125.14</b>	<b>0.00</b>	<b>0.00</b>	<b>3125.14</b>
<b>Accumulated Depreciation &amp; Impairment</b>					
Accumulated Depreciation as at 01.04.2021	415.02	415.02	-	-	415.02
Depreciation charge during the year	192.11	192.11	-	-	192.11
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Impairment Losses	-	-	-	-	-
Exchange Differences	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2022</b>	<b>607.13</b>	<b>607.13</b>	<b>-</b>	<b>-</b>	<b>607.13</b>
<b>Net Carrying Amount as at 31.03.2022</b>	<b>2518.01</b>	<b>2518.01</b>	<b>0.00</b>	<b>0.00</b>	<b>2518.01</b>
<b>Gross Carrying Amount</b>					
Gross Carrying Amount as at 01.04.2022	3125.14	3125.14	-	-	3125.14
Exchange Differences	-	-	-	-	-
Additions	602.75	602.75	1408.00	1408.00	2010.75
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
Adjustments	-	-	-	-	-
<b>Gross Carrying Amount as at 31.03.2023</b>	<b>3727.89</b>	<b>3727.89</b>	<b>1408.00</b>	<b>1408.00</b>	<b>5135.89</b>
<b>Accumulated Depreciation &amp; Impairment</b>					
Accumulated Depreciation as at 01.04.2022	607.13	607.13	-	-	607.13
Depreciation charge during the year	613.66	613.66	140.80	140.80	754.46
Inter-head Transfer In /(Out)	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-
Impairment Losses	-	-	-	-	-
Exchange Differences	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
Adjustments	-	-	0.01	0.01	0.01
<b>Accumulated Depreciaton &amp; Impairment as at 31.03.2023</b>	<b>1220.79</b>	<b>1220.79</b>	<b>140.81</b>	<b>140.81</b>	<b>1361.60</b>
<b>Net Carrying Amount as at 31.03.2023</b>	<b>2507.10</b>	<b>2507.10</b>	<b>1267.19</b>	<b>1267.19</b>	<b>3774.29</b>



**Note No 4. CAPITAL WORK IN PROGRESS(CWIP)**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Building	279.30	183.63
ii) Plant & Machinery	22902.01	21528.49
iii) Others including Mine Expansion	69254.55	83876.90
<b>TOTAL</b>	<b>92435.86</b>	<b>105589.02</b>
Less: Value of Ore Raised during Mine construction/ expansion	996.77	12939.25
Less: BG Encashment	-	6080.65
Less: Provision	18311.12	18295.47
<b>CLOSING BALANCE</b>	<b>73127.97</b>	<b>68273.65</b>
<b>PROVISION FOR CWIP</b>		
OPENING BALANCE	18295.47	16170.85
Additions during the year	15.65	2124.62
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>18311.12</b>	<b>18295.47</b>

**CWIP ageing schedule**

**Amount in CWIP for a period of**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (₹ in lakh)
i) Projects in progress	2049.73	2705.97	1963.86	66408.41	73127.97
ii) Projects temporarily suspended/Provisioned	-	-	-	18311.12	18311.12
Grand Total	2049.73	2705.97	1963.86	84719.53	91439.09
Less : Provisions made				18311.12	18311.12
Net Balance	2049.73	2705.97	1963.86	66408.41	73127.97

**Note No 5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS**

PARTICULARS	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>i) Investments in equity instruments - (classified as at cost)</b>		
A Joint Venture Company (JVC) named Khanij Bidesh India Limited (KABIL) was formed on 01.08.2019 among National Aluminium Company (NALCO), Hindustan Copper Limited (HCL) and Mineral Exploration Corporation Limited (MECL)		
Investment in JV Company - Khanij Bidesh India Limited (KABIL) (Investment in KABIL 97,50,000 Nos. (Previous Year 7,50,000 Nos. ) of equity shares of ₹10 (Previous Year ₹ 10) each fully paid up as at 31.03.2023)	975.00	75.00
Add/(Less): Group Share of Profits/(Loss) in Jv/Associates upto 31.03.2023	19.85	30.17
<b>TOTAL</b>	<b>955.15</b>	<b>44.83</b>

**Details of JVC**

Principal Activity and place of incorporation	Principal place of business	Proportion of ownership interest / voting rights held by the Company as on 31.03.2022
To identify, explore, acquire, develop, process primarily strategic minerals overseas for supply to India for meeting domestic requirements and for sale to any other countries for commercial use.	New Delhi	30%



ii) Non Trade Investment in Debentures	0.17		0.17	
Less : Provision for diminution in value	0.17	-	0.17	-
<b>TOTAL</b>		<b>955.15</b>		<b>44.83</b>
<b>AGGREGATE BOOK VALUE - UNQUOTED</b>		<b>955.15</b>		<b>44.83</b>
<b>AGGREGATE BOOK VALUE - QUOTED</b>		<b>Nil</b>		<b>Nil</b>
<b>MARKET PRICE OF QUOTED INVESTMENT</b>		<b>-</b>		<b>-</b>

**Note No 6 NON - CURRENT FINANCIAL ASSETS - OTHERS**

(₹ in lakh)

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
Bank deposits with more than 12 months maturity		
- With scheduled banks	1139.45	47.05
<b>TOTAL</b>	<b>1139.45</b>	<b>47.05</b>

**Note No 7. DEFERRED TAX ASSETS (NET)**

(₹ in lakh)

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
<b>i) DEFERRED TAX ASSET</b>		
OPENING BALANCE	17557.13	16008.38
Adjustment/Credit during the year	(763.80)	1548.75
<b>CLOSING BALANCE</b>	<b>16793.33</b>	<b>17557.13</b>
<b>ii) DEFERRED TAX LIABILITY</b>		
OPENING BALANCE	(2144.95)	(1960.01)
Adjustment/Credit during the year	(656.27)	(184.94)
<b>CLOSING BALANCE</b>	<b>(2801.22)</b>	<b>(2144.95)</b>
<b>i)-ii) DEFERRED TAX ASSETS / (LIABILITIES) (Net)</b>	<b>13992.11</b>	<b>15412.18</b>
<b>iii) DEFINED BENEFIT PLANS</b>		
OPENING BALANCE	2056.21	1308.95
Adjustment/Credit during the year	321.92	747.26
<b>CLOSING BALANCE</b>	<b>2378.13</b>	<b>2056.21</b>
<b>DEFERRED TAX ASSETS / (LIABILITIES) (Net) including OCI</b>	<b>16370.24</b>	<b>17468.39</b>

(Refer Note No. 40 General Notes on Accounts Point No. 17)

**Note No 8. NON-CURRENT TAX ASSETS (NET)**

(₹ in lakh)

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
Income Tax (including advance income tax, TDS & excluding current tax liability) Unsecured - Considered good	2628.16	2628.16
<b>TOTAL</b>	<b>2628.16</b>	<b>2628.16</b>





**Note No 9. OTHER NON - CURRENT ASSETS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a) MOBILISATION ADVANCES</b>		
i) Secured (considered good)	1572.67	1600.20
ii) Unsecured (considered good)	-	-
iii) Unsecured (considered doubtful)	0.02	0.02
Less: Provisions for Capital Advances *	0.02	0.02
<b>(a)</b>	<b>1572.68</b>	<b>1600.20</b>
<b>b) Mine Development Expenditure</b>		
As per Last Balance Sheet	94062.85	39626.60
Add: Expenditure / Capitalised during the Year (as per Note Below)	26943.44	66372.39
	121006.29	105998.99
Less: Value of Ore Raised during Mine construction/ expansion/development	525.68	676.00
Less: Write off unamortized Mine Development Expenditure	1865.17	-
Less: Amortisation during the Year	14865.73	11260.14
	103749.71	94062.85
Less: Provision **	1910.17	4664.86
<b>TOTAL</b>	<b>(b) 101839.54</b>	<b>89397.99</b>
<b>Note: MINE DEVELOPMENT EXPENDITURE / CAPITALISED DURING THE YEAR</b>		
i) Salaries, Wages, Allowances	336.34	1300.20
ii) Contribution to Provident & Other Funds	27.24	90.04
iii) Workmen & Staff Welfare Expenses	3.84	6.72
iv) Stores, Spares & Tools Consumed	136.85	579.62
v) Power, Fuel & Water	118.79	37.74
vi) Royalty	27.00	42.56
vii) Repair & Maintenance	18.03	378.21
viii) Insurance	1.98	1.07
ix) MD Expenses Exploration	666.61	-
x) Contractual Job for Process	25260.54	58638.08
xi) Depreciation	8.52	85.25
xii) Other Expenses	337.70	5212.90
<b>TOTAL</b>	<b>26943.44</b>	<b>66372.39</b>

The above expenditure is in addition to the expenses shown under the respective natural head of accounts indicated and charged in the Statement of Profit and Loss Account for the year and in the relevant schedules thereof.

Amortisation during the year is in relation to the expenses incurred on mines which are under operation/production and does not include expenditure on prospecting of minerals in new mines area.



(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>TOTAL (a+b)</b>	<b>103412.21</b>	<b>90998.19</b>
<b>PROVISIONS FOR CAPITAL ADVANCES *</b>		
OPENING BALANCE	0.02	0.02
Additions during the year	-	-
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>0.02</b>	<b>0.02</b>
<b>PROVISIONS FOR MDE EXPENDITURE **</b>		
<b>OPENING BALANCE</b>	<b>4664.86</b>	<b>4664.86</b>
Additions during the year	-	-
Amount used /Write off during the year	2754.69	-
<b>CLOSING BALANCE</b>	<b>1910.17</b>	<b>4664.86</b>

**Note No 10. INVENTORIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Raw Materials	-	-
ii) Semi-Finished and In-Process (at lower of cost or net realisable value)	25488.08	24697.11
Less: Provision for Semi-Finished and In-Process *	18450.28	7037.80
	18450.28	6246.83
iii) Finished Goods (at lower of cost or net realisable value)	-	-
iv) Stores and spares	6141.47	6528.38
Stores in transit/ pending inspection	913.25	1000.25
	7054.72	7528.63
Less: Provision for Obsolete Stores & Spares **	2439.25	4615.47
	4615.47	2475.28
<b>TOTAL</b>	<b>11653.27</b>	<b>11300.18</b>
<b>PROVISION FOR SEMI-FINISHED AND IN-PROCESS*</b>		
<b>OPENING BALANCE</b>	18450.28	18454.83
Additions during the year	-	-
Amount used during the year	-	4.55
<b>CLOSING BALANCE</b>	<b>18450.28</b>	<b>18450.28</b>
<b>PROVISION FOR OBSOLETE STORES &amp; SPARES **</b>		
<b>OPENING BALANCE</b>	2475.28	2351.23
Additions during the year	468.58	139.41
Amount used during the year	504.61	15.36
<b>CLOSING BALANCE</b>	<b>2439.25</b>	<b>2475.28</b>

**Note No 11. CURRENT FINANCIAL ASSETS - INVESTMENTS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Investments in Mutual Fund (Maturity within 3 months from date of original investments)	Number NAV (in ₹) of units	
UTI MONEY MARKET - GROWTH	-	1.29
	(51.736) (2490.77)	



(₹ in lakh)

PARTICULARS		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
SBI ULTRA SHORT TERM DEBT FUND - GROWTH	-	-	6.47
	(132.117)	(4897.07)	
CANARA REBECO LIQUID FUND - GROWTH	-	-	0.99
	(38.993)	(2549.80)	
IDBI LIQUID FUND - GROWTH	-	-	1.57
	(68.469)	(2291.12)	
<b>TOTAL</b>		-	<b>10.32</b>
<b>AGGREGATE BOOK VALUE - UNQUOTED</b>		-	-
<b>AGGREGATE BOOK VALUE - QUOTED</b>		-	<b>7.84</b>
<b>MARKET PRICE OF QUOTED INVESTMENT</b>		-	<b>10.32</b>

**Note No 12. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>DEBTS OUTSTANDING</b>		
i) - Secured - Considered good	6614.62	8009.98
ii) - Unsecured - Considered good	-	-
iii) - Considered doubtful	983.81	1990.28
	7598.43	10000.26
Less: Allowances for bad & doubtful debts *	983.81	1990.28
<b>TOTAL</b>	<b>6614.62</b>	<b>8009.98</b>
<b>ALLOWANCES FOR BAD &amp; DOUBTFUL DEBTS *</b>		
<b>OPENING BALANCE</b>	1990.28	1066.87
Additions during the year	-	923.41
Amount used during the year	1006.47	-
<b>CLOSING BALANCE</b>	<b>983.81</b>	<b>1990.28</b>

**Explanatory Note: -**

Debt due by Directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director of the Group is a partner or a Director or a member amounts to ₹ Nil (Previous year ₹ Nil).

**Trades Receivable ageing schedule**

**Outstanding for following periods from due date of payment**

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (₹ in lakh)
i) Undisputed Trades receivables- considered good	6613.71	0.91	-	-	-	6614.62
ii) Undisputed Trades receivables- which have significant increase in credit risk	-	-	214.14	570.22	199.46	983.82
<b>Grand Total</b>	<b>6613.71</b>	<b>0.91</b>	<b>214.14</b>	<b>570.22</b>	<b>199.46</b>	<b>7598.44</b>
<b>Less: Provisions</b>						983.82
Net Balance						6614.62

**Note No 13. CURRENT FINANCIAL ASSETS - CASH & CASH EQUIVALENTS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. CASH AND CASH EQUIVALENTS</b>		
i. Cash on hand including imprest	0.25	0.25
ii. Balance with Banks		
- Current Account	134.87	339.09
<b>II. OTHER BALANCES WITH BANK</b>		
Bank deposits upto 3 months maturity from date of original investment		
- With scheduled banks	1420.90	25605.37
<b>TOTAL</b>	<b>1556.02</b>	<b>25944.71</b>

**Note No 14. CURRENT FINANCIAL ASSETS - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. Other Balances with Bank</b>		
- In Dividend Bank Account	25.21	16.88
<b>II. Bank deposits with more than 3 months and upto 12 months maturity</b>		
- With scheduled banks	28522.28	10605.21
	<b>28547.49</b>	<b>10622.09</b>

**Note No 15. CURRENT FINANCIAL ASSETS - OTHERS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a) ADVANCES*</b>		
Employees		
- Secured (considered good)	39.50	41.38
- Unsecured (considered doubtful)	2.03	2.03
Less : Provisions for doubtful Advances*	2.03	2.03
	39.50	41.38
<b>b) INTEREST ACCRUED ON</b>		
i) Investments	561.79	197.53
ii) Deposits	29.51	35.95
iii) Others	117.66	-
<b>c) CLAIMS RECOVERABLE</b>		
Claims recoverable from different agencies	1931.96	2451.76
Less: Provision for Doubtful Claims **	177.26	179.41
<b>TOTAL (a+b+c)</b>	<b>2503.16</b>	<b>2547.21</b>
<b>DETAILS OF PROVISIONS</b>		
<b>PROVISION FOR DOUBTFUL ADVANCES *</b>		
<b>OPENING BALANCE</b>	2.03	2.03
Additions during the year	-	-
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>2.03</b>	<b>2.03</b>



PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>PROVISION FOR DOUBTFUL CLAIMS **</b>		
<b>OPENING BALANCE</b>	179.41	179.41
Additions during the year	-	-
Amount used during the year	2.15	-
<b>CLOSING BALANCE</b>	<b>177.26</b>	<b>179.41</b>
<b>Explanatory Note: -</b>		
<b>PARTICULARS OF LOANS AND ADVANCES DUE FROM DIRECTORS</b>		
i) Amount due at the end of the year	₹ Nil	₹ Nil
ii) Advance due by firms or private companies in which any Director of the Group is a Partner or a director or a member amounts to ₹ Nil (Previous year ₹ Nil)		

**Note No 16. CURRENT TAX ASSETS (Net)**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Current Tax Assets</b>		
Income Tax (including advance income tax, TDS & excluding current tax liability ) Unsecured - Considered good	-	9953.41
<b>Current Tax Liabilities</b>		
Opening Balance	-	7800.00
Additions during the year	-	9950.00
Amount used during the year	-	7817.46
<b>TOTAL</b>	<b>0.00</b>	<b>9932.54</b>
<b>CURRENT TAX ASSETS (Net)</b>	<b>0.00</b>	<b>20.87</b>

**Note No 17. OTHER CURRENT ASSETS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a) Advances to contractors / suppliers		
- Secured (considered good)	-	-
- Unsecured (considered good)	941.81	170.48
- Unsecured (considered doubtful)	1403.01	1508.16
	2344.82	1678.64
b) Other Advances		
- secured (considered good)	41.04	40.89
- Unsecured (considered doubtful)	13.93	13.93
	54.97	54.82
	2399.79	1733.46
Less : Provision for Doubtful Loans and Advances *	1417.24	1522.09
	982.55	211.37
c) <b>DEPOSITS</b>		
Other Deposits	8369.24	8279.97
Less: Investment / Funded with Insurance Companies (Tranfered to Provision for Leave Encashment)	-	4322.32
Less : Provision for Doubtful Deposits **	55.71	75.56
	8313.53	8204.41



	<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
d)	<b>OTHER CURRENT ASSETS</b>		
	Other Current Assets	560.18	350.15
	Less: Provision for Other Current Assets ***	<u>3.52</u>	<u>3.52</u>
		556.66	346.63
e)	<b>OTHER RECOVERABLES</b>		
	IGST/CGST & SGST	9396.65	20618.05
	<b>TOTAL</b>	<u><b>19249.39</b></u>	<u><b>29380.46</b></u>
	<b>DETAILS OF PROVISIONS</b>		
	<b>PROVISION FOR DOUBTFUL LOANS AND ADVANCES*</b>		
	<b>OPENING BALANCE</b>	1522.09	1168.41
	Additions during the year	0.03	384.47
	Amount used during the year	104.88	30.79
	<b>CLOSING BALANCE</b>	<u><b>1417.24</b></u>	<u><b>1522.09</b></u>
	<b>PROVISIONS FOR DEPOSITS **</b>		
	<b>OPENING BALANCE</b>	75.56	75.56
	Additions during the year	-	-
	Amount used during the year	19.85	-
	<b>CLOSING BALANCE</b>	<u><b>55.71</b></u>	<u><b>75.56</b></u>
	<b>PROVISION FOR OTHER CURRENT ASSETS ***</b>		
	<b>OPENING BALANCE</b>	3.52	3.52
	Additions during the year	-	-
	Amount used during the year	-	-
	<b>CLOSING BALANCE</b>	<u><b>3.52</b></u>	<u><b>3.52</b></u>



**Note No 18. EQUITY SHARE CAPITAL**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	In No.	(₹ in lakh)	In No.	(₹ in lakh)
<b>a) AUTHORISED SHARE CAPITAL</b>				
- Equity Share Capital	1800000000	90000.00	1800000000	90000.00
- 7.50% Non-Cum. Redeemable Preference Shares	2000000	20000.00	2000000	20000.00
<b>b) PAR VALUE PER EQUITY SHARE (in ₹)</b>		5.00		5.00
<b>c) PAR VALUE PER PREFERENCE SHARE (in ₹)</b>		1000.00		1000.00
<b>d) NO. OF SHARES ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
- Equity Share Capital	967024020	48351.20	967024020	48351.20
- 7.50% Non-Cum. Redeemable Preference Shares	-	-	-	-
<b>TOTAL</b>		<b>48351.20</b>		<b>48351.20</b>

**e) RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL**

OUTSTANDING:	No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
OUTSTANDING AS ON 01.04.2022	967024020	48351.20	925218000	46260.90
Add: Share Capital issued/ subscribed during the year	-	-	41806020	2090.30
Less: Reduction in Share Capital	-	-	-	-
<b>OUTSTANDING AS ON 31.03.2023</b>	<b>967024020</b>	<b>48351.20</b>	<b>967024020</b>	<b>48351.20</b>

**f) TERMS/RIGHTS ATTACHED TO EQUITY SHARES**

The Company has only one class of Equity Shares having par value of ₹ 5/- each and is entitled to one vote per share.

**g) SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER**

HOLDING MORE THAN 5 PERCENT OF THE NUMBER OF SHARES	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	In No.	In (%)	% Change during the year	In No.	In (%)	% Change during the year
- President of India	639613373	66.14%	-	639613373	66.14%	9.90%
- Life Insurance Corporation of India	114979785	11.89%		117779785	12.18%	
<b>For Subsidiary</b>						
- HCL	470000	74.00%	-	407000	74.00%	-
- CMDC LTD	165135	26.00%	-	143000	26.00%	-

**Note No 19. OTHER EQUITY**

(₹ in lakh)

	<b>PARTICULARS</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
a)	<b>CAPITAL RESERVE *</b> <b>AS PER LAST BALANCE SHEET</b>	21166.24	21166.24
b)	<b>SHARE PREMIUM ACCOUNT</b> <b>AS PER LAST BALANCE SHEET</b>	47909.70	-
	Add: Addition during the year	-	47909.70
	Less: Reduction during the year	-	-
	<b>AS AT BALANCE SHEET DATE</b>	<u>47909.70</u>	<u>47909.70</u>
c)	<b>GENERAL RESERVE</b> <b>AS PER LAST BALANCE SHEET</b>	8965.97	8965.97
d)	<b>MINE CLOSURE RESERVE</b> <b>AS PER LAST BALANCE SHEET</b>	388.00	313.00
	Add: During the year	-	75.00
	Less: Amount reversed during the year	-	-
	Less: Transfer to other Non-current liability	388.00	-
	<b>AS AT BALANCE SHEET DATE</b>	<u>-</u>	<u>388.00</u>
e)	<b>CURRENCY FLUCTUATION RESERVE **</b> <b>AS AT BALANCE SHEET DATE</b>	(524.08)	(870.84)
	Add: Equity Component of Foreign Currency Loan	111.08	346.76
	Less: Amount reversed during the year	-	-
	Less: Amount used during the year	-	-
	<b>AS AT BALANCE SHEET DATE</b>	<u>(413.00)</u>	<u>(524.08)</u>
f)	<b>RETAINED EARNING ***</b>	<u>82237.32</u>	<u>64866.03</u>
	<b>TOTAL</b>	<b><u>159866.23</u></b>	<b><u>142771.86</u></b>
	<b>Details of Retained Earning ***</b>		
	Profit /(Loss) for the period after tax as per statement of Profit and Loss	29532.09	37382.42
	Add/(Less): Group Share of Profits/(Loss) in Jv/ Associates	10.31	(2.29)
	Less : Profit /(Loss) for the period after tax - Attributable to Non Controlling Interest	(3.54)	(2.71)
	Profit /(Loss) for the period after tax - Attributable to Owners	29545.94	37382.84
	Other Comprehensive Income /(Loss) as per Statement of Profit and Loss (net of tax)	(957.17)	(2221.81)
	Total Comprehensive Income /(Loss) for the period	<u>28585.23</u>	<u>35158.32</u>
	Total Comprehensive Income for the period- Attributable to Owners	28588.77	35161.03
	Balance brought forward	64866.03	33089.58
	<b>BALANCE AVAILABLE FOR APPROPRIATION</b>	<b><u>93454.80</u></b>	<b><u>68250.61</u></b>
g)	Less :Dividend	11217.48	3384.58
	<b>BALANCE CARRIED FORWARD</b>	<b><u>82237.32</u></b>	<b><u>64866.03</u></b>

\* Capital Reserve is created from the Grant received from the Government of India during the approval of Financial Re-structuring proposal by Ministry of Mines and out of Capital Profits over the years. This Reserve is not created out of Revenue Profits of the Company.

\*\* Currency Fluctuation Reserve is not created out of Revenue Profits of the Company.





**Note No 20. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>LONG TERM LOANS</b>		
▪ From Banks/ Fls		
- Secured		
- EXIM Bank (Loan II)	-	2525.34
(First pari-passu charge on movable fixed assets, both present and future of the Company, excluding GCP and TCP)		
- SBI	1720.21	7934.97
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future , excluding leasehold land/ property)		
- HDFC	-	4608.11
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future , excluding leasehold land/ property)		
- AXIS	-	2050.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future , excluding leasehold land/ property)		
- Federal Bank	-	2193.77
(First pari-passu charge on immovable fixed assets of the Company located at KCC, both present and future, excluding leasehold land/ property)		
<b>TOTAL</b>	<b>1720.21</b>	<b>19312.19</b>

**Note No 21. NON-CURRENT FINANCIAL LIABILITIES - OTHERS**

(₹ in lakh)

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease Liability - Right of Use - Vehicle	27.54	46.01
Wildlife Conservation Plan - Liability	996.13	-
<b>TOTAL</b>	<b>1023.67</b>	<b>46.01</b>

**Note No 22. OTHER NON-CURRENT LIABILITIES**

(₹ in lakh)

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Others (Compensation received from Govt of Jharkhand for repair of township)	843.53	843.53
ii) Mine Closure Liability		
As per Last Balance Sheet / Transfer from Other Equity	388.00	-
Add: Provision made during the year	213.00	-
Less: Amount used during the year	-	-
SUB-TOTAL	601.00	-
<b>TOTAL (i)+(ii)</b>	<b>1444.53</b>	<b>843.53</b>

**Note No 23. NON - CURRENT - PROVISIONS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>PROVISION FOR EMPLOYEE BENEFITS</b>		
<b>i) PROVISION FOR LEAVE ENCASHMENT</b>		
<b>AS PER LAST BALANCE SHEET</b>	7438.69	8371.26
Additions during the year	481.09	(946.63)
Amount used during the year	-	(14.06)
<b>CLOSING BALANCE</b>	<u>7919.78</u>	<u>7438.69</u>
Less: Investment / Funded with Insurance Companies (Tranfered from Deposits)	5651.46	4322.32
<b>NET CLOSING BALANCE</b>	<u>2268.32</u>	<u>3116.37</u>
<b>ii) PROVISION FOR GRATUITY</b>		
<b>AS PER LAST BALANCE SHEET</b>	(538.34)	(3296.97)
Additions during the year	1486.25	3258.63
Amount used/funded during the year	<u>1,000.00</u>	<u>500.00</u>
<b>CLOSING BALANCE</b>	<u>(52.09)</u>	<u>(538.34)</u>
<b>iii) PROVISION FOR LTC</b>		
<b>AS PER LAST BALANCE SHEET</b>	68.26	66.42
Additions during the year	21.56	1.84
Amount used/funded during the year	-	-
<b>CLOSING BALANCE</b>	<u>89.82</u>	<u>68.26</u>
<b>TOTAL</b>	<u><b>2306.05</b></u>	<u><b>2646.29</b></u>
(Refer Note No. 40 General Notes on Accounts Point No.18)		

**Note No 24. CURRENT FINANCIAL LIABILITIES - BORROWINGS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>SHORT TERM LOANS</b>		
- Cash Credit- From Banks/ Fls	-	21.60
- WCDL- From Banks/ Fls	4300.00	5050.00
- Secured (Secured by hypothecation of Stock-in-Trade, Stores & Spare Parts and Book Debts, both present and future of the Company)		
<b>LONG TERM LOANS</b>		
▪ Due in next 1 year		
- EXIM Bank (Loan II)	2737.53	10101.37
- SBI ECB	6880.83	6346.91
<b>TOTAL</b>	<u><b>13918.36</b></u>	<u><b>21519.88</b></u>



**Note No 25. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Total outstanding dues of micro enterprises and small enterprises	131.52	594.38
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	20966.55	19674.00
<b>TOTAL</b>	<b>21098.07</b>	<b>13647.93</b>

**Trades Payable ageing schedule**

**Outstanding for following periods from due date of payment**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	131.52	-	-	-	131.52
ii) Others	9709.55	8199.00	694.00	2364.00	20966.55
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
<b>TOTAL</b>	<b>9841.07</b>	<b>8199.00</b>	<b>694.00</b>	<b>2364.00</b>	<b>21098.07</b>

**Note No 26. CURRENT FINANCIAL LIABILITIES - OTHERS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Interest accrued but not due on borrowings & term loans	49.08	181.85
ii) Unpaid dividend	25.21	16.88
iii) Deposits/ Retention money	11024.92	8586.28
iv) Other liabilities	1115.01	1365.02
	<b>12214.22</b>	<b>10150.03</b>
v) Lease Liability - Right of Use - Vehicle	20.23	21.62
	<b>12234.45</b>	<b>10171.65</b>

**Note No 27. OTHER CURRENT LIABILITIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Statutory dues payables	5819.25	4618.59
ii) Advances from Customers	839.90	1838.96
iii) Other liabilities	16549.50	11672.56
<b>TOTAL</b>	<b>23208.65</b>	<b>18130.11</b>

**Note No 28. CURRENT - PROVISIONS**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a) PROVISION FOR EMPLOYEE BENEFITS</b>		
<b>i) PROVISION FOR LEAVE ENCASHMENT AS PER LAST BALANCE SHEET</b>		
AS PER LAST BALANCE SHEET	1340.62	1304.34
Additions during the year	-	36.28
Amount used during the year	127.85	-
<b>CLOSING BALANCE</b>	<b>1212.77</b>	<b>1340.62</b>
<b>ii) PROVISION FOR GRATUITY AS PER LAST BALANCE SHEET</b>		
AS PER LAST BALANCE SHEET	(1915.50)	(1953.89)
Additions during the year	427.17	38.39
Amount used during the year	-	-
<b>CLOSING BALANCE</b>	<b>(1488.33)</b>	<b>(1915.50)</b>



	<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
iii)	<b>PROVISION FOR LEAVE TRAVEL CONCESSION (LTC)</b>		
	<b>AS PER LAST BALANCE SHEET</b>	119.57	117.56
	Additions during the year	-	3.85
	Amount used /reversed during the year	9.77	1.84
	<b>CLOSING BALANCE</b>	<b>109.80</b>	<b>119.57</b>
iv)	<b>PROVISION FOR PRP/INCENTIVE</b>		
	<b>AS PER LAST BALANCE SHEET</b>	2190.00	1394.00
	Additions during the year	1930.00	1941.00
	Amount used during the year	-	1145.00
	<b>CLOSING BALANCE</b>	<b>4120.00</b>	<b>2190.00</b>
v)	<b>PROVISION FOR WAGE REVISION</b>		
	<b>AS PER LAST BALANCE SHEET</b>	8064.87	1878.87
	Additions during the year	1235.01	9067.87
	Amount used during the year	1741.95	2881.87
	<b>CLOSING BALANCE</b>	<b>7557.93</b>	<b>8064.87</b>
b)	<b>OTHERS</b>		
i)	<b>DIVIDEND</b>		
	<b>AS PER LAST BALANCE SHEET</b>	-	-
	Additions during the year	11,217.48	3384.58
	Amount used during the year	11,217.48	3384.58
	<b>CLOSING BALANCE</b>	<b>-</b>	<b>-</b>
ii)	<b>PROVISION - OTHERS</b>		
	<b>AS PER LAST BALANCE SHEET</b>	1593.02	1300.14
	Additions during the year	154.28	556.17
	Amount used during the year	550.13	263.29
	<b>CLOSING BALANCE</b>	<b>1197.17</b>	<b>1593.02</b>
	<b>TOTAL</b>	<b>12709.34</b>	<b>11392.58</b>

(Refer Note No. 40 General Notes on Accounts Point No. 18 &amp; 19)

**Note No 29. CURRENT TAX LIABILITIES**

(₹ in lakh)

	<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
	<b>Current Tax Liabilities</b>		
	Opening Balance	9932.54	
	Additions during the year	8615.00	
	Amount used during the year	-	
	Current Liabilities	18,547.54	-
	<b>TOTAL</b>		
	Less : Current Tax Assets		
	Income Tax (including advance income tax, TDS ) Unsecured - Considered good	17901.16	
	<b>CLOSING BALANCE</b>	<b>646.38</b>	<b>-</b>



**Note No 30. REVENUE FROM OPERATIONS**

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>SALE OF PRODUCTS</b>		
- Domestic	136796.33	145970.62
- Export	29266.69	35249.89
	<u>166063.02</u>	<u>181220.51</u>
Less : Discount & Rebate	-	-
<b>SALES (Net of Discounts) (A)</b>	<b>166063.02</b>	<b>181220.51</b>
<b>SALE OF SERVICES (B)</b>	<b>450.52</b>	<b>89.43</b>
<b>OTHER OPERATING INCOME (C)</b>		
-Sale of Scrap	392.31	508.70
-Interest from Customers	3.20	13.76
-Interest from Contractors against mobilization advances for mining operations	21.08	77.62
- Penalty & Liquidated Damages	803.34	284.41
Less : Refunded during the year	- 803.34	1.09
<b>SUB-TOTAL (C)</b>	<b>1219.93</b>	<b>883.40</b>
<b>TOTAL (A+B+C)</b>	<b>167733.47</b>	<b>182193.34</b>

**Note No 31. OTHER INCOME**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
- Claims Received	0.16	0.83
- Interest from Term Deposits	1617.61	1286.08
- Interest - Others	529.07	401.46
- Profit on sale of Assets	165.40	59.75
- Profit on sale of Investment	2.74	39.52
- Profit on Fair Value of Investment	(2.48)	0.37
- Others	1892.86	2376.20
- Balances not required written back #	5381.85	860.11
<b>TOTAL</b>	<b>9587.21</b>	<b>5024.32</b>

**Details of Balances not required written back #**

Bad and doubtful Debts, advances/deposits & claims	1002.00	4.26
Excess provisions on account of shortage, non-moving, obsolete & insurance Stores & Spares and finished goods	356.82	17.12
Provision for Discarded Assets /Loss of Assets no longer required	0.03	10.31
Provision Written back of MDE Expenditure	2754.69	-
Provision for Interest on MSME	-	310.41
Old Liability Written Back for Sundry Creditors, SD , EMD & Others	1268.31	518.01
<b>TOTAL</b>	<b>5381.85</b>	<b>860.11</b>

**Note No 32 . MATERIALS CONSUMED**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Raw Materials Consumed	-	-
Value of Ore Raised during Mine expansion / construction / development	1522.45	13615.25
<b>TOTAL</b>	<b>1522.45</b>	<b>13615.25</b>

**Note No 33 . CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED AND WORK- IN-PROCESS**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A. OPENING STOCK:</b>		
Finished Goods	-	-
Semi-Finished and In-Process	24697.11	30627.68
<b>TOTAL OPENING STOCK</b>	<b>24697.11</b>	<b>30627.68</b>
<b>B. CLOSING STOCK:</b>		
Finished Goods	-	-
Semi-Finished and In-Process	25488.08	24697.11
<b>TOTAL CLOSING STOCK</b>	<b>25488.08</b>	<b>24697.11</b>
<b>(INCREASE)/ DECREASE (A-B)</b>	<b>(790.97)</b>	<b>5930.57</b>

**Note No 34. EMPLOYEE BENEFITS EXPENSE**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Salaries, Wages & Allowances	21305.42	30018.05
Bonus/Ex-gratia/Performance Related Pay	2452.50	1738.62
Contribution to Provident & Other Funds	2185.84	1944.97
Workmen & Staff Welfare Expenses	1556.85	2299.95
Gratuity & Leave Encashment	2952.95	1179.88
<b>TOTAL</b>	<b>30453.56</b>	<b>37181.47</b>

**Explanatory Note: -**

The detail of Remuneration paid/payable to Directors as included in above payments are as follows: -

(i) Salaries & Allowances	108.57	108.57
(ii) Contribution to Provident & Other Funds	8.08	8.08
(iii) Re-imbursment of Medical Expenses	0.08	0.08
(iv) Leave Encashment	1.44	1.44
(v) Gratuity paid	-	-
(vi) Other Benefits	29.66	29.66
<b>TOTAL</b>	<b>147.83</b>	<b>147.83</b>

In addition the Whole-time Directors are allowed the use of company car for private purpose and have been provided with residential accomodation as per terms of their appointment / Government guidelines and the charges are recovered at the rates prescribed by the Government.



**Note No 35. FINANCE COST**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
- Interest on Cash Credit	752.63	488.29
- Others ( including Term Loans)	728.13	2401.28
-Others - Vehicle	3.88	4.34
-Wildlife Conservation Plan	108.42	-
<b>TOTAL</b>	<b>1593.06</b>	<b>2893.91</b>

**Note No 36. DEPRECIATION AND AMORTISATION EXPENSE**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A DEPRECIATION</b>		
(i) Depreciation on Owned Assets	1840.48	3617.95
Less: Depreciation transferred to Mine Development Expenditure	8.52	85.25
<b>SUB TOTAL (i)</b>	<b>1831.96</b>	<b>3532.70</b>
(ii) Depreciation on Leased Assets- Leasehold Land	19.75	19.75
(iii) Depreciation on Leased Assets -Vehicle	20.76	18.05
<b>SUB TOTAL(A)= (i+ii+iii)</b>	<b>1872.47</b>	<b>3570.50</b>
<b>B Depreciation on Other Intangible Assets -(Mining Rights)</b>	613.66	192.11
Less: Depreciation transferred to Discontinuing Operations	-	34.70
<b>SUB TOTAL (B)</b>	<b>613.66</b>	<b>157.41</b>
<b>C AMORTISATION</b>		
Wildlife Conservation Plan	140.80	-
<b>SUB TOTAL (A+B+C)</b>	<b>2626.93</b>	<b>3727.91</b>
<b>D AMORTISATION</b>		
Amortisation during the year *	14865.73	11260.14
<b>SUB TOTAL (D)</b>	<b>14865.73</b>	<b>11260.14</b>
<b>TOTAL (A+B+C+D)</b>	<b>17492.66</b>	<b>14988.05</b>

\* Amortisation during the year is in relation to the expenses incurred on mines which are under operation/production and does not include expenditure on prospecting of minerals in new mines area.

**Note No 37. OTHER EXPENSES**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A. OTHER MANUFACTURING EXPENSES</b>		
- Stores ,Spares& Tools Consumed	10562.76	8255.64
- Consumption of Power, Fuel & Water	12153.25	12372.01
- Royalty, Cess & Decretal amount	13353.12	14441.30
- Contractual Job for Process	34289.30	19750.51
- Handling & Transportation	1219.83	1121.97
- Tolling Charges		80.31
<b>SUB TOTAL (A)</b>	<b>71578.26</b>	<b>56021.74</b>



(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>B. REPAIRS &amp; MAINTENANCE &amp; MAJOR OVERHAUL EXPENSES</b>		
- Building	145.47	71.87
- Machinery	3784.43	3788.47
- Others	394.16	279.62
<b>SUB TOTAL (B)</b>	<b>4324.06</b>	<b>4139.96</b>
<b>C. ADMINISTRATION EXPENSES</b>		
- Insurance	306.01	316.15
- Rent	117.08	116.52
- Rates and Taxes	2017.77	1079.71
- Security Expenses	825.47	1198.01
- Travelling and Conveyance	382.22	188.06
- Telephone, Telex and Postage	105.29	102.89
- Advertisement and Publicity	97.42	23.33
- Printing and Stationery	38.55	24.14
- Books & Periodicals	1.49	1.12
- Consultancy Charges - Indigenou	481.52	358.47
- Loss on Sale of Assets(Net)	-	-
- MTM Debit/(Credit) Foreign Exchange	991.04	287.81
-Exchange Rate Variation (Net)	-	-
- Corporate Social Responsibility Expenses	118.30	77.19
- Hire Charges	208.81	172.46
- Audit Expenses (Refer detail below at SI 1)	41.57	48.65
- Independent Directors Expenses	19.10	25.85
- Bank Charges	137.18	100.08
- Other General Expenses	4812.91	879.98
<b>SUB TOTAL (C)</b>	<b>10701.73</b>	<b>5000.42</b>
<b>D. - Other General Expenses</b>	<b>878.71</b>	<b>9234.94</b>
<b>TOTAL (A+B+C+D)</b>	<b>87482.76</b>	<b>74397.06</b>

**Note No 37. OTHER EXPENSES (Contd.)**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Explanatory Note: -</b>		
<b>1) Detail of Audit Expenses are as under: -</b>		
<b>i) Statutory Auditors</b>		
- Statutory Audit Fees	14.85	14.85
- Tax Audit Fees	3.30	3.35
-In Other Capacity	14.90	19.24
- Reimbursement of Expenses	1.18	0.36
	34.23	37.80
<b>ii) Cost Auditors</b>		
- Cost Audit Fees	0.90	0.90
- Reimbursement of Expenses	0.04	0.01
	0.94	0.91
<b>iii) Internal Auditors</b>		
- Audit Fees	4.45	8.73
- Reimbursement of expenses	1.95	1.21
	6.40	9.94
<b>TOTAL</b>	<b>41.57</b>	<b>48.65</b>





(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>2) Detail of Provisions are as under: -</b>		
Doubtful debts	0.13	923.41
Doubtful advances / deposits	0.04	237.43
Provisions for Obsolete /Non-moving Stores	466.36	79.58
Provisions for WIP & Finished Goods	-	-
Provisions for Capital Work In Progress	-	2124.63
Provisions for Loss of Assets	179.13	0.09
Provision for Discarded Fixed Asset	-	-
Interest on MSMED	0.64	52.79
Provision for Mine Closure Expenditure	213.00	75.00
Provision for Impairment Loss	-	5194.00
Provision for Others	19.41	548.01
<b>TOTAL</b>	<b>878.71</b>	<b>9234.94</b>

**Note No 38. TAX EXPENSE**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
CURRENT TAX		
Income Tax Provision	8615.00	9950.00
Income Tax relating to earlier years	-	(7783.23)
Deferred Tax Account	1420.07	(1363.81)
<b>TOTAL</b>	<b>10035.07</b>	<b>802.96</b>

**Note No 39. OTHER COMPREHENSIVE INCOME**

(₹ in lakh)

PARTICULARS	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
A(i) Items that will not be reclassified to Profit/(Loss)		
Actuarial gain/loss recognised in the year for employees : Gratuity	(1279.09)	(2969.07)
<b>TOTAL (A(i))</b>	<b>(1279.09)</b>	<b>(2969.07)</b>
A(ii) Income Tax relating to items that will not be reclassified to Profit /(Loss)	321.92	747.26
<b>TOTAL (A(ii))</b>	<b>321.92</b>	<b>747.26</b>
B(i) Items that will be reclassified to Profit/ (Loss)	-	-
<b>TOTAL (B(i))</b>	<b>-</b>	<b>-</b>
B(ii) Income Tax relating to items that will be reclassified to Profit / ( Loss)	-	-
<b>TOTAL (B(ii))</b>	<b>-</b>	<b>-</b>



## Notes forming part of the Accounts

### 40 GENERAL NOTES ON ACCOUNTS

#### 1. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

##### (i) Contingent Liabilities: -

	2022-23 (₹ in lakh)	2021-22 (₹ in lakh)
a. Claims against the company not acknowledged as debt:		
i. Disputed VAT / CST / Entry Tax 4 Other Taxes	8494.74	6641.03
ii. Disputed Excise Duty	5282.31	2897.00
iii. Disputed Income Tax	23084.40	23069.63
iv. Other Demand	114870.12	57127.38
<b>SUB-TOTAL (A)</b>	<b>151731.57</b>	<b>89735.04</b>
b. Other money for which the company is contingently liable :		
i. Bank Guarantee	4723.39	4087.02
ii. Letter of Credit	177.47	413.77
iii. Bill discounting	-	-
<b>SUB-TOTAL (B)</b>	<b>4900.86</b>	<b>4500.79</b>
<b>GRAND TOTAL (A+B)</b>	<b>156632.43</b>	<b>94235.83</b>

##### (ii) Commitments: -

(₹ in lakh)

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance and deposit)	108030.72	49660.97
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#### Details of Claims against the Company not acknowledged as debt (of 1(i)(a) above)

#### VAT/CST/ENTRY TAX/OTHER TAXES

There are demand notices totaling to Gross Demand of ₹ 8494.74 lakh (Previous Year ₹ 6641.03 lakh) from various State Revenue Authorities regarding VAT/CST/Entry Tax/Other Taxes against which the Group has deposited under protest ₹ 433.50 lakh (Previous Year ₹ 673.50 lakh) shown under Note No. 17 Other Current Assets. The Group is contesting the demand and the management as well as the legal advisors/consultants are of the opinion that its contention will likely to be upheld by the Appellate Authorities. The Group also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the Group.

#### EXCISE DUTY

There are demand notices totaling to Gross Demand of ₹ 5282.31 lakh (Previous Year ₹ 2897.00 lakh) from Central Excise Authorities regarding Excise Duty against which the Group has deposited under protest ₹ 77.94 lakh (Previous Year ₹ 77.94 lakh) shown under Note No. 17 Other Current Assets. The Group is contesting the demand and the management as well as the legal advisors/consultants are of the opinion that its contention will likely to be upheld by the Appellate Authorities. The Group also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the Group.

#### INCOME TAX

There are Income Tax demand notices totaling to Gross Demand of ₹ 23084.40 lakh (Previous Year ₹ 23069.63 lakh) against which the Group has deposited under protest ₹ Nil (Previous Year ₹ 683.92 lakh) shown under Note No. 29 Current Tax Liabilities (Net of Current Tax Assets). The management as well as the income tax consultant are of the opinion that its contention will likely to be upheld by the Appellate Authorities/High Court. The Group also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the Group.



### OTHER DEMAND

The pending litigation cases totaling to ₹ 114870.12 lakh (Previous Year ₹ 57127.38 lakh) which the Group is contesting before different Legal Forums / Courts. The management as well as the legal advisors/consultants are of the opinion that its position will likely to be upheld in the appellate proceedings. The Group also believes that ultimate outcome of these proceedings will not have a material adverse impact on the financial position of the Group.

2. During the year, the Group has made a provision amounting to ₹ 1930.00 lakh (Previous year ₹ 1941.00) in terms of DPE guidelines towards Performance Related Pay payable to the executives for F.Y. 2022-23 which is shown under 'Employee Benefits Expense'.
3. During the year, wage revision of workmen of the company has been finalized on 03.01.2023 for the period 10 years w.e.f 01.11.2017 to 31.10.2027.
4. Lease premium paid for land for mining purposes including payment for Net Present Value (NPV) of forest area paid to forest department and amount paid towards wildlife conservation plan are capitalized under the head "Other Intangible Assets" shown under Note No. 3(C& D)
5. Surda Mining Lease period has been extended by Directorate of Mines & Geology; Govt. of Jharkhand vide order dated 06.01.2022 for a period of 20 years w.e.f 01.04.2020 to 31.03.2040. Validity of Kendadih Mining Lease period is till 02.06.2023 and Rakha Mining Lease was till 28.08.2021. However, application for extension of Mining Lease period for a period of 20 years for both Kendadih and Rakha Mining Leases have been submitted to Govt. of Jharkhand on 16.03.2022 and 30.04.2020 respectively. Presently both the applications are in process as per regulation. The mined-out ore kept at pit-top of Surda Mine could not be transported to the concentrator plant because of non-issuance of challan/permit by State Authorities, Jharkhand due to non-receipt of Surda Lease Deed, which is under process. HCL has taken exploration activity in Rakha mine in phase wise manner to complete G2 exploration within the Mine lease area.
6. KCC: The commercial operation of Smelter, Refinery and Sulphuric Acid Plant at Khetri Copper Complex (KCC) were suspended since December 2008. The Group suffered loss on account of impairment of the said plants valued by an independent consultant in earlier years and consequently a total sum of ₹ 464.01 lakh was provided in the accounts for impairment loss in compliance with the guidelines of IND AS 36 on "Impairment of Assets", out of which some impaired assets has been sold/written off and net impairment of ₹ 461.88 lakh is appearing in books of accounts as on 31.03.2023  
 ICC : The Group has recently carried out valuation work of Moubhandar Plant & Nikel Plant at ICC by an external Agency and as per valuation report ,the carrying value of assets are more than the net book value of the assets
7. The title deeds for Freehold and Leasehold Land and Building acquired in respect of Gujarat Copper Project (GCP) with book value of ₹ 4756.01 lakh is yet to be executed (Previous year ₹ 5026.13 lakh).

Description of a property	Gross carrying value of Land (₹ in lakh)	Title deeds held in the name of	Whether title deed holder is promoter, director or their relatives or employee of promoter/director	Property held since which date	Reasons for not being held in the name of the company
Plot No. 747, GIDC Mega Estate, Jhagadia, Bharuch, Gujarat, Pin -393110.	3795.26	Jhagadia Copper Limited	NA	Asset Capitalized date : 01-Oct-2016	Case Filled in Hon'ble High Court, Ahmedabad

8. At ICC, Pollution Control Plant under Package I & III amounting to ₹ 2100.50 lakh have not been capitalized for want of completion of trial / guarantee run as per terms of contract. As a matter of prudence, full provision for the same has been made in the accounts to take care of efflux of time over the years.
9. Confirmation letters of majority of balances under the heads Trade Payables, Claims Recoverable, Loans & Advances, Trade Receivables and Deposits from and with various parties/ Government Departments have been sent but in number of cases such confirmation letters from the parties are yet to be received.



10. During the year, the Group has spent a sum of ₹ 126.67 lakh on account of Corporate Social Responsibility (CSR) expenses. Refund amount of ₹ 8.37 lakh received towards unspent balance for the Skill Training Project (Kaushal Vikash Yojana) implemented with HCL under CSR at three mining Units of HCL has been adjusted with CSR expenses of the current year. Since the Group is not liable to incurred CSR Expenses for FY 2022-23, the amount spent ₹ 118.30 lakh in FY 2022-23 will be set off /carry forward against subsequent year CSR liability.
11. Information related to Micro, Small and Medium Enterprises Development Act, 2006 is disclosed hereunder:

a)

a)	i) Principal amount remaining unpaid to any supplier at the end of the financial year (not due)	₹ 131.51 lakh
	ii) Interest due on above	-
b)	Amount of interest paid by the buyer in terms of Section 16 of the Act, along with amount of payment made beyond the appointed date during the year	-
c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	₹ 918.06 lakh
d)	Amount of interest accrued and remaining unpaid at the end of the financial year	₹ 918.06 lakh
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	₹ NIL

The information has been given of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available to the Group.

b) The Group has accepted and paid all invoices of Goods & Services raised on HCL through TREDS Portal.

12. Management has not become aware of any instance of fraud by the Group or any fraud on the Group by its officers and employees during the current financial year.
13. Since the Group is primarily engaged in the business of manufacture and sale of copper products, the same is considered to be the only primary reportable business segment and accordingly has been reported. As the Group operates predominantly within the geographical limits of India, no secondary segment reporting has been considered as per IND AS 108 "Operating Segments".
14. Sales for the period include FOB value of Export Sales:-

	2022-23		20221-22	
	Qty (MT)	₹ in lakh	Qty (MT)	₹ in lakh
Anode Slime*	-	-	-	(508.41)
Copper Reverts*	222.605	1126.33	680.023	3280.82
Copper Concentrate (CMT)*	4326.37	28140.36	5306.46	32477.48
<b>Total</b>		<b>29266.69</b>		<b>35249.89</b>

\* Export Sales value includes debit of differential/settlement price of final & provisional sales invoice as per contract.

15. In terms of IND AS 24 on "Related Party Disclosures":

**Transactions with Related Party during the year and balance outstanding as on 31.03.2023 are as under:**

(i) Where control exists:

₹ in lakh

Name of Related Party	Nature of Relationship	Type of Transaction	Year ended	
			31.03.2023	31.03.2022
Chhattisgarh Copper Limited (CCL)	Subsidiary	Investment in shares	40.70	33.30
		Advances given	-	4.00
Name of Related Party	Nature of Relationship	Type of Transaction	Year ended	
			31.03.2023	31.03.2022
Khanij Bidesh India Limited (KABIL)	Joint Venture	Investment in shares	95.00	75.00
		Advances given	-	-



(ii) The Key Management Personnel are given below:

Particulars	Key Management Personnel	Total Remuneration	
		Year ended 2022-23	Year ended 2021-22
<b>FUNCTIONAL DIRECTORS</b>			
Receiving of Services	1. Sri Arun Kumar Shukla Chairman-and-Managing Director	61.40	61.40
	2. Shri Sanjay Panjiyar Director (Operations) (w.e.f 31.07.2021)	53.31	32.42
	3. Shri Ghanshyam Sharma Director (Finance) (Additional charge from 13.09.2021 to 27.02.2023 & Whole Time Director w.e.f 28.02.2023)	4.20	-
	4. Shri Sanjiv Kumar Singh Director (Mining) (w.e.f 31.07.2021)	57.14	0.77
	5. Sri Santosh Sharma Ex-Chairman-and-Managing Director	-	3.70 ( Arrear salary)
	6. Sri S K Bandyopadhyay Ex-Director (Finance) (upto 13.09.2021)	-	32.19
	7. Sri Anupam Anand Ex- Director (Personnel)	-	4.30 ( Arrear salary)
	8. Sri S K Bhattacharya Ex-Director (Mining)	-	13.05 ( PRP & Arrear salary)
<b>OTHER THAN FUNCTIONAL DIRECTORS</b>			
	8. Sri C S Singhi Company Secretary	121.86	64.80

**INDEPENDENT DIRECTORS**

		Date of appointment	Upto
Sri Pawan Kumar Dhawan	-	22.07.2019	22.07.2022
Sri Balwinder Singh Canth	-	22.07.2019	22.07.2022
Sri R Kalyansundaram	-	22.07.2019	22.07.2022
Sri Avinash Janardan Bhide	-	03.11.2021	
Sri A G Krishna Prasad	-	03.11.2021	
Smt. Hemlata Verma	-	22.03.2022	

(₹ in lakh)

SI. No.	Payment to Independent Directors	Year ended 31.03.2023	Year ended 31.03.2022
1.	Sitting Fees	19.10	25.85

Balance Outstanding with Key Managerial Personnel as on 31.03.2023

SI. No.	Particulars	As on 31.03.2023	As on 31.03.2022
1.	Amount payable	Nil	Nil
2.	Amount receivable	Nil	Nil



16. In terms of IND AS 33 on “Earning per Share” :

(₹ in lakh)

	<b>BASIC</b>	<b>DILUTED</b>
Profit / (Loss) After Tax	29542.40 (37380.13)	29542.40 (37380.13)
Denominator used: Weighted average number of Equity Shares of ₹ 5/- (Previous year ₹ 5/- each) outstanding during the period.	967024020 (967024020)	967024020 (967024020)
Earnings Per Share (₹)	3.06 (3.87)	3.06 (3.87)

17. The Group has accounted for Deferred Tax in accordance with the guidelines of Ind AS 12 on “Income Taxes” as per notification under section 133 of the Companies Act, 2013. The Deferred tax balances are set out below: -

**DEFERRED TAX ASSET (NET): -**

<b>Particulars</b>	<b>Deferred Tax Asset/ (Liability) as at 01.04.2022</b>	<b>Credit/ (Charge) during 2022-23</b>	<b>Deferred Tax Asset/ (Liability) as at 31.03.2023</b>
Deferred Tax Asset :-			
Difference between provision made in accounts and claims made as per I. T Act	17557.13	(763.80)	16793.33
	17557.13	(763.80)	16793.33
Deferred Tax Liability: -			
Difference between net book value of depreciable capital assets vis-a-vis WDV as per IT Act	(2144.95)	(656.27)	(2801.22)
	(2144.95)	(656.27)	(2801.22)
Deferred Tax Asset (Net) – Recognised in Statement of Profit & Loss	15412.18	(1420.07)	13992.11
Deferred Tax Asset (Net) - Defined Benefit Plan – Recognised in OCI	2056.21	321.92	2378.13
Total Deferred Tax Asset (Net)	17468.39	(1098.15)	16370.24

18. **PROVISIONS FOR CONTINGENCIES: -**

(₹ in lakh)

<b>Particulars</b>	<b>Plant Property &amp; Equipment (PPE) / Fixed</b>	<b>Capital WIP &amp; Advance</b>	<b>Mine Development Expenditure</b>	<b>Others</b>	<b>TOTAL</b>
Carrying amount as at 01.04.2022	16725.83	18295.48	4664.86	43057.11	82743.28
Amount provided/Adj. during the year		15.65		18022.04	17221.87
Amounts utilized against provision	0.10		2754.69	16282.38	18221.35
Carrying amount as at 31.03.2023	16725.73	18311.13	1910.17	44796.77	81743.80



**19. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS IN TERMS OF Ind AS 19 :**

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded through Life Insurance Corporation of India, SBI Life Insurance Co. Ltd. and India First Life Insurance and are managed by separate trust. The Company has also funded through Life Insurance Corporation of India and SBI Life Insurance Co. Ltd towards leave encashment. Expenses recognized in Statement of Profit & Loss and Other Comprehensive Income amounting to ₹ 4053.00 lakh in respect of Gratuity, Leave Encashment and Leave Travel Concession which have been provided for as stated below.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss, Other Comprehensive Income and Mine Development Expenditure and the funded status and amounts recognized in the balance sheet for the respective plans.

(₹ in lakh)

(i)	Changes in Present Value of Obligation	Gratuity (Funded plan)	Leave Encashment (Partially funded Plan)	Leave Travel Concession (Non-funded Plan)
	Present Value of obligation as on last valuation	9930.01	8779.31	187.83
	Current service cost	702.00	864.04	
	Interest cost	577.79	554.76	
	Total Actuarial gain/(loss)	1279.09	996.86	49.75
	Benefits Paid	3720.72	2062.42	37.95
	Present value of obligation as on valuation date	8768.17	9132.55	199.63
(ii)	Changes in Fair Value of Plan Assets			
	Fair value of Plan Assets at Beginning of period	12383.85	4322.32	
	Interest Income (Provisional)	645.46	325.83	
	Employer Contributions	1000.00	3062.42	
	Benefits paid	3720.72	2062.42	
	Return on Plan Assets excluding Interest Income	-	-	
	Fair value of Plan Assets at End of measurement period	10308.59	5648.15	
(iii)	Table Showing Reconciliation to Balance Sheet			
	Funded Status	1540.42	(3484.40)	
	Fund Asset	10308.59	5648.15	
	Fund Liability	8768.17	9132.55	
(iv)	Expenses recognized in the Statement of Profit and Loss Account			
	Current service cost	702.00	864.04	
	Net Interest cost	(67.67)	228.93	
	Actuarial (gain)/loss	-	996.86	49.75
	Benefit Cost (Expense Recognized in Statement of Profit/loss)	634.33	2089.83	49.75



(v)	<u>Other Comprehensive Income</u>			
	Total Actuarial (gain)/loss	1279.09	-	
	Return on Plan Asset, Excluding Interest Income	-	-	
	Balance at the end of the Period	1279.09	-	
	Net (Income)/Expense for the Period Recognized in OCI	1279.09	-	
(vi)	<u>Table Showing Plan Assumptions</u>			
	Discount Rate	7.16% p.a.	7.16% p.a.	7.00% p.a.
	Expected Return on Plan Asset	7.37%, 7.50%, 7.02% etc	7.16%	-
	Rate of Compensation Increase (Salary Inflation)	6.00% p.a.	6.00% p.a.	-
	Average expected future service (Remaining working Life)	8 years	8 years	8 years
	Mortality Table	IALM 2012-2014 ULTIMATE	IALM 2012-2014 ULTIMATE	IALM 2012-2014 ULTIMATE
	Superannuation at age-Male	60 years	60 years	60 years
	Superannuation at age-Female	60 years	60 years	60 years
	Early Retirement & Disablement (All Causes Combined)	1% p.a.	1% p.a.	1% p.a.

The details of the plan assets as on 31.03.2023 towards gratuity & leave encashment are as follows:

in ₹ lakh

Investment in Life Insurance Corporation of India	4447.98
Investment in SBI Life Insurance Co. Ltd	10884.45
Investment in India First Life Insurance	617.11
Fund with Gratuity Trust Savings Bank Accounts	7.21
<b>Total</b>	<b>15956.75</b>

Return on Plan Assets during the year (Provisional) : ₹ 971.29 lakh.

The estimates of future salary increases were considered in actuarial valuation after considering inflation, seniority, promotion and other relevant factors. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

20. The Group as Lessee has taken certain vehicles on lease for a period of four years, which can be further extended at mutually agreed terms. There are no escalations in the lease rentals as per terms of the agreement. However, the Group has purchase option for such vehicles at the end of the lease term. Accordingly, the Group has adopted Ind AS 116 during the current financial year & accounted for the leasing entries as per IND AS 116.





The following are the carrying amounts of lease liabilities recognized and the movements during the year

(₹ In Lakh)

Particulars	For the year ended 31.03.2023
Opening Balance	67.63
Additions in lease liabilities	-
Interest cost during the year	3.87
Payment of lease liabilities	23.73
Closing Balance	47.77
Current Liabilities	20.23
Non-Current Liabilities	27.54

22. The physical verification of Semi-Finished and In-Process (WIP) and Finished Goods has been conducted departmentally in all the units (ICC, KCC, MCP, TCP & GCP) at the end of the current year by a duly approved internal committee.

In respect of stores and spares, physical verification has been conducted by the external agencies in all the units during the year. Shortages/ (Excesses) identified on such physical verification have been duly adjusted in the books of accounts.

## 24. Financial Instrument

### 1. Derivatives not designated as hedging instruments

The Group uses Commodity Futures Contracts to manage its commodity price risk. The Commodity Futures Contracts are not designated as hedging instruments and are entered into for periods consistent with commodity price risk exposure of the underlying transactions, generally from one to four months. However in the year FY 22-23, the Group has not entered into any Commodity Futures Contract.

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to four months.

### Commodity price risk

In the year FY 22-23, the Group has not purchased any such copper blister/ anode for its plant in GCP. Hedging the price volatility of copper purchases is in accordance with the Risk Management Policy approved by the Board of Directors. The hedging relationships are for a period between 1 and 4 months based on existing purchase agreements. The Group designated only the spot-to-spot movement of the entire commodity purchase price as the hedged risk. It has been decided by the company not to follow the hedge accounting for these instruments.

As at 31 March 2023, the fair value of the open position of commodity future contracts is nil.

### 2. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:



(₹ in lakh)

Particulars	Total carrying value as at March 31,2023	Total carrying value as at March 31,2022	Fair Value as at March 31,2023	Fair Value as at March 31,2022
Financial Assets at FV through Statement of Profit & Loss				
Mutual Funds	-	7.84	-	10.32
Derivatives not designated as hedges				
Future Contract Receivable on commodity	-	-	-	-
Total of Financial Assets	-	7.84	-	10.32
Financial Liabilities				
Derivatives not designated as hedges				
Forward Cover Contract Liability	-	-	-	-
Total of Financial Liabilities	-	-	-	-

3. The Management considered the Service fees of Rs 15 lakh paid on the Exim Bank Term loan amounting to Rs. 30000 lakh drawn on 29.05.2018 as immaterial, as the amount of service fee was only 0.009% of the Turnover (FY 2022-23) of the Group and hence the same was not considered as a transaction cost in terms of fair valuation at initial recognition under INDAS 109. Further, the Management assessed that for the purpose of IND AS 109, the carrying value of loan is considered as its fair value as no loan could be provided at a rate lower than the rate of interest of Exim Bank loan for similar terms and conditions of the loan at that point of time.

Similarly, the Management considered the total of Upfront fees & Other charges of Rs 245.33 lakh paid on the SBI ECB loan amounting to Rs. 17734.75 lakh drawn during July 2018 to January 2019 as immaterial, as the amount of such fees/charges was only 0.15% of the Turnover (FY 2022-23) of the Group and hence the same was not considered as a transaction cost in terms of fair valuation at initial recognition under INDAS 109. Further, the Management assessed that for the purpose of IND AS 109, the carrying value of loan is considered as its fair value as no loan could be provided at a rate lower than the rate of interest of SBI ECB loan for similar terms and conditions of the loan at that point of time.

The Management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group enters into derivative financial instruments with various counterparties, principally with financial institutions having Investment grade credit ratings. Foreign exchange forward contracts and commodity futures contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing .

#### 4. Fair Value Hierarchy

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).



The following table presents fair value hierarchy of assets and liabilities measured at fair value

(₹ in lakh)

Particulars	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FV through Statement of Profit &amp; Loss</b>					
<b>Non-derivative financial assets</b>					
Mutual funds	31 <sup>st</sup> March, 2023	-	-	-	-
<b>Derivative financial assets</b>					
Future Contract Receivable on commodity	31 <sup>st</sup> March, 2023	-	-	-	-
<b>Liabilities measured at fair value: Derivative financial liabilities</b>					
Forward Cover Contract Liability	31 <sup>st</sup> March, 2023	-	-	-	-
<b>Assets measured at FV through OCI</b>	31 <sup>st</sup> March, 2023	-	-	-	-

(₹ in lakh)

Particulars	Date of Valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FV through Statement of Profit &amp; Loss</b>					
<b>Non-derivative financial assets</b>					
Mutual funds	31 <sup>st</sup> March, 2022	10.32	-	-	10.32
<b>Derivative financial assets</b>					
Future Contract Receivable on commodity	31 <sup>st</sup> March, 2022	-	-	-	-
<b>Liabilities measured at fair value: Derivative financial liabilities</b>					
Forward Cover Contract Liability	31 <sup>st</sup> March, 2022	-	-	-	-
<b>Assets measured at FV through OCI</b>	31 <sup>st</sup> March, 2022	-	-	-	-

## 5. Financial Risk Management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk- Foreign Exchange	Future commercial transactions, Recognised financial assets and financial liabilities	Sensitivity analysis	Forward foreign exchange contracts and natural hedge as sales are also demoniated in foreign exchange.
Market-Commodity Price Risk	Purchase of Copper	Price Sensitivity	Commodity Futures Contract
Credit risk	Trade receivables	Ageing analysis	Sales are mainly done against Advance or Letters of Credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Cash flow management



**a) Market Risk**

**i) Foreign Currency Risk**

The Group operates at international level which exposes the group to foreign currency risk arising from foreign currency transaction primarily from Imports, exports and foreign currency borrowing. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency other than INR as on reporting date.

(As of March 31, 2023)

Particulars	₹ in lakh
Cash & cash equivalents	-
Trade Receivables	821.71
Trade Payables	-
Loans	(11338.57)
Others (if any)	-
Net Assets / (Liabilities)	(10516.86)

(As of March 31, 2022)

Particulars	₹ in lakh
Cash & cash equivalents	-
Trade Receivables	854.71
Trade Payables	-
Loans	(26908.59)
Others (if any)	-
Net Assets / (Liabilities)	(26053.88)

**Sensitivity**

The sensitivity of profit or loss to changes in exchange rate arises mainly from foreign currency denominated financial instrument.

Particulars	Impact on Profit Before Tax	
	March 31, 2023	March 31, 2022
Increase by 5%	566.93	1345.43
Decrease by 5 %	(566.93)	(1345.43)

**ii) Commodity Price Risk**

The Group's exposure to Commodity price from copper price fluctuation in international market does not arise as the Group hedges all its imports through Future contracts at LME.

**b) Credit Risk**

Credit risk refers to the risk of default on its obligation by the Debtors resulting in a financial loss. The Group sells majority of its products either against Advance from Customers or Letters of Credit. Accordingly, credit risk from Trade receivables has not been considered as credit risk.

**Credit risk exposure**

An analysis of age of Trade receivables at each reporting date is summarized as follows:



(₹ in lakh)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
	Gross	Gross
Not past due	-	-
Past not more than six months	6613.71	8009.98
Past due more than six months but not more than one year	0.91	-
More than one year	983.82	1990.28
Total	7598.44	10000.26
Less Allowances for Bad & Doubtful Debts	983.82	1990.28
Net Debtors	<b>6614.62</b>	<b>8009.98</b>

Customer credit risk is managed by each business unit subject to the Group's established Marketing policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The maximum exposure to credit risk at the reporting date is ₹ 983.82 lakh for which full provision has been made in the accounts as disclosed in Note No 12.

#### Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are scheduled banks. We consider the credit quality of Term deposits with such banks as good as these banks are under the regulatory framework of Reserve Bank of India. We review these banking relationships on an ongoing basis.

#### c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The Group's principal sources of liquidity are cash and cash equivalents and cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by striving to maintain adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfall.

Short term liquidity requirements consists mainly of Loans, Sundry creditors, Expense payable, Employee dues arising during the normal course of business as of each reporting date. We strive to maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

The table below provides details regarding the contractual maturities of financial liabilities. The table has been drawn up based on the undiscovered cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

As of March 31, 2023

(₹ in lakh)

Particulars	On Demand	Less than 3 months	3 months to 1 year	1-3 years	3-5 years	5-7 years	Total
Short term borrowings (cash credit)	-	-	-	-	-	-	-
Short term borrowings (Others)	-	4300.00	-	-	-	-	4300.00
Long Term Borrowings	-	4457.74	5160.62	1720.21	-	-	11338.57
<b>Total</b>	<b>-</b>	<b>8757.74</b>	<b>5160.62</b>	<b>1720.21</b>	<b>-</b>	<b>-</b>	<b>15638.57</b>



As of March 31, 2022

(₹ in lakh)

Particulars	On Demand	Less than 3 months	3 months to 1 year	1-3 years	3-5 years	5-7 years	Total
Short term borrowings (cash credit)	21.60	-	-	-	-	-	21.60
Short term borrowings (Others)	-	5050.00	-	-	-	-	5050.00
Long Term Borrowings	-	1586.99	14861.31	14644.07	4668.10	-	35760.47
<b>Total</b>	<b>21.60</b>	<b>6636.99</b>	<b>14861.31</b>	<b>14644.07</b>	<b>4668.10</b>	<b>0.00</b>	<b>40832.07</b>

## 6. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

24. The physical verification of fixed assets which is required to be conducted every year so that all the units/offices are covered once in a block of three years interval. During the year, physical verification of fixed assets has been conducted by external agencies for MCP, GCP and ICC & RCP.

## 25. INTEREST IN OTHER ENTITIES

### a) Subsidiary

Name of Entity	Nature of relationship	Proportion of shareholding	Country of incorporation
Chhattisgarh Copper Limited (CCL)	Subsidiary	74%	India

### b) Associate/Joint Venture

Name of Entity	Nature of relationship	Proportion of shareholding	Country of incorporation
Khanij Bidesh India Limited (KABIL)	Joint Venture	30%	India

(i) Commitments and contingent liabilities in respect of Associate/Joint Venture – NIL

### (c) Summarized financial information for Associate/Joint Venture

(₹ in lakh)

Summarized Balance Sheet	KABIL (Un- Audited)
	31.03.2023
Deferred Tax Assets (Net)	0.13
Cash & Cash Equivalents	617.02
Investments	2500.00
Other Current Assets	98.11
<b>Total Assets</b>	<b>3215.26</b>
Equity Share Capital	3250.00
Other Equity	(65.71)
Other Current Liabilities	30.97
<b>Total Equity and Liabilities</b>	<b>3215.26</b>



(₹ in lakh)

Summarized Statement of Profit and Loss	KABIL (Un- Audited)
	31.03.2023
<b>Total Income</b>	<b>132.63</b>
Other Expenses	82.72
<b>Total Expenses</b>	<b>82.72</b>
<b>Profit/(Loss) Before Tax for the period</b>	<b>49.91</b>
<b>Profit/(Loss) After Tax for the period</b>	<b>34.37</b>

26. During the year 22,135 nos. (Previous year 26,000) equity shares of face value ₹ 10/- each have been issued to Chattisgarh Mineral Development Corporation Limited by Chattisgarh Copper Limited for providing consultancy services and no consideration has been received in cash. This represents 26% of the share capital of Chhattisgarh Copper Limited.
27. HCL holds 30% equity in Joint Venture Company (JVC) named Khanij Bidesh India Limited (KABIL). HCL has invested 97,50,000 equity shares of ₹ 10.00 each totaling to ₹ 975.00 lakh. During the current year, an amount of ₹ 10.31 lakh has been consolidated as share of Profit in Joint Venture.
28. The income tax expense for the year can be reconciled to the accounting profit as follows :

₹ in lakh

	Year ended 31.03.2023	Year ended 31.03.2022
Profit / (Loss) before Tax from continuing operations	39567.16	38211.35
Income Tax expense calculated @ 25.168%	9958.26	9617.03
Effect of Income Tax	(1343.26)	332.97
Effect of Deferred Tax	1420.07	(1363.81)
Income Tax effect of earlier years	-	(7783.23)
Income Tax expense recognized in profit or loss	10035.07	802.96

29. The value of assets, other than fixed assets and non-current assets, have realizable value at least equal to the amount at which they are stated.
30. Gujarat Copper Project of the Group consists of three units namely, Anode furnace (Smelter), Refinery and Kaldo Furnace along with land, buildings & other assets having aggregate book value of ₹ 21355.85 lakh as at March 31, 2022. The commercial operation of Gujarat Copper Project was suspended since August 2019 due to non-availability of feed material at economical price. Accordingly, the Group had assessed the loss on account of impairment of the said plant excluding land, building, roads etc. valued by an Independent consultant & consequently a sum of ₹ 9708.21 lakh had been provided in the accounts of FY 2020-21. During the previous year, the Group had further re-assessed the impairment study of the said plant excluding land, building, roads etc. by an independent consultant and a sum of ₹ 5194.00 lakh had been booked as impairment loss. Total cumulative amount of ₹ 14902.21 lakh has been provided in the accounts for impairment loss in compliance with the guidelines of IndAS-36 on "Impairment of Assets" as per notification under section 133 of the Companies Act, 2013. The Asset Monetization plan (AMP) has been sent to Ministry vide e mail dated 27.11.2021 which include Assets of GCP in addition to other assets for approval. Since only value of the assets at GCP is more than ₹ 100.00 crore, the Group can initiate further action on AMP after obtaining approval from DIPAM. The Net Book value as on 31.03.2023 is ₹ 6138.73 lakh.
31. During the financial year 2021-22, Provident Fund (PF) Trusts maintained for the employees of the Company namely ICC PF Trust and KCC PF Trust have incurred a total loss of ₹ 116.06 lakh. As per Accounting Policy of the Company, deficit in PF Trusts ascertained on the basis of last audited accounts of the Trust is accounted for as a charge to Revenue. Accordingly, the Company has made a provision of ₹ 116.06 lakh during the current financial year towards total deficit in PF Trust of FY 2021-22.



32. The Board of Directors of the Group has recommended payment of dividend at rate of ₹ 0.92 per share on ₹ 5/- face value for the year 2022-23 for approval of shareholders in the Annual General Meeting. The outgo on this account will be ₹ 8896.62 lakh (approx.)
33. Consequent upon the Judgment of Common Cause dated 02.08.2017, which is applicable only to the mining leases of iron and manganese ore, passed by the Apex court in the case of Common Cause Vs UOI and others, a demand of ₹ 4353.78 lakh was raised by the District Mining Officer of Jamshedpur for running the Surda mine without valid environment clearance (EC) although Surda mine has a valid mining lease, forest clearance and it has adhered to the terms of approved mining plan and it was working on valid Consent to Operate. Based on the Revision Application filed by the Group, the Revisional Authority of the Ministry of Mines, after hearing at length both parties had issued specific direction against the demand of District Mining Officer (DMO) not to take any coercive measures in terms of recovery of the said demand. On revision of demand from ₹ 4353.78 lakh to ₹ 12690.49 lakh by the office of the District Mining Officer and subsequently revised to ₹ 92940.06 lakh by the State Government, the Group again appealed before the Revisional Authority and the last hearing was held on 29.09.2022 through video conferencing and interim stay, granted earlier, is continued by the Revisional Authority till the next date of hearing. Further, MMDR Amendment Act, 2021 has come into force w.e.f. 28.03.2021 which clearly explained the expression "raising, transporting or causing to raise or transport any mineral without any lawful authority" shall mean raising, transporting or causing to raise or transport any mineral by a person without prospecting license, mining lease or composite license. Based on the clarification, the Group believes that the judgement of the case will be in favour of the Group and is of the view that the same has not to be shown as Contingent Liability as on 31.03.2023.
34. The previous year's figures have been regrouped / rearranged, wherever necessary.



40. GENERAL NOTES ON ACCOUNTS :											
Additional information forming part of accounts for year ended March 31, 2023 ( Figures in brackets pertain to those of previous year )											
Class of goods	Unit	Licensed capacity	Installed capacity (As certified by management)	Actual production	Opening Stock		Closing Stock		Sales		Issued for internal consumption intermedialate products and others / Grade adjustment / quantity
					Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	
<b>Manufacturing Activities</b>											
<b>a : Main products</b>											
1 Wire bar *	MT	39400 (39400)	39400 (39400)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
2 Wire rod (Excluding conversion)	MT	60000 (60000)	60000 (60000)	- (1)	- (-)	- (-)	- (-)	- (-)	- (1)	- (8.81)	- (-)
3 Cathode including Toll Smelted Cathode	MT	99500 (99500)	68500 (68500)	7 (621)	79 (7)	653.31 (43.16)	7 (79)	59.05 (653.31)	79 (558)	658.00 (4485.91)	0 (-9)
4 Metal in Concentrate	CMT			24760 (24741)	317 (730)	994.99 (2291.54)	296 (317.00)	1192.57 (994.99)	24640 (25248)	163357.76 (173541.09)	141 (93)
<b>b : By products</b>											
1 Gold	KG	264 (264)	698 (698)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
2 Silver	KG	4763 (4763)	9868 (9868)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
3 Nickel sulphate	MT	250 (250)	390 (390)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0 (-)	- (-)
4 Selenium	KG	10000 (10000)	14600 (14600)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.00 (-)	- (-)
5 Sulphuric acid	MT	236000 (236000)	236000 (236000)	- (-)	46 (46)	- (-)	46 (46)	- (-)	- (-)	- (-)	- (-)



40. GENERAL NOTES ON ACCOUNTS :												
Additional information forming part of accounts for year ended March 31, 2023 ( Figures in brackets pertain to those of previous year )												
Class of goods	Unit	Licensed capacity	Installed capacity (As certified by management)	Actual production	Opening Stock		Closing Stock		Sales		Issued for internal consumption intermediate products and others / Grade adjustment / quantity	
					Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh		
<b>c : Allied and semi- Finished products</b>												
1	Anode slime	MT	NA	-	-	3	669.59	3	320.95	-	-	-
			(NA)	(-)	(3)	(-)	(-)	(3)	(669.59)	(-)	(-508.31)	(-)
2	Copper mould	MT	NA	-	-	-	-	-	-	-	-	-
			(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3	Kyanite	MT	NA	-	-	-	-	-	-	-	-	-
			(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
4	Others	MT	NA	-	-	-	-	-	-	-	2047.26 ****	-
			(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(3693.00)	-
<b>d : Work in Progress</b>												
i)	Metal in Ore			27989	(27610)	1171	2392.07	1626	4593.65	-	-	27534
						(1361)	(3039.30)	(1171)	(2392.07)	-	-	(27800)
ii)	Other WIP						19987.16 **		19321.86 ***			
							(25252.33)		(19987.16)			
<b>GRAND TOTAL</b>							<b>24697.11</b>		<b>25488.08</b>		<b>166063.02</b>	<b>(181220.51)</b>
							<b>(30627.68)</b>		<b>(24697.11)</b>			
Note :												
* Due to change in product demand, the Company is no longer making this product.												
(₹ in lakh)												
	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Anode in floor/ Anode in cell	Scrap	Others	Total	TOTAL		
										Anode Slag	Granulated Slag	Refinery Dust
** Opening Work in progress includes												
Current year	-	605.58	-	158.21	7.83	126.80	-	19088.74	19987.16			
Previous year	-	2366.76	-	101.87	1.31	1899.91	145.98	20736.49	25252.33			
*** Closing Work in progress includes												
Current year	-	15.50	-	206.78	9.74	61.93	-	19027.90	19321.86			
Previous year	-	605.58	-	158.21	7.83	126.80	-	19088.74	19987.16			
**** Other Sales value includes	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Granulated Slag	Anode	Refinery Dust	Others			
Current year	-	1126.33	-	-	-	440.72	347.21	106.88	26.12		2047.26	
Previous Year	-	3280.82	-	-	-	382.20	-	0.02	29.96		3693.00	



**40. GENERAL NOTES ON ACCOUNTS (Contd.)**

**Additional information forming part of accounts for year ended March 31, 2023**

<b>40.2 RAW MATERIALS CONSUMED</b>				
	Quantity		Value	
	Year ended 2022-2023	Year ended 2021-2022	Year ended 2022-2023	Year ended 2021-2022
	CMT	CMT	(₹ in lakh)	(₹ in lakh)
Concentrate own production	-	-	-	-
Concentrate excluding own production	-	-	-	-
Cathode	-	-	-	-

<b>40.3 Imported and indigenous raw materials, stores</b>				
spare parts and components consumed ( as certified by the management )				
RAW MATERIALS:	%	%		
Imported	-	-	-	-
Indigenous	-	-	-	-
	-	-	-	-
<b>STORES &amp; SPARES:</b>				
(Direct and Stores & Spares booked in Mine Development, Shut-down and Fuel)				
Imported	-	0.37	-	36.43
Indigenous	100.00	99.63	11863.78	9929.66
	<b>100.00</b>	<b>100.00</b>	<b>11863.78</b>	<b>9966.09</b>

<b>40.4 C.I.F. value of imports</b>				
Raw Material	-	-	-	-
Components, spare parts and stores	-	-	-	681.05
	-	-	-	<b>681.05</b>

<b>40.5 Expenditure in foreign currency</b>				
Travelling			81.45	-
Others (Including CIF value of imports as above)			23.39	791.20
			<b>104.84</b>	<b>791.20</b>

<b>40.6 Earning in foreign Exchange</b>				
Export of Goods (FOB)			29266.69	35249.89
			<b>29266.69</b>	<b>35249.89</b>

**40.7 Payment to Whole Time Directors**

Salaries and allowances			144.76	108.57
Company's contribution to provident and other funds			12.64	8.08
Re-imburement of Medical expenses			1.17	0.08
Leave Encashment			16.65	1.44
Gratuity			-	-
Other Benefits			21.01	29.66
			<b>196.24</b>	<b>147.83</b>

**Note :**

In addition, the Whole Time Directors are allowed the use of company car for private purpose and have been provided with residential accomodation as per terms of their appointment/Government guidelines

# राष्ट्र का ताम्र खनिक THE COPPER MINER TO THE NATION



हिन्दुस्तान कॉपर लिमिटेड  
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