हिन्दुस्तान कॉपर लिमिटेड
Hindustan Copper Limited

A Miniratna Category - I CPSE
www.hindustancopper.com

वार्षिक प्रतिवेदन
Annual Report
2020-21

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)

Auditors

M/s. Chaturvedi & Co., Kolkata

Consortium Bankers

State Bank of India
Punjab National Bank
HDFC Bank
Axis Bank
ICICI Bank
Indian Overseas Bank

Registrar and Transfer Agent

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

"Tamara Bhavan"
1 Ashutosh Chowdhury Avenue
Kolkata - 700 019, India
Tel No. : (033) 2283 2226, 2283 2529
Fax No. : (033) 2283 2478, 2283 2640
E-mail : investors_cs@hindustancopper.com
CIN : L27201WB1967GOI028825
Website : www.hindustancopper.com

Contents	Page No.

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 Fourth Annual General Meeting on Wednesday, 22nd September, 2021 at 11:00 a.m.

The Annual Report can be accessed at www.hindustancopper.com

BOARD OF DIRECTORS

SHRI ARUN KUMAR SHUKLA
Chairman and Managing Director

SHRI SHAKIL ALAM
Government Nominee
Director

SHRI SANJEEV VERMA
Government Nominee
Director

SHRI SUKHEN KUMAR BANDYOPADHYAY
Director (Finance)

SHRI SANJAY PANJIYAR
Director (Operations)

SHRI R KALYANSUNDARAM
Independent Director

SHRI PAWAN KUMAR DHAWAN
Independent Director

SHRI BALWINDER SINGH CANTH
Independent Director

As on date of printing

Hindustan Copper Limited

(CIN: L27201WB1967GOI028825)

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

Phone: (033) 2283-2226, Fax:(033) 2283-2478, E-mail: investors_cs@hindustancopper.com

Website: www.hindustancopper.com

Notice to the Members

Notice is hereby given that 54th Annual General Meeting ("AGM") of the Members of Hindustan Copper Ltd ("HCL / the Company") will be held on Wednesday, 22nd September, 2021 at 11 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 31st March, 2021 together with the Reports of the Directors, Auditors and C&AG.
2) To declare dividend on equity shares.
3) To appoint a Director in place of Shri Arun Kumar Shukla (DIN 03324672), 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 all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), appointment of Shri Shakil Alam (DIN 09272903) as part time official Director of the Company with effect from 6.8.2021 in terms of Ministry of Mines' Order No. F. No. 10/2/2002-Met.III dated 6.8.2021 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 152 and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), appointment of Shri Sanjay Panjiyar (DIN 02846267) as Director (Operations) of the Company with effect from 31.7.2021 in the pay scale of Rs. 1,80,000 – 3,40,000/- in terms of Ministry of Mines' order No. 10/4/2019-Met.III (pt.) dated 26.7.2021 and other terms and conditions as may be notified by the Government from time to time be and is hereby approved."

8) 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. Guha Ghosh Kar & Associates, Cost Accountants, Kolkata appointed as Cost Auditor, to conduct audit of cost records of the Company for Financial Year 2021-22 be and is hereby ratified and confirmed."

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

   "RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the Act) and the Rules notified under the Act and subject to other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, such other approvals, consents and permissions as may be required to be obtained from the regulatory authorities and subject to the approval of the Ministry of Mines, Government of India (acting for and on behalf of the President of India), the consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall also include any Committee as may be constituted by the Board), to sell, lease, transfer or disposal of Gujarat Copper Project, a Unit of the Company, situated at 747, GIDC industrial Estate, Jhagadia, Dist. Bharuch, Gujarat-393110 ("Undertaking"), together with all tangible and intangible assets and liabilities, including land, plant and machinery and other assets in relation to the Undertaking, as a going concern / on a slump sale basis on an "as is where is" basis or in any other manner, to an interested party for such consideration and on such terms and conditions as the Board may deem fit in the interest of the Company."

   "RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including agreements, deeds, conveyance and other ancillary documents as may be required and to do all such other acts, deeds, matters and things as may be deemed necessary and/or expedient to give effect to the above Resolution and to settle any questions, difficulties or doubts that may arise with regard to sale, lease, transfer or disposal of the Undertaking of the Company."

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

"RESOLVED THAT in supersession of the earlier resolution of the shareholders regarding the issue of up to 13,87,82,700 equity shares through a qualified institutional placement passed as Special Resolution on January 28th, 2021 and without affecting the action(s) already taken under the board resolutions no. 375-B-2 dated January 31, 2018, no. 379-B-3 dated July 26, 2018, no. 386-B-6 dated April 25, 2019, no. 400-B-6 dated October 29, 2020, and the shareholders' special resolution dated September 27, 2018 and July 31st, 2019 and in accordance with the provisions of Sections 23, 42, 62, and other applicable provisions and rules, if any, of the Companies Act, 2013 (including any amendment(s) thereto or modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time), 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 ("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 Industrial Policy & Promotion, and the applicable rules, regulations, guidelines or laws and / or 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, and further subject to the approval of the shareholders of the Company, the Board be and is hereby authorized 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 (i.e. 10.48% of the existing paid-up capital 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 the lead managers, advisors or other intermediaries, for an aggregate amount not exceeding ₹900 crore or USD 152 million, whichever is higher, 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 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 12 months 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; and

iv) The Equity Shares to be offered and allotted shall be in dematerialized form."

"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 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."

"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 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."

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

"RESOLVED THAT subject to the approval of the shareholders of the Company, a Committee viz., QIP Committee be and is hereby constituted with the following Directors as its Members: the Chairman and Managing Director, the Director (Finance) and other functional/independent 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 merchant bankers, legal counsel, international legal counsel, 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 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) Finalization of allocation and allotment of the Equity Shares on the basis of the subscription received.

i) 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;

j) 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 Listing Regulations;

k) 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;

l) Approval of all expenses incurred in relation to the QIP;

m) 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

n) 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 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)."

12) 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 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 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, 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 finalise the detailed terms and conditions of any type of Debentures/Bonds by the Company including each issue / tranches of Debentures/Bonds, Issue programme of Debentures/Bonds, deposit / pay fees, execute and deliver / file such offer letter(s), document(s), deed(s), and writing(s), etc. as may be required, to raise 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 minor 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 documents, facility/ debentures/bonds documents so approved, to any two authorized signatories/officers of the company, jointly on behalf of the company, not less than the level of Asst. General Manager (Finance), as may be required for the issuance/ finalization for raising funds through debentures/ bonds."

By order of the Board

C S Singhi
ED (Co Secretary)
FCS 2570

Date: 25.8.2021
Place: Kolkata

NOTES:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act), in respect of Item Nos. 6 to 10 as set out above is annexed hereto. Special Business appearing at Item Nos. 6 to 12 of the Notice are considered to be unavoidable by the Board and hence forming part of this Notice.
2. In view of the COVID-19 Pandemic and social distancing norms to be followed, the Ministry of Corporate Affairs ("MCA") vide its Circular dated 5.5.2020 read with Circulars dated 8.4.2020, 13.4.2020 and 13.1.2021 (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. Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with the Circulars issued by MCA, the 54th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the 54th 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. Pursuant to MCA Circulars, in view of prevailing Pandemic situation, the Notice of the 54th AGM and the Annual Report for 2020-21 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). Members may note that Notice and Annual Report 2020-21 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 www1.nseindia.com respectively, and on the website of NSDL i.e. https://www.evoting.nsdl.com.
4. Members are requested to register/ update their e-mail address by submitting the 'Email Registration Form' available at the Company's website www.hindustancopper.com to the Company's RTA at rta@cbmsl.com. Members holding share in electronic form are requested to register/ update e-mail address with their respective DPs.
5. Since the AGM will be conducted through VC / OAVM, 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.
6. 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.
7. 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 also marked to investors_cs@hindustancopper.com.
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 16th September, 2021 to 22nd September, 2021 (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 15th September, 2021.
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 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. For the detailed process, please visit 'Investor Relations' page at website of the Company 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 at its registered office in respect of their physical shares, quoting the folio numbers.
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 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 for 2013-14 and the corresponding equity shares of the Company in respect of which dividend remain unclaimed for seven consecutive years will be due for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government on 19.10.2021. Details of such unclaimed dividend and corresponding shares are available on the Company's website www.hindustancopper.com under the section 'Investor Relations'. In respect of the said dividend and shares, it will not be possible to entertain any claim by the Company after 19.10.2021. 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.
15. Members holding shares in physical form are requested to convert their shares in demat mode. As per SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 notified on 8th June, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
16. 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. A consolidated Share Certificate will be issued to such Members.
17. 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

18. 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.
19. 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. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
20. 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.
21. Members can join the AGM through VC/OAVM 30 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.
22. 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 to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before 16th September, 2021 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
23. 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 on or before 16th September, 2021. 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.
24. 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

25. 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 19th September, 2021 (9:00 am) and ends on 21st September, 2021 (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 15th September, 2021, 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.
26. A person who is not a Member as on the cut-off date i.e. 15th September, 2021, 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 15th September, 2021.
27. Any person, holding shares in physical form and / or who acquires shares and becomes a Member of the Company after issue of the Notice and holding shares as on cut-off date i.e. 15th September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at investors_cs@hindustancopper.com or to the RTA at rta@cbmsl.com. However, if a person is already registered with NSDL for remote e-voting, then he can use his existing user ID and password for casting the vote. If the person forget his password, he can reset the password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. 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. 15th September, 2021, may follow steps mentioned under the process and manner of remote e-Voting mentioned below.
28. 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 Members holding securities in demat mode with NSDL:

1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.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.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.
3. 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. 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 held 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.

B) Individual Members holding securities in demat mode with CDSL:

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.

3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress

C) Individual Members (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 abovementioned website.

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

Login type	**Helpdesk details**
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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***

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 Members whose email ids are not registered.

4. 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.

b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on 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 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.

5. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

6. Now, you will have to click on "Login" button.

(i) 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?

(ii) 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.

(iii) Select "EVEN" of Hindustan Copper ltd, which is 116619.

(iv) For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

(v) Now you are ready for e-Voting as the Voting page opens.

(vi) 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.

(vii) Upon confirmation, the message "Vote cast successfully" will be displayed.

(viii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

(ix) 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 54th 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 and the Company at 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, to the email address of the RTA at rta@cbmsl.com and the Company at investors_cs@hindustancopper.com.

iii. Alternatively, Member may send an e-mail request to 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.

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 54th AGM as mentioned above for remote e-voting

ii. Only those Members who will be present in the 54th 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 54th AGM may also participate in the 54th AGM through VC/ OAVM but shall not be entitled to cast their vote again.

General information for Members

29. 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 https://www.evoting.nsdl.com/ to reset the password.

    In case of any query / grievance with respect to Remote E-voting, Members may refer to the Frequently Asked Questions (FAQs) for Shareholders and Remote E-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website or contact Mr. Amit Vishal, AVP / Ms. Pallavi Mhatre, Manager, NSDL, Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at toll free no. 11800 1020 990 / 1800 22 44 30 or at E-mail ID : evoting@nsdl.co.in. Members holding shares in demat mode with CDSL and facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43.

30. 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 54th 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 54th AGM, who shall then countersign and declare the Result of voting forthwith.

31. The Result declared along with the Scrutinizer's Report shall be placed on the website of the Company at 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 Shakil Alam, Economic Adviser, Ministry of Mines, Government of India, has been appointed as part time official Director of the Company with effect from 6.8.2021 in terms of Ministry of Mines' (MoM) Order No. F. No. 10/2/2002-Met. III dated 6.8.2021. It is now proposed to regularize his appointment at the ensuing 54th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 2013 (the Act).

Born on 15.3.1976, Shri Shakil Alam is Masters in Economics from BITS, Pilani and belongs to Indian Economic Service (IES) of 2001 batch. Shri Alam has joined the MoM as Economic Adviser (EA) on 22.7.2021. Previously, Shri Alam was EA in the Ministry of Skill Development and Entrepreneurship where he handled policy related matters. He also worked in the Department of Economic Affairs, Ministry of Finance dealing with international financial institutions like IMF and IFC. He had also served the thirteenth President of India as Officer on Special Duty. His career of 18 years is also marked by stints in the then Department of Disinvestment (Ministry of Finance), dealing with share sale of CPSEs; in Ministry of Labour and Employment, dealing with industrial relations policy; in the then Department of Industrial Policy and Promotion, handling international investment relations, and in Department of Economic Affairs dealing with the cadre of his Service.

Shri Shakil Alam does not hold directorship in any other company. He was also not director in any other listed company in last three years. He does not hold any share in his name or on a beneficial basis for any other person in the Company. The Board considers that his continued association would be of immense benefit to the Company and recommends his appointment as Director of the Company. None of the Directors, Managers and other Key Managerial Personnel (KMP) of the Company is related to Shri Alam. Except Shri Alam, 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

Shri Sanjay Panjiyar has joined as Director (Operations) of the Company with effect from 31.7.2021 in terms of Ministry of Mines' order No. 10/4/2019-Met.III (pt.) dated 26.7.2021. It is now proposed to regularize his appointment at the ensuing 54th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 2013 (the Act).

Born on 21.6.1964, Shri Sanjay Panjiyar is B. Tech in Production Engineer from BIT Sindri and PGDCA from Pondicherry University. Shri Panjiyar started his career in Vizag Steel Plant, Rashtrtiya Ispat Nigam Ltd (RINL) as MT(T) in the year 1989. He has rich and varied experience spanning over 31 years in public and private sector companies and has gained reputation to solve critical issues in steel making and mining sector. During his career in Vizag Steel Plant he earned experience in testing, commissioning, stabilization and operations of Rolling mill. Post RINL, he worked in private sector wherein he was heading operation and projects of metal and mining. In the year 2015, he joined NMDC Ltd in the prestigious green field 3.0 MTPA steel plant project at NISP Nagarnar, Bastar, Chhattisgarh. As Chief General Manager, NMDC he was in-charge of many major packages and has played significant role in completion of NISP project.

Shri Sanjay Panjiyar does not hold directorship in any other company. He was also not director in any other listed company in last three years. He does not hold any share in his name or on a beneficial basis for any other person in the Company. The Board considers that his continued association would be of immense benefit to the Company and recommends his appointment as Director of the Company. None of the Directors, Managers and other Key Managerial Personnel (KMP) of the Company is related to Shri Panjiyar. Except Shri Panjiyar, 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 7.

Item No 8

The Board, on the recommendation of the Audit Committee, approved appointment of M/s. Guha Ghosh Kar & Associates, Cost Accountants Kolkata as Cost Auditor, to conduct audit of cost records of the Company for the FY 2021-22 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. 8 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. 8 of the Notice.

Item No 9

The Company had acquired plant & machinery, building and lease hold land of Jhagadia Copper Ltd (in liquidation) situated at 747, GIDC Industrial Estate, Jhagadia, Dist. Bharuch, Gujarat-393110 from Assets Reconstruction Company (India) Ltd in the year 2015 under the provision of SARFAESI (Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest) Act, 2002. After acquisition, Jhagadia Plant was renamed as Gujarat Copper Project (GCP) by the Company. GCP unit commenced commercial production by utilizing Anode furnace section and Refinery plant from October, 2016. Since commencement of operations, the GCP unit has been facing various constraints like non-availability of suitable material for both anode and kaldo furnace at desired price level, unorganized domestic copper source, high cost of production, etc. and consequently the GCP unit has been incurring continuous losses. Considering above, the Board of HCL in its meeting held on 2.12.2020 had approved suspension of operations at GCP and initiation of actions for leasing out or sale of whole GCP unit.

As per Article 73(i) of the Articles of Association of the Company approval of the President of India is required for "Sale, lease or disposal otherwise of the whole or substantially the whole of the undertaking of the Company". Accordingly, the Company has written to the administrative Ministry seeking necessary approval. As per provisions of Section 180 (1) (a) of the Companies Act, 2013, approval of Members by way of Special Resolution is required for sell, lease or otherwise dispose of the whole of substantially the whole of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.

In view of the above, the Board in its meeting held on 16.7.2021 has recommended passing of the Special Resolution mentioned at item No. 9 of the Notice 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 Notice.

Item No 10

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 LODR Regulations”), each as amended, the approval of the Members is required by Special Resolution, for further issue of equity shares of the Company to persons not being existing Members of the Company.

The Members of the Company have 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, on recommendation of the Board in its meeting held on 29.10.2020 for funding the capex/ expansion plans of the Company for expanding the mines production capacity from 3.6 million tonnes per annum (MTPA) of ore to 20 MTPA of ore (in the 1st phase up to 12.20 MTPA and in 2nd phase up to 20.20 MTPA). 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 mobilized ₹500 crore (including premium) equivalent to 4.52 % of the existing share capital of the Company for funding the ongoing 1st phase of mine expansion plan and the QIP issue was fully subscribed and shares allotted to the investors. The balance fund required for capex will be raised as per future requirement of funds. After the 4.52% equity issue, the GoI shareholding in HCL has come down from 76.05 % to 72.76% and the Company has complied with the minimum public shareholding as required by Securities Contract (Regulations) Rules, 1957.

The validity of Special Resolution for issue of shares by QIP method passed by Members on 28.1.2021 is for one year i.e. up to 27.1.2022 as per SEBI ICDR Regulations 2018. Therefore, the Company is proposing to pass the Special Resolution set out at Item No. 10 of the AGM Notice. Thus, the Company will have an enabling resolution in place for raising further funds through QIP as and when 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 LODR 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 through issue of Equity Shares through Qualified Institutional Placement (QIP) method to the extent of 10.48% (15% less 4.52% already raised) of existing paid up equity capital 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.

In view of the above, the Board in its meeting held on 25.6.2021 has recommended passing of the Special Resolution mentioned at item No. 10 of the Notice 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 Notice.

Item No 11

In furtherance of the proposal to issue further equity shares of the Company by way of QIP as set out in Item No. 10, 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.

In view of the above, the Board in its meeting held on 25.6.2021 has recommended passing of the Special Resolution mentioned at item No. 11 of the Notice 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. 11 of the Notice.

Item No 12

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 Securities and Exchange Board of India (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 28.1.2021 through Postal Ballot 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 exceeding the overall borrowing limit of ₹2,500 crore (Rupees Two thousand five hundred crore) 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 27.1.2022.

Further, 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 1 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 under SEBI. As per the Circular, a LC shall have to fulfil the requirement of incremental borrowing for FY 2021-22 and FY 2022-23 by the last date of FY 2022-23 failing which a monetary penalty/fine of 0.20% of the shortfall in the borrowing amount shall be levied and paid to the stock exchanges.

Thus, to comply with SEBI guidelines, keeping in view that the total borrowing limit of the company is ₹2500 crore, the Company proposes to keep an enabling provision of borrowing through Debentures/Bonds up to a limit of ₹500 crore within the overall limit of ₹2500 crore.

Further it may be noted that CMD and Director (Finance) of the company are jointly authorized by the Board in its meeting held on 29.10.2020 and approved by the Members on 28.1.2021 through Postal Ballot to borrow through any mode including bonds with or without creation of charges on the movable and immovable assets of the company, hence no separate resolution for creation of charge on the assets of the company is required.

In view of the above, the Board in its meeting held on 25.6.2021 has recommended passing of the Special Resolution mentioned at item No. 12 of the Notice 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. 12 of the Notice.

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

Shri Arun Kumar Shukla

Shri Arun Kumar Shukla is the Chairman and Managing Director of the Company with effect from 1.1.2020 in terms of Ministry of Mines' order No. 10/1/2019-Met.III dated 11.12.2019.

Born on 7.7.1963, Shri Arun Kumar Shukla is a Graduate Mining Engineer of 1985 batch from Indian School of Mines, Dhanbad, M Tech in Environmental Engg. and also holds degree of Law (LLB). He possesses first Class Mines Managers' Certificate under The Mines Act, 1952. Shri Shukla is having vast experience of Indian Mining Industry. He has worked in Central Coalfields Ltd for more than 21 years and in NMDC Ltd. for 12 years. On deputation from NMDC, he served as Managing Director of Jharkhand State Mineral Development Corporation Ltd. (A State PSU) for about 2 years. He was also holding the charge of CEO of the two Joint Venture Companies of NMDC viz. NMDC-CMDC Ltd. and JNMDC Ltd. to start new mines in the state of Chhattisgarh and Jharkhand respectively. Prior to joining HCL, Shri Shukla was working as Executive Director in NMDC Ltd and was heading one of its major units namely Bailadila Iron Ore Mines, Bacheli Complex in Bastar, Chhattisgarh. In HCL, Shri Shukla was earlier Director (Operations) during the period from 1.10.2018 to 31.12.2019.

Shri Shukla is also Managing Director of Chhattisgarh Copper Ltd (a Subsidiary of HCL & JVC with Chhattisgarh Mineral Development Corporation) and Director on the Board of Khanij Bidesh India Ltd (KABIL), a JV company between NALCO, HCL and MECL. Besides above, Shri Shukla does not hold directorship in any other company. Shri Shukla was also not director in any other listed company in last three years. Shri Shukla does not hold any share in his name or on a beneficial basis for any other person in the Company. None of the Directors, Manager and other Key Managerial Personnel of the Company is related to Shri Shukla. Shri Shukla attended all ten Board meetings of the Company held during FY 2020-21.

Shri Sanjeev Verma

Shri Sanjeev Verma, Director, Ministry of Mines, Government of India, has been appointed as 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 Verrma 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 does not hold directorship in any other company. He was also not director in any other listed company in last three years. He does not hold any share in his name or on a beneficial basis for any other person in the Company. None of the Directors, Managers and other Key Managerial Personnel of the Company is related to Shri Verma. Shri Verma attended all six Board meetings of the Company held during FY 2020-21 after his appointment as Director on the Board of HCL.

REPORT OF THE BOARD OF DIRECTORS

The Shareholders
Hindustan Copper Ltd
Kolkata

Your Directors have pleasure in presenting the fifty third Annual Report of Hindustan Copper Ltd. (HCL/the Company) together with the audited statement of accounts and Auditors' Report thereon for the year ended 31.3.2021.

1. Performance

Financial Summary or highlights

The comparative working results for the FY 2020-21 vis-à-vis FY 2019-20 are as under:

(₹ in crore)

Particulars		2020-21	2019-20
(a)	Turnover	1760.84	803.17
(b)	Profit /(Loss) before depreciation, amortization, finance cost & tax	444.68	(186.61)
(c)	Less : Depreciation & Amortization	294.82	290.68
(d)	Less : Finance Cost	62.61	60.42
(e)	Profit/ (Loss) Before Tax from continuing operation	87.25	(537.71)
(f)	Profit/(Loss) Before Tax from discontinuing operation	(0.35)	(0.35)
(g)	Profit/(Loss) Before Tax from continuing & discontinuing operation	86.90	(538.06)
(h)	Less : Provision for Taxation (Current & Deferred Tax)	(23.08)	31.29
(i)	Profit after tax from Continuing & Discontinuing Operation	109.98	(569.35)
(j)	Other Comprehensive Income (net of tax)	0.95	(22.46)
(k)	Total Comprehensive Income for the year	110.93	(591.81)
(l)	Add: Balance brought forward from the previous year	220.04	869.85
(m)	Balance available for appropriation	330.97	278.04
(n)	Less : Dividend	-	48.11
(o)	Less : Tax on Dividend	-	9.89
(p)	Balance to be carried forward	330.97	220.04
(q)	Earnings per Share(Rs) (Both Basic & Diluted)	1.188	(6.154)

During 2020-21, the turnover of the Company was ₹1760.84 crore as against ₹803.17 crore during FY 2019-20 registering an increase of 119%. The Company posted Profit Before Tax from continuing & discontinuing operation of ₹86.90 crore during the year as against ₹(538.06) crore recorded during the previous year registering an increase of 116%. The Profit/(Loss) After Tax from continuing & discontinuing operation during FY 2020-21 is ₹109.98 crore as against ₹(569.35) crore in FY 2019-20 registering an increase of 119% mainly due to to sale of unsold opening stock of Metal in concentrate coupled with rise in LME Price of Copper and higher Exchange Rate and decrease in operating expenditure after offsetting the impact of provision for impairment of assets of Gujarat Copper Project and Copper Ore Tailing (COT) Beneficiation Plant at Malanjkhand Copper Project (MCP).

Physical performance:

The comparative physical performance of production and sales for the year 2020-21 vis-a-vis 2019-20 is as under:

Particulars	2020-21	2019-20
Ore (Lakh Tonnes)	32.73	39.68
Metal in concentrate (MIC) (Tonnes)	23,866	26,502
Cathode (Tonnes)	Nil	5,340
CC Wire Rod (Tonnes)	1,360	8,443
Sales (Tonnes):		
CC Rod	Nil	4,247
Cathode	Nil	1,492
MIC	32,997	12,669
Total	**32,997**	**18,408**

Ore and MIC production during FY 2020-21 was less compared to last year mainly due to lockdown and maintaining social distancing protocol of CoVID-19 Pandemic, suspension of production at Surda Mine at Ghatsila, Jharkhand due to non-renewal of mining lease whose validity expired on 31.3.2020 by the State Government of Jharkhand, low grade of Ore and water shortage at Khetri Copper Complex (KCC), Rajasthan, low grade of Ore in the open pit mine at MCP, MP which has reached its ultimate depth and is in a transition phase from open pit to underground mining, heavy rains affecting mining in lower benches at MCP etc.

To augment production from mines, the Company is taking requisite action and is also in the process of enhancing the mining capacity through ongoing mine expansion projects. Against the contract awarded for taking ore production from underground mine at MCP through decline route, the contractor has built up the infrastructure and development work is in progress. MCP underground expansion project has achieved an important milestone i.e. completion of excavation of 1500 m long drive and connection of tunnel ends of north and south sections of the mine at 240mRL. 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 the situation has improved.

The Company has appointed Transaction Advisor for selection of MDO (Mine Developer Cum Operator) for development and operation of 3.00 Million tonnes per annum Rakha- Chapri Mine at ICC, Jharkhand during the year. Discussion with the prospective MDO partners has been held and finalisation of RFP document is in advanced stage.

During 2020-21, there was no production of Cathode and very marginal production of CC Wire Rod due to direct sale of concentrate by the Company as per market scenario.

The Company has signed long term agreement with one of Indian conglomerates on 17.9.2020 for sale of its around 60% copper concentrate to boost the 'Atmanirbhar Bharat Abhiyan' of the Government of India.

2. Dividend

The Board of Directors of your Company has recommended payment of dividend equivalent to 7% on paid-up capital of the Company i.e. Re 0.35 per share on ₹5/- face value for the year 2020-21 for approval of shareholders in the Annual General Meeting. The outgo on this account will be ₹33.85 crore.

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. However, in April, 2021 around ₹500 crore was raised by Company through 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. The funds so raised are being utilized towards the Capex/ expansion projects of the Company.

4. Projects

Your Company had initially during FY 2010-11 envisaged increase in mine production capacity from 3.4 million tonne per annum (MTPA) to 12.2 MTPA. This was subsequently revised to 20.2 MTPA in order to boost domestic production of copper metal to reduce dependence on imports. The expansion plan will be implemented in a phased manner i.e. in first phase capacity up to 12.2 MTPA would be targeted and in second phase it will be scaled up to 20.2 MTPA.

Status of different continuing mine expansion projects is as under:

i. Malanjkhand Copper Project (MP)

The proposed expansion of MCP will augment the ore production capacity from 2.0 to 5.0 MTPA by developing an underground mine below existing open pit whose life is at its fag end. After obtaining the required Environment Clearance (EC) and clearance from National Board for Wild Life (NBWL), contract for development of underground mine was awarded in April, 2015 and at present, the expansion project is under execution. As on 31.3.2021, the progress of important milestones are as under:

Sl. No.	Milestones	Planned depth / length (m)	Completed (m)	Status
1	Service Shaft	665	665	Sinking completed
2	Production Shaft	694	694	Sinking completed
3	North Ventilation Shaft	633	471	Under progress
4	South Ventilation Shaft	645	591	Under progress
5	North Decline	4610	3030	Under progress
6	South Decline	3860	2330	Under progress

Due to precarious financial position, the contractual Agency has been referred under Insolvency and Bankruptcy Code, 2016 and their liquidation is under process. This resulted into slow progress on construction of underground mine at MCP.

Meanwhile, a contract for ore production from developing underground mine through decline has been awarded in July, 2019. Development activities has been already commenced. The contractual agency is in process of mobilizing equipment required for production from underground mine.

ii. Khetri, Kolihan and Banwas mine (Rajasthan) The proposed expansion of mines at western sector will increase ore production capacity from existing 1.0 to 3.0 MTPA. Mine-wise status is as under:-

a. Kolihan Mine: Environmental clearance for shaft sinking & creation of ore handling facilities below 0 mRL (meter reduced level) to augment the production capacity to 1.5 MTPA was obtained on 2.2.2015. To establish the ore bodies at depth and to establish mineralization corresponding to (-) 120 mRL and (-) 180 mRL, 6298 meter of surface exploratory drilling has been completed in 2019 -20. Mineralization 0 mRL has been established and resource of Kolihan Mining Lease is expected to be enhanced. Final exploration report is under preparation.

b. Khetri mine: Contract was awarded during 2011-12 to augment ore production capacity of Khetri mine from 0.5 MTPA to 1.5 MTPA through deepening of existing shafts and other related activities. However, during execution of the contract, the work was badly affected at the initial stage due to extremely bad ground / fault zone encountered while making approach cross cut to reach below the existing Production Shaft area for setting up winding arrangement for sinking of shaft further. Despite many efforts made by the contractor the problem persisted and finally the contract was terminated in January, 2017 as per terms and conditions of the contract.

After identification of the fault plane and bad ground below ground, a detailed study was done to modify the design of deepening of Production shaft in safest manner. Tendering action for new contract for deepening of the existing Production shaft has been initiated.

c. Banwas Mine: A Contract was awarded during 2009-10 to develop the Banwas deposit as part of Khetri mine to augment the production capacity to 0.6 MTPA. The project was completed in February, 2017.

During FY 2016-17, the Company has appointed contractual agency for ore production from Banwas deposit. The contractual agency has produced 2,34,708 tonne of ore in FY 2020-21 and the target production ramp will be achieved by 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.

Validity of Surda Mining Lease was up to 31.3.2020 and the Company had taken action for its renewal.

The Expert Appraisal Committee (EAC) of the Ministry of Environment, Forest and Climate Change (MoEFCC) in its 35th meeting held on 6.8.2020 and 7.8.2020 had recommended in favour of HCL for Environment Clearance. LoI issued by Govt. of Jharkhand for extension of the period of the lease vide letter dated 5.8.2020 has been submitted. MoEFCC vide letter dated 29.12.2020 has intimated HCL about the acceptance of EAC recommendation for grant of EC and asked to submit BG, Lease renewal letter and Stage I FC for grant of EC. BG of ₹5.71 crores submitted by HCL to JSPCB as desired by MoEFCC on 13.2.2021 and intimation given to Secretary, DMG, SGoJ vide letter dated 15.2.2021. HCL is continuously pursuing with Government of Jharkhand for renewal of Surda Mining Lease.

Meanwhile, depth exploration drilling (surface exploratory drilling) to the tune of 8924.50 meter has been completed at Surda Mining Lease during 2019-20 and final report is under preparation. It is expected to enhance the resource base of Surda Mining Lease.

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

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

a. Kendadih mine: A contract for reopening and development of closed Kendadih mine was awarded in 2011-12. After obtaining necessary statutory clearances, Kendadih mine was reopened in December, 2017 with commissioning of winders after completion of dewatering of the mine. Presently, Mine development work is in progress. Equipment have been mobilized and mine had produced 41,772 MT of incidental ore during 2020-21. The Company has floated tender for ore production from Kendadih copper mine and production will commence in 2021-22.

b. Chapri Sideshwar and Rakha mine: Chapri-Sideshwar mine falls within the Rakha and Kendadih mining lease area. The EC and Stage II FC for Kendadih mining lease was obtained on 20.1.2015 and 28.11.2016 respectively from MoEFCC.

It is planned to augment the production capacity to 1.5 MTPA of ore by reopening and expansion of closed Rakha mine. The EC and Stage II FC for Rakha mining lease was obtained on 1.8.2014 and 15.9.2016 respectively from MoEFCC.

The Company is exploring to engage contractor through MDO (Mine Developer cum Operator) route for re-opening and expansion of Rakha Copper Mine, development of a new underground mine at Chapri-Sideshwar to produce 3 MTPA of ore and erection & commissioning of a new Concentrator Plant at ICC. For engagement of MDO, the Company has already appointed Transaction Advisor for preparation of tender document and mine service agreement.

Meanwhile, surface exploratory drilling has been completed at Chapri Block of Rakha Mining Lease and 5243.5 m of drilling has been done during the year 2019-20. The final report has been submitted, substantial resource base has been added to the Chapri Block of Rakha Mining Lease.

The Company envisages augmentation of ore production capacity in 1st phase to 12.2 MTPA by 2028-29 in stages. The Company will take up enhancement of ore production capacity to 20.2 MTPA in 2nd phase after successful completion of 12.2 MTPA capacity plan.

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 not raised funds through preferential allotment or Qualified Institutions Placement during the FY 2020-21 and hence not applicable.

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

HCL has invested till date ₹75 Lakhs in the equity shares of Khanij Bidesh India Ltd (KABIL), a JV company between NALCO, HCL and MECL 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. During the year no further investment was made by the Company in KABIL. The shareholding of NALCO, HCL and MECL in KABIL is in the ratio of 40:30:30.

During the year, HCL has made additional investment of ₹14.80 Lakhs in the equity of its subsidiary viz. Chhattisgarh Copper Ltd (CCL). The total paid up capital of CCL as on 31.3.2021 is ₹45 Lakhs 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 2020-21.

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 at www.hindustancopper.com.

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 posted at the Company's website at www.hindustancopper.com.

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 at www.hindustancopper.com.

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 at www.hindustancopper.com.

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

Safety remains high priority area and the Company is always aiming to achieve "Zero Accident". The Company continues to maintain the tradition of attracting recognition for its safety performance and, like previous years, received a number of awards in mine safety as indicated below:

i. Malanjkhand open cast mine had won the following safety performance award in large opencast mine category in 2020-21 under the aegis of DGMS (Nagpur region I & II):
   a) 1st Prize in Trade Test of Auto Electrician.
   b) 2nd Prize in Large open cast mines category for First Aid team captain, Trade Test of Diesel Mechanic.
   c) 3rd Prize in Trade Test of Electrician.

ii. Khetri Copper Mine had received 1st position in Occupational health & Safety welfare amenities, Vocational Training & First Aid and Accident statistics & control measures such as SMP & Emergency preparedness, Electrical Equipment & Installations, Storage, Transport & Use of Explosive and 3rd position in Overall performance.

iii. Kolihan Copper Mine had received 1st position in Overall Performance, Mine working, Mine Plans & Records, Occupational health & Safety welfare amenities, Vocational Training & First Aid and Accident statistics & control measures such as SMP & Emergency preparedness, Electrical Equipment & Installations, Publicity and Propaganda & Awareness, Storage, Transport & Use of Explosive and 2nd position in Plant, Machinery, Maintenance & Operation of Winder.

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.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.

23. Vigilance Activities

During FY 2020-21, the Vigilance department of the Company had taken special initiative to complete the following activities:-

(1) Imparted training on preventive vigilance to all the executives of HCL as per guidelines given by Central Vigilance Commission.

(2) Filing of Annual Property Returns completed by 31.01.2021 by all the executives as prescribed by the Central Vigilance Commission.

(3) Updation of Procurement Manual of HCL for Goods & Services by incorporating the latest guidelines of Government of India and Central Vigilance Commission. The updated manual came into effect from 01.07.2020.

(4) Ensured that all the tenders are uploaded in the Central Procurement Portal (CPP), Government e-Marketplace (GeM) and the website of HCL.

(5) Disposal of all old pending cases.

24. Official Language Implementation

During FY 2020-21, HCL made constant endeavor to increase the use of Official Language Hindi in its Units/Offices. Hindi fortnight and Hindi Diwas were celebrated in the Units/Offices from 14.9.2020 to 28.9.2020. 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 28.9.2020. 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 2020-21, HCL participated in the half-yearly meetings organized by the Town Official Language Implementation Committee (PSUs), Kolkata.

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. There is a continuous effort to publish advertisement of recruitment / tender etc. bilingually. In order to increase knowledge and popularity of Hindi among 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.

25. Business Responsibility Report

Pursuant to Regulation 34 (2) of SEBI (LODR), 2015, Business Responsibility Report for FY 2020-21 describing various initiatives taken by the Company on social, environmental and governance perspective, is attached at **Annexure-V** which forms part of this report.

26. Annual Return

Annual Return pursuant to Section 92(3) of the Companies Act, 2013 is available at Company's website at www.hindustancopper.com.

27. 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.

28. Number of meetings of the Board

During 2020-21, ten Board meetings were held on 1.6.2020, 29.6.2020, 14.7.2020, 21.7.2020, 10.9.2020, 29.10.2020, 10.11.2020, 2.12.2020, 22.1.2021 and 3.2.2021.

29. 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, 2021 the applicable Accounting Standards had 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, 2021 and of the Profit and Loss of the Company for the FY 2020-21.

(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.

30. 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.

31.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 at www.hindustancopper.com.

32. 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. Two out of four Independent Directors (viz. S/Shri R Kalyansundaram and Pawan Kumar Dhawan) have successfully completed online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

33. 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.

34. 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 www.hindustancopper.com. All Board members and senior management personnel have affirmed compliance of the Code for the year ended 31st March, 2021.

35. Directors and Key Managerial Personnel

During the year Shri Sanjeev Verma, Director, Ministry of Mines (MoM) was appointed as part time official (Govt. Nominee) Director vice Shri Satendra Singh, Jt. Secretary, MoM with effect from 7.8.2020.

The Board places on record its appreciation for the valuable services and contribution made by Shri Satendra Singh during his tenure on the Board.

36. Secretarial Audit Report

M/s Bajaj Todi & Associates, Practicing Company Secretaries, has been appointed as Secretarial Auditor for FY 2020-21. 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 Board does not have Women Director with effect from 16.11.2019", 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 (MoM). The Company has no role to play in the appointment process. However, the Company is pursuing the matter with MoM for appointment.

37. Auditors

M/s. Chaturvedi & Co, Kolkata was appointed as Statutory Auditors to audit the accounts of the Company for the year 2020-21.

M/s. Chatterjee & 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 2020-21.

38. 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, 2021 are annexed to this report.

39. 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

Arun Kumar Shukla
Chairman and Managing Director
(DIN-03324672)

Place: Kolkata
Date: 9.7.2021

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 chrysycolla and dioptase) and as pure "native" copper.

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

Virtually all products made from copper can be recycled and recycled copper loses none of its physical and chemical properties. 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 remained essentially unchanged in calendar year (CY) 2020 compared to CY 2019. The concentrate production increased by 0.4% and solvent extraction-electrowinning (SX-EW) declined by about 2%. World refined copper production increased by about 1.5% in CY 2020 with primary production (electrolytic and electrowinning) up by 2.8% and secondary production (from scrap) down by 4.5%. World apparent refined copper usage increased by 2.2% in CY 2020. World refined copper balance for CY 2020 indicates an apparent deficit of about 560,000 tonnes due to strong Chinese usage.

ICSG has reported that World copper mine production after three years is expected to increase by about 3.5% from 20.59 million tonnes CY 2020 to 21.32 million tonnes in CY 2021 and 3.7% from 21.32 million tonnes in CY 2021 to 22.10 million tonnes in CY 2022.

In CY 2020 World mine production remained flat as recovery in production in some countries from constrained output in 2019 (e.g. Chile and Indonesia) and additional output from projects including those in Panama, Russia and the D.R. Congo helped in balancing the negative impact which Covid-19 pandemic had on copper mine output in few countries, like Peru.

In CY 2021, growth of 3.5% is anticipated as global output is expected to recover from CY 2020 constrained levels and benefit from increased supply resulting from the ramp-up of recently commissioned mines and expansions as well as from the planned start-up of larger projects. Major projects starting in CY 2021/2022 include Kamoa Kakula in the D.R of Congo, Quellaveco in Peru, Spence-SGO (already started), and Quebrada Blanca QB2 in Chile and Udokan in Russia. A number of medium and small projects are also expected to come on stream.

After increasing by 1.6% in CY 2020, world refined copper production is expected to rise by about 3% in both CY 2021 and CY 2022 and expected to reach production level of 25.16 million tonnes in CY 2021 & 25.93 million tonnes in CY 2022.

After a decline of 4% in world secondary refined production (from scrap) in CY 2019 and CY 2020, due to the Chinese scrap ban and the negative impact of the lockdown on the supply of copper scrap, world secondary refined production is expected to grow in CY 2021 and CY 2022 on the basis of continued improvement in scrap availability.

World primary electrolytic refined production (from concentrates and SX-EW) is also forecasted to increase by 2.9% in CY 2021 and CY 2022, with SX-EW output presenting lower growth of 0.6% in CY 2021 and 2.2% in CY 2022.

World apparent refined copper usage is expected to remain essentially unchanged in CY 2021 and to grow by about 3% in CY 2022.

In CY 2020, the world consumption of refined copper was 25.04 million tonnes registering an increase of 2.5%. Sustained growth in copper demand is also expected to continue as copper is essential to economic activity and even more so to the modern society. Infrastructure development in major countries such as China and India 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 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. The size of Indian Copper Industry (consumption of refined copper per annum) is around 6.6 lakh tonnes, which as percentage of world copper market is only 3%.

As on 1.4.2020, HCL had access to around two-fifths of the copper ore reserves and resources in India with an average grade

1.01%. Also, as on 1.4.2020, HCL had reserves (proved & probable) of 167.08 million tonnes ore with average grade of 1.32% and total reserves and resource of 570.40 million tonne ore with average grade of 1.01% (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, dated October 2020).

There are three major players which dominates the copper industry in Indian markets namely Hindustan copper Limited (HCL) in Public sector, M/s Hindalco Industries Ltd and M/s Sterlite Copper a Unit of Vedanta Industries Ltd in Private Sector. Adani Group has recently announced to install 5 MTPA custom smelter plant named as Kutch Copper Limited. Refined copper production in India has declined significantly due to the permanent closure order issued to Sterlite Copper 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 mined ore, while M/s Hindalco Industries Ltd at Dahej in Gujarat and Sterlite Copper 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 more than 1000 SMEs, MSMEs and unorganized sector working in the downstream and secondary recycling of copper Industries in India.

In the fiscal year 2020-21, the copper ore production in India was 3.27 million tonnes. HCL has plans to increase its mining capacity from its current level ore production to 12.2 million tonne per annum in Phase-I in next 7 to 8 years and will take necessary action for further capacity enhancement to 20.2 million tonne per annum in Phase-II. Metal in concentrate production of HCL in FY 2020-21 was 23,866 tonnes.

Refined copper production in India during FY 2020-21 was approx.3.63 lakh tonnes (Vedanta- 1.01 lakh tonnes, HCL- Nil & Hindalco- 2.62 lakh tonnes), as compared to 4.08 lakh tonnes in FY 2019-20.

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 two plants, 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
- Regulatory risks in mining increasing
- Risk in existing non-profitable business
- Non-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 at 7% -8% in India. 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 demand for copper in India. Manufacturing of hybrid and electric vehicles (EVs) will also augment the consumption of copper as EVs use four times more copper than traditional internal combustion engines. Copper is essential to EV technology and its supporting infrastructure. The evolving EVs market will have a substantial impact on copper demand. Copper demand is 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 0.5 Kg to 1 kg in coming years. The average per capita copper consumption in the 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 robust 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 2020-21 vis-à-vis FY 2019-20 is summarized below:

(₹ in crore)

Particulars	2020-21	2019-20
Turnover	1760.84	803.17
Value of Production	1482.50	939.95
Cost of production excluding depreciation, amortization and Finance Cost	1037.82	1126.56
Profit /(Loss) before depreciation, amortization and Finance Cost	444.68	(186.61)
Depreciation, Amortisation	294.82	290.68
Finance Cost	62.61	60.42
Profit/ (Loss) Before Tax from Continuing Operation	87.25	(537.71)
Profit/ (Loss) Before Tax from Discontinuing Operation	(0.35)	(0.35)
Profit/(Loss) Before Tax from continuing & discontinuing operation	86.90	(538.06)
Provision for taxation -Current	77.91	8.33
-Deferred	(100.99)	22.96
Profit/ (Loss) After Tax from Continuing & Discontinuing Operation	109.98	(569.35)

Capital Expenditure

During the year, the expenditure on account of Replacements & Renewals (R&R) of plant & machinery, mine expansion, mine development & green field exploration stood at ₹372.35 crore which was funded partially through internal resources of the Company and partly through borrowings from banks and no Government support for capital expenditure was asked for.

Contribution to Exchequer

During 2020-21, the Company contributed a sum of ₹153.18 crore to the exchequer by way of duties, taxes and royalties, as against ₹194.59 crore in 2019-20, as detailed below:

Particulars	₹ in crore	
	2020-21	2019-20
Customs Duty	-	0.14
Sales Tax/GST	20.56	32.65
Royalty and Cess	81.45	75.91
Income Tax	38.69	83.40
Others	12.48	2.49
Total	153.18	194.59

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

(i) Manpower

As on 31.3.2021, the manpower of the Company was 1649. Category-wise break-up is tabulated below.

Employee Group	Category (No.)				
	Gen	SC	ST	OBC	Total
A	311	84	24	103	522
B	15	4	0	4	23
C	445	137	155	133	870
D	78	94	40	22	234
Total	**849**	**319**	**219**	**262**	**1649**

Employee Group	Special Categories (No.)			
	ESM	PwD	LDP	Minorities
A	0	16	0	29
B	0	1	0	0
C	5	4	113	74
D	15	9	33	10
Total	**20**	**30**	**146**	**113**

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 1649 as on 31.03.2021 was 19.35%, 13.28%, 15.89% and 1.82% respectively.

(iii) Employment of Women

The Group-wise strength of women employees as on 31.03.2021 vis-à-vis the total employee strength of the Company is given below.

	No. of Employees		Women Employees as % of total Employee
Group	Total	Women	
A	522	39	07.47
B	23	2	8.70
C	870	36	04.14
D	234	54	23.00
Total	**1649**	**131**	**07.94**

(iv) Employee Relations

During the period, 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 the FY 2020-21, a meeting of the apex level Bi-partite Forum NJCC was held though video conference on 10.10.2020. Major issues were discussed and some were resolved.

(v) Human Resource Development

Training and Development, based on identified needs, is 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 2020-21, 3900 mandays of training were achieved against a target of 3862 mandays. The Company selectively nominated employees for specialized training Programmes / Workshops / Seminars / Conferences organized by reputed professional organizations and Institutes.

(vi) Communal Harmony and National Integration

In the townships of the Company located at Khetri, Malanjkhand 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. During the year, no complaint was received 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 31.3.2021 was 16 (sixteen) in Group A, 1 (one) in Group B, 4 (four) in Group C and 9 (nine) in Group D, aggregating to 30 (thirty).

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.

a) 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.

b) 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.

c) 'Accessibility Audit' of office buildings was carried out in all the five Units.

d) Conveyance Allowance: Conveyance Allowance / Transport Subsidy to PwD employees were paid at higher rates than other employees as per Government Directives.

(ix) Skill Development

a) Apprenticeship Training

HCL imparted apprenticeship training to 168 persons in FY 2020-21. An amount of ₹86.31 Lakhs was spent on the training of these apprentices in FY 2020-21.

b) Skill Development Institute as an Upgraded Training Center

A Skill Development Institute was established at Khetri Copper Complex by upgrading the existing Training Center. One Batch of 28 trainees have completed their practical training in the trade of 'Winding Engine Driver' in FY 2020-21.

d) Digital Payments:

Payments of wages to all Contract Labour through digital mode has been ensured. No cash transactions are carried out in HCL. 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.

(x) Swachh Bharat Mission

In accordance with the Swachh Bharat Abhiyan launched by Govt. of India, intensive Swachhata Pakhwada was organized from 16th-30th November 2020. Activities were undertaken in all Units and Offices including Corporate Office. Details of major activities undertaken are given below.

a. Upkeep and cleaning of

   i. Offices including common area premises, Plant and Mines.

   ii. Residential complexes, pathways and common areas of the Units.

   iii. Neighbouring market, roads and parks surrounding Plant and Mines.

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

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 2020-21	FY 2019-20	Reason for significant changes (i.e. change of 25% or more)
i.	Debtors Turnover	10.49	9.69	NA
ii.	Inventory Turnover (times)	14.47	1.74	Due to reduction in inventory and increase in turnover on account of higher sales volume coupled with rise in LME Price of Copper and higher Exchange Rate during the current financial year.
iii.	Interest Coverage Ratio (times)	2.39	-7.91	Due to profit reported during the current year on account of higher sales volume coupled with rise in LME Price of Copper and higher Exchange Rate.
iv.	Current Ratio	0.88	0.72	NA
v.	Debt Equity Ratio	2.11	4.21	Due to repayment of term loans and profit reported during the current year on account of higher sales volume coupled with rise in LME Price of Copper and higher Exchange Rate.
vi.	Operating Profit Margin (%)	6.51%	-66.56%	Due to profit and higher turnover reported during the current year on account of higher sales volume coupled with rise in LME Price of Copper and higher Exchange Rate.
vii.	Net Profit Margin (%)	6.25%	-70.89%	Due to profit and higher turnover reported during the current year on account of higher sales volume coupled with rise in LME Price of Copper and higher Exchange Rate.

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 2020-21 is 20.49% as against negative Return on Net Worth for FY 2019-20. The increase in Return on Net Worth is mainly due to to the sale of unsold opening MIC stock coupled with rise in LME Price of Copper and higher Exchange Rate and decrease in operating expenditure after offsetting the impact of provision for impairment of assets of Gujarat Copper Project and Copper Ore Tailing (COT) Beneficiation Plant at Malanjkhand Copper Project (MCP).

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	₹ 33.30 Lakh	8.4.2015	₹ 4.00 Lakh
Khanij Bidesh India Ltd- Joint Venture	Investment in equity shares	NA	₹ 75.00 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:

- 1029 Nos. LED lights were installed in place of high power consuming conventional lights across HCL in 2020-21. This resulted into additional saving of approx. ₹21.12 lakhs in electricity bills during this year. Till date Company has replaced total 10759 Nos. of conventional lights with LED lights.
- 2 Nos. old SRIM type motors have been replaced with energy efficient SQIM motor along with VFD in compressor at KCC. This has resulted saving of ₹8.88 lakhs.
- By changing the motor of Main Mechanical Ventilation Fan at Khetri Mine and Installing 2 nos. of V.F.D in Compressor KG3 & KG4 respectively, approximately ₹45.02 lakhs have been saved during the year.
- Approximately 6.85 lakhs unit of solar electricity was generated by the installed Solar Power Plants across various units at HCL resulting in a saving of ₹26.97 lakhs during the year.
- Several under-loaded transformers at KCC are switched off and shifted their loads on other transformers. The initiative enabled us to achieve improved power factor and power savings of approximately ₹10 lakhs in FY 2020-21.
- HCL was able to save ₹3.35 crores during the period FY 2020-21 for maintaining power factor near to unity.

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

- Power Purchase agreement (PPA) has been signed with vendor for installation of additional capacity 4.5 MWp solar plant at MCP in FY 2020-21. Land survey has already been completed.
- The project for design, supply and installation of solar power plant of various capacities under RESCO model of MNRE has been carried out across HCL with the help of M/s REIL. Under the RESCO model, installation of following solar capacities has been completed and commissioned:
  - ➢ 200 KWp capacity at KCC
  - ➢ 345.5 KWp capacity at MCP
  - ➢ 250 KWp capacity at GCP
- 41 KWp Rooftop Solar plant at MCP and 20 kWp Solar Plant at ICC already installed under CAPEX model.
- Total 856.50 KWp solar plant implementation is completed in HCL till FY 2020-21.
- Approximately ₹26.97 lakhs saved annually in electricity bills by installation of roof top solar projects in 2020-21 across HCL.

(iii) The capital investment on energy conservation equipment: ₹10.11 Lakhs

(B) Technology Absorption-

(i) The efforts made towards technology absorption:

- Paste fill/ hydro fill plant for MCP underground mine- M/s Golder's is carrying out the test work and preparing basic engineering document for the plant. M/s Golder's has submitted their basic engineering report on the same.
- Procurement of 3D Ore body modelling and Mine planning software is under progress by the Mining department of MCP. Digitization of old geological maps & sections, drawings related to mining plan, all other engineering drawings etc. is also under progress across all the mining projects of the company.
- Procurement of a new technology based total station survey instrument for mine surveying operation at MCP is under process. This is a target-less laser-based survey instrument and it also uses the latest windows operating system.
- 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.
- IIT, Kharagpur is conducting stability analysis at Banwas block of Khetri Copper Mine. Recommendations shall help in designing safer stopes while also increasing extraction at Banwas block.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Efforts made towards technology absorption will result reduction in energy consumption, improved environmental protection, better productivity, reduction in cost and to ensure safety of operations.

(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 – ₹79.60 Lakhs which are booked under natural heads of accounts.

(C) Foreign exchange earnings and Outgo-

Earnings in foreign exchange

During 2020-21, the Company earned foreign exchanges of ₹796.34 crore as against ₹461.29 crore during FY 2019-20 registering an increase of around 73% through export of copper concentrate, anode slime and copper reverts.

Expenditure in foreign currency

During 2020-21, the Company spent foreign currency to the tune of ₹0.47 crore towards import of raw material, stores & spares, capital goods, other imports, travelling, others etc. as compared to ₹8.21 crore in 2019-20.

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 three Directors out of which two are Independent Directors. 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;

(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

(a) 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 shall be spent in these areas.

(b) Of the remaining 25% of the CSR allocation after (a) above, around 15-20% 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	Shri Balwinder Singh Canth, Independent Director	Chairman	2	2
2	Shri Pawan Kumar Dhawan, Independent Director	Member	2	2
3	Shri S.K. Bandyopadhyay, Director (Finance)	Member	2	2

3. Provide the web-link 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://hindustancopper.com/Page/BoardCommittees
   b. CSR Policy: https://hindustancopper.com/Page/CSR
   c. CSR projects: https://hindustancopper.com/Page/CSR
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – Not Applicable (NA)
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl.No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	NA	NA
	Total	NA	NA

6. Average net profit of the company as per section 135(5): ₹(-) 62.12 Crores
7. (a) Two percent of average net profit of the company as per section 135 (5): NA
   (b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
   (c) Amount required to be set off for the financial year, if any: NIL
   (d) Total CSR obligation for the financial year (7a+7b-7c): NIL
8. (a) CSR amount spent or unspent for the financial year 2020-21:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
73,69,233.15	15,00,000.00	29.04.2021	NIL	NIL	NIL
	20,766.85*	13.05.2021	NIL	NIL	NIL

* The amount of ₹20766.85 was transferred to Unspent CSR Account on 13.05.2021 after final reconciliation of expenditure.

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	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		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 Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number.
1	Rural Medical camps	i	Yes	Jharkhand	East Singhbhum	10 days	49,000	49,000	NA	No	M/s Shamayita Math	NA
2	Maintenance of Sanitary Napkin Vending Machines and Incinerators	i	Yes	Jharkhand	East Singhbhum	12 months	39,000	39,000	NA	No	M/s Vidya Niketan	NA
3	Composting Bin for School	i	No	West Bengal	Kolkata	1 month	17,570	17,570	NA	Yes	NA	NA
4	SRI with farmers on enhancement of rice/ wheat crop	ii	Yes	Jharkhand	East Singhbhum	3 months	19,500	19,500	NA	No	M/s Shamayita Math	NA
5	Support to School Education (Integrated Computer Projector)	ii	Yes	Jharkhand	East Singhbhum	8 months	952,000	952,000	NA	No	M/s EdCIL (India) Limited	NA
6	Installation of Diesel Generator at St. Joseph School	ii	Yes	Jharkhand	East Singhbhum	8 months	57,000	57,000	NA	Yes	NA	NA
7	Distribution of Agriculture Manual "Krishi Margadarsika" among farmers of surrounding villages	ii	Yes	Madhya Pradesh	Balaghat	4 months	36,000	36,000	NA	No	Office of Sr. Agriculture Development Officer, Birsa	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: (Contd.)

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	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		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 Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number.
8	Training & support to existing & new SHGs in Hand Glove/ Handloom/ Wooden Craft/ Muri (Puffed Rice)/ Dokra Art Unit/ Nursery	ii	Yes	Jharkhand	East Singhbhum	8 months	200,000	200,000	NA	No	M/s Shamayita Math	NA
9	Plantation (with maintenance)	iv	Yes	Jharkhand	East Singhbhum	8 months	31,000	31,000	NA	No	M/s Vidya Niketan	NA
10	Football Training	vii	Yes	Jharkhand	East Singhbhum	1 month	3,000	3,000	NA	Yes	NA	NA
11	Archery Training	vii	Yes	Jharkhand	East Singhbhum	10 days	10,000	10,000	NA	No	M/s Shamayita Math	NA
12	Walking Track	vii	Yes	Rajasthan	Jhunjhunu	1.5 Years	49,000	49,000	NA	Yes	NA	NA
13	Administrative Overheads		Yes	Jharkhand	East Singhbhum		8,000	8,000	NA	No	M/s Shamayita Math	NA
Total							**14,71,070**	**14,71,070**				

(c) Details of CSR amount spent against other than ongoing projects for the financial year*:

1	2	3	4	5		6	7	8	
Sl. No.	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.
1	Health Camps & Activities on Covid-19 in surrounding areas	i	Yes	Rajasthan	Jhunjhunu	1,98,430	Yes	NA	NA
2	Drinking water supply to Borkheda, Chinditola, Suji & Khursipar villages through tankers	i	Yes	Madhya Pradesh	Balaghat	10,31,585	Yes	NA	NA
3	Weekly Health Camps at Borkheda & Chinditola Villages	i	Yes	Madhya Pradesh	Balaghat	2,00,200	Yes	NA	NA
4	Health Awareness Activities on COVID-19	i	Yes	Madhya Pradesh	Balaghat	2,46,770	Yes	NA	NA
5	Health - Provision of Specialist Doctors	i	Yes	Madhya Pradesh	Balaghat	2,80,000	Yes	NA	NA
6	Nutritional Kits to malnourished children identified by Women & Child Development Project, Birsa	i	Yes	Madhya Pradesh	Balaghat	28,730	Yes	NA	NA
7	Medicine and Test Kits for Health Camps	i	Yes	Jharkhand	East Singhbhum	1,82,000	Yes	NA	NA
8	Rural Medical Camps (Heamoglobin Test, Sugar Test, Malaria Test, Medicines)	i	Yes	Jharkhand	East Singhbhum	3,07,000	No	M/s Shamayita Math	NA
9	Activities towards Covid-19 Management	i	No	West Bengal	24 North Parganas	3,31,340	No	Ganadipayan Society for Action Research and Development	NA
10	Repair and Maintenance of Drinking water structures	i	Yes	Jharkhand	East Singhbhum	4,16,000	No	M/s Vidya Niketan	NA
11	Awareness and Training to women farmers (Integrated Plant Nutrition Management)	ii	Yes	Jharkhand	East Singhbhum	1,99,980	No	M/s Shamayita Math	NA
12	Repair of Kendriya Vidyalaya School, Khetri	ii	Yes	Rajasthan	Jhunjhunu	2,77,560	Yes	NA	NA
13	Skill Development Institute, Khetri	ii	Yes	Rajasthan	Jhunjhunu	3,58,264	No	Skill Council for Mining Sector	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year*: *(Contd.)*

1	2	3	4	5		6	7	8	
Sl. No.	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.
14	Library Development in Govt. Schools	ii	Yes	Madhya Pradesh	Balaghat	2,00,000	Yes	NA	NA
15	Skill training material support to ITI Ghatsila, Dhalbhumgarh	ii	Yes	Jharkhand	East Singhbhum	2,86,857	Yes	NA	NA
16	Income Generation of Women SHGs (Rice Puff & Leaf Plate)	iii	Yes	Jharkhand	East Singhbhum	2,49,405	No	M/s Shamayita Math	NA
17	Plantation Maintenance of 1200 plants	iv	Yes	Rajasthan	Jhunjhunu	1,56,245	Yes	NA	NA
18	Archery Training	vii	Yes	Jharkhand	East Singhbhum	2,10,450	No	M/s Shamayita Math	NA
19	Walking Track	vii	Yes	Rajasthan	Jhunjhunu	3,37,739	Yes	NA	NA
20	Support for Sports - Volleyball at Lanji, Balaghat	vii	Yes	Madhya Pradesh	Balaghat	30,000	Yes	NA	NA
21	Support for Blankets for tribals through SDO, Ghatsila	x	Yes	Jharkhand	East Singhbhum	68,300	Yes	NA	NA
22	Repairing of Community Halls, Road & Culvert at Borkheda and Chhinditola village	x	Yes	Madhya Pradesh	Balaghat	71,858	Yes	NA	NA
	TOTAL					**56,68,713**			

* New Project / activities of FY 2020-21

(d) Amount spent in Administrative Overheads: ₹2,29,450 /-

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year: ₹73,69,233 /-
(8b+8c+8d+8e)

(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 section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	₹ 73,69,233 /-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 73,69,233 /-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 73,69,233 /-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1	FY 2017-18	NA	NA	NA	NA	NA	NA
2	FY 2018-19	NA	NA	NA	NA	NA	NA
3.	FY 2019-20	NA	14,58,000 /-*	NA	NA	NA	NA
	Total	**NA**	**14,58,000 /-**	**NA**	**NA**	**NA**	**NA**

* ₹13,070 was diverted from FY 2020-21 Fund for completion of the Carried Forward CSR activities of FY 2019-20.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of the reporting Financial year (in ₹)	Status of the project – Completed / ongoing
1	19-20/I/01	Rural Medical Camps	FY 2020-21	3 Months	9,37,000	49,000	9,37,000	Completed
2	19-20/I/02	Maintenance of Sanitary Napkin Vending Machines and Incinerators	FY 2020-21	12 Months	2,59,000	39,000	2,59,000	Completed
3	19-20/ I/03	SRI with farmers on enhancement of rice/ wheat crop	FY 2020-21	3 Months	44,500	19,500	44,500	Completed
4	19-20/I/04	Support to School Education (Integrated Computer Projector)	FY 2020-21	3 Months	37,65,000	9,52,000	37,65,000	Completed
5	19-20/ I/05	Installation of Diesel Generator at St. Joseph School	FY 2020-21	2 Months	3,96,000	57,000	3,96,000	Completed
6	19-20/ M/06	Agriculture Manual "Krishi Margadarsika" to farmers of surrounding villages	FY 2020-21	1 Month	36,000	36,000	36,000	Completed
7	19-20/ I/07	Training & support to existing & new SHGs in Hand Glove/ Handloom/ Wooden Craft/ Muri (Puffed Rice)/ Dokra Art Unit/ Nursery	FY 2020-21	3 Months	5,80,000	2,00,000	5,80,000	Completed
8	19-20/I/08	Plantation (with maintenance)	FY 2020-21	20 Months	99,000	31,000	99,000	Completed

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of the reporting Financial year (in ₹)	Status of the project – Completed / ongoing
9	19-20/C/09	Composting Bin for School	FY 2020-21	2 Months	21,000	17,570	17,570	Completed
10	19-20/I/10	Football Training	FY 2020-21	1 Month	2,00,000	3,000	2,00,000	Completed
11	19-20/I/11	Archery Training	FY 2020-21	3 Months	2,80,000	10,000	2,70,000	Completed
12	19-20/K/12	Walking Track	FY 2020-21	6 Months	27,98,000	49,000	27,98,000	Completed
13	19-20/I/13	Administrative Overheads	FY 2020-21	2 Months	6,85,000	8,000	6,85,000	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

    (a) Date of creation or acquisition of the capital assets(s) – NIL.

    (b) Amount of CSR spent for creation or acquisition of the capital asset(s) – NIL.

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NIL.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NIL.

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

Arun Kumar Shukla
Chairman and Managing Director
DIN: 03324672

Balwinder Singh Canth
Chairman - CSR Committee
DIN: 07239321

Place: Kolkata
Date: 24.06.2021

Business Responsibility Report

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L27201WB1967GOI028825
2. Name of the Company: Hindustan Copper Limited
3. Registered Address:
   "Tamra Bhavan"
   1 Ashutosh Chowdhury Avenue
   Kolkata 700019
   Tel. No.: 033-2283 2226/2529
   Fax no.: 033-2283 2478/2640
4. Website: www.hindustancopper.com
5. E-mail: investors_cs@hindustancopper.com
6. Financial Year Period: 2020-2021
7. Sector(s) that company is engaged in (industrial activity code-wise):

Industrial Group	Description
07291	Mining of copper ore
24201	Manufacture of Copper from ore and other copper products and alloys
24320	Casting of non-ferrous metals

As per National Industrial Classification – Ministry of Statistics and Programme Implementation

8. List three key products/services that the Company manufactures/ provides (as in balance sheet):
   Hindustan Copper Limited (HCL) is the only vertically integrated copper mining company in India having its own captive mines. Following are the key products manufactured by the Company:
   - Metal in Concentrate
   - Refined Copper Cathode
   - Continuous Cast Copper Rod
9. Total number of locations where business activity is undertaken by the Company:
   a) Number of International locations : None
   b) Number of National locations : 9

Offices
Corporate and Eastern Regional Sales Office, Kolkata
Western Regional Sales Office, Mumbai
Southern Regional Sales Office, Bangalore
Northern Regional Sales Office, Delhi

Plants
Khetri Copper Complex (KCC), Khetrinagar, Rajasthan
Indian Copper Complex (ICC), Ghatsila, Jharkhand
Malanjkhand Copper Project (MCP), Malanjkhand, Madhya Pradesh
Taloja Copper Project (TCP), Taloja, Maharashtra
Gujarat Copper Project (GCP), Gujarat

10. Markets served by the Company (Local / State / National / International): National/ International

Section B: Financial Details of the Company

1. Paid up Capital: ₹462.61 crore
2. Total Turnover: ₹1,760.84 crore
3. Total Profit/(Loss) after taxes from continuing & discontinuing operations: ₹109.98 crore
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 0.7%
5. List of activities in which expenditure in 4 above has been incurred:
   a. Drinking Water, Health, Nutrition and Sanitation
   b. Education, Vocational Skills and Livelihood
   c. Environment
   d. Promotion of sports in rural areas

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

   Yes

2. **Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).**

   Subsidiary Company namely, Chhattisgarh Copper Ltd was incorporated on 21.5.2018. At present it is not contributing to the BR initiative.

3. **Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]**

   Yes, currently less than 30%.

Section D: BR Information

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR policy / policies:

DIN	**08173882**
Name	Sukhen Kumar Bandyopadhyay
Designation	Director (Finance)
Phone	033-2282 0702
Mail Id	sukhenb@hindustancopper.com

b) Detail of the BR head

DIN	**03324672**
Name	Arun Kumar Shukla
Designation	Chairman and Managing Director
Phone	033-2283 2725
Mail Id	cmd@hindustancopper.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 –Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 – Businesses should promote the well-being of all employees.

P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 – Businesses should respect and promote human rights.

P6 – Businesses should respect, protect, and make efforts to restore the environment.

P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 – Businesses should support inclusive growth and equitable development.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

2 (a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	Business Ethics	Product Responsibility	Welfare of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Value to customers
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for...	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	N	Y	N
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Y	N	Y	N	Y	Y	N	Y	N
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	N	Y	N	N	N	N	Y	N
6	Indicate the link for the policy to be viewed online?	Y**	Y**	Y**	N	N	N	N	Y**	Y**
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Communicated to key stakeholders of HCL. The communication is an on-going process to cover all internal and external stakeholders.								
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	Y	N	N	N

**The Company follows DPE, other applicable Government guidelines/ laws and the policies approved by the Board.*
***Company's Website: www.hindustancopper.com*

2 (b).If answer to Sr. No 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	Business Ethics	Product Responsibility	Welfare of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Value to customers
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

  The BR performance of the Company is assessed on a need basis and in accordance with statutory requirements.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company publishes annually its BR report as per SEBI guidelines and it can be viewed at the Company's website www.hindustancopper.com.

Section E: Section Wise Performance

Principle 1: Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company?

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 developed its Code of Ethics and Whistle Blower Policy which pertain to ethics, bribery and corruption. Its Code of Business Ethics governs the manner in which the Company carries out its activities and interacts with its stakeholders.

2. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes. It extends to the Suppliers, Contractors, Business Partners and all other associated entities. The Company is a signatory of 'Integrity Pact' with Transparency International India wherein the Integrity Pact is signed between the bidders and the Company for all job contracts valuing ₹10 crore and above and for all purchase valuing ₹20 crore and above.

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

i) Investor Grievances: During 2020-21 the Company received and resolved one complaint and there was no complaint pending as on 31.3.2021.

ii) Public Grievances: At the start of FY 2020-21, there were 6 cases pending and 112 cases received in the Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal during the year. Of the total 118 cases, 115 cases were resolved during the year and 3 cases were pending as on 31.3.2021.

iii) Customer Grievance: No customer grievance was received and resolved during the year 2020-21 and there was no outstanding grievance as on 31.3.2021.

iv) Stakeholder grievances pertaining to any other issue are forwarded to the respective department for redressal.

The stakeholders may address their complaints via platforms given below:

Employees	• Grievance Redressal System • Whistle Blower Policy
Trade Unions	Bipartite Forum at Unit/National level for the Company
Shareholders	At dedicated email id- investors_cs@hindustancopper.com
Consumers/Customers	Grievance Redressal through Marketing Department
Public in General	Public Grievance System of the Ministry. *CPGRAMS* developed and monitored by Department of Administrative Reforms and *Public Grievances for online receipt and disposal of public grievances*

Principle 2: Products contributing to sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

   The Company operates and manufactures its products [e.g. Metal in concentrate, refined copper cathode, continuous cast wire rods] in such a manner as to protect the environment, interests of employees and general public.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   i. **Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain**

   ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year**

   The Company is committed to increase levels of recovery and recycling, as well as making investments in environment friendly technology/process to reduce energy intensity, toxicity and waste.

   Energy Conservation: 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. Total 2.72 lakhs units of electricity has been saved in FY 2020-21 by these LED lights.

   Water use efficiency: Reclamation and re-use of used water in order to ensure water conservation is a common practice for all HCL mines and plants. Used water is treated in effluent treatment plants before reuse. The processes are also reviewed and modified regularly with an objective of reducing requirement of water. Treated effluent water is used in horticultural purposes. The company's flagship project, MCP, has constructed Tamra-Jheel with approx. storage quantity of water: 40,000-45,000 cum, at HCL/MCP Colony which is acting as a rainwater harvesting structure. At MCP, Roof top Rainwater harvesting system (Approximate area = 2846 m2) is under implementation, expected to complete by May 2021. In FY 2020-21 the project has recycled waste water about 51% of total process water requirement.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Sustainable sourcing: Before registering / approving any party, the Company scrutinizes carefully relevant documents to verify compliances of all pre-set norms including the environmental norms by the party. In case of major items, Company Officials visits their premises to evaluate all their capabilities including the environmental and social issues.

   Logistics improvements: The Company continued to follow multi-modal transportation which is not only efficient & cost effective, but also environmental-friendly. Further, improvements over the years through sealing of containers has successfully reduced the amount of dust emitted thus reducing the pollution level as well as wastage. Recently, HCL has started movement of concentrate from respective units in EXIM Containers for export sale purpose, which minimize the transit losses.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

   Yes, the Company procures products and services from local producers and communities surrounding its operations.

   Suppliers, vendors participate in awareness creation programs, capacity building workshops that include sharing technical expertise, skill up-gradation and shop floor visits. Company has trained local unemployed persons to produce various utility products e g., hand gloves which is consumed in the factory regularly.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   The Company has mechanisms in place to recycle products and waste. With current operations, the Company recycles less than 5% of its waste generated internally, provisions are being adopted to enhance percentage of recycling of products and waste.

   Entire amount of copper bearing waste generated in TCP unit is recycled to HCL smelter plant. The copper waste of refinery and electrical workshop is also recycled back to smelter. The tailing of concentrator plant is partly backfilled in the mines at ICC. The Company sells the used oil, rubber scrap to the Government approved recyclers and these recyclers address environmental concerns while recycling or disposing the waste. A good amount of granulated copper slag (i.e., a waste of smelter plant) is sold for using as an alternative of sand blasting. Further Initiatives have been taken to enhance percentage of recycling of products and waste, which include the following:

   - Waste rock at MCP has been successfully auctioned, which will be executed shortly and will be utilized by Construction Industries.
   - The proposal of installing of new paste fill plant at MCP for backfilling voids in underground mines by converting copper tailing to paste is under process.

   HCL owns a latest technology-based plant to recover nickel, copper and sulphuric acid from the spent electrolyte (waste stream), installed at ICC refinery.

Principle 3: Welfare of Employees

Businesses should promote the well-being of all employees.

1. **Please indicate the total number of employees.**

   1649 as on 31st March, 2021.

2. **Please indicate the total number of employees hired on temporary / contractual / casual basis.**

   The number of employees hired on contract (directly) during FY 2020-21 was 91. There was no employee hired on temporary / casual basis.

3. **Please indicate the number of permanent women employees.**

   131 as on 31st March, 2021.

4. **Please indicate the number of permanent employees with disabilities.**

   30 as on 31st March, 2021.

5. **Do you have an employee association that is recognized by Management?**

   Yes.

6. **What percentage of your permanent employees is members of this recognised employee association?**

   Almost all the workmen are members of the different registered Trade Unions operating in the Units / Offices

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

S No	Category	Complaints filed during the FY 2020-21	Complaints pending at the end of FY 2020-21
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**

   i. Permanent Employees
   ii. Permanent Women Employees
   iii. Casual/Temporary/Contractual Employees
   iv. Employees with Disabilities

Category	%
Permanent Employees	50.24
Permanent Women Employees	41.68
Casual/Temporary/Contractual Employees	64.65
Employees with Disabilities	47.55

Based on identified needs of employees, training and development, at all levels, is given due priority, by the Company for growth of individual as well as company effectiveness. The Company selectively nominates its employees for specialized training Programs / Workshops / Seminars / Conferences organized by reputed professional organizations and Institutes.

Principle 4: Stakeholder Engagement

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders? Yes / No**

   Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Yes, the Company has undertaken various initiatives to engage with disadvantaged or marginalized stakeholders such as employees with special needs or people from disadvantaged sections of the society. All decisions that impact such stakeholders are taken only post deliberations.

   The initiatives were selected on the basis of the inputs / feedback at various level. Surveys were conducted within 20 Kms radius around the Mining areas to identify feasible need-based CSR projects for the respective communities from the peripheral villages. The needs of the Community especially disadvantaged and marginalized amongst them, were prioritized.

Principle 5: Human Rights

Businesses should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Venture/ Suppliers/ Contractors/NGO/ Others?**

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

   The Company has a structured mechanism in place to address the human rights issues such as equal opportunity to all, non-discrimination, removing pay anomaly, etc. Adequate efforts are undertaken to eliminate discrimination and harassment such as workers' participation from shop floor 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 colour, caste, race, region, religion, gender, etc. The Company implements directives of Government of India for reservation for SC/ST/OBC/PWD/ Ex-Servicemen in recruitment and promotion whenever specified.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   Please see reply to question no. 3 under Principle 1 above.

   Principle 6: Environment

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

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   Yes, the Company ensures that its Joint Ventures / Suppliers / Contractors / NGOs / Others (wherever applicable) comply with all applicable laws to respect, protect and restore the environment.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y / N. If yes, please give hyperlink for webpage etc.**

The Company does not have a process in place to map its Green House Gas (GHG) emissions and mitigate such emissions. However, its technology upgradation and energy efficiency initiatives contribute to mitigation of GHG emissions. Total 856.50 KWp solar plant implementation has been completed in HCL till date. Further, Power Purchase agreement (PPA) has been signed for additional installation of 4.5 MW solar plant at MCP in FY 2020-21 and land survey by party in this regard has been completed. Approximately 6.85 lakhs unit of solar electricity has been generated by the installed Solar Power Plants across various units at HCL resulting in a saving of ₹26.97 lakhs during FY 2020-21. The Company understands the importance of climate change risk mitigation by adapting to likely climate changes and its impact on business operations.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   The Company does not have any project related to the Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc.? Y / N. If yes, please give hyperlink to web page etc.**

   Yes, the Company has taken following initiatives:

<u>Energy Conservation:</u>

- High wattage conventional lights have been replaced by low power consuming LED lights across all the units of HCL.
- HCL has saved ₹3.35 crores during the period FY 2020-21 for maintaining power factor near to unity.
- 2 Nos. old SRIM type motors have been replaced with energy efficient SQIM motor along with VFD in compressor at KCC. This has resulted saving of ₹8.88 Lakhs.
- By changing the motor of Main Mechanical Ventilation Fan at Khetri Mine and Installing 2 nos. of V.F.D in Compressor KG3 & KG4 respectively, approximately ₹45.02 lakhs have been saved during the year.
- Several under-loaded transformers at KCC are switched off and shifted their loads on other transformers. The initiative enabled us to achieve improved power factor and power savings of approximately ₹10 Lakhs. in FY 2020-21.
- Best practices of energy conservation are adopted across the organization which resulted in reduction in energy consumption.

<u>Renewable energy:</u>

- Total 856.50 KWp solar plant implementation under RESCO model is completed in HCL till FY 2020-21.
- Approximately ₹26.97 lakhs saved annually in electricity bills by installation of roof top solar projects in 2020-21 across HCL
- Power Purchase agreement (PPA) has been signed with vendor for installation of additional capacity 4.5 MWp solar plant at MCP in FY 2020-21. Land survey has already been completed.
- 41 KWp Rooftop Solar plant at MCP and 20 kWp Solar Plant at ICC already installed under CAPEX model.

<u>Research & Development:</u>

- R&D Project on Study of Bond work index (BWI), flotation optimization studies, settling & filtration studies and magnetite recovery studies from the plant tailings for setup of Copper Concentrator plant under Rakha Copper Project at ICC has been done in collaboration with CSIR - Institute of Minerals and Materials Technology, Bhubaneswar.
- Line study of Mosabani concentrator plant at ICC has been done.
- Introduction of rice husk for mixing with ANFO (explosives) for Deep Hole Blasting (Production Blasting) at KCC.
- Study for implementation of advanced technology for So2 gas recovery through amine based absorption route in existing So2 plant at ICC.

<u>Environment:</u>

The Company has an Environment Management Plan and it covers prevention, mitigation and control of environmental damages and disasters.

The Company has resorted to extensive plantation around the mining and township areas at the units to maintain the green environment. Reforestation and setting up of recreational eco-parks, plantation of trees and enhancement of the green cover around mining lease, concentrator plant and within project area have been undertaken at MCP.

Safety zone plantation around Mining Lease boundary (Approx. area 0.5 hectare) through Madhya Pradesh Rajya Van

Vikash Nigam Limited is being done at MCP. Work is expected to be complete in May 2021. To meet the conditions of the Consent to operate (CTO) at MCP a Continuous Ambient Air Quality Monitoring Station is being procured for installation in FY 2021-22.

Mine water and dump seepage is being completely used for processing in concentrator plant by installing matching pumps in reclamation pond and WTP, this has brought down the consumption of fresh water. It has also paved way for using mine waste dump seepage water and tailing seepage water for usage in plant operation.

At MCP, Roof top Rainwater harvesting system (Approximate area = 2846 m2) is under implementation and expected to complete by May 2021.MCP unit has recycled waste water about @ 51% of total process water requirement in FY 2020-21.

Under the theme of Jal hai to Kal hai, MCP has successfully developed a water reservoir named as "Tamra Jheel". This Jheel is acting as a rainwater harvesting structure.

KCC is located in a predominantly dusty and arid zone with scarce vegetation and acute water shortage and has adopted aggressive afforestation and water harvesting initiatives, to mitigate the adverse effects of surface soil loss and depletion of ground water. Rain water during monsoon is coursed into the abandoned pit of Chandmari Open Cast Mine of KCC for storage and use during the dry months. This reduces our dependence on ground water resources to some extent.

Online Emission Monitoring system for Stacks and Effluent monitoring system for CETP final treated discharge water has been installed at ICC and data will be transmitted to CPCB in every 15 minutes.

Waste management:

The Company sells its scrap/obsolete/surplus items through e-auction from time to time. Solid waste like granulated slag, reverts, waste bricks and boiler ash etc. are sold to the parties. Wastes like copper ore tailings and waste rock are safely stored on temporary basis for further recycling, reusing and disposing in an environmentally acceptable manner.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

The ambient air quality is regularly monitored at mines, all process plants and residential areas at all the units. The air quality levels are well within the standards and limits prescribed by the Pollution Control Boards.

Further a Continuous Ambient Air Quality Monitoring Station is being procured to be installed at MCP. It is expected to be completed during FY 2021-22.

Effluent treatment facilities installed at the Units of the Company have been working satisfactorily and meeting regulatory norms as prescribed by the Pollution Control Boards. Discharged process water is being recycled after treatment thus conserving the water.

Solid waste is also safely disposed-off or stored as per guidelines prescribed by the Pollution Control Boards.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.**

   Nil

Principle 7: Public Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.**

   Yes, e.g. the Standing Conference of Public Enterprises, All India Management Association, Women in Public Sector, Indian Society of Training & Development, Indian Copper Development Centre, National Institute of Personnel Management, Quality Circle Forum of India, Indian Primary Copper Producers Association, FICCI, Indian Chamber of commerce, Indian institute of Metals.

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

   No

Principle 8: Inclusive Growth

Businesses should support inclusive growth and equitable development.

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Yes. The Company is committed to social, economic and environmental development of communities in all its operations and is committed to long term, mutually beneficial partnership between the communities, Government & the stakeholders. The Corporate Social Responsibility (CSR) plan of the Company is prepared based on the Baseline Survey, using Participatory Rural Appraisal Method and inputs from stakeholders.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**

   The programmes and projects are undertaken through both in-house teams and external Government structures and implemented with the assistance of NGOs with requisite sector expertise wherever required.

3. **Have you done impact assessment of your initiative?**

   HCL conducts impact assessment of its CSR projects biennially. Impact assessment of the CSR projects of FY 2016-17 and FY 2017-18 was completed in May, 2019. The Impact assessment of the CSR projects of FY 2018-19 and FY 2019-20 is underway.

4. **What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

   In 2020-21, an amount of ₹73.69 Lakhs was spent on community development projects. The details of major CSR projects /activities implemented during the year were Health Camps, Education support for Students, Livelihood Training, Drinking Water Supply, Nutrition Project, Skill Development Training and support for Sports.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The projects planned in HCL were identified through Baseline Surveys conducted among the target communities through Participatory Rural Appraisal (PRA) methods and inputs from various stakeholders. Active community engagement and continuous feedback is an important process of HCL's community development initiatives. Assets created during the projects have been handed over to the user groups / beneficiary. Continued support is provided post implementation to instill sense of ownership among the beneficiaries for the projects.

   Capacity building programs of various user groups has ensured positive transformation at the ground level. Further, Sensitization workshops and village level meetings are organized which have resulted into better adoption and sustainability. The projects implemented by HCL have evolved after feedback received from the community.

   The above initiatives have increased acceptance and adoption of the projects by the community. Also, the biennial third party assessment study, reviews the extent of community ownership and success of the planned projects.

Principle 9: Value to Customers

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints / consumer cases is pending as on the end of financial year?**

   Nil

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)**

   Yes

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.**

   Nil

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   Yes. Consumer satisfaction survey is an integral part of the Company in line with ISO 9001:2015 QMS certification with effect from June, 2018.

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 two functional directors, viz., Chairman and Managing Director (CMD) and Director (Finance), two Government nominee directors (part-time official) representing the Ministry of Mines, Government of India and four Independent directors (part-time non-official). The Board however does not have woman independent director with effect from 16.11.2019 against the requirement of at least one such director on the Board. While at present 50% of the Board consists of Independent Directors, as and when two vacant posts of functional Directors [viz, Director (Operations) and Director (Mining)] are filled up, vacancy of additional two Independent Directors would arise and to be filled by the Government. The Company has requested the Ministry of Mines, Government of India to fill up the vacant posts of Directors.

(b) Meetings, attendance & other directorship

During 2020-21, ten Board meetings were held on 1.6.2020, 29.6.2020, 14.7.2020, 21.7.2020, 10.9.2020, 29.10.2020, 10.11.2020, 2.12.2020, 22.1.2021 and 3.2.2021. 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 10 held	Attendance at last AGM held on 29.9.2020	No of directorship in other companies	No of committee position held in other companies		Category of directorship in other listed entities
				Chairman	Member	
(i) **Functional/ Executive Directors**						
Shri Arun Kumar Shukla CMD	10	Yes	2	Nil	Nil	Nil
Shri Sukhen Kumar Bandyopadhyay Director (Finance)	10	Yes	1	Nil	Nil	Nil
(ii) **Part time official (Govt. Nominee) Directors**						
Shri Satendra Singh*	1	NA	NA	NA	NA	NA
Shri Alok Chandra	10	No	1	Nil	Nil	Nil
Shri Sanjeev Verma**	6	Yes	Nil	NA	NA	Nil
(*Ceased to be director w.e.f. 7.8.2020, **Appointed as director w.e.f. 7.8.2020)						
(iii) **Part time non-official (Independent) Directors**						
Shri Subhash Sharma	10	Yes	1	Nil	Nil	Nil
Shri R Kalyansundaram	10	Yes	Nil	NA	NA	Nil
Shri Pawan Kumar Dhawan	10	Yes	Nil	NA	NA	Nil
Shri Balwinder Singh Canth	10	Yes	Nil	NA	NA	Nil

(c) Skills/expertise/competence of the Board of Directors:

As against skill/ expertise / competence in the fields of Mining, Metallurgy, 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 Sukhen Kumar Bandyopadhyay Director (Finance)	B.Sc., Cost Accountant and having expertise in finance, audit & accounts, management and policy formulation.
3	Shri Alok Chandra Government Nominee Director	MA (Economics), Indian Economic Service officer presently Economic Adviser, Ministry of Mines, GoI and having expertise in economics, finance and policy formulation.
4	Shri Sanjeev Verma Government Nominee Director	B.E.(Civil), Indian Railway Stores Service Officer presently Director, Ministry of Mines, GoI and having expertise in e-procurement, digital supply chain, contract management, policy formulation and working in Government and Public Sector.
5	Shri Subhash Sharma Independent Director	B. Sc. in Agriculture, LLB, MA & Ph D in Economics, Academician and frequently writes articles on economics.
6	Shri R. Kalyansundaram Independent Director	B.E. (Mechanical Engineering), M.B.A and Industrialist, having expertise in business management, engineering and manufacturing industry
7	Shri Balwinder Singh Canth Independent Director	LLB and Master in Personnel Management and Industrial Relations, having expertise in marketing, logistics, supply & distribution and personnel management
8	Shri Pawan Kumar Dhawan Independent Director	B. Com, FCA, AICMA, DISA (ICA), having expertise in finance, audit, Accounts, Taxation, Financial and Investment planning.

(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 at www.hindustancopper.com.

(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) Remuneration paid to Directors

(i) Whole-time Directors

The details of remuneration paid to the whole-time Directors during 2020-21 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	44,37,678	NA	Medical : 3,064 Accommodation : 5,79,725 Electricity : 33,332 Meal Coupon : 30,000	50,83,799
Shri Sukhen Kumar Bandyopadhyay Director (Finance)	52,91,022	NA	Medical : 1,597 Accommodation : Nil Electricity : 33,648 Meal Coupon : 30,000	53,56,267
Total	**97,28,700**	**NA**	**7,11,366**	**1,04,40,066**

Note: During 2020-21, arrear salary due to pay revision was paid to Shri Santosh Sharma, Ex-CMD - ₹1,82,355/-, to Shri Sanjay Kumar Bhattacharya, Ex-Director (Mining) – ₹1,78,971/- and leave encashment and arrear salary due to pay revision to Shri Anupam Anand, Ex-Director (Personnel)- ₹28,16,526/-.

(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 2020-21, the amount of sitting fees paid to Independent directors was as follows:

Sl No	Name of the director	Sitting Fees (₹)		
		Board meetings	Committee meetings	Total
1	Shri Subhash Sharma	2,50,000	2,15,000	4,65,000
2	Shri R Kalyansundaram	2,50,000	2,35,000	4,85,000
3	Shri Pawan Kumar Dhawan	2,50,000	1,95,000	4,45,000
4	Shri Balwinder Singh Canth	2,50,000	1,55,000	4,05,000
	Total	**10,00,000**	**8,00,000**	**18,00,000**

(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 and SEBI (LODR), 2015. During 2020-21, the Committee met five times on 14.7.2020, 21.7.2020, 10.9.2020, 10.11.2020 and 3.2.2021. 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 Pawan Kumar Dhawan	Independent Director	Chairman	5
Shri Subhash Sharma	-do-	Member	5
Shri R Kalyansundaram	-do-	-do-	5

4. Nomination and Remuneration Committee

The terms of reference of the Committee is as per 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.

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 2020-21, the Committee met two times on 9.11.2020 and 24.3.2021. 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 2 held
Shri Subhash Sharma	Independent Director	Chairman	2
Shri R Kalyansundaram	-do-	Member	2
Shri Balwinder Singh Canth	-do-	-do-	2

5. Stakeholders Relationship Committee

During 2020-21, the Stakeholders Relationship Committee met once on 24.3.2021. 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 R Kalyansundaram	Independent Director	Chairman	1
Shri Subhash Sharma	-do-	Member	1
Shri Sukhen Kumar Bandyopadhyay	Director (Finance)	-do-	1

Shri C S Singhi, Company Secretary is the Compliance Officer. During 2020-21 the Company received one complaint and the same was resolved to the satisfaction of shareholder and there was no complaint pending as on 31.3.2021.

6. Risk management committee

The terms of reference of the Risk Management Committee is as per provisions of the SEBI (LODR), 2015.

During 2020-21, the Risk Management Committee met once on 28.10.2020. 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 Sukhen Kumar Bandyopadhyay	Director (Finance) [holding the additional charge of Director (Mining)]	Chairman	1
Shri Arun Kumar Shukla	CMD [holding the additional charge of Director (Operation)]	Member	Nil
Shri R Kalyansundaram	Independent Director	-do-	1
Shri Balwinder Singh Canth	-do-	-do-	1
Shri Sunil Parashar	Head of M & C	-do-	1

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
2018-19	27.9.2018	11:00 AM	Biswa Bangla Convention Centre, Biswa Bangla Sarani, Block DG, New Town, Kolkata 700156	3
2019-20	31.7.2019	11:00 AM	-do-	7
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

Extraordinary General Meeting: Nil

Postal Ballot Meeting: During 2020-21 four Special Resolutions were passed on 28.1.2021 through Postal Ballot by way of remote e-voting, the result of which was declared on 29.1.2021. 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
Approval for borrowing up to ₹2,500 crore apart from temporary loans and to offer, issue and allot secured or unsecured non-convertible debentures or bonds on private placement basis	81,33,19,523	99.96	3,10,520	0.04
Approval for creation of charge or providing security in connection with borrowings by the Company	81,33,17,747	99.96	3,12,141	0.04
Approval for issue and allotment of equity shares through QIP method	81,35,90,972	100.00	38,756	0.00
Approval for constitution of Committee for dealing with all matters pertaining to issue of shares through QIP method	81,35,92,219	100.00	37,669	0.00

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 www.hindustancopper.com in addition to furnishing of the same to the NEAPS portal of NSE and Listing Centre portal of BSE. Presentations made to institutional investors or to analysts are available at the Company's website.

9. General Shareholder information

(i) 54th Annual General Meeting (AGM)
Date : 22nd September, 2021 (Wednesday)
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 : 16th September, 2021 to 22nd September, 2021 (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 2020-21**
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

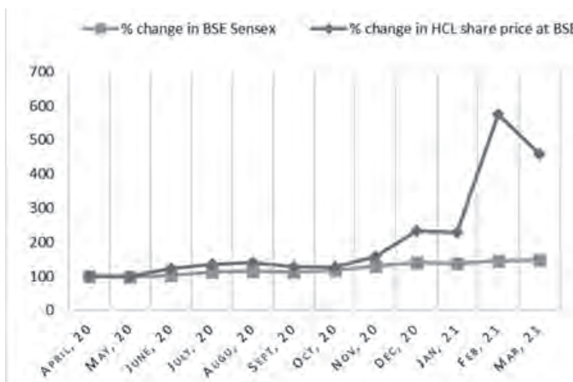
(vi) Stock market price data

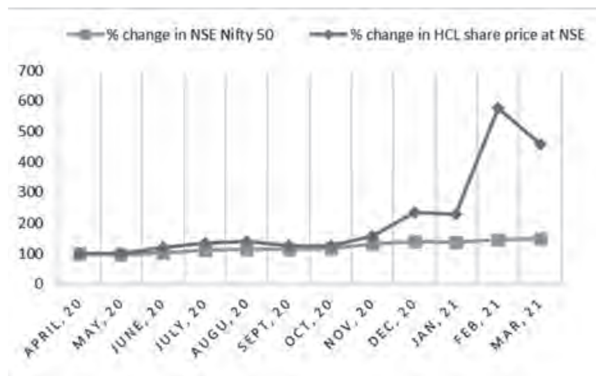
Monthly high and low price of Company's shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during the FY 2020-21 was as follows:

(In ₹)

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
April, 2020	29.20	20.80	26.05	28.30	20.70	26.05
May, 2020	27.35	23.50	26.05	27.35	23.15	25.95
June, 2020	34.60	26.50	31.70	34.65	26.30	31.70
July, 2020	42.70	31.30	35.45	42.80	31.25	35.45
August, 2020	42.90	35.25	36.40	41.65	35.00	36.35
September, 2020	38.30	32.50	33.25	38.45	32.55	33.20
October, 2020	37.25	31.45	33.00	37.30	31.30	32.95
November, 2020	41.95	32.30	41.45	42.00	32.15	41.45
December, 2020	67.30	40.65	61.15	67.45	40.65	61.15
January, 2021	69.55	53.60	59.95	69.65	53.60	60.15
February, 2021	154.55	58.20	149.80	154.55	58.00	149.85
March, 2021	165.10	114.00	119.50	165.15	114.00	119.60

(vii) Share price of HCL in comparison to BSE SENSEX and NSE NIFTY over the base of April, 2020 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, as amended, securities can be transferred only in dematerialized form w.e.f. 1.4.2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to convert their holdings in to electronic form (dematerialized). Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

(xi) Shareholding Pattern as on 31.3.2021

Sr. No.	Category	No. of shares held	%
1	President of India	70,35,87,852	76.05
2	Mutual Funds	1,67,628	0.02
3	Financial Institutions/Banks	51,02,703	0.55
4	Insurance Companies	11,19,00,730	12.09
5	Bodies Corporate	96,83,368	1.05
6	NRIs/FIIs/QFIs	92,90,972	1.00
7	Trusts & Foundations	1,23,525	0.01
8	Indian Public	8,52,96,607	9.22
9	IEPF	64,615	0.01
	Total	**92,52,18,000**	**100.00**

(xii) Distribution of shareholding as on 31.3.2021

Range		Shares	Folios	% Shares
1	500	1,74,00,028	1,42,261	1.88
501	1000	99,03,273	12,067	1.07
1001	2000	89,00,526	5,785	0.96
2001	3000	55,70,754	2,158	0.60
3001	4000	33,30,689	917	0.36
4001	5000	41,44,106	866	0.45
5001	10000	83,75,370	1,108	0.91
10001	50000	1,41,86,952	727	1.53
50001	100000	46,79,883	64	0.51
100001 and above		84,87,26,419	52	91.73
Total		**92,52,18,000**	**1,66,005**	**100.00**

(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 31.3.2021 was as follows:

Particulars	No. of Shares	% of Holding	No. of folio
DEMAT :			
a) N S D L	87,51,72,184	94.59	71,179
b) C D S L	5,00,11,753	5.41	94,433
PHYSICAL	34,063	0.00	393
Total	92,52,18,000	100.00	1,66,005

(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
   P.O.Ghatsila,
   Dist.Singhbhum,
   Jharkhand
2. Khetri Copper Complex
   P.O.Khetrinagar, Dist.Jhunjhunu
   Rajasthan
3. Malanjkhand Copper Project
   P.O.Malanjkhand,
   Dist.Balaghat
   Madhya Pradesh
4. Taloja Copper Project
   P.O.Taloja,
   Dist.Raigad
   Maharashtra
5. Gujarat Copper Project
   747, GIDC Industrial Area
   Jhagadia, 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) 2283 2226/2676

(xviii) List of credit ratings obtained by the Company along with any revisions thereto during the year 2020-21, 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 2020-21	Credit Rating in FY 2019-20
1	Term Loan	[ICRA]AA (Stable)	[ICRA]AA+ (Negative)
2	Fund-based Facilities	On Long Term Scale [ICRA]AA (Stable) On Short Term Scale [ICRA] A1+	On Long Term Scale [ICRA] AA+ (Negative) On Short Term Scale [ICRA] A1+
3	Non-fund-based Facilities	[ICRA] A1+	[ICRA]A1+
4	Commercial Paper	[ICRA] A1+	[ICRA]A1+

10. 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 www.hindustancopper.com.

(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. However, BSE and NSE have imposed penalty on the Company during last three financial years due to vacant posts of Independent directors / Independent woman director as per details given below:

Name of Exchange/ Status	Penalty imposed for FY 2018-19	Penalty imposed for FY 2019-20	Penalty imposed for FY 2020-21
BSE	₹16,16,600/-	₹9,26,300/-	₹10,79,700/-
NSE	₹16,16,600/-	₹8,02,400/-	₹16,22,500/-

The Company had taken up the matter with the Ministry of Mines, Government of India for waiver of fine since appointment of Directors in case of HCL, being Government owned Company, is done by the Government of India. NSE vide its Letter No. NSE/LIST/SOP/100977 dated 5.2.2020 waived the fine imposed for the quarter ended September, 2018 to June, 2019. BSE vide email dated 24.9.2020 waived the fine imposed for the quarter ended September, 2018 to September, 2019 and again vide email dated 19.4.2021 waived the fine imposed for the quarter ended September, 2020 to December, 2020.

(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 at www.hindustancopper.com.

(d) Weblink disclosing policy for determining 'material' subsidiaries: Not applicable since the Company has no material subsidiary.

(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 there is no women independent director on the Board w.e.f. 16.11.2019 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.

(i) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not applicable as no funds raised through preferential allotment or qualified institutional placement (QIP) during 2020-21. However, in April, 2021 around ₹500 crore was raised by Company through 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. The funds so raised are utilized towards the ongoing mine expansion projects of the Company.

(j) 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**.

(k) Non-acceptance of recommendation of Committees of the Board during the year – Nil

(l) Details of fees paid during 2020-21 to the Statutory Auditor of the Company (M/s. Chaturvedi & Co) and to the Statutory Auditor of the Subsidiary (M/s. V Rawal & 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
		Total	29.75

(m) 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 1.4.2020 : Nil
b. number of complaints filed during the financial year 2020-21 : Nil
c. number of complaints disposed of during the financial year 2020-21 : Nil
d. number of complaints pending at the end of the financial year as on 31.3.2021 : 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 2020-21

   b. Exposure of the Company to various commodities : Nil in FY 2020-21

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:

   - Commodity price risk faced by the Company on account of purchase of copper bearing raw material is managed by sale of corresponding quantity of material by the Company at equivalent price.

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 following documents:

i. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
ii. Disclosure of concern or interests as required under Section 184 of the Act;
(hereinafter referred to as 'relevant documents')

As submitted by the Directors of **Hindustan Copper Ltd** having CIN: L27201WB1967GOI028825 and having registered office at **Tamra Bhavan 1, Ashutosh Chowdhury Avenue, Kolkata-700019** (herein after referred to as "the Company"), to the Board of Directors of the Company ('the Board') for the financial years 2020-21 and relevant registers, records, forms and returns maintained by the Company and as made available to us 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 (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of information and according to the verifications including Directors Identification Number (DIN) status at the portal (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, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment	Date of Cessation
1.	Shri Arun Kumar Shukla	03324672	01/10/2018	-
2.	Shri Sukhen Kumar Bandyopadhyay	08173882	09/07/2018	-
3.	Shri Alok Chandra	06929789	22/06/2018	-
4.	Shri Sanjeev Verma	08836996	07/08/2020	-
5.	Shri Subhash Sharma	05333124	18/07/2018	-
6.	Shri Balwinder Singh Canth	07239321	22/07/2019	-
7.	Shri Pawan Kumar Dhawan	07327568	22/07/2019	-
8.	Shri Rasappan Kalyansundaram	08518006	22/07/2019	-
9.	Shri Satendra Singh	05195060	01/01/2020	07/08/2020

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
FCS No.:5935 CP No.:3725
UDIN No.: F005935C000466758

Place: Kolkata
Date: 15.06.2021

FORM MR-3
SECRETARIAL AUDIT REPORT
for the financial year ended 31st March 2021

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with 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

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 our opinion thereon.

We have conducted online verification and examination of records as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this report.

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 authorised 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 2021, 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:

1. 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, 2021, 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'), as applicable: -
      a. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
      c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
      d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 (SEBI Act) were not applicable to the Company under the financial year under report:
   a. SEBI (Share Based Employee Benefits) Regulations, 2014;
   b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
3. 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, copper wire bar, continuous cast copper rod and by-products, such as anode slime (containing precious metals), copper sulphate and sulphuric acid.

The following Act(s)/ Guideline(s) are specifically applicable for the aforesaid businesses to the Company:

   (i) Corporate Governance Guidelines issued by the Department of Public Enterprise vide their OM. No. 18(8)/2005-GM dated 14th May, 2010;

(ii) The Mines Act, 1952

(iii) Explosive Act, 1884 and Explosive Rules, 2008

(iv) Mines & Minerals (Development & Regulation) Act, 1957

(v) The Metalliferous Mines Regulations, 1961

4. We have also examined compliance with the applicable clauses of the following:

   (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

   (ii) The Listing Agreement(s) entered into by the Company with Stock Exchange(s) as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of:

   (i) External Commercial Borrowings were not attracted to the Company under the financial year under report;

   (ii) Foreign Direct Investment (FDI) were not attracted to the Company under the financial year under report;

   (iii) Overseas Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary abroad were not attracted to the Company under the financial year under report.

6. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.

7. As per the information and explanations provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

8. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

9. We further report that:

   (a) The Board does not have Women Director w.e.f. 16.11.2019.

   (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

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

10. 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.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For Bajaj Todi & Associates

Sd/-
(Priti Todi)
Partner
C.P.No.: 7270, ACS:14611
Udin No: A014611C000446944

Place: Kolkata
Date: 10/06/2021

ANNEXURE A TO SECRETARIAL AUDIT REPORT

To,
The Members
Hindustan Copper Limited

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

MANAGEMENT'S RESPONSIBILITY

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.

AUDITOR'S RESPONSIBILITY

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the 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. We have not verified the correctness and appropriateness of 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.

DISCLAIMER

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are 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 Bajaj Todi & Associates

Sd/-
(Priti Todi)
Partner
C.P.No.: 7270, ACS:14611
Udin No: A014611C000446944

Place: Kolkata
Date: 10/06/2021

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, 2021, 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, being in top 500 companies as per market capitalization, does not have Independent women director for the financial year 2020-21.
2. The Company have not complied with the Minimum Public Shareholding (MPS) requirements as prescribed by Securities Contracts (Regulation) Rules, 1957.

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

For N.K & Associates
Company Secretaries

Sd/-
Navin Kothari
Proprietor
FCS No.:5935 CP No.:3725
UDIN No.: F005935C000466758

Place: Kolkata
Date: 15.06.2021

TEN YEARS AT A GLANCE

(₹ in lakh)

YEAR	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Share Capital	46261	46261	46261	46261	46261	46261	46261	46261	46261	46261
Other Equity	62671	49766	117436	106468	100435	94795	93281	136666	118948	93503
Borrowings	113743	156367	107011	65695	47207	20715	-	-	-	-
Net Block	32209	33728	31649	33200	35425	17811	17883	21179	20633	20917
Current Assets	80973	103718	137002	115728	131121	168902	169033	122871	119082	105165
Current Liablities	91950	144752	104535	106701	74809	106551	96298	35233	35377	36578
Net Turnover	176084	80317	175329	159926	110181	96348	100484	147973	132177	148429
Profit before Taxation	8690	(53806)	23000	12169	9420	3961	8045	43065	40361	47295
Tax Expenses	(2308)	3129	8449	4208	3226	187	1285	14423	4797	14949
Profit after Taxation	10998	(56935)	14551	7961	6194	3774	6760	28642	35564	32346
Dividend including Dividend Tax (Dividend Tax is not applicable from FY 2020-21 onwards)	3385	-	5800	2789	2227	-	1670	10825	10825	10753
No. of Employees (Nos.)	1649	1931	2195	2508	2843	3252	3676	4112	4498	4810

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, 2021, 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, 2021 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 Matters

We draw attention to the following matters:

a) Note No. 39 (1)(i) & 39 (31) 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;

b) Note No.39 (6) 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 ₹5296.25 Lakh (PY:-₹5578.11 Lakh) as at March 31,2021 are yet to be executed in favor of the Company;

c) Note No.39 (8) 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, 2021.Consequential impact upon receipt of such confirmation /reconciliation / adjustments of such balances, if any is not ascertainable at this stage.

d) Note No.39 (27) the accompanying Standalone Financial Statements wherein the Company has made assessment of possible impairment loss during the year with respect to some fixed assets having original cost of ₹22028.59 Lakh allocated to Gujarat Copper Project in accordance with Indian Accounting Standard (Ind AS) 36 "Impairment of Assets". Provision of ₹9708.21 Lakh towards impairment loss as against the total impairment loss computed, has been accounted for in the books of accounts as on March 31,2021 on conservative basis keeping in mind the possible long-term lease of those Plant and machineries or outright sale of Gujarat Copper Project;

e) Note No.39 (32) which describes the uncertainties and the management assessment of possible impact of COVID-19 pandemic on its business operations, financial assets, contractual obligations and its overall liquidity position as at March 31, 2021. Management will continue to monitor in future any material changes arising on financial and operational performance of the Company due to the impact of this pandemic and necessary measure to address the situation.

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, 2021. 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.

Sl. No.	Key Audit Matters	Auditor's Response
1.	**Assessment of Stripping Ratio and charging of overburden expenditure during production stage of surface mines to Mines Development Expenditure and Profit and Loss account** Referred in Note No.2 (11) and Note No.9 of the Standalone Financial Statements. Assessment of Stripping Ratio is technically estimated initially at the beginning of the Mines and later on periodically assessed for which no standards written policy are there. Normally review done within a period of 3 to 4 years as informed to us. In case 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. Assessment of Stripping Ratio is uniquely applied under the Mining industries which involves significant judgment to determine the ratio and that also keep on change from time to time. This ratio has been changed subsequently based on the actual output of overburden and Ore exposed during the production stage of the mines. We have identified this area as key audit matter due to its nature as industry specific and involvement of technical assumptions and judgments in calculation of stripping ratio. Further it has a material impact on the financial statements being this year the Company has amortized ₹24006.83 Lakh (PY:-Rs.23904.06 Lakh) as Mine development expenditure in respect of open cast mines.	**Principal Audit Procedures** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We went through the current status of the mining at different mines • We discussed with the management about the stripping procedure adopted in the industry as well practice followed by the Company • Procedure followed by the management towards Identification of expenditures incurred in surface mines during production stage • Understanding the computation of Stripping ratio initially made and documents made available to us. • We have checked the stripping ratio to be charged under amortization for mine development expenditure for balance period of mines • Discussion with the core technical team involve in this process • Reliance is placed on the representations of the management.

2.	**<u>Provisions recognized and Contingent liabilities disclosed with respect to certain legal and tax matters</u>** The Company 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.39 (1) (i) to the Standalone 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. Accordingly, this matter is considered to be a Key Audit Matter.	**<u>Principal Audit Procedures</u>** Our audit procedures relating to provisions recognized and contingencies disclosed regarding certain legal and tax matters included the followings: • 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; • 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; • Reviewing orders and other communication from regulatory authorities and management responses thereto; • 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 • Using auditor's own judgement in evaluating certain significant and complex direct and indirect tax matters Based on the above procedures performed, we did not identify any material exceptions in the provision recognized and contingent liabilities disclosed in the Standalone Financial Statements with regard to such legal and tax matters.

3.	**<u>Assessment of indication of impairment and the recoverable amount of cash generating units (CGUs)</u>** Refer Note No. 2.17, Note No.39 (27) and (28) of the accompanying Standalone Financial Statements. External sources of information such as changes in the market and economic environment, including the carrying amount of the net assets of the Company being more than its market capitalization as at March 31, 2021, Idle plant and machineries for quite long time, decline in the demand and production process and impact of Covid-19 pandemic required Company's management to assess whether there is any indication of impairment and therefore make a formal estimate of recoverable amounts of certain plants and machineries at Gujarat Copper Project and COT plant at Malanjkhand Copper Project as at March 31, 2021. Based on such indications, impairment testing was performed by the management in accordance with the requirements of Ind AS 36 "Impairment of Assets". Management has calculated the recoverable amount of those plant and machineries using value-in-use method. This is a key audit matter, because of the significant carrying value of these CGUs and the estimation or uncertainty in assumptions used for calculating the recoverable amounts.	**<u>Principal Audit Procedures</u>** Our audit procedures related to assessment of indication of impairment and recoverable amounts of these CGUs included the followings: • 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; • Replying 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 • Using auditor's own judgements/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; • Performing sensitivity analysis over key assumptions to corroborate that recoverable amount of these CGUs is within a reasonable range, including the impact of Covid-19 pandemic assessment; and • Testing related presentation and disclosures in the Standalone Financial Statements. Based on the above procedures performed, we did not note any exceptions in the management's assessment of the indication of impairment and conclusion that the recoverable amount of these CGUs was not lower than their respective carrying amounts as at March 31, 2021.

4.	**Modified Audit Procedures carried out in light of COVID-19 outbreak:** Due to COVID-19 pandemic, nation-wide lockdown and travel restrictions imposed by Central / State Government / Local Authorities during the period of our audit. Wherever physical access was not possible, audit could not be conducted by visiting the Plants/Projects/ Regional Sales offices. As we could not gather audit evidence in person/ physically/ through discussions and personal interactions with the officials at the Plants/ Projects/Regional Sales offices, we have identified such modified audit procedures as a Key Audit Matter. Accordingly, our audit procedures were modified to carry out the audit remotely.	**Principal Audit Procedures** Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Plants/ Projects/Regional Sales offices and carry out the audit processes physically at the respective Plants/ Projects/Regional Sales offices. Wherever physical access was not possible, necessary records/ reports/ documents/ certificates were made available to us by the management of the respective Plants / Projects / Regional Sales offices through E-Mail and to the extent generated from the ORACLE system at Head office, Kolkata. Audit was carried out on the basis of such documents, reports and records made available to us on which were relied upon as audit evidence by us for conducting the audit and reporting for the current period. Accordingly, we modified our audit procedures as follows: a) Conducted verification of necessary records/ documents/Trial Balances and other relevant application software electronically through remote access/emails in respect of Plants/ Projects/Regional Sales offices wherever physical access was not possible. b) Carried out verification of scanned copies of the documents, records, certificates, deeds etc. made available to us through emails and remote access over secure network of the Company. c) Making enquiries and gathering necessary audit evidence through telephonic communication and e-mails.

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 conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information when it becomes available only 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.

When we read the Report of the Board of Directors including annexures and other related statements form part of the Company's annual report and made available to us after the date of our this auditor report, if 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 or 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 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, 2016 ("**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. 39(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.

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.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm's Registration No.302137E)

Place: Kolkata
Date: 25th June, 2021

CA R.K. Nanda
Partner
(Membership No.510574)

UDIN: 21510574AAAACA8224

{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 programme, physical verification of assets held at Taloja Copper Project, Khetri Copper Complex, Regional Sales office North and West have been carried out during the year. No material discrepancies were noticed on such physical verification. The process of physical verification at Units/offices should be further improved by having the detailed list of assets with their identification numbers along with group asset code, quantity and value as per Fixed Assets Register duly mapped with assets physically verified and also having a well defined manual of physical verification especially looking into the various locations, quantum of assets physically available at each of the plant/office locations.

(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 ₹5296.25 Lakh (Gross block-Rs.6560.08 Lakh) as at March 31, 2021 are yet to be executed in favor of the Company. [Note No.39 (6) of the accompanying Standalone Financial Statements].

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, Malanjkhand 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 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 by duly appointed external agencies at Indian Copper Complex and Malanjkhand Copper Project of the Company while at Taloja Copper Project, Khetri Copper Complex and Gujarat Copper Project, inventory was verified and certified by the respective Unit's management. 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 the books of accounts.

In respect of stores and spares, physical verification has been conducted by the external agencies in all the units during the year. No material discrepancies noticed on such physical verification and have been properly dealt with in the books of account.

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) and (iii) (c) of the paragraph 3 of the order are not applicable to the Company.

iv. According 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 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, 2021 outstanding for a period of more than six months from the date of becoming payable except water cess aggregating of ₹1925.11 Lakh payable to Water Resources Department, Government of Jharkhand accrue since the financial year 1999-00 to 2020-21.

(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 31,2021 as given herein below:-

Name of the Statue	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Gross Dispute Amount (Rs. in Lakh)
Central Excise Act	Central Excise	2014-15 to 2016-17 (ICC)	High Court of Jharkhand	560.60
Madhya Pradesh Value added Tax Act	Entry tax	1994-95 (MCP)	Commissioner (Appeals) Jabalpur	*5.38
Madhya Pradesh Value added Tax Act	State Sales Tax/ VAT	2009-2010 (MCP)	Sales Tax Authority (Bhopal)	*34.47
Madhya Pradesh Value Added Tax Act	State Sales Tax/ VAT	2011-12 (MCP)	Sales Tax Authority (Bhopal)	*16.66
Madhya Pradesh Value added Tax Act	State Sales Tax/ Vat	2012-13 (MCP)	Sales Tax Authority (Bhopal)	*99.89
Central Excise Act	Central Excise	2010-11 to 2013-14 (MCP)	CESTAT	*627.60
Rajasthan Value Added Tax Act	Central Excise	2007-08 to 2014-15 (KCC)	Hon'ble Supreme Court	*676.40
Central Excise Act	Central Excise	2013-14, 2014-15, 2017-18 & 2018-19(KCC)	Commissioner Central Excise, Bikaner	1348.97
Central Excise Act	Central Excise	2018-19 (KCC)	CESTAT	*361.79
Madhya Pradesh Value Added Tax Act	State Sales Tax/ Vat	1994-95,2011-12 , 2012-13 & 2013-14 (TCP)	Appellate Authority	*777.60
Panvel Municipal Corporation Act	Local body tax	01.01.2017 to 30.06.2017 (TCP)	Panvel Municipal Corporation	5789.42
Income Tax Act	Income tax	2001-02 to 2003-04, 2005-06 to 2007-08 (HO)	High Court of Kolkata	11508.52
Income Tax Act	Income tax	2007-08, 2011-12, 2012-13, 2016-17 & 2017-18 (HO)	ITAT/CIT(Appeals)	*11603.76

*Aggregate amount of ₹1929.92 Lakh have been deposited against the cases and shown as "Other deposits" under Note No.-17 "Other Current Assets" in Standalone Financial Statements.

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not issued any debentures and also not borrowed any loans from financial institutions or government.

ix. 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. Term loans taken by the Company from the Banks have been applied for the purpose for which they were raised.

x. 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.

xi. As per notification no. GSR 463(E) dated 5.06.2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 for managerial remuneration is not applicable to the Government Company and as such, provisions of paragraph 3(xi) of the said order are not applicable to the Company.

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. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year.

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.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm's Registration No.302137E)

Place: Kolkata
Date: 25th June, 2021

CA R.K. Nanda
Partner
(Membership No.510574)

UDIN: 21510574AAAACA8224

{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, 2021 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 which 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, 2021, 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 in certain areas where design documentation need further improvement like Manual on Fixed Assets verification, Implementation of Centralized data base for Title deeds/lease deeds/ other evidences of titles in respect of both freehold and leasehold lands and Buildings, Fund Management including cash and Bank, Finance/Accounts showing delegations, work allocation process, job rotation policy etc., Inventory management, Receivable Management, Expenditure on CSR, Payable Management incorporating the process flow by which the transactions are initiated, authorized, processed, recorded and reported at department level at Plants/Projects as well as for financial reporting process. Modification of finance/accounts manual needs to be done incorporating the Indian Accounting Standards requirements to have effective internal controls over financial reporting. System integration to capture the transactions that relates to financial statements and events/ conditions and other transactions significant to the financial statement has to be designed properly so as to fulfill the objectives of control criteria established by the Company.

Internal controls over financial reporting process as well as testing of such control activities has to be further improved considering the discrepancies noticed in physical verification of fixed assets like non availability of prescribed format of reporting, reconciliation of mismatches out of such physical verification, timely adjustment of discrepancies noticed, team structure etc. and maintenance of fixed asset register to be further improved. Utilization certificate related to funds disbursed under CSR programme have not been received in proper format explaining the date wise disbursements by company, various mode of spending the amount within a project, details of agency involved with their name, amount paid etc for better control. However, our opinion is not qualified in the above respect.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm’s Registration No.302137E)

Place: Kolkata
Date: 25th June, 2021

CA R.K. Nanda
Partner
(Membership No.510574)

UDIN: 21510574AAAACA8224

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

Sl. No.	Details/Directions	Auditors' 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 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 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:- a) Reserve Bank of India vide its circular RBI/2019-20/244 DOR.No.BP. BC.71/21.04.048/2019-20 dated May 23,2020 on "COVID-19 – Regulatory Package" had announced certain regulatory measures in the wake of the disruptions on account of COVID-19 pandemic by rescheduling of Payments both Term Loans and Working Capital Facilities. Based on the information available and as explained to us, repayment schedule of installments accrue during the moratorium period 1st March 2020 to 31st August 2020 aggregating of ₹21300.00 Lakh was deferred. Out of this Company has paid ₹18000.00 Lakh during the year 2020-2021. b) The company has written back aggregate amount of ₹763.12 Lakh towards trade liabilities pending since long and excess provisions of ₹244.02 Lakh made in accounts during the normal course of business, as stated under Note No. 30 of the Standalone Financial Statements.	a) Impact on the accounts and financial statements to the tune of ₹18000.00 Lakh has already been considered. Installment of ₹3300.00 Lakh got deferred into FY 2021-22. b) Aggregate financial impact of ₹1007.14 Lakh towards "balances written back" has already taken care in books of accounts during the financial year as well as in the accompanying Standalone 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.	No funds received/receivable for specific schemes from Central/State agencies during FY 2020-21.	There is no impact on the accounts and financial statements.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm's Registration No.302137E)

Place: Kolkata
Date: 25th June, 2021

CA R.K. Nanda
Partner
(Membership No.510574)

UDIN: 21510574AAAACA8224

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 2021

`The preparation of financial statements of Hindustan Copper Limited for the year ended 31 March 2021 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 these 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 25 June 2021.

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 2021 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 auditor and is limited primarily to inquiries of the statutory auditor 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

(Suparna Deb)
Director General Audit (Mines)
Kolkata

Place : Kolkata
Date : 25.08.2021

(₹ in lakh)

	PARTICULARS	Note No.	As at 31st March, 2021	As at 31st March, 2020
	ASSETS			
(1)	**NON-CURRENT ASSETS**			
(a)	Property, Plant and Equipment	3A & 3B	29551.40	30891.17
(b)	Other Intangible Assets	3C	2657.74	2836.66
(c)	Capital Work In Progress	4	117892.31	123177.57
(d)	Financial Assets			
	(i) Investments	5	58.55	3.15
	(ii) Others	6	13.89	26.36
(e)	Deferred Tax Assets (Net)	7	15357.32	5290.81
(f)	Non-Current Tax Assets (Net)	8	689.82	689.82
(g)	Other Non-Current Assets	9	36593.70	45171.61
(2)	**CURRENT ASSETS**			
(a)	Inventories	10	17600.07	51982.72
(b)	Financial Assets			
	(i) Investments	11	9.95	9.48
	(ii) Trade receivables	12	16778.00	8289.35
	(iii) Cash and cash equivalents	13	853.55	1134.71
	(iv) Bank Balances other than above	14	225.52	452.52
	(v) Others	15	4815.17	2686.41
(c)	Current Tax Assets (Net)	16	1873.48	1845.39
(d)	Other current assets	17	38817.47	37317.82
	Total Assets		**283787.94**	**311805.55**
	EQUITY AND LIABILITIES			
(1)	Equity			
(a)	Equity Share Capital	18	46260.90	46260.90
(b)	Other Equity	19	62671.28	49765.59
	Liabilities			
1	**NON-CURRENT LIABILITIES**			
(a)	Financial Liabilities			
	(i) Borrowings	20	76987.54	63617.53
	(ii) Other financial liabilities	21	843.53	843.53
(b)	Provisions	22	5074.29	6565.93
(2)	**CURRENT LIABILITIES**			
(a)	Financial Liabilities			
	(i) Borrowings	23	36755.10	92749.96
	(ii) Trade Payables	24	13647.93	23374.42
	(iii) Other financial liabilities	25	10422.57	8582.21
(b)	Other current liabilities	26	19217.61	16982.85
(c)	Provisions	27	4107.19	3062.63
(d)	Current Tax Liabilities (Net)	28	7800.00	-
	Total Equity & Liabilities		**283787.94**	**311805.55**
	Corporate Information	1		
	Significant Accounting Policies	2		
	General Notes on Accounts	39		

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 Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25.06.2021

(₹ in lakh except EPS)

	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	INCOME			
I	Revenue from Operations	**29**	178676.04	83185.25
II	Other Income	**30**	3484.45	5696.22
III	**Total Income (I+II)**		**182160.49**	**88881.47**
IV	EXPENSES			
	Cost of Materials Consumed	**31**	363.87	628.24
	Changes in Inventories of Finished Goods, Semi-Finished and Work-In-Process	**32**	33911.35	(5113.58)
	Employees Benefit Expense	**33**	27711.08	25962.31
	Finance Cost	**34**	6260.80	6041.89
	Depreciation and Amortisation Expense	**35**	29482.23	29067.69
	General,Administration & Other Expenses	**36**	75706.20	86066.35
	Total Expenses (IV)		**173435.53**	**142652.90**
V	**PROFIT /(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)**		**8724.96**	**(53771.43)**
VI	Exceptional items		-	-
VII	**PROFIT /(LOSS) BEFORE TAX (V-VI)**		**8724.96**	**(53771.43)**
VIII	**TAX EXPENSE**	**37**		
1)	Current Tax		7800.00	842.18
2)	Deferred Tax		(10098.58)	2295.83
IX	**PROFIT /(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX (VII-VIII)**		**11023.54**	**(56909.44)**
X	Profit/(Loss) from discontinued operations		(34.70)	(34.70)
XI	Tax expense of discontinued operations		(8.73)	(8.73)
XII	**PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (X -XI)**		**(25.97)**	**(25.97)**
XIII	**PROFIT /(LOSS) FOR THE PERIOD AFTER TAX (IX+XII)**		**10997.57**	**(56935.41)**
XIV	**OTHER COMPREHENSIVE INCOME /(LOSS)**	**38**		
A(i)	**Items that will not be reclassified to Profit / (Loss)**		127.38	(3000.95)
A(ii)	**Income Tax relating to items that will not be reclassified to Profit /(Loss)**		(32.07)	755.28
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)		**11092.88**	**(59181.08)**
XVI	Earning per equity share (for continuing operations)			
1	BASIC (₹)		1.191	(6.151)
2	DILUTED (₹)		1.191	(6.151)
XVII	Earning per equity share (for discontinued operations)			
1	BASIC (₹)		(0.003)	(0.003)
2	DILUTED (₹)		(0.003)	(0.003)
XVIII	Earning per equity share (for discontinued & continuing operations)			
1	BASIC (₹)		1.188	(6.154)
2	DILUTED (₹)		1.188	(6.154)
	Corporate Information	**1**		
	Significant Accounting Policies	**2**		
	General Notes on Accounts	**39**		
	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 Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25.06.2021

Standalone Statement of Changes in Equity

A . Equity Share Capital

(₹ in lakh)

Balance at the beginning of the reporting period 01.04.2019	Changes in equity share capital during the year	Balance at the end of the reporting period 31.03.2020
46260.90	-	**46260.90**

B. Other Equity

Particulars	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2019	8965.97	21166.24	-	163.00	155.94	86985.19	117436.34
Dividends & Dividend Tax	-	-	-	-	-	(5800.08)	(5800.08)
Profit for the Year	-	-	-	-	-	(56935.41)	(56935.41)
Other Comprehensive Income (net of tax)	-	-	-	-	-	(2245.67)	(2245.67)
Amout addition during the year	-	-	-	75.00	(2764.59)	-	(2689.59)
Amout used during the year	-	-	-	-		-	-
Balance at the end of the reporting period 31.03.2020	8965.97	21166.24	-	238.00	(2608.65)	22004.03	**49765.59**

Statement of Changes in Equity

A . Equity Share Capital

(₹ in lakh)

Balance at the beginning of the reporting period 01.04.2020	Changes in equity share capital during the year	Balance at the end of the reporting period 31.03.2021
46260.90	-	**46260.90**

B. Other Equity

(₹ in lakh)

Particulars	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2020	8965.97	21166.24	-	238.00	(2608.65)	22004.03	**49765.59**
Dividends & Dividend Tax	-	-	-		-	-	-
Profit for the Year	-	-	-		-	10997.57	10997.57
Other Comprehensive Income (net of tax)	-	-	-	-	-	95.31	95.31
Amout addition during the year	-	-	-	75.00	1737.81	-	1812.81
Amout used during the year	-	-	-	-	-	-	-
Balance at the end of the reporting period 31.03.2021	8965.97	21166.24	-	313.00	(870.84)	33096.91	**62671.28**

In terms of our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants
FRN 302137E

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25.06.2021

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

For and on behalf of the Board of Directors

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

(₹ in lakh)

			For the year ended 31st March 2021	For the year ended 31st March 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**			
	NET PROFIT/ (LOSS) BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS		**8724.96**	**(53771.43)**
	Adjusted for :			
	Depreciation		14081.20	3589.34
	Provisions charged		23713.54	18884.59
	Provisions written back		(1007.14)	(2280.83)
	Interest expense		6260.80	6041.89
	Amortisation		25143.94	25271.73
	Interest income		(300.76)	(1021.90)
	Loss / (Profit) on disposal of fixed assets		(2.49)	2.04
	OPERATING PROFIT/ (LOSS) BEFORE WORKING CAPITAL CHANGES		**76614.05**	**(3284.57)**
	Adjusted for :			
	Decrease/ (Increase) in Trade & other Receivables		(8612.55)	27921.74
	Decrease/ (Increase) in Inventories		34382.30	(5682.60)
	Decrease/ (Increase) in Current & Non-Current assets		(3671.89)	(3808.73)
	Increase/ (Decrease) in Current & Non-Current Liabilities		(15494.85)	(2119.57)
	CASH GENERATED FROM OPERATIONS		**83217.06**	**13026.27**
	Taxes paid		(7.03)	(4423.72)
	NET CASH FROM OPERATING ACTIVITIES	**(A)**	**83210.03**	**8602.55**
B.	CASH FLOW FROM INVESTING ACTIVITIES :			
	Purchase of Fixed Assets		(20320.35)	(22094.87)
	Sale of Fixed Assets		22.38	12.03
	Interest received		302.21	1015.68
	Investment in Joint Venture / Subsidiary		(86.80)	(3.00)
	Mine Development Expenditure		(16319.83)	(21913.69)
	NET CASH USED IN INVESTING ACTIVITIES	**(B)**	**(36402.39)**	**(42983.85)**
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Non-Current borrowings / (Loan repaid)		19738.86	15895.21
	Dividends paid		-	(4811.14)
	Tax on Dividend		-	(988.94)
	Interest paid		(6435.92)	(5895.91)
	NET CASH USED IN INVESTING ACTIVITIES	**(C)**	**13302.94**	**4199.22**
	NET INCREASE IN CASH AND CASH EQUIVALENTS	**(A + B + C)**	**60110.58**	**(30182.08)**
	CASH AND CASH EQUIVALENTS - opening balance		**(68300.65)**	**(38118.57)**
	CASH AND CASH EQUIVALENTS - closing balance		**(8190.07)**	**(68300.65)**
	(details in Annexure - A)			

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 21st July, 2021

(₹ in lakh)

ANNEXURE - A

		01/04/2020	01/04/2019
1.	**CASH AND CASH EQUIVALENTS - opening balance**	**01/04/2020**	**01/04/2019**
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	1,134.71	658.42
ii)	Current Financial Assets - Bank Balance other that above (Note 14) (Excluding Unpaid Dividend of ₹15.86 Lakh)	432.21	408.33
iii)	Current Financial Assets - Investments (Note 11)	9.48	8.85
iv)	Non-current Financial Assets - Others (Note 6)	26.36	12.47
v)	Current Financial Liabilities - Borrowings (Note 23)	(69903.41)	(39206.64)
		(68300.65)	**(38118.57)**

		31/03/2021	31/03/2020
	CASH AND CASH EQUIVALENTS - closing balance	**31/03/2021**	**31/03/2020**
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	853.55	1,134.71
ii)	Current Financial Assets - Bank Balance other that above (Note 14) (Excluding Unpaid Dividend of ₹15.47 Lakh)	210.05	432.21
iii)	Current Financial Assets - Investments (Note 11)	9.95	9.48
iv)	Non-current Financial Assets - Others (Note 6)	13.89	26.36
v)	Current Financial Liabilities - Borrowings (Note 23)	(9277.51)	(69903.41)
		(8190.07)	**(68300.65)**

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.

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 is operating Smelter & Refinery in ICC and Gujarat Copper Project, Gujarat (GCP) for production of copper cathode. Further, cathode is converted into copper wire rod at Copper wire rod plant at Taloja Copper Project, Taloja, Maharashtra (TCP). 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 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.

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) 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.

2.5 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.

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.

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 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 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.

2.9(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 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 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 'Put to 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 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.

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.

2.12 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 Reserve 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 year end 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 along with 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

Transaction 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 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 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 Leasing

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. All other leases are classified as operating leases.

Depreciation expenses are recorded if asset held under finance lease is depreciable.

Finance expenses are recognized immediately in the statement of profit and loss if they are not directly attributable to qualifying assets, otherwise they are capitalised in accordance with the company's general policy on borrowing costs.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

2.21 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.

2.22 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.

2.23 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.

Note No. : 3 (A) Property,Plant and Equipment (Active Assets)

(₹ in lakh)

	Owned Assets									Leased Assets	
DESCRIPTION	**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 (Right of Use)**	**Grand Total**
Gross Carrying Amount												
Gross Carrying Amount as at 01.04.2019	2446.58	6728.85	26588.06	317.87	168.24	1826.39	293.86	2878.22	444.21	41692.28	1487.37	43179.65
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	14.47	1626.18	84.29	57.73	-	-	41.52	-	1824.19	-	1824.19
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13.59)	(0.01)	(0.45)	-	-	(0.02)	-	(14.07)	-	(14.07)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	0.58	(0.01)	-	0.01	-	(0.01)	-	0.57	-	**0.57**
Gross Carrying Amount as at 31.03.2020	**2446.58**	**6743.32**	**28201.23**	**402.14**	**225.52**	**1826.40**	**293.86**	**2919.71**	**444.21**	**43502.97**	**1487.37**	**44990.34**
Accumulated Depreciation & Impairment												
Accumulated Depreciation as at 01.04.2019	-	2042.70	5926.16	104.81	63.90	987.39	98.01	778.57	41.97	10043.51	-	10043.51
Depreciation charge during the year	-	522.27	2846.05	43.37	29.44	325.17	32.67	222.95	13.99	4035.91	19.75	4055.66
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-		-	-
Accumulated Depreciation & Impairment as at 31.03.2020	**-**	**2564.97**	**8772.21**	**148.18**	**93.34**	**1312.56**	**130.68**	**1001.52**	**55.96**	**14079.42**	**19.75**	**14099.17**
Net Carrying Amount as at 31.03.2020	**2446.58**	**4178.35**	**19429.02**	**253.96**	**132.18**	**513.84**	**163.18**	**1918.19**	**388.25**	**29423.55**	**1467.62**	**30891.17**
Gross Carrying Amount												
Gross Carrying Amount as at 01.04.2020	2446.58	6743.32	28201.23	402.14	225.52	1826.40	293.86	2919.71	444.21	43502.97	1487.37	44990.34
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	226.45	12,412.57	1.03	11.77	116.72	-	44.59	-	12813.13	-	12813.13
Inter-head Transfer In /(Out)	-	-	-	0.08	-	-	-	(0.08)	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	0.42	(0.12)	-	-	-	(0.04)	-	0.26	-	**0.26**
Disposals	-	-	(18.69)	-	(0.32)	-	-	(0.88)	-	(19.89)	-	(19.89)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	0.83	0.83
Gross Carrying Amount as at 31.03.2021	**2446.58**	**6969.77**	**40595.53**	**403.13**	**236.97**	**1943.12**	**293.86**	**2963.30**	**444.21**	**56296.47**	**1488.20**	**57784.67**
Accumulated Depreciation & Impairment												
Accumulated Depreciation as at 01.04.2020	-	2564.97	8772.21	148.18	93.34	1312.56	130.68	1001.52	55.96	14079.42	19.75	14099.17
Depreciation charge during the year	-	526.90	3392.80	53.81	36.66	121.37	32.67	227.25	13.99	4405.45	20.44	4425.89
Inter-head Transfer In /(Out)	-	-	-	0.07	-	-	-	(0.07)	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	64.60	8972.46	-	-	-	-	671.15	-	9708.21	-	**9708.21**
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-		-	-
Accumulated Depreciation & Impairment as at 31.03.2021	**-**	**3156.47**	**21137.47**	**202.06**	**130.00**	**1433.93**	**163.35**	**1899.85**	**69.95**	**28193.08**	**40.19**	**28233.27**
Net Carrying Amount as at 31.03.2021	**2446.58**	**3813.30**	**19458.06**	**201.07**	**106.97**	**509.19**	**130.51**	**1063.45**	**374.26**	**28103.39**	**1448.01**	**29551.40**

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 No. : 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
Gross Carrying Amount										
Gross Carrying Amount as at 01.04.2019	3.64	181.91	946.84	39.56	23.09	24.93	-	62.28	92.30	1374.55
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Active Assets	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Gross Carrying Amount as at 31.03.2020	**3.64**	**181.91**	**946.84**	**39.56**	**23.09**	**24.93**	**-**	**62.28**	**92.30**	**1374.55**
Accumulated Depreciation & Impairment										
Accumulated Depreciation as at 01.04.2019	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation & Impairment as at 31.03.2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Carrying Amount as at 31.03.2020	**3.64**	**181.91**	**946.84**	**39.56**	**23.09**	**24.93**	**-**	**62.28**	**92.30**	**1374.55**
Less Provisions for Discarded Assets										1374.55
Net Carrying Amount (Net of Provisions) as at 31.03.2020										-
Gross Carrying Amount										
Gross Carrying Amount as at 01.04.2020	3.64	181.91	946.84	39.56	23.09	24.93	-	62.28	92.30	1374.55
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	(0.42)	0.12	-	-	-	0.04	-	(0.26)
Transfer To Active Assets	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(0.04)	-	-	-	-	(0.09)	-	(0.13)
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Gross Carrying Amount as at 31.03.2021	**3.64**	**181.91**	**946.38**	**39.68**	**23.09**	**24.93**	**-**	**62.23**	**92.30**	**1374.16**
Accumulated Depreciation & Impairment										
Accumulated Depreciation as at 01.04.2020	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation & Impairment as at 31.03.2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Carrying Amount as at 31.03.2021	**3.64**	**181.91**	**946.38**	**39.68**	**23.09**	**24.93**	**-**	**62.23**	**92.30**	**1374.16**
Less Provisions for Discarded Assets										1374.16
Net Carrying Amount (Net of Provisions) as at 31.03.2021										-

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 No. : 3 (C) Other Intangible Assets

(₹ in lakh)

DESCRIPTION	Mining Rights	Total
Gross Carrying Amount		
Gross Carrying Amount as at 01.04.2019	2464.33	2464.33
Exchange Differences	-	-
Additions	593.89	593.89
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Disposals	-	-
Transfer	-	-
Adjustments	-	-
Gross Carrying Amount as at 31.03.2020	**3058.22**	**3058.22**
Accumulated Depreciation & Impairment		
Accumulated Depreciation as at 01.04.2019	-	-
Depreciation charge during the year	221.56	221.56
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Impairment Losses	-	-
Exchange Differences	-	-
Disposals	-	-
Transfer	-	-
Accumulated Depreciation & Impairment as at 31.03.2020	**221.56**	**221.56**
Net Carrying Amount as at 31.03.2020	**2836.66**	**2836.66**
Gross Carrying Amount		
Gross Carrying Amount as at 01.04.2020	3058.22	3058.22
Exchange Differences	-	-
Additions	14.54	14.54
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Disposals	-	-
Transfer	-	-
Adjustments	-	-
Gross Carrying Amount as at 31.03.2021	**3072.76**	**3072.76**
Accumulated Depreciation & Impairment		
Accumulated Depreciation as at 01.04.2020	221.56	221.56
Depreciation charge during the year	193.46	193.46
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Impairment Losses	-	-
Exchange Differences	-	-
Disposals	-	-
Transfer	-	-
Accumulated Depreciation & Impairment as at 31.03.2021	**415.02**	**415.02**
Net Carrying Amount as at 31.03.2021	**2657.74**	**2657.74**

(₹ in lakh)

	Particulars	As at 31st March, 2021	As at 31st March, 2020

Note No. 4 : CAPITAL WORK IN PROGRESS

i)	Building	24.22	163.27
ii)	Plant & Machinery	21653.61	34389.11
iii)	Others including Mine Expansion	112385.33	92018.10
		134063.16	126570.48
	Less: Provision	16170.85	3392.91
	Total	**117892.31**	**123177.57**

Note No. 5 : NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

i)	**Investments in equity instruments - (classified as at cost)**				
	Investment in Subsidiary Company - Chhattisgarh Copper Limited (CCL)	33.30		18.50	
	(Investment in CCL 333,000 Nos. (Previous Year 185,000Nos.) of equity shares of `10 (Previous Year `10) each fully paid up as at 31.03.2021)				
	Less : Provision for share of Loss of Investment in Subsidiary upto 31.03.2020	22.11		18.35	
	TOTAL		**11.19**		**0.15**

Details of Subsidiary

Principal Activity and place of incoporation	Principal place of business	Proportion of ownership interest / voting rights held by the Company as on 31.03.2021
Exploration & Mining and benefication 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 Almunium Company (NALCO), Hindustan Copper Limited (HCL) and Mineral Exploration Corporation Limited (MECL)	75.00		3.00	
	Investment in JV Company - Khanij Bidesh India Limited (KABIL) (Investment in KABIL 30,000 Nos. (Previous Year Nil) of equity shares of ₹10 (Previous Year ₹ Nil) each fully paid up as at 31.03.2020)	27.64		-	
	TOTAL		**47.36**		**3.00**

Details of JVC

Principal Activity and place of incoporation	Principal place of business	Proportion of ownership interest / voting rights held by the Company as on 31.03.2021
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%

iii.	Non Trade Investment in Debentures	0.17		0.17	
	Less : Provision for diminution in value	0.17		0.17	
	TOTAL		**58.55**		**3.15**
	AGGREGATE BOOK VALUE - UNQUOTED		**58.55**		**3.15**
	AGGREGATE BOOK VALUE - QUOTED		**Nil**		**Nil**
	MARKET PRICE OF QUOTED INVESTMENT		**-**		**-**

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020

Note No. 6 : NON - CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Bank deposits with more than 12 months maturity		
- With scheduled banks	13.89	26.36
Total	**13.89**	**26.36**

Note No. 7 : DEFERRED TAX ASSETS (NET)

	Particulars	31st March, 2021		31st March, 2020	
i)	**DEFERRED TAX ASSET**				
	OPENING BALANCE	5864.22		9243.90	
	Adjustment/Credit during the year	10144.16		(3379.68)	
	CLOSING BALANCE		**16008.38**		**5864.22**
ii)	**DEFERRED TAX LIABILITY**				
	OPENING BALANCE	(1914.43)		(2998.28)	
	Adjustment/Credit during the year	(45.58)		1083.85	
	CLOSING BALANCE		**(1960.01)**		**(1914.43)**
i)-ii)	**DEFERRED TAX ASSETS / (LIABILITIES) (Net)**		**14048.37**		**3949.79**
iii)	**DEFINED BENEFIT PLANS**				
	OPENING BALANCE	1341.02		585.74	
	Adjustment/Credit during the year	(32.07)		755.28	
	CLOSING BALANCE		**1308.95**		**1341.02**
	DEFERRED TAX ASSETS / (LIABILITIES) (Net) including OCI		**15357.32**		**5290.81**

(Refer Note No. 39 General Notes on Accounts Point No. 17)

Note No. 8 : NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Income Tax (including advance income tax, TDS & excluding current tax liability) Unsecured - Considered good	689.82	689.82
Total	**689.82**	**689.82**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 9 : OTHER NON - CURRENT ASSETS					
a)	**Mobilisation Advances**				
i)	Secured (considered good)		1631.96		1632.12
ii)	Unsecured (considered good)				-
iii)	Unsecured (considered doubtful)	0.02		0.02	
	Less: Provisions for Capital Advances *	0.02	-	0.02	-
b)	**Mine Development Expenditure**				
	As per Last Balance Sheet	48204.35		51115.82	
	Add: Expenditure during the Year (as per Note Below)	16930.06		22505.21	
			65134.41		73621.03
	Less: Value of Ore recovered during Mine Development	363.87		144.95	
	Less: Amortisation during the Year	25143.94	25507.81	25271.73	25416.68
			39626.60		48204.35
	Less: Provision		4664.86		4664.86
	TOTAL		**34961.74**		**43539.49**
	Note: MINE DEVELOPMENT EXPENDITURE DURING THE YEAR				
i)	Salaries, Wages, Allowances		2256.32		2655.31
ii)	Contribution to Provident & Other Funds		173.42		211.43
iii)	Workmen & Staff Welfare Expenses		5.91		9.68
iv)	Stores, Spares & Tools Consumed		1540.55		1963.75
v)	Power, Fuel & Water		487.38		655.21
vi)	Royalty		24.95		11.03
vii)	Repair & Maitenance		3600.79		4352.83
viii)	Insurance		1.28		1.17
ix)	Overburden Removal Expenditure		8084.83		11275.24
x)	Depreciation		246.36		446.57
xi)	Other Expenses		508.27		922.99
	TOTAL		**16930.06**		**22505.21**

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.

	As at 31st March, 2021	As at 31st March, 2020
TOTAL (a+b)	36593.70	45171.61
PROVISIONS FOR CAPITAL ADVANCES *		
OPENING BALANCE	0.02	0.02
Additions during the year	-	-
Amount used during the year	-	-
CLOSING BALANCE	**0.02**	**0.02**

(₹ in lakh)

Particulars			As at 31st March, 2021		As at 31st March, 2020

Note No. 10 : INVENTORIES

i)	Raw Materials		-		-
ii)	Semi-Finished and In-Process (at lower of cost or net realisable value)	30627.68		64456.03	
	Less: Provision for Semi-Finished and In-Process *	18454.83	12172.85	18454.83	46001.20
iii)	Finished Goods (at lower of cost or net realisable value)		0.00		83.00
iv)	Stores and spares	6781.70		7646.10	
	Stores in transit/ pending inspection	996.75		603.30	
		7778.45		8249.40	
	Less: Provision for Obsolete Stores & Spares **	2351.23	5427.22	2350.88	5898.52
	TOTAL		**17600.07**		**51982.72**
	PROVISION FOR SEMI-FINISHED AND IN-PROCESS*				
	OPENING BALANCE		18454.83		123.03
	Additions during the year		-		18331.80
	Amount used during the year		-		-
	CLOSING BALANCE		**18454.83**		**18454.83**
	PROVISION FOR OBSOLETE STORES & SPARES **				
	OPENING BALANCE		2350.88		2616.03
	Additions during the year		15.58		1.40
	Amount used during the year		15.23		266.55
	CLOSING BALANCE		**2351.23**		**2350.88**

Note No. 11 : CURRENT FINANCIAL ASSETS - INVESTMENTS

Investments in Mutual Fund (Maturity within 3 months from date of original investments)	Number of units	NAV (in ₹)		
UTI MONEY MARKET - GROWTH	51.736	2395.17	1.24	1.17
	(51.736)	(2267.76)		
SBI ULTRA SHORT TERM DEBT FUND - GROWTH	132.117	4718.97	6.23	5.92
	(132.117)	(4479.65)		
CANARA REBECO LIQUID FUND - GROWTH	38.993	2466.99	0.96	0.93
	(38.993)	(2389.98)		
IDBI LIQUID FUND - GROWTH	68.469	2213.28	1.52	1.46
	(68.469)	(2130.97)		
TOTAL			**9.95**	**9.48**
AGGREGATE BOOK VALUE - UNQUOTED			**Nil**	**Nil**
AGGREGATE BOOK VALUE - QUOTED			**7.84**	**7.84**
MARKET PRICE OF QUOTED INVESTMENT			**9.95**	**9.48**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 12 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES					
	DEBTS OUTSTANDING				
i)	- Secured - Considered good	16778.00		8289.35	
ii)	- Unsecured - Considered good	-		-	
iii)	- Considered doubtful	1066.87		886.51	
		17844.87		9175.86	
	Less: Allowances for bad & doubtful debts *	1066.87	16778.00	886.51	8289.35
	TOTAL		**16778.00**		**8289.35**
	ALLOWANCES FOR BAD & DOUBTFUL DEBTS *				
	OPENING BALANCE		886.51		942.77
	Additions during the year		180.40		0.31
	Amount used during the year		0.04		56.57
	CLOSING BALANCE		**1066.87**		**886.51**

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).

Note No. 13 : CURRENT FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

	Particulars	As at 31st March, 2021	As at 31st March, 2020
I.	CASH AND CASH EQUIVALENTS		
i.	Cash on hand including imprest	0.25	0.25
ii.	Balance with Banks		
	-Current Account	853.30	1134.46
II.	OTHER BALANCES WITH BANK		
	Bank deposits upto 3 months maturity from date of original investment		
	- With Scheduled Banks	-	-
	TOTAL	**853.55**	**1134.71**

Note No. 14 : CURRENT FINANCIAL ASSETS - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

	Particulars	As at 31st March, 2021	As at 31st March, 2020
I.	OTHER BALANCES WITH BANK		
	- In Dividend Balance Account	15.47	20.31
II.	BANK DEPOSITS WITH MORE THAN 3 MONTHS AND UPTO 12 MONTHS MATURITY		
	- With Scheduled Banks	210.05	432.21
		225.52	**452.52**

(₹ in lakh)

Particulars			As at 31st March, 2021		As at 31st March, 2020
Note No. 15 : CURRENT FINANCIAL ASSETS - OTHERS					
a)	**ADVANCES***				
	Employees				
	- Secured (considered good)	96.40		112.55	
	- Unsecured (considered doubtful)	2.03		2.03	
	Less : Provisions for doubtful Advances*	2.03		2.03	
			96.40		
					112.55
b)	**INTEREST ACCRUED ON**				
i)	LC from Customers	-		-	
ii)	Investments	9.57		10.66	
iii)	Deposits	29.51		29.64	
iv)	Others	0.13	39.21	0.36	40.66
c)	**CLAIMS RECOVERABLE**				
	Claims recoverable from different agencies	4858.97		2712.61	
	Less: Provision for Doubtful Claims **	179.41	4679.56	179.41	2533.20
	TOTAL (a+b+c)		**4815.17**		**2686.41**
	DETAILS OF PROVISIONS				
	PROVISION FOR DOUBTFUL ADVANCES *				
	OPENING BALANCE		2.03		2.03
	Additions during the year		-		-
	Amount used during the year		-		-
	CLOSING BALANCE		**2.03**		**2.03**
	PROVISION FOR DOUBTFUL CLAIMS **				
	OPENING BALANCE		179.41		133.10
	Additions during the year		-		46.31
	Amount used during the year		-		-
	CLOSING BALANCE		**179.41**		**179.41**

Explanatory Note: -

PARTICULARS OF LOANS AND ADVANCES DUE FROM DIRECTORS

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)

Income Tax (including advance income tax, TDS & excluding current tax liability) Unsecured - Considered good	1873.48	1845.39
TOTAL	**1873.48**	**1845.39**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 17 : OTHER CURRENT ASSETS					
a)	Advances to contractors / suppliers				
	- Secured (considered good)	449.63		239.21	
	- Unsecured (considered good)	511.52		1127.08	
	- Unsecured (considered doubtful)	1154.48		679.54	
			2115.63		2045.83
b)	Other Advances				
	- secured (considered good)	50.90		50.90	
	- Unsecured (considered doubtful)	13.93		13.93	
			64.83		64.83
			2180.46		2110.66
	Less : Provision for Doubtful Loans and Advances *		1168.41		693.47
			1012.05		1417.19
c)	Advance to Subsidiary-CCL		4.00		6.50
d)	Advance to JV-KABIL		-		72.00
e)	**DEPOSITS**				
	Other Deposits	11032.23		10136.08	
	Less : Provision for Doubtful Deposits **	75.56		75.56	
			10956.67		10060.52
f)	**OTHER CURRENT ASSETS**				
	Other Current Assets	251.02		211.52	
	Less: Provision for Other Current Assets ***	3.52		3.52	
			247.50		208.00
g)	**OTHER RECOVERABLES**				
	IGST/CGST & SGST		26597.25		25553.61
	TOTAL		38817.47		37317.82
	DETAILS OF PROVISIONS				
	PROVISION FOR DOUBTFUL LOANS AND ADVANCES*				
	OPENING BALANCE		693.47		737.26
	Additions during the year		475.14		2.52
	Amount used during the year		0.20		46.31
	CLOSING BALANCE		**1168.41**		**693.47**
	**PROVISIONS FOR DEPOSITS ** **				
	OPENING BALANCE		75.56		75.56
	Additions during the year		-		-
	Amount used during the year		-		-
	CLOSING BALANCE		**75.56**		**75.56**
	PROVISION FOR OTHER CURRENT ASSETS ***				
	OPENING BALANCE		3.52		3.52
	Additions during the year		-		-
	Amount used during the year		-		-
	CLOSING BALANCE		**3.52**		**3.52**

Particulars	As at 31st March, 2021	As at 31st March, 2020

Note No. 18 : EQUITY SHARE CAPITAL

		No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
a)	**AUTHORISED SHARE CAPITAL**				
	- Equity Share Capital	1800000000	90000.00	1800000000	90000.00
	- 7.50% Non-Cum. Redeemable Preference Shares	2000000	20000.00	2000000	20000.00
b)	**PAR VALUE PER EQUITY SHARE (in ₹)**		**5.00**		**5.00**
c)	**PAR VALUE PER PREFERENCE SHARE (in ₹)**		**1000.00**		**1000.00**
d)	**NO. OF SHARES ISSUED, SUBSCRIBED AND FULLY PAID UP**				
	- Equity Share Capital	925218000	46260.90	925218000	46260.90
	- 7.50% Non-Cum. Redeemable Preference Shares	-	-	-	-
	TOTAL		**46260.90**		**46260.90**

		No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
e)	**RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING:**				
	OUTSTANDING AS ON 01.04.2020	925218000	46260.90	925218000	46260.90
	Add: Share Capital issued/ subscribed during the year	-	-	-	-
	Less: Reduction in Share Capital	-	-	-	-
	OUTSTANDING AS ON 31.03.2021	**925218000**	**46260.90**	**925218000**	**46260.90**

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.

		In No.	In (%)	In No.	In (%)
g)	**SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 PERCENT OF THE NUMBER OF SHARES**				
	- President of India	703587852	**76.05%**	703587852	**76.05%**
	- Life Insurance Corporation of India	105685666	**11.42%**	105685666	**11.42%**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 19 : OTHER EQUITY					
a)	**CAPITAL RESERVE ***				
	AS PER LAST BALANCE SHEET		21166.24		21166.24
b)	**GENERAL RESERVE**				
	AS PER LAST BALANCE SHEET		8965.97		8965.97
c)	MINE CLOSURE RESERVE				
	AS PER LAST BALANCE SHEET	238.00		163.00	
	Add: During the year	75.00		75.00	
	Less: Amount reversed during the year	-		-	
	Less: Amount used during the year	-		-	
	AS AT BALANCE SHEET DATE		313.00		238.00
d)	**CURRENCY FLUCTUATION RESERVE ****				
	AS AT BALANCE SHEET DATE	(2608.65)		155.94	
	Add: Equity Component of Foreign Currency Loan	1737.81		(2764.59)	
	Less: Amount reversed during the year	-		-	
	Less: Amount used during the year	-		-	
	AS AT BALANCE SHEET DATE		(870.84)		(2608.65)
f)	**RETAINED EARNING *****		33096.91		22004.03
	TOTAL		**62671.28**		**49765.59**
	Details of Retained Earning ***				
	Profit /(Loss) after tax for the period as per Statement of Profit and Loss		10997.57		(56935.41)
	Other Comprehensive Income/(Loss) as per Statement of Profit and Loss (net of tax)		95.31		(2245.67)
	Total Comprehensive Income /(Loss) for the period		**11092.88**		**(59181.08)**
	Balance brought forward		22004.03		86985.19
	BALANCE AVAILABLE FOR APPROPRIATION		**33096.91**		**27804.11**
i)	Less :Dividend		-		4811.14
ii)	Less :Tax on Dividend		-		988.94
	BALANCE CARRIED FORWARD		**33096.91**		**22004.03**

*Capital Reserve is created from the Grant received from the Government of India during the approval of Financial Restructuring 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.

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Note No. 20 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS		
LONG TERM LOANS		
• From Banks/ FIs		
- **Secured**		
- EXIM Bank (Loan II)	14660.54	22647.53
(First pari-passu charge on movable fixed assets, both present and future of the Company, excluding GCP and TCP)		
- SBI	13750.00	18975.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- PNB	9575.00	9800.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- HDFC	8750.00	9500.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- AXIS	9250.00	2695.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- FEDERAL Bank	15002.00	-
(First pari-passu charge on immovable fixed assets of the Company located at KCC, both present and future, excluding leasehold land/property)		
- **Unsecured**		
- EXIM Bank	6000.00	-
TOTAL	**76987.54**	**63617.53**
Note No. 21 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS		
Others (Compensation received from Govt of Jharkhand for repair of township)	843.53	843.53
TOTAL	**843.53**	**843.53**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 22 : NON - CURRENT - PROVISIONS				
PROVISION FOR EMPLOYEE BENEFITS				
i) PROVISION FOR LEAVE ENCASHMENT				
AS PER LAST BALANCE SHEET	9032.66		10920.32	
Additions during the year	-		-	
Amount used during the year	661.40		1887.66	
CLOSING BALANCE		8371.26		9032.66
ii) PROVISION FOR GRATUITY				
AS PER LAST BALANCE SHEET	(2466.73)		(5448.73)	
Additions during the year	-		2982.00	
Amount used/funded during the year	830.24		-	
CLOSING BALANCE		(3296.97)		(2466.73)
TOTAL		5074.29		6565.93

(Refer Note No. 39 General Notes on Accounts Point No. 19)

Note No. 23 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31st March, 2021	As at 31st March, 2020
SHORT TERM LOANS		
- Cash Credit- From Banks/ FIs	363.50	13603.41
- WCDL- From Banks/ FIs	3914.01	16300.00
- Secured (Secured by hypothecation of Stock-in-Trade,Stores & Spare Parts and Book Debts, both present and future of the Company)		
- Working Capital Term Loan (Unsecured)		
- Federal Bank	5000.00	22000.00
- Kotak Mahindra Bank	-	5000.00
- HDFC Bank	-	10500.00
- IOB	-	1250.00
- PNB	-	1250.00
LONG TERM LOANS		
• Due in next 1 year		
- EXIM Bank (Loan I)	2880.59	5933.16
- EXIM Bank (Loan II)	9774.00	8108.39
- Axis Bank	500.00	8105.00
- HDFC Bank	875.00	500.00
- PNB	275.00	200.00
- SBI ECB	4675.00	-
- Federal Bank	4998.00	-
- EXIM Bank	3500.00	-
TOTAL	**36755.10**	**92749.96**

(₹ in lakh)

	Particulars	As at 31st March, 2021		As at 31st March, 2020	
Note No. 24 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE					
i)	Total outstanding dues of micro entreprises and small enterprises		513.72		961.60
ii)	Total outstanding dues of creditors other than micro enperprises and small enterprises		13134.21		22412.82
	Total		**13647.93**		**23374.42**
Note No. 25 : CURRENT FINANCIAL LIABILITIES - OTHERS					
i)	Interest accrued but not due on borrowings & term loans		330.83		505.95
ii)	Unpaid dividend		15.47		20.31
iii)	Deposits/ Retention money		7223.63		6361.34
iv)	Other liabilities		2852.64		1694.61
	Total		**10422.57**		**8582.21**
Note No. 26 : OTHER CURRENT LIABILITIES					
i)	Statutory dues payables		5245.25		5763.29
ii)	Advances from Customers		2289.76		3105.82
iii)	Other liabilities		11682.60		8113.74
	TOTAL		**19217.61**		**16982.85**
Note No. 27 : CURRENT - PROVISIONS					
a)	**PROVISION FOR EMPLOYEE BENEFITS**				
i)	**PROVISION FOR LEAVE ENCASHMENT**				
	AS PER LAST BALANCE SHEET	1593.88		1980.85	
	Additions during the year	-		-	
	Amount used during the year	289.54		386.97	
	CLOSING BALANCE		**1304.34**		**1593.88**
ii)	**PROVISION FOR GRATUITY**				
	AS PER LAST BALANCE SHEET	**(2831.41)**		**(2860.89)**	
	Additions during the year	877.52		29.48	
	Amount used during the year	-		-	
	CLOSING BALANCE		**(1953.89)**		**(2831.41)**
iii)	**PROVISION FOR LEAVE TRAVEL CONCESSION (LTC)**				
	AS PER LAST BALANCE SHEET	**198.03**		**171.93**	
	Additions during the year	-		26.10	
	Amount used during the year	14.05		-	
	CLOSING BALANCE		**183.98**		**198.03**
iv)	**PROVISION FOR PRP/INCENTIVE**				
	AS PER LAST BALANCE SHEET	**1145.00**		**1727.00**	
	Additions during the year	249.00		-	
	Amount used during the year	-		582.00	
	CLOSING BALANCE		**1394.00**		**1145.00**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
v)	**PROVISION FOR WAGE REVISION**				
	AS PER LAST BALANCE SHEET	**1878.87**		**4258.27**	
	Additions during the year	-		-	
	Amount used during the year	-		2379.40	
	CLOSING BALANCE		**1878.87**		**1878.87**
b)	**OTHERS**				
i)	**DIVIDEND**				
	AS PER LAST BALANCE SHEET	-		-	
	Additions during the year	-		4811.14	
	Amount used during the year	-		4811.14	
	CLOSING BALANCE		-		-
ii)	**TAX ON DIVIDEND**				
	AS PER LAST BALANCE SHEET	-		-	
	Additions during the year	-		988.94	
	Amount used during the year	-		988.94	
	CLOSING BALANCE		-		-
iii)	**PROVISION - OTHERS**				
	AS PER LAST BALANCE SHEET	**1078.26**		**1018.59**	
	Additions during the year	450.82		329.46	
	Amount used during the year	229.19		269.79	
	CLOSING BALANCE		1299.89		1078.26
	TOTAL		**4107.19**		**3062.63**

(Refer Note No. 39 General Notes on Accounts Point No. 18 & 19)

Note No. 28 : CURRENT TAX LIABILITIES

Additions during the year	7800.00	-
Current Tax Liabilities	**7800.00**	-

(₹ in lakh)

Particulars		For the year ended 31st March, 2021		For the year ended 31st March, 2020
Note No. 29 : REVENUE FROM OPERATIONS				
SALE OF PRODUCTS				
- Domestic		96139.44		34187.32
- Export		79944.49		46129.33
		176083.93		80316.65
Less : Discount & Rebate		-		-
SALES (Net of Discounts) (A)		**176083.93**		**80316.65**
SALE OF SERVICES (B)		**92.56**		**310.79**
OTHER OPERATING INCOME (C)				
-Sale of Scrap		1075.84		329.54
-Interest from Customers		2.36		116.11
-Interest from Contractors against mobilization advances for mining operations		80.74		252.49
- Penalty & Liquidated Damages	1347.98		1920.36	
Less : Refunded during the year	**7.37**	**1340.61**	**60.69**	**1859.67**
TOTAL (C)		**2499.55**		**2557.81**
TOTAL (A+B+C)		**178676.04**		**83185.25**

Note No. 30 : OTHER INCOME

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
- Claims Received	3.42	8.80
- Interest from Term Deposits	29.43	29.63
- Interest - Others	271.33	992.27
- Profit on sale of Assets	2.49	-
- Profit on Fair Value of Investment	0.47	0.63
- Others	2170.17	2384.06
- Balances not required written back #	1007.14	2280.83
TOTAL	**3484.45**	**5696.22**
Details of Balances not required written back #		
Bad and doubtful Debts,advances/deposits & claims	0.24	56.57
Excess provisions on account of shortage,non-moving,obselete & insurance Stores & Spares and finished goods	14.13	266.54
Provision for Discarded Assets /Loss of Assets no longer required	0.55	-
Prov Written back for feasibility study of Concentrator plant at MCP	-	827.46
Provision for Interest on MSME	229.10	264.01
Excess Provision created for Transportation of Copper Concentrate from KCC to load port	-	179.56
Old Liability Written Back for S.Creditors, SD & EMD more than 5 years and Others	763.12	686.69
TOTAL	**1007.14**	**2280.83**

(₹ in lakh)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020

Note No. 31 : COST OF MATERIALS CONSUMED

Raw Materials Consumed	-	483.29
Value of Ore Raised During Mine Development	363.87	144.95
TOTAL	**363.87**	**628.24**

Note No 32 : CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED AND WORK- IN-PROCESS

A.	OPENING STOCK:		
	Finished Goods	83.00	1176.03
	Semi-Finished and In-Process	64456.03	58249.42
	TOTAL OPENING STOCK	**64539.03**	**59425.45**
B.	CLOSING STOCK:		
	Finished Goods	-	83.00
	Semi-Finished and In-Process	30627.68	64456.03
	TOTAL CLOSING STOCK	**30627.68**	**64539.03**
	(INCREASE)/ DECREASE (A-B)	**33911.35**	**(5113.58)**

Note No. 33 : EMPLOYEES BENEFIT EXPENSE

Salaries, Wages & Allowances	21106.04	21806.24
Bonus/Ex-gratia/Performance Related Pay	334.98	104.00
Contribution to Provident & Other Funds	1963.72	2186.55
Workmen & Staff Welfare Expenses	2693.00	1568.32
Gratuity & Leave Encashment	1613.34	297.20
TOTAL	**27711.08**	**25962.31**
Explanatory Note: -		
The detail of Remuneration paid/payable to Directors as included in above payments are as follows: -		
(i) Salaries & Allowances	95.30	153.84
(ii) Contribution to Provident & Other Funds	7.74	13.18
(iii) Re-imbursement of Medical Expenses	0.05	1.06
(iv) Leave Encashment	26.03	32.83
(v) Gratuity Paid	-	20.00
(vi) Other Benefits	7.06	29.68
TOTAL	**136.18**	**250.59**

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. 34 : FINANCE COST

- Interest on Cash Credit	1471.69	2001.93
- Others (including Term Loans)	4789.11	4039.96
TOTAL	**6260.80**	**6041.89**

(₹ in lakh)

Particulars			For the year ended 31st March, 2021	For the year ended 31st March, 2020
Note No. 35 : DEPRECIATION AND AMORTISATION EXPENSE				
		DEPRECIATION		
A)	(i)	**Depreciation on Owned Assets**	**4405.45**	**4035.92**
		Less: Depreciation transferred to Mine Development Expenditure	246.36	446.57
		SUB TOTAL (i)	**4159.09**	**3589.35**
	(ii)	Depreciation on Leased Assets -(Right of Use)	20.44	19.75
		SUB TOTAL(A)= (i+ii)	4179.53	3609.10
B)		Depreciation on Other Intangible Assets -(Mining Rights)	193.46	221.56
		Less: Depreciation transferred to Discontinuing Operations	34.70	34.70
		SUB TOTAL (B)	**158.76**	**186.86**
C)		**AMORTISATION**		
		Amortisation during the year *	25143.94	25271.73
		SUB TOTAL (C)	**25143.94**	**25271.73**
		TOTAL (A+B+C)	**29482.23**	**29067.69**

* 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. 36 : OTHER EXPENSES

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A.	**OTHER MANUFACTURING EXPENSES**		
	- Stores ,Spares& Tools Consumed	7327.36	10618.82
	- Consumption of Power, Fuel & Water	11678.08	17757.59
	- Royalty, Cess & Decretal amount	8440.38	7717.04
	- Contractual Job for Process	12661.66	16744.17
	- Handling & Transportation	3182.48	2975.64
	- Tolling Charges	117.90	-
	SUB TOTAL (A)	**43407.86**	**55813.26**
B.	**REPAIRS & MAINTENANCE & MAJOR OVERHAUL EXPENSES**		
	- Building	38.39	145.54
	- Machinery	3963.19	4003.83
	- Others	398.34	817.77
	SUB TOTAL (B)	**4399.92**	**4967.14**
C.	**ADMINISTRATION EXPENSES**		
	- Insurance	415.93	383.85
	- Rent	107.10	131.67
	- Rates and Taxes	488.98	1132.38
	- Security Expenses	1178.69	804.49
	- Travelling and Conveyance	174.09	410.12
	- Telephone, Telex and Postage	91.13	129.69
	- Advertisement and Publicity	52.11	246.45

(₹ in lakh)

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	- Printing and Stationery	25.04	70.15
	- Books & Periodicals	0.78	1.81
	- Consultancy Charges - Indigenous	271.38	1006.15
	- Loss on Sale of Assets(Net)	-	2.04
	- MTM Debit/(Credit) Foreign Exchange	(15.94)	(20.80)
	-Exchange Rate Variation (Net)	-	-
	- Corporate Social Responsibility Expenses	73.69	331.01
	- Hire Charges	168.71	299.63
	- Audit Expenses **(Refer detail below at Sl 1)**	50.30	41.96
	- Independent Directors Expenses	18.00	12.75
	- Bank Charges	131.95	176.93
	- Other General Expenses	954.94	1241.08
	SUB TOTAL (C)	**4184.88**	**6401.36**
D.	**PROVISIONS (Refer detail below at Sl 2)**	**23713.54**	**18884.59**
	TOTAL (A+B+C+D)	**75706.20**	**86066.35**

Explanatory Note: -

1) Detail of Audit Expenses are as under: -				
i) Statutory Auditors				
- Statutory Audit Fees	14.70		16.20	
- Tax Audit Fees	6.60		5.16	
-In Other Capacity	19.04		14.95	
- Reimbursement of Expenses	0.27	40.61	2.29	38.60
ii) Cost Auditors				
- Cost Audit Fees	0.80		0.70	
- Reimbursement of Expenses	0.01	0.81	0.47	1.17
iii) Internal Auditors				
- Audit Fees	8.09		0.65	
- Reimbursement of expenses	0.79	8.88	1.54	2.19
TOTAL		**50.30**		**41.96**
2) Detail of Provisions are as under: -				
Doubtful debts		180.40		0.31
Doubtful advances / deposits		-		2.52
Provisions for Obsolete /Non-moving Stores		14.47		1.05
Provisions For Wip & Finished Goods		-		18,331.80
Provisions For Capital Work In Progress		12777.94		131.88
Provisions For Loss Of Assets		0.12		-
Provision For Discarded Fixed Asset		0.16		-
Interest On MSMED		450.70		323.68
Provision For Mine Closure Expenditure		75.00		75.00
Provision For Impairment Loss		9708.21		-
Provision For Others		475.14		-
Provision For Loss Of Joint Venture		27.64		-
Provision For Loss Of Subsidiary		3.76		18.35
TOTAL		**23713.54**		**18884.59**

(₹ in lakh)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020

Note No. 37 : TAX EXPENSE

CURRENT TAX		
Income Tax Provision	7800.00	-
Income Tax relating to earlier years	-	842.18
Deferred Tax Account	(10098.58)	2295.83
TOTAL	**(2298.58)**	**3138.01**

Note No. 38 : OTHER COMPREHENSIVE INCOME/(LOSS)

A(i)	Items that will not be reclassified to Profit/(Loss)		
	Acturial gain/loss recognised in the year for employees :		
	Gratuity	127.38	(3000.95)
	TOTAL (A(i))	**127.38**	**(3000.95)**
A(ii)	Income Tax relating to items that will not be reclassified to Profit /(Loss)	(32.07)	755.28
	TOTAL (A(ii))	**(32.07)**	**755.28**
B(i)	Items that will be reclassified to Profit/ (Loss)		-
	TOTAL (B(i))	**-**	**-**
B(ii)	Income Tax relating to items that will be reclassified to Profit /(Loss)		-
	TOTAL (B(ii))	-	-

NOTES FORMING PART OF ACCOUNTS

Note No. 39 : GENERAL NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(i) Contingent Liabilities: -

		2020-21 (₹ in lakh)	2019-20 (₹ in lakh)
a.	Claims against the company not acknowledged as debt :		
i.	Disputed VAT / CST / Entry Tax	7399.82	3516.76
ii.	Disputed Excise Duty	2898.96	2947.97
iii.	Disputed Income Tax	23112.28	23113.43
iv.	Other Demand	48878.66	39110.70
SUB-TOTAL (A)		**82289.72**	**68688.86**
b.	Other money for which the company is contingently liable		
i.	Bank Guarantee	2890.65	2767.54
ii.	Letter of Credit	93.63	53.26
iii.	Bill discounting	3732.36	-
SUB-TOTAL (B)		**6716.64**	**2820.80**
GRAND TOTAL (A+B)		**89006.36**	**71509.66**

(ii) Commitments:-

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance and deposit)	**56709.30**	**73913.51**

Details of Claims against the Company not acknowledged as debt (of 1(i)(a) above)

VAT/CST/ENTRY TAX

There are demand notices totaling to Gross Demand of ₹7399.82 lakh (Previous Year ₹3516.76 lakh) from various State Revenue Authorities regarding VAT/CST/Entry Tax against which the company has deposited under protest ₹673.50 lakh (Previous Year ₹620.44 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 ₹2898.96 lakh (Previous Year ₹2947.97 lakh) from Central Excise Authorities regarding Excise Duty against which the company has deposited under protest ₹164.06 lakh (Previous Year ₹68.37 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 ₹23112.28 lakh (Previous Year ₹23113.43 lakh) against which the company has deposited under protest ₹1092.36 lakh (Previous Year ₹1.15 lakh) shown under Note No. 16 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

The pending litigation cases totaling to ₹48878.66 lakh (Previous Year ₹39110.70 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 ₹249.00 lakh (Previous year ₹Nil) in terms of DPE guidelines towards Performance Related Pay payable to the executives for F.Y. 2020-21 which is shown under 'Employees' Benefit Expenses'.
3. Lease premium paid for land for mining purposes including payment for Net Present Value (NPV) of forest area paid to forest department are capitalized under the head "Other Intangible Assets" shown under Note No. 3(C)
4. The lease agreements of Kendadih and Rakha Mining Lease at Indian Copper Complex has been renewed and executed by the Govt of Jharkhand in respect of leasehold lands valid upto 02.06.2023 and 28.08.2021 respectively. In respect of Surda Mining Lease, the lease agreement has expired on 31.03.2020 and the company has applied for extension of the lease agreement with the Govt of Jharkhand. Govt of Jharkhand has issued Letter of Intent (LOI) for extension of the lease vide letter dated 05.08.2020. Formal letter of extension of the lease is under active consideration of the Department of Mines & Geology, Govt of Jharkhand, Ranchi.
5. 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" as on 31.03.2021.
6. The title deeds for Freehold and Leasehold Land and Building acquired in respect of Gujarat Copper Project (GCP) with book value of ₹5296.25 lakh are yet to be executed (Previous year ₹5578.11 lakh).
7. 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.
8. 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.
9. During the year, the company has spent a sum of ₹73.69 lakh on account of Corporate Social Responsibility (CSR) expenses.

Amount spent during the year on:

₹.in lakh

Sl. No.	Particulars in cash	In cash	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i)above	24.64	49.05	73.69

10.Information related to Micro, Small and Medium Enterprises Development Act, 2006 is disclosed hereunder:

₹.in lakh

a)	i) Principal amount remaining unpaid to any supplier at the end of the financial year	513.72
	ii) Interest due on above	769.09
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	431.28

d)	Amount of interest accrued and remaining unpaid at the end of the financial year	1200.37
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.

11. 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.

12. The Company has closed / suspended many of its mining operations located at various places, Fertilizer Plant at Khetri in different years due to their uneconomic operations. As per requirement of IND AS 105 on "Non-current Assets Held for Sale and Discontinued Operations" the following information for the year are furnished:

(₹in lakh)
(Previous year figures in brackets)

	MSB GROUP OF MINES	RCP	CCP	DCP	Fertilizer Plant
i) Initial disclosure event (Year of closure)	1997 to 2003	2001	2002	1994	2001
ii) Carrying amount of Assets	No separate records maintained	464.09 (490.05)	- (-)	- (-)	No separate records are maintained
iii) Liabilities to be settled		137.17 (137.17)	73.04 (73.04)	3.38 (3.38)	
iv) Amount of income	- (-)	- (-)	- (-)	- (-)	
v) Amount of expenses	- (-)	34.70 (34.70)	- (-)	- (-)	
vi) Gain on sale of assets (Included in iv above)	- (-)	- (-)	- (-)	- (-)	

* This is included in cash generated from operations in the Cash Flow Statement.

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:-

	2020-21		**2019-20**	
	Qty (MT)	**₹ in lakh**	**Qty (MT)**	**₹ in lakh**
Anode Slime	4.600	172.14	25.040	1995.90
Copper Reverts	356.711	1109.52	265.347	815.91
Copper Concentrate (CMT)	15983.167	78352.17	10647.339	43317.52
Total		**79633.83**		**46129.33**

* This is included in cash generated from operations in the Cash Flow Statement.

15. In terms of IND AS 24 on "Related Party Disclosures":

Transactions with Related Party during the year and balance outstanding as on 31.03.2021 are as under:

(i) Where control exists:

₹ in lakh

Name of Related Party	Nature of Relationship	Type of Transaction	Year ended 31.03.21	Year ended 31.03.20
Chhattisgarh Copper Limited (CCL)	Subsidiary	Investment in shares	33.30	18.50
		Advances given	4.00	6.50

Name of Related Party	Nature of Relationship	Type of Transaction	Year ended 31.03.21	Year ended 31.03.20
Khanij Bidesh India Limited (KABIL)	Joint Venture	Investment in shares	75.00	3.00
		Advances given	-	72.00

(ii) The Key Management Personnel are given below:

Particulars	Key Management Personnel	Total Remuneration	
	Functional Directors	**Year ended 2020-21**	**Year ended 2019-20**
Receiving of Services	1. Sri Arun Kumar Shukla Chairman-cum-Managing Director	50.84	12.37 (w.e.f. 01.01.2020)
	2. Sri Santosh Sharma Chairman-cum-Managing Director	1.82 (Arrear salary)	44.31 (upto 31.12.2019)
	3. Sri K D Diwan Chairman-cum-Managing Director	-	1.55 (Arrear PRP)
	4. Sri Anupam Anand Director (Personnel)	28.17 (Arrear salary & Leave Encashment)	10.55 (upto 04.08.2019)
	5. Sri S K Bhattacharya Director (Mining)	1.79 (Arrear salary)	93.70 (upto 31.12.2019)
	6. Sri S K Bandyopadhyay Director (Finance)	53.56	52.41
	7. Sri Arun Kumar Shukla Director (Operations)	-	35.70 (upto 31.12.2019)
OTHER THAN FUNCTIONAL DIRECTORS			
	8. Sri C S Singhi Company Secretary	52.82	51.28

INDEPENDENT DIRECTORS

Sri Subhash Sharma – Date of appointment – 18.02.2018

Sri Pawan Kumar Dhawan – Date of appointment – 22.07.2019

Sri Balwinder Singh Canth – Date of appointment – 22.07.2019

Sri Kalyansundaram – Date of appointment – 22.07.2019

Sl. No.	Payment to Independent Directors	Year ended 31.03.2021	Year ended 31.03.2020
1.	Sitting Fees	18.00	12.75

Balance Outstanding with Key Managerial Personnel as on 31.03.2021

Sl. No.	Particulars	As on 31.03.2021	As on 31.03.2020
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	10997.57 (-56935.41)	10997.57 (-56935.41)
Denominator used: Weighted average number of Equity Shares of ₹5/- (Previous year ₹5/- each) outstanding during the period.	925218000 (925218000)	925218000 (925218000)
Earning Per Share (₹)	1.188 (-6.154)	1.188 (-6.154)

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:-

DEFERRED TAX ASSET (NET): -

(₹ in lakh)

Particulars	Deferred Tax Asset/ (Liability) as at 01.04.2020	Credit/ (Charge) during 2020-21	Deferred Tax Asset/ (Liability) as at 31.03.2021
Deferred Tax Asset :-			
Difference between provision made in accounts and claims made as per I. T Act	5864.22	10144.16	16008.38
	5864.22	10144.16	16008.38
Deferred Tax Liability :-			
Difference between net book value of depreciable capital assets vis-a-vis WDV as per IT Act	(1914.43)	(45.58)	(1960.01)
	(1914.43)	(45.58)	(1960.01)
Deferred Tax Asset (Net) – Recognised in Statement of Profit & Loss	3949.79	10098.58	14048.37
Deferred Tax Asset (Net) - Defined Benefit Plan – Recognised in OCI	1341.02	(32.07)	1308.95
Total Deferred Tax Asset (Net)	5290.81	10066.51	15357.32

19. PROVISIONS FOR CONTINGENCIES: -

(₹ in lakh)

Particulars	Fixed Assets	Capital WIP & Advance	Mines Development Expenditure	Others	TOTAL
Carrying amount as at 01.04.2020	1838.56	3392.91	4664.86	32274.97	42171.30
Amount provided during the year	97.08	12777.94	-	2248.44	15123.46
Amounts utilized against provision	0.39	-	-	2039.87	2040.26
Carrying amount as at 31.03.2021	1935.25	16170.85	4664.86	32483.54	55254.50

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 ₹1613.80 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) Changes in Present Value of Obligation			
Present Value of obligation as on last valuation	12672.55	10626.54	198.03
Current service cost	743.08	870.84	-
Interest cost	731.57	601.99	-
Total Actuarial gain/(loss)	(127.38)	191.95	40.13
Benefits Paid	2695.79	2615.72	54.18
Present value of obligation as on valuation date	11324.03	9675.60	183.98
(ii) Changes in Fair Value of Plan Assets			
Fair value of Plan Assets at Beginning of period	17970.69	3580.29	
Interest Income	1299.98	265.78	
Employer Contributions	-	2615.72	
Benefits paid	2695.79	2615.72	
Return on Plan Assets excluding Interest Income	-	-	
Fair value of Plan Assets at End of measurement period	16574.88	3846.07	
(iii) Table Showing Reconciliation to Balance Sheet			
Funded Status	5250.85	(5829.53)	
Fund Asset	16574.88	3846.07	
Fund Liability	11324.03	9675.60	

(₹ in lakh)

	Gratuity (Funded plan)	Leave Encashment (Partially funded Plan)	Leave Travel Concession (Non-funded Plan)
(iv) Expenses recognized in the Statement of Profit and Loss Account			
Current service cost	743.08	870.84	40.13
Net Interest cost	(568.41)	336.21	40.13
Actuarial (gain)/loss	-	191.95	
Benefit Cost (Expense Recognized in Statement of Profit/loss)	174.67	1399.00	
(v) Other Comprehensive Income			
Total Actuarial (gain)/loss	(127.38)	-	
Return on Plan Asset, Excluding Interest Income	-	-	
Balance at the end of the Period	(127.38)	-	
Net (Income)/Expense for the Period Recognized in OCI	(127.38)	-	
(vi) Table Showing Plan Assumptions			
Discount Rate	6.46% p.a.	6.46% p.a.	6.46% p.a.
Expected Return on Plan Asset	7.05%,7.50%,7.10% etc	7.05%,7.70%	-
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 31.03.2021 towards gratuity & leave encashment are as follows:

(₹ in lakh)

Investment in Life Insurance Corporation of India	2975.52
Investment in SBI Life Insurance Co. Ltd	16546.02
Investment in India First Life Insurance	679.33
Fund with Gratuity Trust Savings Bank Accounts	220.08
Total	**20420.95**

Actual Return on Plan Assets during the year - ₹1565.76 lakh.

The estimates of future salary increases were considered in actuarial valuation after taking into account 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. 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 20-21, 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

The Company purchases copper blister/ anode on an ongoing basis for its operating activities in its Gujarat Copper Project (GCP) plant for the production of cathode. To hedge itself against the volatility in LME copper prices in the international market has led to the decision to enter into commodity future contracts. However in the year FY 2020-21, the Company has not purchased any such copper blister/ anode for its plant in GCP.

These contracts, which commenced in August 2016, are expected to reduce the volatility attributable to price fluctuations of copper. 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 2021, 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 31,2021**	**Total carrying value as at March 31,2020**	**Fair Value as at March 31,2021**	**Fair Value as at March 31,2020**
Financial Assets at FV through Statement of Profit & Loss				
Mutual Funds	7.84	7.84	9.95	9.48
Derivatives not designated as hedges				
Future Contract Receivable on commodity	-	-	-	-
Total of Financial Assets	7.84	7.84	9.95	9.48
Financial Liabilities				
Derivatives not designated as hedges				
Forward Cover Contract Liability	-	-	-	-
Total of Financial Liabilities	-	-	-	-

3. The Management considered the Service fees of ₹15 lakh paid on the Exim Bank Term loan amounting to ₹30000 lakh drawn on 29.05.2018 as immaterial, as the amount of service fee was only 0.009% of the Turnover (FY 2020-21) 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 that 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 0.139% of the Turnover (FY 2020-21) 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 that 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
Financial Assets at FV through Statement of Profit & Loss					
Non-derivative financial assets					
Mutual funds	31 Mar 2021	9.95	-	-	9.95
Derivative financial assets					
Future Contract Receivable on commodity	31 Mar 2021	-	-	-	-
Liabilities measured at fair value: Derivative financial liabilities					
Forward Cover Contract Liability	31 Mar 2021	-	-	-	-
Assets measured at FV through OCI	31 Mar 2021	-	-	-	-

(Amount in ₹lakh)

Particulars	Date of Valuation	Level 1	Level 2	Level 3	Total
Financial Assets at FV through Statement of Profit & Loss					
Non-derivative financial assets					
Mutual funds	31 Mar 2020	9.48	-	-	9.48
Derivative financial assets					
Future Contract Receivable on commodity	31 Mar 2020	-	-	-	-
"Liabilities measured at fair value: Derivative financial liabilities"					
Forward Cover Contract Liability	31 Mar 2020	-	-	-	-
Assets measured at FV through OCI	31 Mar 2020	-	-	-	-

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 at March 31,2021

Particulars	₹ In lakh
Cash & cash equivalents	-
Trade Receivables	4514.00
Trade Payables	-
Loans	(45740.13)
Others (if any)	-
Net Assets/ (-) Liabilities	(41226.13)

As at March 31,2020

Particulars	₹ In lakh
Cash & cash equivalents	-
Trade Receivables	7114.00
Trade Payables	-
Loans	(55664.08)
Others (if any)	-
Net Assets/ (-) Liabilities	(48550.08)

Sensitivity

The sensitivity of profit or loss to changes in exchange rate arises mainly from foreign currency denominated financial instrument.

(₹ in lakh)

Particulars	Impact on profit before tax	
	March 31, 2021	**March 31, 2020**
Increase by 5%	2,287.01	2,783.20
Decrease by 5 %	(2,287.01)	(2,783.20)

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-Mar-21	31-Mar-2020
	Gross	**Gross**
Not past due	-	-
Past not more than six months	16230.75	5712.45
Past due more than six months but not more than one year	273.47	553.2
More than one year	1340.65	2910.21
Total	17844.87	9175.86
Less Allowances for Bad & Doubtful Debts	1066.87	886.51
Net Debtors	16778.00	8289.35

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 ₹1066.87 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 undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

(₹ in lakh as at March 31, 2021)

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)	363.50	-	-	-	-	-	363.50
Short term borrowings (Others)	-	7414.01	1500.00	-	-	-	8914.01
Long Term Borrowings	-	3130.59	24347.00	54738.00	18249.54	4,000.00	104465.13
Total	**363.50**	**10544.60**	**25847.00**	**54738.00**	**18249.54**	**4000.00**	**113742.64**

(₹ in lakh as at March 31, 2020)

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)	13603.41	-	-	-	-	-	13603.41
Short term borrowings (Others)	-	36800.00	19500.00	-	-	-	56300.00
Long Term Borrowings	-	2175.00	10515.79	61548.29	12225.00	-	86464.08
Total	**13603.41**	**38975.00**	**30015.79**	**61548.29**	**12,225.00**	**-**	**156367.49**

NB: 1. Under RBI Notification No. RBI/2019-20/186 dated 27.03.2020 and RBI/2019-20/244 dated 23.05.2020, the scheduling of loan instalments has been given as per approval received from banks under COVID-19- Regulatory Package .

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.

21. With effect from April, 2019, the company has adopted Ind AS 116. However, since the company has no lease liabilities at present, Ind AS 116 has no financial impact on the accounts of the company during the current financial year.

22. The physical verification of Semi-Finished and In-Process (WIP) and Finished Goods is conducted departmentally in all the units (ICC, KCC, MCP, TCP & GCP) at the end of the current year by a duly approved 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.

23. 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 in KCC, TCP, RSON & RSOW.

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

Sl. No.	Particulars	Year ended 31.03.2021
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	₹45,00,000

Sl. No.	Particulars	Year ended 31.03.2021
5	Other equity	₹(39,46,399)
6	Total assets	₹10,05,196
7	Total liabilities	₹4,51,595
8	Investments	Nil
9	Total Income from operations (net)	Nil
10	Profit/(Loss) from ordinary activities before tax	₹(10,90,303)
11	Tax expense	Nil
12	Profit/(Loss) from ordinary activities after tax	₹(10,90,303)
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

Sl. No.	Particulars	Year ended 31.03.2021
1	Name of the Associate/Joint Venture	Khanij Bidesh India Limited (KABIL)
2	Latest audited Balance Sheet Date	31.03.2021
3	Date on which the Associate/Joint Venture was associated or acquired	01.08.2019
4	Shares of Associate/Joint Venture held by the company on the year end	
	Nos.	7,50,000
	Amount of investment in Associate/Joint Venture	₹75,00,000
	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	₹47,22,342
8	Profit/(Loss) for the year	₹(78,406)
	Considered in consolidation	₹(23,522)
	Not considered in consolidation	₹(54,884)

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 have 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 31.03.2021	Year ended 31.03.2020
Profit / (Loss) before Tax from continuing operations	8724.96	(53771.43)
Income Tax expense calculated @ 25.168%	2195.90	-
Effect of Income Tax	5604.10	761.62
Effect of Deferred Tax	(10098.58)	1534.21
Income Tax effect of earlier years	-	842.18
Income Tax expense recognized in profit or loss	(2298.58)	3138.01

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 having aggregate book value of ₹23471.86 lakh as at March 31,2021. The commercial operation of Gujarat Copper Project was suspended since August 2019 due to non-availability of feed material at economical price. During the current year, the Company has assessed the loss on account of impairment of the said plant excluding land, building, roads etc. valued by an independent consultant and consequently a sum of ₹9708.21 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. Based on the outcome of the possible long lease out or complete sale of the plant during FY 2021-22, the balance impairment loss along with normal depreciation, if any, will be considered.

28. Copper ore tailing (COT) beneficiation plant was set up at MCP unit for extraction of valuable minerals and metals from copper ore tails with a capacity of 10000 tonnes per day (TPD) based on the sole technology provider. The intermittent trial run failed on number of occasions and the quality and quantity of products achieved at various stages are not as per the parameters envisaged in contract agreement. A preliminary notice was issued to the party to complete the project and commission the same. The party agreed to commission the plant, but the progress of the work at site was stopped due to lockdown for COVID-19 pandemic. The Company had extended the timeline upto August 31, 2020 for supply, erection of the thickener and commission of the plant. But the party failed to execute the contract and the contract got terminated with efflux of time. The present cost of the COT plant appearing in books of accounts as on 31.03.2021 under Capital Work In Progress (CWIP) is ₹15805.03 lakh after forfeiture of security deposit under the contract amounting to ₹849.27 lakh. The Company has appointed an independent registered valuer to evaluate the salvage value of the plant. The total salvage value assessed as per valuation report is ₹3027.09 lakh. Since the party has failed to execute the project under sole technology provider, the management thinks it prudent to create a provision amounting to ₹12777.94 lakh, being present cost of the plant under CWIP less salvage value.

29. During the financial year 2019-20, all three Provident Fund (PF) Trusts maintained for the employees of the Company namely HCL HO PF Trust, ICC PF Trust and KCC PF Trust have incurred a total loss of ₹1915.54 lakh. After adjustment of opening surplus reserve of ₹385.99 lakh, the deficit in the accounts of PF Trusts is ascertained as ₹1529.55 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 ₹1529.55 lakh during the current financial year towards total deficit in PF Trust of FY 2019-20.

30. During April 2021, the Company has issued 4,18,06,020 nos. of Equity Shares with par value of ₹5.00 per share and premium of ₹114.60 per share amounting to ₹50000.00 lakh through Qualified Institutional Placement (QIP) to fund the ongoing capital expenditure and mine expansion plan of the Company.

31. 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 30.09.2020 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 31.03.2021.

32. The spread of Covid 19 has affected the business operations of the company in all the units due to lock down declared by the Government. The company has taken various measures in consonance with the Government advisories to contain the pandemic, which included closing of mining and operational activities across the company. However, Government has allowed to resume its operation in all the units during April 2020 & May 2020. Post unlocking of the lockdown, the Company's operations are gradually stabilizing.

    Given the uncertainty of quick turnaround to normalcy, post lifting of the closure, the company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the company and take necessary measures to address the situation.

33. The previous year's figures have been regrouped / rearranged, wherever necessary.

Note No. 39 : GENERAL NOTES ON ACCOUNTS
Additional information forming part of accounts for year ended March 31, 2021
39.1 Capacities,production,stocks and sales

(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	Quantity	Value	Quantity	Value	
						₹ in lakh		₹ in lakh		₹ in lakh	
Manufacturing Activities											
a : Main products											
1. Wire bar *	MT	39400	39400	-	-	-	-	-	-	-	-
		(39400)	(39400)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
2. Wire rod	MT	60000	60000	-	21	83.00	-	-	-	-	21.00
		(60000)	(60000)	(4108)	(160)	(653.63)	(21)	(83.00)	(4247)	(18989.96)	(-)
3. Cathode including Toll Smelted Cathode	MT	99500	68500**	-	2	7.06	7	43.16	-	-	-5
		(99500)	(68500)	(5340)	(290)	(1206.61)	(2)	(7.06)	(1492)	(6608.09)	(4137)
4. Metal in Concentrate	CMT			23866	10340	33292.12	730	2291.54	32997	173922.70	479
				(26502)	(16786)	(39933.39)	(10340)	(33292.12)	(12669)	(50824.96)	(20279)
b : By products											
1. Gold	KG	264	698	-	-	-	-	-	-	-	-
		(264)	(698)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
2. Silver	KG	4763	9868	-	-	-	-	-	-	-	-
		(4763)	(9868)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3. Nickel sulphate	MT	250	390	-	-	-	-	-	-	-	-
		(250)	(390)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
4. Selenium	KG	10000	14600	-	-	-	-	-	-	-	-
		(10000)	(14600)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
5. Sulphuric acid	MT	236000	236000	-	976	59.20	46	1.34	926	26.98	4
		(236000)	(236000)	(5943)	(1266)	(98.36)	(976)	(59.20)	(5514)	(294.52)	(718)
c : Allied and semi-Finished products											
1. Anode slime	MT	NA	-	-	5	610.34	-	-	5	482.81	-
		(NA)	(-)	(5)	(25)	(1393.86)	(5)	(610.34)	(25)	(1996.80)	-
2. Copper mould	MT	NA	-	-	-	-	-	-	-	-	-
		(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3. Kyanite	MT	NA	-	-	-	-	-	-	-	-	-
		(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Note No. 39 : GENERAL NOTES ON ACCOUNTS

Additional information forming part of accounts for year ended March 31, 2021

39.1 Capacities,production,stocks and sales

(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	Quantity	Value	Quantity	Value	
						₹ in lakh		₹ in lakh		₹ in lakh	
4. Others	MT	NA	-			-		-		1651.44 ******	
		(NA)	(-)			(-)		(-)		(1602.32)	
d : Work in progress											
i) Metal in Ore				25560	2376	5901.71	1361	3039.30			26575
				(31131)	(5762)	(8842.32)	(2376)	(5901.71)			(34517)
ii) Other WIP						24585.60 ****		25252.33 *****			
						(7297.28)		(24585.60)			
GRAND TOTAL						**64539.03**		**30627.68**		**176083.93**	
						(59425.45)		**(64539.03)**		**(80316.65)**	

Note :

* Due to change in product demand, the Company is no longer making this product.

**Although the Installed Capacity of Cathode is shown as 99500 MT (KCC - 31000 MT & ICC - 18500 MT, GCP - 50000 MT), due to economic consideration the Company suspended KCC Smelter & Refinery from December 2008.

** During the current year 5 MT Cathode was physically found in excess of book stock of 2 MT at ICC.

	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Anode in floor/ Anode in cell	Scrap	Others	Total
**** Opening Work in progress includes									
Current year	10.63	642.17	-	11.64	0.85	872.09	229.91	22818.31	24585.60
Previous year	10.58	611.25	-	70.71	1.31	3348.59	692.23	2562.62	7297.28
***** Closing Work in progress includes									
Current year	-	2366.76	-	101.87	1.31	1899.91	145.98	20736.49	25252.33
Previous year	10.63	642.17	-	11.64	0.85	872.09	229.91	22818.31	24585.60

******Other Sales value includes	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Granulated Slag	Copper Dust	Copper Ash/ Residue	Others	TOTAL
Current year	-	1109.52	-	-	-	340.63	-	-	201.29	1651.44
Previous Year	217.70	815.98	22.32	-	0.06	401.21	7.56	69.54	67.95	1602.32

Additional information forming part of accounts for year ended March 31, 2021

39.2 Raw materials consumed

	Quantity		Value	
	Year ended 2020-2021 CMT	**Year ended 2019-2020 CMT**	**Year ended 2020-2021 (₹ in lakh)**	**Year ended 2019-2020 (₹ in lakh)**
Concentrate own production	-	5948	-	16060.14
Concentrate excluding own production	-	-	-	-
Cathode	-	-	-	-

39.3 Imported and indigenous raw materials, stores spare parts and components consumed (as certified by the management)

RAW MATERIALS:	%	%		
Imported	-	95.47	-	461.39
Indigenous	-	4.53	-	21.90
	-	**100.00**	**-**	**483.29**
STORES & SPARES:				
(Direct and Stores & Spares booked in Mine Development, Shut-down and Fuel)				
Imported	0.11	0.96	9.78	157.95
Indigenous	99.89	99.04	9137.39	16298.30
	100.00	**100.00**	**9147.17**	**16456.25**

39.4 C.I.F. value of imports		
Raw Material	-	461.39
Components, spare parts and stores	13.39	226.60
	13.39	**687.99**
39.5 Expenditure in foreign currency		
Travelling	1.87	67.84
Others	44.87	753.39
	46.74	**821.23**
39.6 Earning in foreign Exchange		
Export of Goods (FOB)	79633.83	46129.33
	79633.83	**46129.33**
39.7 Payment to Whole Time Directors		
Salaries and allowances	95.30	153.84
Company's contribution to provident and other funds	7.74	13.18
Re-imbursement of Medical expenses	0.05	1.06
Leave Encashment	26.03	32.83
Gratuity	-	20.00
Other Benefits	7.06	29.68
	136.18	**250.59**

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

CONSOLIDATED FINANCIAL STATEMENTS

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, 2021, 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 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, 2021, 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 Matters

We draw attention to the following matters:

a) Note No. 39 (1) (i) & 39 (33) of the accompanying Consolidated Financial Statements which describes the uncertainty related to the outcome of the lawsuits filed and demands raised against the Group and its jointly controlled entity by various parties and Government authorities;

b) Note No. 39 (6) 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 ₹5296.25 Lakh (PY:-Rs.5578.11 Lakh) as at March 31, 2021 are yet to be executed in favor of the Holding company.

c) Note No. 39 (8) 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 at Holding company have not been confirmed as at March 31, 2021.Consequential impact upon receipt of such confirmation /reconciliation / adjustments of such balances, if any is not ascertainable at this stage;

d) Note No.39 (29) of the accompanying Consolidated Financial Statements wherein the Holding company has made assessment of possible impairment loss during the year with respect to some fixed assets having original cost of ₹22028.59 Lakh allocated to Gujarat Copper Project in accordance with Indian Accounting Standard (Ind AS) 36 "Impairment of Assets". Provision of ₹9708.21 Lakh towards impairment loss as against the total impairment loss computed, has been accounted for in the books of accounts as on March 31, 2021 on conservative basis keeping in mind the possible long-term lease of those Plant and machineries or outright sale of Gujarat Copper Project; and

e) Note No.39 (34) which describes the uncertainties and the assessment of possible impact of COVID-19 pandemic on its Group's business operations, financial assets, contractual obligations and its overall liquidity position as at March 31, 2021 by the Group and its jointly controlled entity. The Group's management will continue to monitor in future any material changes arising on financial and operational performance of the Group and its jointly controlled entity due to the impact of this pandemic and necessary measure to address the situation.

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, 2021. 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.

Sl. No.	Key Audit Matters	Auditor's Response
1	**Assessment of Stripping Ratio and charging of overburden expenditure during production stage of surface mines to Mines Development Expenditure and Profit and Loss account** Referred in Note No.2 (12) and Note No.9 of the Consolidated Financial Statements. Assessment of Stripping Ratio is technically estimated initially at the beginning of the Mines and later on periodically assessed for which no standards written policy are there. Normally review done within a period of 3 to 4 years as informed to us. In case 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. Assessment of Stripping Ratio is uniquely applied under the Mining industries which involves significant judgment to determine the ratio and that also keep on change from time to time. This ratio has been changed subsequently based on the actual output of overburden and Ore exposed during the production stage of the mines. We have identified this area as key audit matter due to its nature as industry specific and involvement of technical assumptions and judgments in calculation of stripping ratio. Further it has a material impact on the financial statements being this year the Group has amortized ₹24006.83 Lakh (PY:-Rs.23904.06 Lakh) as Mine development expenditure in respect of open cast mines at Holding company.	**Principal Audit Procedures** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We went through the current status of the mining at different mines • We discussed with the management about the stripping procedure adopted in the industry as well practice followed by the Holding company • Procedure followed by the management towards Identification of expenditures incurred in surface mines during production stage • Understanding the computation of Stripping ratio initially made and documents made available to us. • We have checked the stripping ratio to be charged under amortization for mine development expenditure for balance period of mines • Discussion with the core technical team involve in this process • Reliance is placed on the representations of the management.

2	**<u>Provisions recognized and Contingent liabilities disclosed with respect to certain legal and tax matters</u>** 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. Management's disclosures with regards to contingent liabilities are presented in Note No.39 (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. Accordingly, this matter is considered to be a Key Audit Matter.	**<u>Principal Audit Procedures</u>** Our audit procedures relating to provisions recognized and contingencies disclosed regarding certain legal and tax matters included the followings: • 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; • 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; • Reviewing orders and other communication from regulatory authorities and management responses thereto; • 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 • Using auditor's own judgement in evaluating certain significant and complex direct and indirect tax matters Based on the above procedures performed, we did not identify any material exceptions in the provision recognized and contingent liabilities disclosed in the Consolidated Financial Statements with regard to such legal and tax matters.

3	**<u>Assessment of indication of impairment and the recoverable amount of cash generating units (CGUs)</u>** Refer Note No. 2.18, Note No.39 (29) and (30) of the accompanying Consolidated Financial Statements. External sources of information such as changes in the market and economic environment, including the carrying amount of the net assets of the Company being more than its market capitalization as at March 31, 2021, Idle plant and machineries for quite long time, decline in the demand and production process and impact of Covid-19 pandemic required Group companies to assess whether there is any indication of impairment and therefore make a formal estimate of recoverable amounts of certain plants and machineries at Gujarat Copper Project and COT plant at Malanjkhand Copper Project as at March 31, 2021 of Holding company. Based on such indications, impairment testing was performed by the management in accordance with the requirements of Ind AS 36 "Impairment of Assets". Management has calculated the recoverable amount of those plant and machineries using value-in-use method. This is a key audit matter, because of the significant carrying value of these CGUs and the estimation or uncertainty in assumptions used for calculating the recoverable amounts.	**<u>Principal Audit Procedures</u>** Our audit procedures related to assessment of indication of impairment and recoverable amounts of these CGUs included the followings: • 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; • Replying 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 ; • Using auditor's own judgements/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; • Performing sensitivity analysis over key assumptions to corroborate that recoverable amount of these CGUs is within a reasonable range, including the impact of Covid-19 pandemic assessment; and • Testing related presentation and disclosures in the Consolidated Financial Statements. Based on the above procedures performed, we did not note any exceptions in the Group's assessment of the indication of impairment and conclusion that the recoverable amount of these CGUs was not lower than their respective carrying amounts as at March 31, 2021.

4	**Modified Audit Procedures carried out in light of COVID-19 outbreak:** Due to COVID-19 pandemic, Nation-wide lockdown and travel restrictions imposed by Central / State Government / Local Authorities during the period of our audit wherever physical access was not possible, audit could not be conducted by visiting the Plants/Projects/Regional Sales offices. As we could not gather audit evidence in person/ physically/ through discussions and personal interactions with the officials at the Plants/Projects/Regional Sales offices, we have identified such modified audit procedures as a Key Audit Matter. Accordingly, our audit procedures were modified to carry out the audit remotely.	**Principal Audit Procedures** Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Plants/Projects/Regional Sales offices and carry out the audit processes physically at the respective Plants/Projects/Regional Sales offices. Wherever physical access was not possible, necessary records/ reports/ documents/ certificates were made available to us by the management of the respective Plants /Projects / Regional Sales offices through E-Mail and to the extent generated from the ORACLE system at Head office, Kolkata. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us on which were relied upon as audit evidence for conducting the audit and reporting for the current period. Accordingly, we modified our audit procedures as follows: a) Conducted verification of necessary records/ documents/ Trial Balances and other relevant application software electronically through remote access/emails in respect of Plants/Projects/Regional Sales offices wherever physical access was not possible. b) Carried out verification of scanned copies of the documents, records, certificates, deeds etc. made available to us through emails and remote access over secure network of the Company. c) Making enquiries and gathering necessary audit evidence through telephonic communication and e-mails.

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 conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information when it becomes available only 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. We have nothing to report in this regard.

When we read the Report of the Board of Directors including annexures and other related statements form part of the annual report and made available to us after the date of this audit report, if 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 1 Subsidiary company namely Chhattisgarh Copper Limited whose financial statements / financial information reflect total assets of ₹10.05 Lakh as at March 31, 2021, Group's share of total revenue of ₹Nil for the period from 1st April 2020 to 31st March 2021 and net cash inflows amounting to ₹4.20 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, 2021 of 1 jointly controlled entity namely Khanij Bidesh India Limited, whose financial statements / financial information reflect total assets of ₹158.72 Lakh as at March 31, 2021 and Group's share of total revenue of ₹Nil for the period from 1st April 2020 to 31st March 2021, 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, 2016 ("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.39 (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 respective auditors of those companies within the Group.

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.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm's Registration No.302137E)

Place: Kolkata
Date: 25th June 2021

CA R.K. Nanda
Partner
(Membership No.510574)

UDIN: 2151057AAAAACB3829

"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, 2021, we have audited the internal financial controls over financial reporting of **Hindustan Copper Limited** (hereinafter referred as "the Holding company") as of March 31, 2021 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 obtain 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 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 Group 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, 2021, 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 as reported in Audit report of Holding company in certain areas where design documentation need further improvement like Manual on Fixed Assets verification, Implementation of Centralized data base for Title deeds/ lease deeds/ other evidences of titles in respect of both freehold and leasehold lands and Buildings, Fund Management including cash and Bank, Finance/Accounts showing delegations, work allocation process, job rotation policy etc., Inventory management, Receivable Management, Expenditure on CSR, Payable Management incorporating the process flow by which the transactions are initiated, authorized, processed, recorded and reported at department level at Plants/Projects as well as for financial reporting process. Modification of finance/accounts manual needs to be done incorporating the Indian Accounting Standards requirements to have effective internal controls over financial reporting. System integration to capture the transactions that relates to financial statements and events/conditions and other transactions significant to the financial statement has to be designed properly so as to fulfill the objectives of control criteria established by the Holding company.*

Internal controls over financial reporting process as well as testing of such control activities has to be further improved considering the discrepancies noticed in physical verification of fixed assets like non availability of prescribed format of reporting, reconciliation of mismatches out of such physical verification, timely adjustment of discrepancies noticed, team structure etc. and maintenance of fixed asset register to be further improved. Utilization certificate related to funds disbursed under CSR programme have not been received in proper format explaining the date wise disbursements by company, various mode of spending the amount within a project, details of agency involved with their name, amount paid etc for better control. However, our opinion is not qualified in the above respect.

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, is so far as it relates to the one subsidiary company, is based on the corresponding report of the auditors of such company, company incorporated in India.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm's Registration No.302137E)

CA R.K. Nanda
Partner
(Membership No.510574)

Place: Kolkata
Date: 25th June 2021

UDIN: 2151057AAAAACB3829

"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	Auditors' 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 at the Holding company:- a) Reserve Bank of India vide its circular RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 on "COVID-19 – Regulatory Package" had announced certain regulatory measures in the wake of the disruptions on account of COVID-19 pandemic by rescheduling of Payments both Term Loans and Working Capital Facilities. Based on the information available and as explained to us, repayment schedule of installments accrue during the moratorium period 1st March 2020 to 31st August 2020 aggregating of ₹21300.00 Lakh was deferred. Out of this, the Holding company has paid ₹18000.00 Lakh during the year 2020-2021. b) The company has written back aggregate amount of ₹763.12 Lakh towards trade liabilities pending since long and excess provisions of ₹244.02 Lakh made in accounts during the normal course of business, as stated under Note No. 30 of the Consolidated Financial Statements.	a) Impact on the accounts and financial statements to the tune of ₹18000.00 Lakh has already been considered. Installment of ₹3300.00 Lakh got deferred into FY 2021-22. b) Aggregate financial impact of ₹1007.14 Lakh towards "balances written back" has already taken care in books of accounts during the financial year as well as in the accompanying 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 2020-21.	There is no impact on the accounts and Consolidated Financial Statements.

For **Chaturvedi & Co.**
Chartered Accountants
(Firm's Registration No.302137E)

Place: Kolkata
Date: 25th June 2021

CA R.K. Nanda
Partner
(Membership No.510574)

UDIN: 2151057AAAAACB3829

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 2021

The preparation of consolidated financial statements of Hindustan Copper Limited for the year ended 31 March 2021 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 25 June 2021.

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 2021 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 and its subsidiary company Chhattisgarh Copper Limited, but did not conduct supplementary audit of the financial statements of its 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

(Suparna Deb)
Director General Audit (Mines)
Kolkata

Place : Kolkata
Date : 25.08.2021

(₹ in lakh)

	PARTICULARS	Note No.	As at 31st March, 2021	As at 31st March, 2020
	ASSETS			
(1)	**NON-CURRENT ASSETS**			
(a)	Property, Plant and Equipment	3A & 3B	29554.29	30895.14
(b)	Other Intangible Assets	3C	2657.74	2836.66
(c)	Capital Work In Progress	4	117892.31	123177.57
(d)	Financial Assets			
	(i) Investments	5	47.12	3.00
	(ii) Others	6	13.89	26.36
(e)	Deferred Tax Assets (Net)	7	15357.32	5290.81
(f)	Non-Current Tax Assets (Net)	8	689.82	689.82
(g)	Other Non-Current Assets	9	36593.70	45171.61
(2)	**CURRENT ASSETS**			
(a)	Inventories	10	17600.07	51982.72
(b)	Financial Assets			
	(i) Investments	11	9.95	9.48
	(ii) Trade receivables	12	16778.00	8289.35
	(iii) Cash and cash equivalents	13	857.90	1134.86
	(iv) Bank Balances other than above	14	225.52	452.52
	(v) Others	15	4815.17	2686.41
(c)	Current Tax Assets (Net)	16	1873.48	1845.39
(d)	Other current assets	17	38816.29	37284.88
	Total Assets		**283782.57**	**311776.58**
	EQUITY AND LIABILITIES			
(1)	Equity			
(a)	Equity Share Capital	18	46260.90	46260.90
(b)	Other Equity	19	62663.95	49734.19
	Attributable to Non Controlling Interest			
	(a) Equity Share Capital		11.70	6.50
	(b) Other Equity		(10.26)	(6.45)
	Liabilities			
1	**NON-CURRENT LIABILITIES**			
(a)	Financial Liabilities			
	(i) Borrowings	20	76987.54	63617.53
	(ii) Other financial liabilities	21	843.53	843.53
(b)	Provisions	22	5074.29	6565.93
(2)	**CURRENT LIABILITIES**			
(a)	Financial Liabilities			
	(i) Borrowings	23	36755.10	92749.96
	(ii) Trade Payables	24	13647.93	23374.42
	(iii) Other financial liabilities	25	10422.57	8582.21
(b)	Other current liabilities	26	19217.88	16984.81
(c)	Provisions	27	4107.44	3063.04
(d)	Current Tax Liabilities (Net)	28	7800.00	-
	Total Equity & Liabilities		**283782.57**	**311776.58**
	Corporate Information	**1**		
	Significant Accounting Policies	**2**		
	General Notes on Accounts	**39**		

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 Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25th June, 2021

(₹ in lakh except EPS)

	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	INCOME			
I	Revenue from Operations	29	178676.04	83185.25
II	Other Income	30	3484.45	5696.22
III	Total Income (I+II)		**182160.49**	**88881.47**
IV	EXPENSES			
	Cost of Materials Consumed	31	363.87	628.24
	Changes in Inventories of Finished Goods, Semi-Finished and Work-In-Process	32	33911.35	(5113.58)
	Employees Benefit Expense	33	27711.08	25962.31
	Finance Cost	34	6260.80	6041.89
	Depreciation and Amortisation Expense	35	29483.19	29068.67
	General, Administration & Other Expenses	36	75684.74	86050.78
	Total Expenses (IV)		**173415.03**	**142638.31**
V	PROFIT /(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)		**8745.46**	**(53756.84)**
VI	Exceptional items		-	-
VII	PROFIT /(LOSS) BEFORE TAX (V-VI)		**8745.46**	**(53756.84)**
VIII	TAX EXPENSE	37		
1)	Current Tax		7800.00	842.18
2)	Deferred Tax		(10098.58)	2295.83
IX	PROFIT /(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX (VII-VIII)		**11044.04**	**(56894.85)**
IX(A)	PROFIT /(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Owners (IX-IX(B))		11047.85	(56894.85)
IX(B)	PROFIT /(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Non Controlling Interest		(3.81)	-
X	Profit/(Loss) from discontinued operations		(34.70)	(34.70)
XI	Tax expense of discontinued operations		(8.73)	(8.73)
XII	PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS AFTER TAX (X -XI)		**(25.97)**	**(25.97)**
XIII	PROFIT /(LOSS) FOR THE PERIOD AFTER TAX (IX+XII)		11018.07	(56920.82)
XIV	Share of Profit/(Loss) of Joint venture/ Associate		(0.24)	(27.64)
XV	NET PROFIT /(LOSS) FOR THE PERIOD AFTER TAX & SHARE OF PROFIT/(LOSS) OF JV/ASSOCIATE (XIII+XIV)		**11017.83**	**(56948.46)**
XV(A)	PROFIT /(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Owners (XIII-XIII(B))		11021.64	(56948.46)
XV(B)	PROFIT /(LOSS) FOR THE PERIOD AFTER TAX - Attributable to Non Controlling Interest		(3.81)	-
XIV	OTHER COMPREHENSIVE INCOME /(LOSS)	38		
A(i)	Items that will not be reclassified to Profit / (Loss)		127.38	(3000.95)
A(ii)	Income Tax relating to items that will not be reclassified to Profit / Loss		(32.07)	755.28
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)		**11113.14**	**(59194.13)**
	Attributable to Owners of the Company		11116.95	(59194.13)
	Non Controlling Interest		(3.81)	-
XVI	Earning per equity share (for continuing operations)			
1	BASIC (₹)		1.194	(6.152)
2	DILUTED (₹)		1.194	(6.152)
XVII	Earning per equity share (for discontinued operations)			
1	BASIC (₹)		(0.003)	(0.003)
2	DILUTED (₹)		(0.003)	(0.003)
XVIII	Earning per equity share (for discontinued & continuing operations)			
1	BASIC (₹)		1.191	(6.155)
2	DILUTED (₹)		1.191	(6.155)
	Corporate Information	**1**		
	Significant Accounting Policies	**2**		
	General Notes on Accounts	**39**		
	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 Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25th June, 2021

Statement of Changes in Equity

A . Equity Share Capital

(₹ in lakh)

Balance at the beginning of the reporting period 01.04.2019	Changes in equity share capital during the year	Balance at the end of the reporting period 31.03.2020
46260.90	-	46260.90

B. Other Equity

(₹ in lakh)

Particulars	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2019	8965.97	21166.24	-	163.00	155.94	86960.39	117411.54
Dividends & Dividend Tax	-	-	-			(5800.08)	(5800.08)
Profit for the Year After Tax - Atributable to Owners	-	-	-	-	-	(56948.46)	(56948.46)
Profit for the Year After Tax - Atributable to Non Controlling Interest	-	-	-	-	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	-	(2245.67)	(2245.67)
Amout addition during the year				75.00	(2764.59)	-	(2689.59)
Amout used during the year	-	-	-	-		-	-
Balance at the end of the reporting period 31.03.2020	8965.97	21166.24	-	238.00	(2608.65)	21966.18	49727.74

A . Equity Share Capital

(₹ in lakh)

Balance at the beginning of the reporting period 01.04.2020	Changes in equity share capital during the year	Balance at the end of the reporting period 31.03.2021
46260.90	-	46260.90

B. Other Equity

(₹ in lakh)

Particulars	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Mine Closure Reserves	Currency Fluctuation Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2020	8965.97	21166.24	-	238.00	(2608.65)	21966.18	49727.74
Dividends & Dividend Tax	-	-	-	-	-	-	-
Profit for the Year After Tax - Atributable to Owners	-	-	-	-	-	11021.64	11021.64
Profit for the Year After Tax - Atributable to Non Controlling Interest	-	-	-	-	-	(3.81)	(3.81)
Other Comprehensive Income (net of tax)	-	-	-	-	-	95.31	95.31
Amout addition during the year			-	75.00	1737.81	-	1812.81
Amout used during the year	-	-	-	-	-	-	-
Balance at the end of the reporting period 31.12.2020	8965.97	21166.24	-	313.00	(870.84)	33079.32	62653.69

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25.06.2021

			For the year ended 31st March 2021	For the year ended 31st March 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**			
	NET PROFIT/ (LOSS) BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS		**8745.46**	**(53756.84)**
	Adjusted for :			
	Depreciation		14060.76	3590.33
	Provisions charged		23682.14	18866.24
	Provisions written back		(1007.14)	(2280.83)
	Interest expense		6260.80	6041.89
	Amortisation		25143.94	25271.73
	Interest income		(300.76)	(1021.90)
	Loss / (Profit) on disposal of fixed assets		(2.49)	2.04
	Share of Profit / (Loss) in Joint Venture		(0.24)	(27.64)
	OPERATING PROFIT/ (LOSS) BEFORE WORKING CAPITAL CHANGES		**76582.47**	**(3314.98)**
	Adjusted for :			
	Decrease/ (Increase) in Trade & other Receivables		(8612.55)	27921.74
	Decrease/ (Increase) in Inventories		34382.30	(5682.60)
	Decrease/ (Increase) in Current & Non-Current assets		(3703.65)	(3781.12)
	Increase/ (Decrease) in Current & Non-Current Liabilities		(15475.63)	(2121.72)
	CASH GENERATED FROM OPERATIONS		**83172.94**	**13021.32**
	Taxes paid		(7.03)	(4423.72)
	NET CASH FROM OPERATING ACTIVITIES	**(A)**	**83165.91**	**8597.60**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**			
	Purchase of Fixed Assets		(20320.35)	(22094.87)
	Sale of Fixed Assets		22.57	12.03
	Interest received		302.21	1015.68
	Investment in Joint Venture / Subsidiary		(44.12)	(3.00)
	Mine Development Expenditure		(16319.83)	(21913.69)
	NET CASH USED IN INVESTING ACTIVITIES	**(B)**	**(36359.52)**	**(42983.85)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Non-Current borrowings / (Loan repaid)		19738.86	15895.20
	Increase in Other Equity		5.20	-
	Dividends paid		-	(4811.14)
	Tax on Dividend		-	(988.94)
	Interest paid		(6435.92)	(5895.91)
	NET CASH USED IN FINANCING ACTIVITIES	**(C)**	**13308.14**	**4199.21**
	NET INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**60114.53**	**(30187.04)**
	CASH AND CASH EQUIVALENTS - opening balance		**(68300.50)**	**(38113.46)**
	CASH AND CASH EQUIVALENTS - closing balance		**(8185.97)**	**(68300.50)**
	(details in Annexure - A)			

In terms of our report of even date attached.

For and on behalf of the Board of Directors

For Chaturvedi & Co.
Chartered Accountants
FRN 302137E

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

Sukhen Kumar Bandyopadhyay
Director (Finance) & CFO
(DIN : 08173882)

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

CA R K NANDA
Partner
(M No. 510574)

Place : Kolkata
Dated : 25th June, 2021

			(₹ in lakh)
1.	**CASH AND CASH EQUIVALENTS - opening balance**	**01/04/2020**	**01/04/2019**
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	1, 134.86	663.53
ii)	Current Financial Assets - Bank Balance other that above (Note 14)	432.21	408.33
	(Excluding Unpaid Dividend of ₹15.86 Lakh)		
iii)	Current Financial Assets - Investments (Note 11)	9.48	8.85
iv)	Non-current Financial Assets - Others (Note 6)	26.36	12.47
v)	Current Financial Liabilities - Borrowings (Note 23)	(69903.41)	(39206.64)
		(68300.50)	**(38113.46)**
	CASH AND CASH EQUIVALENTS - closing balance	**31/03/2021**	**31/03/2020**
i)	Current Financial Assets - Cash & Cash Equivalents (Note 13)	857.65	1, 134.86
ii)	Current Financial Assets - Bank Balance other that above (Note 14)	210.05	432.21
	(Excluding Unpaid Dividend of ₹15.47 Lakh)		
iii)	Current Financial Assets - Investments (Note 11)	9.95	9.48
iv)	Non-current Financial Assets - Others (Note 6)	13.89	26.36
v)	Current Financial Liabilities - Borrowings (Note 23)	(9277.51)	(69903.41)
		(8185.97)	**(68300.50)**

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.

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 is operating Smelter & Refinery in ICC and Gujarat Copper Project, Gujarat (GCP) for production of copper cathode. Further, cathode is converted into copper wire rod at Copper wire rod plant at Taloja Copper Project, Taloja, Maharashtra (TCP). The Company 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 Corporation (CMDC) 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 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 **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.

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 'Put to 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.

2.12 (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.

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.

2.12(b) **Mineral Exploration and Evaluation Expenditures**

2.12(b)(i) Pre-exploration costs

Pre-exploration costs are expensed in the period in which they are incurred.

2.12(b) (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 Reserve 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 year end 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 along with 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 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 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 **Leasing**

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. All other leases are classified as operating leases.

Depreciation expenses are recorded if asset held under finance lease is depreciable.

Finance expenses are recognized immediately in the statement of profit and loss if they are not directly attributable to qualifying assets, otherwise they are capitalised in accordance with the Group's general policy on borrowing costs.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

2.22 **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.

2.23 **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.

2.24 **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.

2.25 **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.

2.26 **Rounding of amounts**

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'Rupees in lakh' upto two decimal points.

Note No. : 3 (A) Property, Plant and Equipment (Active Assets)

(₹ in lakh)

	Owned Assets										Leased Assets	
DESCRIPTION	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 (Right of Use)	Grand Total
Gross Carrying Amount												
Gross Carrying Amount as at 01.04.2019	2446.58	6728.85	26588.06	323.47	168.24	1826.39	293.86	2878.22	444.21	41697.88	1487.37	43185.25
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	14.47	1626.18	84.29	57.73	-	-	41.52	-	1824.19	-	1824.19
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13.59)	(0.01)	(0.45)	-	-	(0.02)	-	(14.07)	-	(14.07)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	0.58	(0.01)	-	0.01	-	(0.01)	-	0.57	-	0.57
Gross Carrying Amount as at 31.03.2020	**2446.58**	**6743.32**	**28201.23**	**407.74**	**225.52**	**1826.40**	**293.86**	**2919.71**	**444.21**	**43508.57**	**1487.37**	**44995.94**
Accumulated Depreciation & Impairment												
Accumulated Depreciation as at 01.04.2019	-	2042.70	5926.16	105.46	63.90	987.39	98.01	778.57	41.97	10044.16	-	10044.16
Depreciation charge during the year	-	522.27	2846.05	44.36	29.44	325.17	32.67	222.95	13.99	4036.90	19.75	4056.65
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Tranfer	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciaton & Impairment as at 31.03.2020	**-**	**2564.97**	**8772.21**	**149.82**	**93.34**	**1312.56**	**130.68**	**1001.52**	**55.96**	**14081.06**	**19.75**	**14100.81**
Net Carrying Amount as at 31.03.2020	**2446.58**	**4178.35**	**19429.02**	**257.92**	**132.18**	**513.84**	**163.18**	**1918.19**	**388.25**	**29427.52**	**1467.62**	**30895.14**
Gross Carrying Amount												
Gross Carrying Amount as at 01.04.2020	2446.58	6743.32	28201.23	407.74	225.52	1826.40	293.86	2919.71	444.21	43508.57	1487.37	44995.94
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	226.45	12, 412.57	1.03	11.77	116.72	-	44.59	-	12813.13	-	12813.13
Inter-head Transfer In /(Out)	-	-	-	0.08	-	-	-	(0.08)	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	0.42	(0.12)	-	-	-	(0.04)	-	0.26	-	0.26
Disposals	-	-	(18.69)	(0.19)	(0.32)	-	-	(0.88)	-	(20.08)	-	(20.08)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	0.83	0.83
Gross Carrying Amount as at 31.03.2021	**2446.58**	**6969.77**	**40595.53**	**408.54**	**236.97**	**1943.12**	**293.86**	**2963.30**	**444.21**	**56301.88**	**1488.20**	**57790.08**
Accumulated Depreciation & Impairment												
Accumulated Depreciation as at 01.04.2020	-	2564.97	8772.21	149.82	93.34	1312.56	130.68	1001.52	55.96	14081.06	19.75	14100.81
Depreciation charge during the year	-	526.90	3392.80	54.77	36.66	121.37	32.67	227.25	13.99	4406.41	20.44	4426.85
Inter-head Transfer In /(Out)	-	-	-	0.07	-	-	-	(0.07)	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	64.60	8972.46	-	-	-	-	671.15	-	9708.21	-	9708.21
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(0.08)	-	-	-	-	-	(0.08)	-	(0.08)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciaton & Impairment as at 31.03.2021	**-**	**3156.47**	**21137.47**	**204.58**	**130.00**	**1433.93**	**163.35**	**1899.85**	**69.95**	**28195.60**	**40.19**	**28235.79**
Net Carrying Amount as at 31.03.2021	**2446.58**	**3813.30**	**19458.06**	**203.96**	**106.97**	**509.19**	**130.51**	**1063.45**	**374.26**	**28106.28**	**1448.01**	**29554.29**

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
Gross Carrying Amount										
Gross Carrying Amount as at 01.04.2019	3.64	181.91	946.84	39.56	23.09	24.93	-	62.28	92.30	1374.55
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Active Assets	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	
Gross Carrying Amount as at 31.03.2020	**3.64**	**181.91**	**946.84**	**39.56**	**23.09**	**24.93**	**-**	**62.28**	**92.30**	**1374.55**
Accumulated Depreciation & Impairment										
Accumulated Depreciation as at 01.04.2019	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciaton & Impairment as at 31.03.2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Carrying Amount as at 31.03.2020	**3.64**	**181.91**	**946.84**	**39.56**	**23.09**	**24.93**	**-**	**62.28**	**92.30**	**1374.55**
Less Provisions for Discarded Assets										1374.55
Net Carrying Amount (Net of Provisions) as at 31.03.2020										-
Gross Carrying Amount										
Gross Carrying Amount as at 01.04.2020	3.64	181.91	946.84	39.56	23.09	24.93	-	62.28	92.30	1374.55
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Active Assets	-	-	(0.42)	0.12	-	-	-	0.04	-	(0.26)
Transfer To Active Assets	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(0.04)	-	-	-	-	(0.09)	-	(0.13)
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Gross Carrying Amount as at 31.03.2021	**3.64**	**181.91**	**946.38**	**39.68**	**23.09**	**24.93**	**-**	**62.23**	**92.30**	**1374.16**
Accumulated Depreciation & Impairment										
Accumulated Depreciation as at 01.04.2020	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Inter-head Transfer In /(Out)	-	-	-	-	-	-	-	-	-	-
Transfer From Discarded Assets	-	-	-	-	-	-	-	-	-	-
Transfer To Discarded Assets	-	-	-	-	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciaton & Impairment as at 31.03.2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Carrying Amount as at 31.03.2021	**3.64**	**181.91**	**946.38**	**39.68**	**23.09**	**24.93**	**-**	**62.23**	**92.30**	**1374.16**
Less Provisions for Discarded Assets										1374.16
Net Carrying Amount (Net of Provisions) as at 31.03.2021										-

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
Gross Carrying Amount		
Gross Carrying Amount as at 01.04.2019	2464.33	2464.33
Exchange Differences	-	-
Additions	593.89	593.89
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Disposals	-	-
Transfer	-	-
Adjustments	-	-
Gross Carrying Amount as at 31.03.2020	**3058.22**	**3058.22**
Accumulated Depreciation & Impairment		
Accumulated Depreciation as at 01.04.2019	-	-
Depreciation charge during the year	221.56	221.56
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Impairment Losses	-	-
Exchange Differences	-	-
Disposals	-	-
Tranfer	-	-
Accumulated Depreciaton & Impairment as at 31.03.2020	**221.56**	**221.56**
Net Carrying Amount as at 31.03.2020	**2836.66**	**2836.66**
Gross Carrying Amount		
Gross Carrying Amount as at 01.04.2020	3058.22	3058.22
Exchange Differences	-	-
Additions	14.54	14.54
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Disposals	-	-
Transfer	-	-
Adjustments	-	-
Gross Carrying Amount as at 31.03.2021	**3072.76**	**3072.76**
Accumulated Depreciation & Impairment		
Accumulated Depreciation as at 01.04.2020	221.56	221.56
Depreciation charge during the year	193.46	193.46
Inter-head Transfer In /(Out)	-	-
Transfer From Discarded Assets	-	-
Transfer To Discarded Assets	-	-
Impairment Losses	-	-
Exchange Differences	-	-
Disposals	-	-
Transfer	-	-
Accumulated Depreciaton & Impairment as at 31.03.2021	**415.02**	**415.02**
Net Carrying Amount as at 31.03.2021	**2657.74**	**2657.74**

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020

Note No. 4 : CAPITAL WORK IN PROGRESS

		As at 31st March, 2021	As at 31st March, 2020
i)	Building	24.22	163.27
ii)	Plant & Machinery	21653.61	34389.11
iii)	Others including Mine Expansion	112385.33	92018.10
		134063.16	126570.48
	Less: Provision	16170.85	3392.91
	Total	**117892.31**	**123177.57**

Note No. 5 : NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

i) **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 Almunium Company (NALCO), Hindustan Copper Limited (HCL) and Mineral Exploration Corporation Limited (MECL)

	As at 31st March, 2021	As at 31st March, 2020
Investment in JV Company - Khanij Bidesh India Limited (KABIL) (Investment in KABIL7, 50, 000 Nos. (Previous Year 30, 000 Nos.) of equity shares of ₹10 (Previous Year ₹10) each fully paid up as at 31.03.2021)	75.00	3.00
Add/(Less): Group Share of Profits/(Loss) in Jv/Associates upto 31.03.2021	(27.88)	-
TOTAL	47.12	3.00

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 31.03.2021
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%

		As at 31st March, 2021		As at 31st March, 2020	
ii)	Non Trade Investment in Debentures	0.17		0.17	
	Less : Provision for diminution in value	0.17	-	0.17	-
	TOTAL		**47.12**		**3.00**
	AGGREGATE BOOK VALUE - UNQUOTED		**47.12**		**3.00**
	AGGREGATE BOOK VALUE - QUOTED		**Nil**		**Nil**
	MARKET PRICE OF QUOTED INVESTMENT		**-**		**-**

Note No. 6 : NON - CURRENT FINANCIAL ASSETS - OTHERS

	As at 31st March, 2021	As at 31st March, 2020
Bank deposits with more than 12 months maturity		
- With scheduled banks	13.89	26.36
Total	**13.89**	**26.36**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 7 : DEFERRED TAX ASSETS (NET)				
i) DEFERRED TAX ASSET				
OPENING BALANCE	5864.22		9243.90	
Adjustment/Credit during the year	10144.16		(3379.68)	
CLOSING BALANCE		**16008.38**		**5864.22**
ii) DEFERRED TAX LIABILITY				
OPENING BALANCE	(1914.43)		(2998.28)	
Adjustment/Credit during the year	(45.58)		1083.85	
CLOSING BALANCE		**(1960.01)**		**(1914.43)**
i)-ii) DEFERRED TAX ASSETS / (LIABILITIES) (Net)		**14048.37**		**3949.79**
iii) DEFINED BENEFIT PLANS				
OPENING BALANCE	1341.02		585.74	
Adjustment/Credit during the year	(-32.07)		755.28	
CLOSING BALANCE		**1308.95**		**1341.02**
DEFERRED TAX ASSETS / (LIABILITIES) (Net) including OCI		**15357.32**		**5290.81**
(Refer Note No. 39 General Notes on Accounts Point No. 17)				

Note No. 8 : NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Income Tax (including advance income tax, TDS & excluding current tax liability) Unsecured - Considered good	689.82	689.82
TOTAL	**689.82**	**689.82**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 9 : OTHER NON-CURRENT ASSETS					
a)	**MOBILISATION ADVANCES**				
i)	Secured (considered good)		1631.96		1632.12
ii)	Unsecured (considered good)		-		-
iii)	Unsecured (considered doubtful)	0.02		0.02	
	Less: Provisions for Capital Advances *	0.02	-	0.02	-
b)	**Mine Development Expenditure**				
	As per Last Balance Sheet	48204.35		51115.82	
	Add: Expenditure during the Year (as per Note Below)	16930.06		22505.21	
			65134.41		73621.03
	Less: Value of Ore recovered during Mine Development	363.87		144.95	
	Less: Amortisation during the Year	25143.94	25507.81	25271.73	25416.68
			39626.60		48204.35
	Less: Provision		4664.86		4664.86
	Total		**34961.74**		**43539.49**
	Note: MINE DEVELOPMENT EXPENDITURE DURING THE YEAR				
i)	Salaries, Wages, Allowances		2256.32		2655.31
ii)	Contribution to Provident & Other Funds		173.42		211.43
iii)	Workmen & Staff Welfare Expenses		5.91		9.68
iv)	Stores, Spares & Tools Consumed		1540.55		1963.75
v)	Power, Fuel & Water		487.38		655.21
vi)	Royalty		24.95		11.03
vii)	Repair & Maitenance		3600.79		4352.83
viii)	Insurance		1.28		1.17
ix)	Overburden Removal Expenditure		8084.83		11275.24
x)	Depreciation		246.36		446.57
xi)	Other Expenses		508.27		922.99
	Total		**16930.06**		**22505.21**

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.

TOTAL (a+b)	**36593.70**	**45171.61**
PROVISIONS FOR CAPITAL ADVANCES *		
OPENING BALANCE	**0.02**	**0.02**
Additions during the year	-	-
Amount used during the year	-	-
CLOSING BALANCE	**0.02**	**0.02**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 10 : INVENTORIES				
i) Raw Materials		-		-
ii) Semi-Finished and In-Process (at lower of cost or net realisable value)	30627.68		64456.03	
Less: Provision for Semi-Finished and In-Process *	18454.83	12172.85	18454.83	46001.20
iii) Finished Goods (at lower of cost or net realisable value)		0.00		83.00
iv) Stores and spares	6781.70		7646.10	
Stores in transit/ pending inspection	996.75		603.30	
	7778.45		8249.40	
Less: Provision for Obsolete Stores & Spares **	2351.23	5427.22	2350.88	5898.52
TOTAL		**17600.07**		**51982.72**
PROVISION FOR SEMI-FINISHED AND IN-PROCESS *				
OPENING BALANCE		18454.83		123.03
Additions during the year		-		18331.80
Amount used during the year		-		-
CLOSING BALANCE		**18454.83**		**18454.83**
PROVISION FOR OBSOLETE STORES & SPARES **				
OPENING BALANCE		2350.88		2616.03
Additions during the year		15.58		1.40
Amount used during the year		15.23		266.55
CLOSING BALANCE		**2351.23**		**2350.88**

Note No. 11 : CURRENT FINANCIAL ASSETS - INVESTMENTS

"Investments in Mutual Fund (Maturity within 3 months from date of original investments)"	Number of units	NAV (in ₹)	As at 31st March, 2021	As at 31st March, 2020
UTI MONEY MARKET - GROWTH	51.736	2395.17	1.24	1.17
	(51.736)	(2267.76)		
SBI ULTRA SHORT TERM DEBT FUND - GROWTH	132.117	4718.97	6.23	5.92
	(132.117)	(4479.65)		
CANARA REBECO LIQUID FUND - GROWTH	38.993	2466.99	0.96	0.93
	(38.993)	(2389.98)		
IDBI LIQUID FUND - GROWTH	68.469	2213.28	1.52	1.46
	(68.469)	(2130.97)		
TOTAL			**9.95**	**9.48**
AGGREGATE BOOK VALUE - UNQUOTED			**Nil**	**Nil**
AGGREGATE BOOK VALUE - QUOTED			**7.84**	**7.84**
MARKET PRICE OF QUOTED INVESTMENT			**9.95**	**9.48**

(₹ in lakh)

	Particulars	As at 31st March, 2021		As at 31st March, 2020	

Note No. 12 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

	DEBTS OUTSTANDING				
i)	- Secured - Considered good	16778.00		8289.35	
ii)	- Unsecured - Considered good	-		-	
iii)	- Considered doubtful	1066.87		886.51	
		17844.87		9175.86	
	Less: Allowances for bad & doubtful debts *	1066.87	16778.00	886.51	8289.35
	TOTAL		**16778.00**		**8289.35**
	ALLOWANCES FOR BAD & DOUBTFUL DEBTS *				
	OPENING BALANCE		886.51		942.77
	Additions during the year		180.40		0.31
	Amount used during the year		0.04		56.57
	CLOSING BALANCE		**1066.87**		**886.51**

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).

Note No. 13 : CURRENT FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

I.	**CASH AND CASH EQUIVALENTS**		
i.	Cash on hand including imprest	0.25	0.25
ii.	Balance with Banks		
	-Current Account	857.65	1134.61
II.	**OTHER BALANCES WITH BANK**		
	Bank deposits upto 3 months maturity from date of original investment		
	- With scheduled banks	-	-
	Total	**857.90**	**1134.86**

Note No. 14 : CURRENT FINANCIAL ASSETS - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

I.	Other Balances with Bank		
	- In Dividend Balance Account	15.47	20.31
II.	Bank deposits with more than 3 months and upto 12 months maturity		
	- With scheduled banks	210.05	432.21
	Total	**225.52**	**452.52**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 15 : CURRENT FINANCIAL ASSETS - OTHERS				
a) ADVANCES*				
Employees				
- Secured (considered good)	96.40		112.55	
- Unsecured (considered doubtful)	2.03		2.03	
Less : Provisions for doubtful Advances*	2.03		2.03	
		96.40		112.55
b) INTEREST ACCRUED ON				
i) LC from Customers	-		-	
ii) Investments	9.57		10.66	
iii) Deposits	29.51		29.64	
iv) Others	0.13	39.21	0.36	40.66
c) CLAIMS RECOVERABLE				
Claims recoverable from different agencies	4858.97		2712.61	
Less: Provision for Doubtful Claims **	179.41	4679.56	179.41	2533.20
TOTAL (a+b+c)		**4815.17**		**2686.41**
DETAILS OF PROVISIONS				
PROVISION FOR DOUBTFUL ADVANCES *				
OPENING BALANCE		2.03		2.03
Additions during the year		-		-
Amount used during the year		-		-
CLOSING BALANCE		**2.03**		**2.03**
"PROVISION FOR DOUBTFUL CLAIMS"**				
OPENING BALANCE		179.41		133.10
Additions during the year		-		46.31
Amount used during the year		-		-
CLOSING BALANCE		**179.41**		**179.41**

Explanatory Note: -

PARTICULARS OF LOANS AND ADVANCES DUE FROM DIRECTORS

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)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Income Tax (including advance income tax, TDS & excluding current tax liability) Unsecured - Considered good	1873.48	1845.39
Total	**1873.48**	**1, 845.39**

(₹ in lakh)

	Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 17 : OTHER CURRENT ASSETS					
a)	**Advances to contractors / suppliers**				
	- Secured (considered good)	449.63		239.21	
	- Unsecured (considered good)	511.52		1127.08	
	- Unsecured (considered doubtful)	1154.48		679.54	
			2115.63		2045.83
b)	**Other Advances**				
	- secured (considered good)	50.90		50.90	
	- Unsecured (considered doubtful)	13.93		13.93	
			64.83		64.83
			2180.46		2110.66
	Less : Provision for Doubtful Loans and Advances *		1168.41		693.47
			1012.05		1417.19
c)	**Advance to JV-KABIL**	-		**72.00**	
	Add/(Less): Group Share of Profits/(Loss) in Jv/Associates upto 31.03.2020	-		27.64	
			-		44.36
d)	**DEPOSITS**				
	Other Deposits	11032.23		10136.08	
	Less : Provision for Doubtful Deposits **	75.56		75.56	
			10956.67		10060.52
e)	**OTHER CURRENT ASSETS**				
	Other Current Assets	253.84		211.52	
	Less: Provision for Other Current Assets ***	3.52		3.52	
			250.32		208.00
f)	**OTHER RECOVERABLES**				
	IGST/CGST & SGST		26597.25		25554.81
	TOTAL		**38816.29**		**37284.88**
	DETAILS OF PROVISIONS				
	PROVISION FOR DOUBTFUL LOANS AND ADVANCES*				
	OPENING BALANCE		693.47		737.26
	Additions during the year		475.14		2.52
	Amount used during the year		0.20		46.31
	CLOSING BALANCE		**1168.41**		**693.47**
	PROVISIONS FOR DEPOSITS**				
	OPENING BALANCE		75.56		75.56
	Additions during the year		-		-
	Amount used during the year		-		-
	CLOSING BALANCE		**75.56**		**75.56**
	PROVISION FOR OTHER CURRENT ASSETS***				
	OPENING BALANCE		3.52		3.52
	Additions during the year		-		-
	Amount used during the year		-		-
	CLOSING BALANCE		**3.52**		**3.52**

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020

Note No. 18 : EQUITY SHARE CAPITAL

		No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
a)	**AUTHORISED SHARE CAPITAL**				
	- Equity Share Capital	1800000000	90000.00	1800000000	90000.00
	- 7.50% Non-Cum. Redeemable Preference Shares	2000000	20000.00	2000000	20000.00
b)	**PAR VALUE PER EQUITY SHARE (in ₹)**		**5.00**		5.00
c)	**PAR VALUE PER PREFERENCE SHARE (in ₹)**		**1000.00**		1000.00
d)	**NO. OF SHARES ISSUED, SUBSCRIBED AND FULLY PAID UP**				
	- Equity Share Capital	925218000	46260.90	925218000	46260.90
	- 7.50% Non-Cum. Redeemable Preference Shares	-	-	-	-
	Total		**46260.90**		**46260.90**

		No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
e)	**RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING:**				
	OUTSTANDING AS ON 01.04.2020	925218000	46260.90	925218000	46260.90
	Add: Share Capital issued/ subscribed during the year	-	-	-	-
	Less: Reduction in Share Capital	-	-	-	-
	OUTSTANDING AS ON 31.03.2021	**925218000**	**46260.90**	**925218000**	**46260.90**

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.

		In No.	In (%)	In No.	In (%)
g)	**SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 PERCENT OF THE NUMBER OF SHARES**				
	- President of India	703587852	**76.05%**	703587852	**76.05%**
	- Life Insurance Corporation of India	105685666	**11.42%**	105685666	**11.42%**
	For Subsidiary				
	- HCL	330000	**74.00%**	185000	**74.00%**
	- CMDC LTD	117000	**26.00%**	65000	**26.00%**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 19 : OTHER EQUITY				
a) CAPITAL RESERVE*				
AS PER LAST BALANCE SHEET		21166.24		21166.24
b) GENERAL RESERVE				
AS PER LAST BALANCE SHEET		8965.97		8965.97
c) CORPORATE SOCIAL RESPONSIBILITY FUND				
AS PER LAST BALANCE SHEET	-		-	
Add: During the year	-		-	
Less: Amount reversed during the year	-		-	
Less: Amount used during the year	-		-	
AS AT BALANCE SHEET DATE		-		-
d) MINE CLOSURE RESERVE				
AS PER LAST BALANCE SHEET	238.00		163.00	
Add: During the year	75.00		75.00	
Less: Amount reversed during the year	-		-	
Less: Amount used during the year	-		-	
AS AT BALANCE SHEET DATE		313.00		238.00
f) CURRENCY FLUCTUATION RESERVE**				
AS AT BALANCE SHEET DATE	(2608.65)		155.94	
Add: Equity Component of Foreign Currency Loan	1737.81		(2764.59)	
Less: Amount reversed during the year	-		-	
Less: Amount used during the year	-		-	
AS AT BALANCE SHEET DATE		(870.84)		(2608.65)
g) RETAINED EARNING***		33089.58		21972.63
Total		**62663.95**		**49734.19**
Details of Retained Earning ***				
Profit /(Loss) for the period after tax as per statement of Profit and Loss		11018.07		(56920.82)
Add/(Less): Group Share of Profits/(Loss) in Jv/ Associates		(0.24)		(27.64)
Less : Profit /(Loss) for the period after tax - Attributable to Non Controlling Interest		(3.81)		-
Profit /(Loss) for the period after tax - Attributable to Owners		11021.64		(56948.46)
Other Comprehensive Income /(Loss) as per Statement of Profit and Loss (net of tax)		95.31		(2245.67)
Total Comprehensive Income /(Loss) for the period		11113.14		(59194.13)
Total Comprehensive Income for the period-Attributable to Owners		11116.95		(59194.13)
Balance brought forward		21972.63		86966.84
BALANCE AVAILABLE FOR APPROPRIATION		**33089.58**		**27772.71**
i) Less :Dividend		-		4811.14
ii) Less :Tax on Dividend		-		988.94
BALANCE CARRIED FORWARD		**33089.58**		**21972.63**

*Capital Reserve is created from the Grant received from the Government of India during the approval of Financial Restructuring 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.

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Note No. 20 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS		
LONG TERM LOANS		
• From Banks/ FIs		
- Secured		
- EXIM Bank (Loan II)	14660.54	22647.53
(First pari-passu charge on movable fixed assets, both present and future of the Company, excluding GCP and TCP)		
- SBI	13750.00	18975.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- PNB	9575.00	9800.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- HDFC	8750.00	9500.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- AXIS	9250.00	2695.00
(First pari-passu charge on immovable fixed assets of the Company located at MCP, both present and future, excluding leasehold land/property)		
- FEDERAL Bank	15002.00	-
(First pari-passu charge on immovable fixed assets of the Company located at KCC, both present and future, excluding leasehold land/property)		
- Unsecured		
- EXIM Bank	6000.00	-
Total	**76987.54**	**63617.53**
Note No. 21 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS		
Others (Compensation received from Govt of Jharkhand for repair of township)	843.53	843.53
TOTAL	**843.53**	843.53

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 22 : NON - CURRENT - PROVISIONS				
PROVISION FOR EMPLOYEE BENEFITS				
i) PROVISION FOR LEAVE ENCASHMENT				
AS PER LAST BALANCE SHEET	9032.66		10920.32	
Additions during the year	-		-	
Amount used during the year	661.40		1887.66	
CLOSING BALANCE		8371.26		9032.66
ii) PROVISION FOR GRATUITY				
AS PER LAST BALANCE SHEET	(2466.73)		(5448.73)	
Additions during the year	-		2982	
Amount used/funded during the year	830.24		-	
CLOSING BALANCE		3296.97		2466.73
Total		**5074.29**		**6565.93**
(Refer Note No. 39 General Notes on Accounts Point No. 19)				

Note No. 23 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31st March, 2021	As at 31st March, 2020
SHORT TERM LOANS		
- Cash Credit- From Banks/ FIs	363.50	13603.41
- WCDL- From Banks/ FIs	3914.01	16300.00
- Secured (Secured by hypothecation of Stock-in-Trade, Stores & Spare Parts and Book Debts, both present and future of the Company)		
- Working Capital Term Loan (Unsecured)		
- Federal Bank	5000.00	22000.00
- Kotak Mahindra Bank	-	5000.00
- HDFC Bank	-	10500.00
- IOB	-	1250.00
- PNB	-	1250.00
LONG TERM LOANS		
• Due in next 1 year		
- EXIM Bank (Loan I)	2880.59	5933.16
- EXIM Bank (Loan II)	9774.00	8108.39
- Axis Bank	500.00	8105.00
- HDFC Bank	875.00	500.00
- PNB	275.00	200.00
- SBI ECB	4675.00	-
- Federal Bank	4998.00	-
- EXIM Bank	3500.00	-
Total	**36755.10**	**92749.96**

Note No. 24 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Total outstanding dues of micro entreprises and small enterprises	513.72	961.60
ii) Total outstanding dues of creditors other than micro enperprises and small enterprises	13134.21	22412.82
Total	**13647.93**	**23374.42**

(₹ in lakh)

Particulars		As at 31st March, 2021	As at 31st March, 2020

Note No. 25 : CURRENT FINANCIAL LIABILITIES - OTHERS

	Particulars		
i)	Interest accrued but not due on borrowings & term loans	330.83	505.95
ii)	Unpaid dividend	15.47	20.31
iii)	Deposits/ Retention money	7223.63	6361.34
iv)	Other liabilities	2852.64	1694.61
	Total	**10422.57**	**8582.21**

Note No. 26 : OTHER CURRENT LIABILITIES

i)	Statutory dues payables	5245.25	5763.29
ii)	Advances from Customers	2289.76	3105.82
iii)	Other Liabilities	11682.87	8115.70
	Total	**19217.88**	**16984.81**

Note No. 27 : CURRENT - PROVISIONS

a)	**PROVISION FOR EMPLOYEE BENEFITS**				
i)	**PROVISION FOR LEAVE ENCASHMENT**				
	AS PER LAST BALANCE SHEET	1593.88		1980.85	
	Additions during the year	-		-	
	Amount used during the year	289.54		386.97	
	CLOSING BALANCE		**1304.34**		**1593.88**
ii)	**PROVISION FOR GRATUITY**				
	AS PER LAST BALANCE SHEET	(2831.41)		(2860.89)	
	Additions during the year	877.52		29.48	
	Amount used during the year	-		-	
	CLOSING BALANCE		**(1953.89)**		**(2831.41)**
iii)	**PROVISION FOR LEAVE TRAVEL CONCESSION (LTC)**				
	AS PER LAST BALANCE SHEET	198.03		171.93	
	Additions during the year	-		26.10	
	Amount used during the year	14.05		-	
	CLOSING BALANCE		**183.98**		**198.03**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
iv) PROVISION FOR PRP/INCENTIVE				
AS PER LAST BALANCE SHEET	1145.00		1727.00	
Additions during the year	249.00		-	
Amount used during the year	-		582.00	
CLOSING BALANCE		**1394.00**		**1145.00**
v) PROVISION FOR WAGE REVISION				
AS PER LAST BALANCE SHEET	1878.87		4258.27	
Additions during the year	-		-	
Amount used during the year	-		2379.40	
CLOSING BALANCE		**1878.87**		**1878.87**
b) OTHERS				
i) DIVIDEND				
AS PER LAST BALANCE SHEET	-		-	
Additions during the year	-		4811.14	
Amount used during the year	-		4811.14	
CLOSING BALANCE		-		-
ii) TAX ON DIVIDEND				
AS PER LAST BALANCE SHEET	-		-	
Additions during the year	-		988.94	
Amount used during the year	-		988.94	
CLOSING BALANCE		-		-
iii) PROVISION - OTHERS				
AS PER LAST BALANCE SHEET	1078.67		1019.87	
Additions during the year	451.07		329.76	
Amount used during the year	229.60		270.96	
CLOSING BALANCE		1300.14		1078.67
Total		**4107.44**		**3063.04**

(Refer Note No. 39 General Notes on Accounts Point No. 18 & 19)

Note No. 28 : CURRENT TAX LIABILITIES (Net)

Additions during the year	7800.00	-	-
Current Tax Liabilities	**7800.00**		**-**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Note No. 29 : REVENUE FROM OPERATIONS				
SALE OF PRODUCTS				
- Domestic		96139.44		34187.32
- Export		79944.49		46129.33
		176083.93		80316.65
Less : Discount & Rebate		-		-
SALES (Net of Discounts) (A)		**176083.93**		**80316.65**
SALE OF SERVICES (B)		**92.56**		**310.79**
OTHER OPERATING INCOME (C)				
-Sale of Scrap		1075.84		329.54
-Interest from Customers		2.36		116.11
-Interest from Contractors against mobilization advances for mining operations		80.74		252.49
- Penalty & Liquidated Damages	1347.98		1920.36	
Less : Refunded during the year	7.37	1340.61	60.69	1859.67
		-		
TOTAL (C)		**2499.55**		**2557.81**
TOTAL (A+B+C)		**178676.04**		**83185.25**

Note No. 30 : OTHER INCOME

	As at 31st March, 2021	As at 31st March, 2020
- Claims Received	3.42	8.80
- Interest from Term Deposits	29.43	29.63
- Interest - Others	271.33	992.27
- Profit on sale of Assets	2.49	-
- Profit on Fair Value of Investment	0.47	0.63
- Others	2170.17	2384.06
- Balances not required written back #	1007.14	2280.83
Total	**3484.45**	**5696.22**
'Details of Balances not required written back #		
Bad and doubtful Debts, advances/deposits & claims	0.24	56.57
Excess provisions on account of shortage, non-moving, obselete & insurance Stores & Spares and finished goods	14.13	266.54
Provision for Discarded Assets /Loss of Assets no longer required	0.55	-
Prov Written back for feasibility study of Concentrator plant at MCP	-	827.46
Provision for Interest on MSME	229.10	264.01
Excess Provision created for Transportation of Copper Concentrate from KCC to load port	-	179.56
Old Liability Written Back for S.Creditors, SD & EMD more than 5 years and Others	763.12	686.69
Total	**1007.14**	**2280.83**

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Note No. 31 : COST OF MATERIALS CONSUMED		
Raw Materials Consumed	-	483.29
Value of Ore Raised During Mine Development	363.87	144.95
Total	**363.87**	**628.24**
Note No. 32 : CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED AND WORK- IN-PROCESS		
A. OPENING STOCK:		
Finished Goods	83.00	1176.03
Semi-Finished and In-Process	64456.03	58249.42
TOTAL OPENING STOCK	**64539.03**	**59425.45**
B. CLOSING STOCK:		
Finished Goods	-	83.00
Semi-Finished and In-Process	30627.68	64456.03
TOTAL CLOSING STOCK	**30627.68**	**64539.03**
(INCREASE)/ DECREASE (A-B)	**33911.35**	**(5113.58)**
Note No. 33 : EMPLOYEES BENEFIT EXPENSE		
Salaries, Wages & Allowances	21106.04	21806.24
Bonus/Ex-gratia/Performance Related Pay	334.98	104.00
Contribution to Provident & Other Funds	1963.72	2186.55
Workmen & Staff Welfare Expenses	2693.00	1568.32
Gratuity & Leave Encashment	1613.34	297.20
Total	**27711.08**	**25962.31**
Explanatory Note: -		
The detail of Remuneration paid/payable to Directors as included in above payments are as follows: -		
(i) Salaries & Allowances	95.30	153.84
(ii) Contribution to Provident & Other Funds	7.74	13.18
(iii) Re-imbursement of Medical Expenses	0.05	1.06
(iv) Leave Encashment	26.03	32.83
(v) Gratuity paid	-	20.00
(vi) Other Benefits	7.06	29.68
Total	**136.18**	**250.59**

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.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Note No. 34 : FINANCE COST		
- Interest on Cash Credit	1471.69	2001.93
- Others (including Term Loans)	4789.11	4039.96
Total	**6260.80**	**6041.89**

(₹ in lakh)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
Note No. 35 : DEPRECIATION AND AMORTISATION EXPENSE			
	DEPRECIATION		
A. (i)	Depreciation for the year	4406.41	4036.90
	Less: Depreciation transferred to Mine Development Expenditure	246.36	446.57
	SUB TOTAL (A)	**4160.05**	**3590.33**
(ii)	Depreciation on Leased Assets -(Right of Use)	20.44	19.75
	SUB TOTAL(A)= (i+ii)	4180.49	3610.08
B.	Depreciation on Other Intangible Assets -(Mining Rights)	193.46	221.56
	Less: Depreciation transferred to Discontinuing Operations	34.70	34.70
	SUB TOTAL (B)	**158.76**	**186.86**
C.	**AMORTISATION**		
	Amortisation during the year *	**25143.94**	**25271.73**
	SUB TOTAL (B)	25143.94	25271.73
	TOTAL (A+B+C)	**29483.19**	**29068.67**

* 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. 36 : OTHER EXPENSES

	Particulars	As at 31st March, 2021	As at 31st March, 2020
A.	**OTHER MANUFACTURING EXPENSES**		
	- Stores, Spares& Tools Consumed	7327.36	10618.82
	- Consumption of Power, Fuel & Water	11678.08	17757.59
	- Royalty, Cess & Decretal amount	8440.38	7717.04
	- Contractual Job for Process	12661.66	16744.17
	- Handling & Transportation	3182.48	2975.64
	- Tolling Charges	117.90	-
	SUB TOTAL (A)	**43407.86**	**55813.26**
B.	**REPAIRS & MAINTENANCE & MAJOR OVERHAUL EXPENSES**		
	- Building	38.39	145.54
	- Machinery	3963.19	4003.83
	- Others	398.34	817.77
	SUB TOTAL (B)	**4399.92**	**4967.14**
C.	**ADMINISTRATION EXPENSES**		
	- Insurance	415.93	383.85
	- Rent	108.41	133.26
	- Rates and Taxes	488.98	1132.38
	- Security Expenses	1176.69	804.49
	- Travelling and Conveyance	174.09	410.12
	- Telephone, Telex and Postage	91.25	129.93
	- Advertisement and Publicity	52.11	246.45
	- Printing and Stationery	25.04	70.15
	- Books & Periodicals	0.78	1.81
	- Consultancy Charges - Indigenous	279.34	1006.15
	- Loss on Sale of Assets(Net)	-	2.04
	- MTM Debit/(Credit) Foreign Exchange	(15.94)	(20.80)
	- Exchange Rate Variation (Net)	-	-
	- Corporate Social Responsibility Expenses	73.69	331.01
	- Hire Charges	168.71	299.78
	- Audit Expenses (Refer detail below at Sl 1)	50.63	42.41
	- Independent Directors Expenses	18.00	12.75
	- Bank Charges	131.95	176.93
	- Other General Expenses	955.16	1241.43
	SUB TOTAL (C)	**4194.82**	**6404.14**
D.	**PROVISIONS (Refer detail below at Sl 2)**	**23682.14**	**18866.24**
	TOTAL (A+B+C+D)	**75684.74**	**86050.78**

(₹ in lakh)

Particulars		As at 31st March, 2021		As at 31st March, 2020
Explanatory Note: -				
1) Detail of Audit Expenses are as under: -				
i) Statutory Auditors				
- Statutory Audit Fees	14.85		16.65	
- Tax Audit Fees	6.65		5.16	
- In Other Capacity	19.17		14.95	
- Reimbursement of Expenses	0.27	40.94	2.29	39.05
ii) Cost Auditors				
- Cost Audit Fees	0.80		0.70	
- Reimbursement of Expenses	0.01	0.81	0.47	1.17
iii) Internal Auditors				
- Audit Fees	8.09		0.65	
- Reimbursement of expenses	0.79	8.88	1.54	2.19
Total		**50.63**		**42.41**
2) Detail of Provisions are as under: -				
Doubtful debts		180.40		0.31
Doubtful advances / deposits		-		2.52
Provisions for Obsolete /Non-moving Stores		14.47		1.05
Provisions for WIP & Finished Goods		-		18, 331.80
Provisions for Capital Work In Progress		12777.94		131.88
Provisions for Loss of Assets		0.12		-
Provision for Discarded Fixed Asset		0.16		-
Interest on MSMED		450.70		323.68
Provision for Mine Closure Expenditure		75.00		75.00
Provision for Impairment Loss		9708.21		-
Provision for Others		475.14		-
Total		**23682.14**		**18866.24**

Note No. 37 : TAX EXPENSE

CURRENT TAX		
Income Tax Provision	7800.00	-
Income Tax relating to earlier years	-	842.18
Deferred Tax Account	(10098.58)	2295.83
Total	**(2298.58)**	**3138.01**

Note No. 38 : OTHER COMPREHENSIVE INCOME

A(i)	Items that will not be reclassified to Profit/(Loss)		
	Acturial gain/loss recognised in the year for employees :		
	Gratuity	127.38	(3000.95)
	TOTAL (A(i))	**127.38**	**(3000.95)**
A(ii)	Income Tax relating to items that will not be reclassified to Profit /(Loss)	(32.07)	755.28
	TOTAL (A(ii))	**(32.07)**	**755.28**
B(i)	Items that will be reclassified to Profit/(Loss)		-
	TOTAL (B(i))	-	-
B(ii)	Income Tax relating to items that will be reclassified to Profit / (Loss)		-
	TOTAL (B(ii))	-	-

NOTE FORMATING PART OF ACCOUNTS

Note No. : 39 GENERAL NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(i) Contingent Liabilities: -

		2020-21 (₹ in lakh)	2019-20 (₹ in lakh)
a.	Claims against the Group not acknowledged as debt:		
i.	Disputed VAT / CST / Entry Tax	7399.82	3516.76
ii.	Disputed Excise Duty	2898.96	2947.97
iii.	Disputed Income Tax	23112.28	23113.43
iv.	Other Demand	48878.66	39110.70
	SUB-TOTAL (A)	**82289.72**	**68688.86**
	b. Other money for which the group is contingently liable :		
i.	Bank Guarantee	2890.65	2767.54
ii.	Letter of Credit	93.63	53.26
iii.	Bill discounting	3732.36	-
	SUB-TOTAL (B)	**6716.64**	**2820.80**
	GRAND TOTAL (A+B)	**89006.36**	**71509.66**

(ii) Commitments:-

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance and deposit)	**56709.30**	**73913.51**

Details of Claims against the Group not acknowledged as debt (of 1(i)(a) above)

VAT/CST/ENTRY TAX

There are demand notices totaling to Gross Demand of ₹7399.82 lakh (Previous Year ₹3516.76 lakh) from various State Revenue Authorities regarding VAT/CST/Entry Tax against which the group has deposited under protest ₹673.50 lakh (Previous Year ₹620.44 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 ₹2898.96 lakh (Previous Year ₹2947.97 lakh) from Central Excise Authorities regarding Excise Duty against which the group has deposited under protest ₹164.06 lakh (Previous Year ₹68.37 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 ₹23112.28 lakh (Previous Year ₹23113.43 lakh) against which the group has deposited under protest ₹1092.36 lakh (Previous Year ₹1.15 lakh) shown under Note No. 16 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 ₹48878.66 lakh (Previous Year ₹39110.70 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 ₹249.00 lakh (Previous year ₹Nil) in terms of DPE guidelines towards Performance Related Pay payable to the executives for F.Y. 2020-21 which is shown under 'Employees' Benefit Expenses'.
3. Lease premium paid for land for mining purposes including payment for Net Present Value (NPV) of forest area paid to forest department are capitalized under the head "Other Intangible Assets" shown under Note No. 3(C)
4. The lease agreements of Kendadih and Rakha Mining Lease at Indian Copper Complex has been renewed and executed by the Govt of Jharkhand in respect of leasehold lands valid upto 02.06.2023 and 28.08.2021 respectively. In respect of Surda Mining Lease, the lease agreement has expired on 31.03.2020 and the group has applied for extension of the lease agreement with the Govt of Jharkhand. Govt of Jharkhand has issued Letter of Intent (LOI) for extension of the lease vide letter dated 05.08.2020. Formal letter of extension of the lease is under active consideration of the Department of Mines & Geology, Govt of Jharkhand, Ranchi.
5. 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" as on 31.03.2021.
6. The title deeds for Freehold and Leasehold Land and Building acquired in respect of Gujarat Copper Project (GCP) with book value of ₹5296.25 lakh are yet to be executed (Previous year ₹5578.11 lakh).
7. 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.
8. 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.
9. During the year, the group has spent a sum of ₹73.69 lakh on account of Corporate Social Responsibility (CSR) expenses.

   Amount spent during the year on:

(₹ in lakh)

Sr. No.	Particulars in cash	Paid	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i)above	24.64	49.05	73.69

10. Information related to Micro, Small and Medium Enterprises Development Act, 2006 is disclosed hereunder:

(₹ in lakh)

a)	i) Principal amount remaining unpaid to any supplier at the end of the financial year	513.72
	ii) Interest due on above	769.09
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	431.28
d)	Amount of interest accrued and remaining unpaid at the end of the financial year	1200.37
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.

11. 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.
12. The Group has closed / suspended many of its mining operations located at various places, Fertilizer Plant at Khetri in different years due to their uneconomic operations. As per requirement of IND AS 105 on "Non-current Assets Held for Sale and Discontinued Operations" the following information for the year are furnished:

(₹ in lakh)
(Previous year figures in brackets)

	MSB GROUP OF MINES	RCP	CCP	DCP	Fertilizer Plant
i) Initial disclosure event (Year of closure)	1997 to 2003	2001	2002	1994	2001
ii) Carrying amount of Assets	No separate records maintained	464.09 (490.05)	- (-)	- (-)	No separate records are maintained
iii) Liabilities to be settled		137.17 (137.17)	73.04 (73.04)	3.38 (3.38)	
iv) Amount of income	- (-)	- (-)	- (-)	- (-)	
v) Amount of expenses	- (-)	34.70* (34.70)	- (-)	- (-)	
vi) Gain on sale of assets (Included in iv above)	- (-)	- (-)	- (-)	- (-)	

* This is included in cash generated from operations in the Cash Flow Statement.

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:-

	2020-21		**2019-20**	
	Qty (MT)	**₹ in lakh**	**Qty (MT)**	**₹ in lakh**
Anode Slime	4.600	172.14	25.040	1995.90
Copper Reverts	356.711	1109.52	265.347	815.91
Copper Concentrate (CMT)	15983.167	78352.17	10647.339	43317.52
Total		**79633.83**		**46129.33**

15. In terms of IND AS 24 on "Related Party Disclosures":

Transactions with Related Party during the year and balance outstanding as on 31.03.2021 are as under:

(i) Where control exists

₹ in lakh

Name of Related Party	**Nature of Relationship**	**Type of Transaction**	**Year ended**	
			31.03.21	**31.03.20**
Chhattisgarh Copper Limited (CCL)	Subsidiary	Investment in shares	33.30	18.50
		Advances given	4.00	6.50

Name of Related Party	**Nature of Relationship**	**Type of Transaction**	**Year ended**	
			31.03.21	**31.03.20**
Khanij Bidesh India Limited (KABIL)	Joint Venture	Investment in shares as on	75.00	3.00
		Advances given as on	-	72.00

(i) The Key Management Personnel are given below:

Particulars	Key Management Personnel	Total Remuneration	
		Year ended 2020-21	Year ended 2019-20
FUNCTIONAL DIRECTORS			
Receiving of Services	1. Sri Arun Kumar Shukla Chairman-cum-Managing Director	50.84	12.37 (w.e.f. 01.01.2020)
	2. Sri Santosh Sharma Chairman-cum-Managing Director	1.82 (Arrear salary)	44.31 (upto 31.12.2019)
	3. Sri K D Diwan Chairman-cum-Managing Director	-	1.55 (Arrear PRP)
	4. Sri Anupam Anand Director (Personnel)	28.17 (Arrear salary & Leave Encashment)	10.55 (upto 04.08.2019)
	5. Sri S K Bhattacharya Director (Mining)	1.79 (Arrear salary)	93.70 (upto 31.12.2019)
	6. Sri S K Bandyopadhyay Director (Finance)	53.56	52.41
	7. Sri Arun Kumar Shukla Director (Operations)	-	35.70 (upto 31.12.2019)
OTHER THAN FUNCTIONAL DIRECTORS			
	8. Sri C S Singhi Company Secretary	52.82	51.28

INDEPENDENT DIRECTORS

Sri Subhash Sharma – Date of appointment – 18.02.2018

Sri Pawan Kumar Dhawan – Date of appointment – 22.07.2019

Sri Balwinder Singh Canth – Date of appointment – 22.07.2019

Sri Kalyansundaram – Date of appointment – 22.07.2019

Sl. No.	Payment to Independent Directors	Year ended 31.03.2021	Year ended 31.03.2020
1.	Sitting Fees	18.00	12.75

Balance Outstanding with Key Managerial Personnel as on 31.03.2021

Sl. No.	Particulars	As on 31.03.2021	As on 31.03.2020
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	11020.54 (-56948.46)	11020.54 (-56948.46)
Denominator used: Weighted average number of Equity Shares of ₹5/- (Previous year ₹5/- each) outstanding during the period.	925218000 (925218000)	925218000 (925218000)
Earning Per Share (₹)	1.191 (-6.155)	1.191 (-6.155)

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): -

(₹ in lakh)

Particulars	**Deferred Tax Asset/ (Liability) as at 01.04.2020**	**Credit/ (Charge) during 2020-21**	**Deferred Tax Asset/ (Liability) as at 31.03.2021**
Deferred Tax Asset :-			
Difference between provision made in accounts and claims made as per I. T Act	5864.22	10144.16	16008.38
	5864.22	10144.16	16008.38
Deferred Tax Liability :-			
Difference between net book value of depreciable capital assets vis-a-vis WDV as per IT Act	(1914.43)	(45.58)	(1960.01)
	(1914.43)	(45.58)	(1960.01)
Deferred Tax Asset (Net) – Recognised in Statement of Profit & Loss	3949.79	10098.58	14048.37
Deferred Tax Asset (Net) - Defined Benefit Plan – Recognised in OCI	1341.02	(32.07)	1308.95
Total Deferred Tax Asset (Net)	5290.81	10066.51	15357.32

18. PROVISIONS FOR CONTINGENCIES: -

(₹ in lakh)

Particulars	**Discarded Fixed Assets**	**Capital WIP & Advance**	**Mines Development Expenditure**	**Others**	**TOTAL**
Carrying amount as at 01.04.2020	1838.56	3392.91	4664.86	32274.97	42171.30
Amount provided during the year	97.08	12777.94	-	2248.44	15123.46
Amounts utilized against provision	0.39	-	-	2039.87	2040.26
Carrying amount as at 31.03.2021	1935.25	16170.85	4664.86	32483.54	55254.50

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 Group 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 ₹1613.80 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) Changes in Present Value of Obligation			
Present Value of obligation as on last valuation	12672.55	10626.54	198.03
Current service cost	743.08	870.84	
Interest cost	731.57	601.99	
Total Actuarial gain/(loss)	(127.38)	191.95	40.13
Benefits Paid	2695.79	2615.72	54.18
Present value of obligation as on valuation date	11324.03	9675.60	183.98
(ii) Changes in Fair Value of Plan Assets			
Fair value of Plan Assets at Beginning of period	17970.69	3580.29	
Interest Income	1299.98	265.78	
Employer Contributions	-	2615.72	
Benefits paid	2695.79	2615.72	
Return on Plan Assets excluding Interest Income	-	-	
Fair value of Plan Assets at End of measurement period	16574.88	3846.07	
(iii) Table Showing Reconciliation to Balance Sheet			
Funded Status	5250.85	(5829.53)	
Fund Asset	16574.88	3846.07	
Fund Liability	11324.03	9675.60	
(iv) Expenses recognized in the Statement of Profit and Loss Account			
Current service cost	743.08	870.84	
Net Interest cost	(568.41)	336.21	
Actuarial (gain)/loss	-	191.95	40.13
Benefit Cost (Expense Recognized in Statement of Profit/loss)	174.67	1399.00	40.13
(v) Other Comprehensive Income			
Total Actuarial (gain)/loss	(127.38)	-	
Return on Plan Asset, Excluding Interest Income	-	-	
Balance at the end of the Period	(127.38)	-	
Net(Income)/Expense for the Period Recognized in OCI	(127.38)	-	
(vi) Table Showing Plan Assumptions			
Discount Rate	6.46% p.a.	6.46% p.a.	6.46% p.a.
Expected Return on Plan Asset	7.05%, 7.50%, 7.10% etc	7.05%, 7.70%	-
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 31.03.2021 towards gratuity & leave encashment are as follows:

(₹ in lakh)

Investment in Life Insurance Corporation of India	2975.52
Investment in SBI Life Insurance Co. Ltd	16546.02
Investment in India First Life Insurance	679.33
Fund with Gratuity Trust Savings Bank Accounts	220.08
Total	**20420.95**

Actual Return on Plan Assets during the year - **₹ 1565.76 lakh.**

The estimates of future salary increases were considered in actuarial valuation after taking into account 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. 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 20-21, 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

The Group purchases copper blister/ anode on an ongoing basis for its operating activities in its Gujarat Copper Project (GCP) plant for the production of cathode. To hedge itself against the volatility in LME copper prices in the international market has led to the decision to enter into commodity future contracts. However in the year FY 20-21, the Group has not purchased any such copper blister/ anode for its plant in GCP.

These contracts, which commenced in August 2016, are expected to reduce the volatility attributable to price fluctuations of copper. 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 Group not to follow the hedge accounting for these instruments.

As at 31 March 2021, 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, 2021**	**Total carrying value as at March 31, 2020**	**Fair Value as at March 31, 2021**	**Fair Value as at March 31, 2020**
Financial Assets at FV through Statement of Profit & Loss				
Mutual Funds	7.84	7.84	9.95	9.48
Derivatives not designated as hedges				
Future Contract Receivable on commodity	-	-	-	-
Total of Financial Assets	7.84	7.84	9.95	9.48
Financial Liabilities				
Derivatives not designated as hedges				
Forward Cover Contract Liability	-	-	-	-
Total of Financial Liabilities	-	-	-	-

3. The Management considered the Service fees of ₹15 lakh paid on the Exim Bank Term loan amounting to ₹30000 lakh drawn on 29.05.2018 as immaterial, as the amount of service fee was only 0.009% of the Turnover (FY 2020-21) 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 that 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 0.139% of the Turnover (FY 2020-21) 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 that 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 counter parties, 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**
Financial Assets at FV through Statement of Profit & Loss					
Non-derivative financial assets					
Mutual funds	31-03-2021	9.95	-	-	9.95
Derivative financial assets					
Future Contract Receivable on commodity	31-03-2021	-	-	-	-
Liabilities measured at fair value: Derivative financial liabilities					
Forward Cover Contract Liability	31-03-2021	-	-	-	-
Assets measured at FV through OCI	31-03-2021	-	-	-	-

(₹ in lakh)

Particulars	Date of Valuation	Level 1	Level 2	Level 3	Total
Financial Assets at FV through Statement of Profit & Loss					
Non-derivative financial assets					
Mutual funds	31-Mar-2020	9.48	-	-	9.48
Derivative financial assets					
Future Contract Receivable on commodity	31-Mar-2020	-	-	-	-
Liabilities measured at fair value: Derivative financial liabilities					
Forward Cover Contract Liability	31-Mar-2020	-	-	-	-
Assets measured at FV through OCI	31-Mar-2020	-	-	-	-

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 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 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, 2021

Particulars	₹ In lakh
Cash & cash equivalents	-
Trade Receivables	4514.00
Trade Payables	-
Loans	(45740.13)
Others (if any)	-
Net Assets/ (-) Liabilities	(41226.13)

As of March 31, 2020

Particulars	₹ In lakh
Cash & cash equivalents	-
Trade Receivables	7114.00
Trade Payables	-
Loans	(55664.08)
Others (if any)	-
Net Assets/ (-) Liabilities	(48550.08)

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, 2021	**March 31, 2020**
Increase by 5%	2, 287.01	2, 783.20
Decrease by 5 %	(2, 287.01)	(2, 783.20)

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-Mar-21	31-Mar-20
	Gross	**Gross**
Not past due	-	-
Past not more than six months	16230.75	5712.45
Past due more than six months but not more than one year	273.47	553.2
More than one year	1340.65	2910.21
Total	17844.87	9175.86
Less Allowances for Bad & Doubtful Debts	1066.87	886.51
Net Debtors	16778.00	8289.35

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 ₹1066.87 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 undisclosed cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

(₹ in lakh as at March 31, 2021)

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)	363.50	-	-	-	-	-	363.50
Short term borrowings (Others)	-	7414.01	1500.00	-	-	-	8914.01
Long Term Borrowings	-	3130.59	24347.00	54738.00	18249.54	4, 000.00	104465.13
Total	**363.50**	**10544.60**	**25847.00**	**54738.00**	**18249.54**	**4000.00**	**113742.64**

(₹ in lakh as at March 31, 2020)

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)	13603.41	-	-	-	-	-	13603.41
Short term borrowings (Others)	-	36800.00	19500.00	-	-	-	56300.00
Long Term Borrowings	-	2175.00	10515.79	61548.29	12225.00	-	86464.08
Total	**13603.41**	**38975.00**	**30015.79**	**61548.29**	**12, 225.00**	**-**	**156367.49**

NB: 1. Under RBI Notification No. RBI/2019-20/186 dated 27.03.2020 and RBI/2019-20/244 dated 23.05.2020, the scheduling of loan instalments has been given as per approval received from banks under COVID-19- Regulatory Package.

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.

21. With effect from April, 2019, the group has adopted Ind AS 116. However, since the group has no lease liabilities at present, Ind AS 116 has no financial impact on the accounts of the group during the current financial year.

22. The physical verification of Semi-Finished and In-Process (WIP) and Finished Goods is conducted departmentally in all the units (ICC, KCC, MCP, TCP & GCP) at the end of the current year by a duly approved 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.

23. 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 in KCC, TCP, RSON & RSOW.

24.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

(₹)

Summarized Balance Sheet	**KABIL**
	31.03.2021
Deferred Tax Assets(Net)	33, 386
Cash & Cash Equivalents	1, 58, 39, 059
Total Assets	**1, 58, 72, 445**
Equity Share Capital	2, 50, 00, 000
Other Equity	(92, 58, 861)
Other Current Liabilities	1, 31, 306
Total Equity and Liabilities	**1, 58, 72, 445**

(₹)

Summarized Statement of Profit and loss	**KABIL**
	31.03.2021
Total Income	**Nil**
Other Expenses	78, 406
Total Expenses	**78, 406**
Profit/(Loss) Before Tax for the period	**(78, 406)**
Profit/(Loss) After Tax for the period	**(45, 020)**

25. During the year 52, 000 nos. (Previous year Nil) 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.

26. HCL holds 30% equity in Joint Venture Company (JVC) named Khanij Bidesh India Limited (KABIL). HCL has invested 7, 50, 000 equity shares of ₹10.00 each totaling to ₹75.00 lakh. During the current year, an amount of ₹1.34 lakh has been consolidated as share of loss in Joint Venture.

27. The Income Tax expense for the year can be reconciled to the accounting profit as follows :

₹ in lakh

	Year ended 31.03.2021	**Year ended 31.03.2020**
Profit / (Loss) before Tax from continuing operations	8745.46	(53756.84)
Income Tax expense calculated @ 25.168%	2201.06	-
Effect of Income Tax	5598.94	761.62
Effect of Deferred Tax	(10098.58)	1534.21
Income Tax effect of earlier years	-	842.18
Income Tax expense recognized in profit or loss	(2298.58)	3138.01

28. 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.

29. Gujarat Copper Project of the Group consists of three units namely, Anode furnace (Smelter), Refinery and Kaldo Furnace having aggregate book value of ₹23471.86 lakh as at March 31, 2021. The commercial operation of Gujarat Copper Project was suspended since August 2019 due to non-availability of feed material at economical price. During the current year, the Group has assessed the loss on account of impairment of the said plant excluding land, building, roads etc. valued by an independent consultant and consequently a sum of ₹9708.21 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. Based on the outcome of the possible long lease out or complete sale of the plant during FY 2021-22, the balance impairment loss along with normal depreciation, if any, will be considered.

30. Copper ore tailing (COT) beneficiation plant was set up at MCP unit for extraction of valuable minerals and metals from copper ore tails with a capacity of 10000 tonnes per day (TPD) based on the sole technology provider. The intermittent trial run failed on number of occasions and the quality and quantity of products achieved at various stages are not as per the parameters envisaged in contract agreement. A preliminary notice was issued to the party to complete the project and commission the same. The party agreed to commission the plant, but the progress of the work at site was stopped due to lockdown for COVID-19 pandemic. The Group had extended the timeline upto August 31, 2020 for supply, erection of the thickener and commission of the plant. But the party failed to execute the contract and the contract got terminated with efflux of time. The present cost of the COT plant appearing in books of accounts as on 31.03.2021 under Capital Work In Progress (CWIP) is ₹15805.03 lakh after forfeiture of security deposit under the contract amounting to ₹849.27 lakh. The Group has appointed an independent registered valuer to evaluate the salvage value of the plant. The total salvage value assessed as per valuation report is ₹3027.09 lakh. Since the party has failed to execute the project under sole technology provider, the management thinks it prudent to create a provision amounting to ₹12777.94 lakh, being present cost of the plant under CWIP less salvage value.

31. During the financial year 2019-20, all three Provident Fund (PF) Trusts maintained for the employees of the Group namely HCL HO PF Trust, ICC PF Trust and KCC PF Trust have incurred a total loss of ₹1915.54 lakh. After adjustment of opening surplus reserve of ₹385.99 lakh, the deficit in the accounts of PF Trusts is ascertained as ₹1529.55 lakh. As per Accounting Policy of the Group, 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 Group has made a provision of ₹1529.55 lakh during the current financial year towards total deficit in PF Trust of FY 2019-20.

32. During April 2021, the Group has issued 4, 18, 06, 020 nos. of Equity Shares with par value of ₹5.00 per share and premium of ₹114.60 per share amounting to ₹50000.00 lakh through Qualified Institutional Placement (QIP) to fund the ongoing capital expenditure and mine expansion plan of the Group.

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 30.09.2020 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 31.03.2021.

34. The spread of Covid 19 has affected the business operations of the group in all the units due to lock down declared by the Government. The group has taken various measures in consonance with the Government advisories to contain the pandemic, which included closing of mining and operational activities across the group. However, Government has allowed to resume its operation in all the units during April 2020 & May 2020. Post unlocking of the lockdown, the Group's operations are gradually stabilizing.

    Given the uncertainty of quick turnaround to normalcy, post lifting of the closure, the group has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the group and take necessary measures to address the situation.

35. The previous year’s figures have been regrouped / rearranged, wherever necessary.

39.GENERAL NOTES ON ACCOUNTS :

Additional information forming part of accounts for year ended March 31, 2021

39.1 Capacities, production, stocks and sales

(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	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity
Manufacturing Activities											
a. Main products											
1. Wire bar *	MT	39400	39400	-	-	-	-	-	-	-	-
		(39400)	(39400)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
2. Wire rod	MT	60000	60000	-	21	83.00	-	-	-	-	21
		(60000)	(60000)	(4108)	(160)	(653.63)	(21)	(83.00)	(4247)	(18989.96)	(-)
3. Cathode including Toll Smelted Cathode	MT	99500	68500**	-	2	7.06	7	43.16	-	-	-5
		(99500)	(68500)	(5340)	(290)	(1206.61)	(2)	(7.06)	(1492)	(6608.09)	(4137)
4. Metal in Concentrate	CMT			23866	10340	33292.12	730	2291.54	32997	173922.70	479
				(26502)	(16786)	(39933.39)	(10340)	(33292.12)	(12669)	(50824.96)	(20279)
b. By products											
1. Gold	KG	264	698	-	-	-	-	-	-	-	-
		(264)	(698)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
2. Silver	KG	4763	9868	-	-	-	-	-	-	-	-
		(4763)	(9868)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3. Nickel sulphate	MT	250	390	-	-	-	-	-	-	-	-
		(250)	(390)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
4. Selenium	KG	10000	14600	-	-	-	-	-	-	-	-
		(10000)	(14600)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
5. Sulphuric acid	MT	236000	236000	-	976	59.20	46	1.34	926	26.98	4
		(236000)	(236000)	(5943)	(1266)	(98.36)	(976)	(59.20)	(5514)	(294.52)	(718)
c. Allied and semi- Finished products											
1. Anode slime	MT	NA	-	-	5	610.34	-	-	5	482.81	-
		(NA)	(-)	(5)	(25)	(1393.86)	(5)	(610.34)	(25)	(1996.80)	-
2. Copper mould	MT	NA	-	-	-	-	-	-	-	-	-
		(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3. Kyanite	MT	NA	-	-	-	-	-	-	-	-	-
		(NA)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
4. Others	MT	NA	-			-		-		1651.44 ******	
		(NA)	(-)			(-)		(-)		(1602.32)	

(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	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity	Value ₹ in lakh	Quantity
d. Work in progress											
i) Metal in Ore				25560	2376	5901.71	1361	3039.30			26575
				(31131)	(5762)	(8842.32)	(2376)	(5901.71)			(34517)
ii) Other WIP						24585.60 ****		25252.33 *****			
						(7297.28)		(24585.60)			
GRAND TOTAL						**64539.03**		**30627.68**		**176083.93**	
						(59425.45)		**(64539.03)**		**(80316.65)**	

Note :

* Due to change in product demand, the Company is no longer making this product.

** Although the Installed Capacity of Cathode is shown as 99500 MT (KCC - 31000 MT & ICC - 18500 MT, GCP - 50000 MT), due to economic consideration the Company suspended KCC Smelter & Refinery from December 2008.

** During the current year 5 MT Cathode was physically found in excess of book stock of 2 MT at ICC.

	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Anode in floor/ Anode in cell	Scrap	Others	Total
*** Opening Work in progress includes									
Current year	10.63	642.17	-	11.64	0.85	872.09	229.91	22818.31	24585.60
Previous year	10.58	611.25	-	70.71	1.31	3348.59	692.23	2562.62	7297.28
**** Closing Work in progress includes									
Current year	-	2366.76	-	101.87	1.31	1899.91	145.98	20736.49	25252.33
Previous year	10.63	642.17	-	11.64	0.85	872.09	229.91	22818.31	24585.60

*****Other Sales value includes	Copper Sulphate	Reverts	Liberator/ Electrown Cathode	Magnetic/ Red/ Copper Jam	Anode Slag	Granulated Slag	Copper Dust	Copper Ash/ Residue	Others	TOTAL
Current year	-	1109.52	-	-	-	340.63	-	-	201.29	1651.44
Previous Year	217.70	815.98	22.32	-	0.06	401.21	7.56	69.54	67.95	1602.32

Additional information forming part of accounts for year ended March 31, 2021

39.2 Raw materials consumed

	Quantity		Value	
	Year ended 2020-2021 CMT	**Year ended 2019-2020 CMT**	**Year ended 2020-2021 (₹ in lakh)**	**Year ended 2019-2020 (₹ in lakh)**
Concentrate own production	-	5948	-	16060.14
Concentrate excluding own production	-	-	-	-
Cathode	-	-	-	-
39.3 Imported and indigenous raw materials, stores spare parts and components consumed (as certified by the management)				
RAW MATERIALS:	%	%		
Imported	-	95.47	-	461.39
Indigenous	-	4.53	-	21.90
	-	**100.00**	**-**	**483.29**
STORES & SPARES:				
(Direct and Stores & Spares booked in Mine Development, Shut-down and Fuel)				
Imported	0.11	0.96	9.78	157.95
Indigenous	99.89	99.04	9137.39	16298.30
	100.00	**100.00**	**9147.17**	**16456.25**

39.4 C.I.F. value of imports		
Raw Material	-	461.39
Components, spare parts and stores	13.39	226.60
	13.39	**687.99**
39.5 Expenditure in foreign currency		
Travelling	1.87	67.84
Others	44.87	753.39
	46.74	**821.23**
39.6 Earning in foreign Exchange		
Export of Goods (FOB)	79633.83	46129.33
	79633.83	**46129.33**
39.7 Payment to Whole Time Directors		
Salaries and allowances	95.30	153.84
Company's contribution to provident and other funds	7.74	13.18
Re-imbursement of Medical expenses	0.05	1.06
Leave Encashment	26.03	32.83
Gratuity	-	20.00
Other Benefits	7.06	29.68
	136.18	**250.59**

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

देश का ताम्र खनिक

THE COPPER MINER TO THE NATION

HINDUSTAN COPPER LIMITED

A Miniratna Category - I Central Public Sector Enterprise

If undelivered please return to:

'Tamra Bhavan', 1, Ashutosh Chowdhury Avenue, Kolkata-700 019
CIN: L27201WB1967GOIO28825
Website: www.hindustancopper.com
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