



हिन्दुस्तान कॉपर लिमिटेड
HINDUSTAN COPPER LIMITED

THE COPPER MINER
TO THE NATION

ANNUAL REPORT
2012-2013

Corporate 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.

Corporate 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 green field 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	Contents	Page No.
M/s. S. Ghose & Co., Kolkata	1. Board of Directors	2
M/s. A. Kayes & Co., Kolkata	2. Notice for Annual General Meeting	3
Bankers	3. Report of the Board of Directors	10
State Bank of India	4. Comments of the Comptroller & Auditor General of India	35
State Bank of Bikaner and Jaipur	5. Ten years at a glance	36
United Bank of India	6. Independent Auditors' Report	37
Indian Overseas Bank	7. Balance Sheet	44
Punjab National Bank	8. Profit & Loss Account	45
State Bank of Hyderabad	9. Cash Flow Statement	46
Registrar and Transfer Agent	10. Significant Accounting Policies	48
M/s. C B Management Services (P) Ltd.	11. Schedule forming part of the Balance Sheet	52
P-22, Bondel Road, Kolkata - 700 019	12. Schedule forming part of the Profit & Loss Account	66
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Website: www.hindustancopper.com		

Important Communication to Members

Members are requested to convert their shares into electronic mode and register e-mail and Bank account details for better servicing. Please refer notes to AGM notice at page 4 & 5

Forty Sixth Annual General Meeting on Friday, September 20, 2013 at 11.00 a.m. at 'Tamra Bhavan',
1 Ashutosh Chowdhury Avenue, Kolkata – 700 019

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



BOARD OF DIRECTORS



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



Arun Kumar
Director



Sujata Prasad
Director



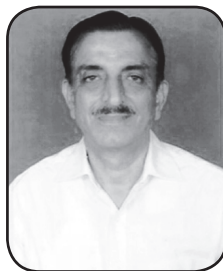
Anupam Anand
*Director
(Personnel)*



Avijit Ghosh
Director (Mining)



S. Nanda
*Director
(Operations)*



Raajnish Gossain
Director



Apurba Kumar Sarmah
Director



Arvind Sahay
Director



Gyan P. Joshi
Director



Puneesh Kr. Kapoor
Director



Bulbul Sen
Director

As on date of printing



NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that 46th Annual General Meeting of the members of Hindustan Copper Limited will be held on Friday, the 20th September, 2013 at 11 am in the registered office of the Company at 'Tamra Bhavan' 1 Ashutosh Chowdhury Avenue, Kolkata-700 019 to transact the following business :-

Ordinary Business

- 1) To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2013, the Balance Sheet as on that date together with the Directors' Report, Auditors' Report and C&AG's comments.
- 2) To declare dividend on equity shares.
- 3) To appoint a director in place of Shri Arvind Sahay, who retires by rotation and is eligible for reappointment.
- 4) To appoint a director in place of Shri Gyan P Joshi, who retires by rotation and is eligible for reappointment.
- 5) To appoint a director in place of Shri Puneesh Kumar Kapoor, who retires by rotation and is eligible for reappointment.
- 6) To fix the remuneration of the Auditors.

Special Business

- 7) To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:
"RESOLVED THAT appointment of Shri Arun Kumar as Director on the Board of the Company with effect from 28.1.2013 in terms of Ministry of Mines' order No.10(2)/2002-Met.III dated 28.1.2013 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 appointment of Ms. Bulbul Sen as Director on the Board of the Company with effect from 19.3.2013 in terms of Ministry of Mines' order No.10/1/2012-Met.III(Vol.I) dated 19.3.2013 be and is hereby approved."
- 9) To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:
"RESOLVED THAT appointment of Ms. Sujata Prasad as Director on the Board of the Company with effect from 30.4.2013 in terms of Ministry of Mines' order No.10(2)/2002-Met.III dated 30.4.2013 be and is hereby approved."
- 10) To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:
"RESOLVED THAT appointment of Shri S Nanda as Director (Operations) of the Company with effect from 6.5.2013 in terms of Ministry of Mines' order No.10(5)/2011-Met.III (Vol.II) dated 30.4.2013 be and is hereby approved."

By order of the Board

Place: Kolkata
Date: 20th August, 2013

C S Singhi
DGM & Co Secretary



NOTES:

- i) **A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Proxies, in order to be valid and effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
- ii) The Register of Members and Share Transfer Books of the Company will remain closed from 17th September, 2013 to 20th September, 2013 (both days inclusive).
- iii) 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 owners position received from NSDL & CDSL as at the close of working hours on 16th September, 2013.
- iv) Members are requested to notify immediately change in their address, if any, to the Depository Participants (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.
- v) Members desirous of getting any information about the accounts and operations of the Company or intending to raise any query at the Annual General Meeting (AGM) are requested to forward the same at least 10 days prior to the date of the meeting to the Company Secretary at the registered office of the Company so that the information required can be made readily available at the meeting.
- vi) Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- vii) **In terms of Circular No.CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI, henceforth payment of dividend will be made through any Reserve Bank of India approved electronic mode of payment such as ECS / NECS / NEFT etc. only. Further, in order to enable usage of electronic payment instruments as per above SEBI Circular, the Company is required to maintain requisite bank account details of its investors. Accordingly, Members are requested to provide correct Bank Account details (including MICR No., IFSC Code, Account Type etc.) to their Depository Participant 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 the Company's Registrars & Share Transfer Agent (RTA), M/s. C B Management Services (P) Limited in order to enable the Company to credit the dividend amount directly to your Bank account. In case of non availability of MICR No. and IFSC Code, Dividend Warrant will be sent after mandatorily printing your 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 Depository Participants 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 Depository Participants about any changes in their bank account details.**
- viii) **In terms of SEBI Circular No CIR / CFD /DIL /8 /2012 dated 13th August, 2012, Business Responsibility Report (BRR) has been prepared and hosted on the website of the Company www.hindustancopper.com. Members desiring to have copy of BRR may send a request to this effect to the RTA, M/s. C B Management Services (P) Ltd,P- 22, Bondel Road, Kolkata- 700 019 or send e-mail at investors_cs@hindustancopper.com**



- ix) Pursuant to the Circular No 17/2011 dated 21st April, 2011 and Circular No 18/2011 dated 29th April, 2011 on green initiative issued by the Ministry of Corporate Affairs, shareholders holding shares in physical form are requested to register their e-mail address with the Company or Registrars & Share Transfer Agent (RTA) or those holding shares in electronic mode with their concerned depository participant. Any changes therein may also be informed from time to time, to enable the Company to serve notice / documents through e-mail. Shareholders holding shares in physical mode are requested to visit the following web page of Company's Registrars & Share Transfer Agent (RTA), M/s. C B Management Services (P) Limited to register their e-mail address and exercise option accordingly:

www.cbmsl.com/green.php

Shareholders holding shares in demat mode and intend to receive the Annual Report in physical form may likewise visit the abovementioned web page to exercise their option.

- x) The Shareholders, who are still holding shares in physical form are requested to take immediate action to demat their shares to avail easy liquidity since trading of shares of the Company are under compulsory Demat mode as per the regulation of SEBI and also to prevent any loss of physical Share Certificate.
- xi) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form may please submit their PAN details to the Company / Registrar and Transfer Agent.
- xii) Members are requested to:-
- produce the enclosed Attendance Slip duly filled & signed as per specimen signature recorded with the Company / Depository Participants for admission to the meeting venue.
 - bring their Client ID and DP ID numbers for easy identification of attendance at the meeting in respect of shares held in dematerialized form.
 - bring their copy of Annual Report to the meeting as extra copies shall not be provided.
 - quote their Folio / Client ID & DP ID Nos in all correspondence.
 - note that due to security reasons, brief case, eatables and other belongings are not allowed inside the meeting venue.
 - note that no gifts / coupons shall be given to the members attending the meeting.**
- xiii) Relevant documents referred to in the accompanying notice or the statutory registers, as applicable to the Company, are open for inspection at the Registered Office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the date of the AGM.
- xiv) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item no 7, 8, 9 & 10 as set out above is annexed hereto.



ANNEXURE TO NOTICE

(Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956)

Item No.7

Shri Arun Kumar, Joint Secretary, Ministry of Mines, Government of India has been appointed as part-time official Director of the Company with effect from 28.1.2013 in terms of Ministry of Mines' order No. 10 (2)/2002-Met. III dated 28.1.2013. It is now proposed to regularise his appointment at the ensuing 46th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 1956

Shri Arun Kumar obtained his Mechanical Engineering degree from the Council of Engineering Institute, London in 1978. His initial career started with the Indian Railways in 1980, as a Mechanical Engineer, where he worked for just over 3 years after which he was selected in the Indian Administrative Service in 1983 and posted in the State of Assam. Shri Kumar looked after general development and magisterial work in the State of Assam. Towards later part of his career, he gravitated to industry-oriented assignments. He worked as Managing Director of two spinning mills of Assam for a period of a year. During his last 3 years' tenure, he has looked after the Rural Development Programmes as well as Mines and Minerals Department in the State of Assam. While working in the State of Assam in the Rural Development sector, he was awarded Third Prize at the National Level for implementation of an on-line model accounting system for local bodies. He served the Government of India for 12 years. He worked for eight years in the Ministries of Small Scale Industries and the Food Processing Industry. The mandate essentially was to look at various policies for these industrial sectors as well as to manage specific government mandated assistance programmes for this sector for the nation as a whole. He also held the position of Export Commissioner in the Ministry of Commerce and Industry which brought him into sphere of policy making for the International trade regimes of the country. He has been Chief Vigilance Officer for the Rural Electrification Corporation of India, which is a major player at the national level in extending long term finance for the distribution, transmission and power generation sectors in India.

Since joining the Ministry of Mines in Government of India in January 2012, he has been looking after International Cooperation desk and the Metals desk dealing with Aluminum and Copper as well as exploration agency and para-statal organizations working in this sector.

Shri Arun Kumar does not hold directorship in other companies. He also does not hold any shares in HCL.

None of the Directors of the Company except Shri Arun Kumar is in any way concerned or interested in the resolution.

Item No.8

Ms. Bulbul Sen, Ex-Chief Commissioner of Income Tax has been appointed as part-time non-official Director of the Company with effect from 19.3.2013 in terms of Ministry of Mines' order No. 10/1/2012-Met.III (Vol.I) dated 19.3.2013. It is now proposed to regularize her appointment at the ensuing 46th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 1956.

Ms. Bulbul Sen is MA, MBA (Slovenia), Post Graduate Diploma in Public Administration (Paris) and belongs to the 1977 Batch of the Indian Revenue Service. She has been trained at premier national and international institutions in Public Administration, Management, Tax Administration & Tax Policy and WTO-related commercial law, like the Lal Bahadur Shastri National Academy of Administration, Mussoorie, National Academy of Direct Taxes, Nagpur, Institut International d'Administration Publique, Paris, the E.U. Secretariat, Brussels (Internship) and the International Centre for Public Enterprises, Ljubljana, Slovenia (for MBA, with specialisation in WTO issues). She has varied experience in Tax Planning, Tax Management, WTO issues, Human Resource Management, administration, including tax administration through online digital networks, while working in various technical & administrative posts in the Income tax Department and on deputation as Joint Secretary (Tax Planning & Legislation) in the Department of Revenue, Director in the Ministries of Commerce (International Trade Policy Division) and Food, Civil Supplies & Consumer Affairs. She also has experience in monitoring the performance of PSUs and handling consumer affairs, while Deputy Secretary/Director in the Ministry of Food, Civil Supplies &



Consumer Affairs. Her international experience includes representing India at various international conferences, including the Geneva and Seattle Ministerial Conferences of the WTO (1998 & 1999 respectively), the Conference of SAARC Commerce Ministers, Male, the Maldives (1999), the Cartagena Protocol on Bio-Safety, Colombia (1999), the South Summit of the Group of 77 Commerce Ministers, Havana, Cuba (2000) as part of the Indian delegation headed by the then Hon'ble Commerce & Industries Minister ; the annual meeting of Commonwealth Tax Administrators, London, 2005, as head of the delegation; as also the Expert Group Meeting on 'Transparency, Competition and Objectivity in Public Procurement', Luxemburg, Austria, 2012, as a member of the UNODC, South Asia Office's team of Indian experts on Government Procurement.

She has published articles on Tax Policy issues and Public Procurement Policy in the Economic Times, Business Standard etc. journals. Her published books include one on the implications of joining the WTO for the developing and developed countries (Jawahar Publishers, 1996) and the major chapters of a study on public procurement in India, published by CUTS International ('Government Procurement in India: Domestic Regulations & Trade Prospects', October, 2012).

Ms. Bulbul Sen is also a director on the Board of Heavy Engineering Corporation Ltd. She does not hold any shares in HCL.

None of the Directors of the Company except Ms. Bulbul Sen is in any way concerned or interested in the resolution.

Item No.9

Ms. Sujata Prasad, Joint Secretary & Financial Advisor, Ministry of Mines, Government of India has been appointed as part-time official Director of the Company with effect from 30.4.2013 in terms of Ministry of Mines' order No. 10(2)/2002-Met.III dated 30.4.2013. It is now proposed to regularize her appointment at the ensuing 46th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 1956

Ms. Sujata Prasad is MA from Jawaharlal Nehru University, Delhi, Diploma holder, Harvard School of Public Health and belongs to the 1983 batch of the Indian Civil Accounts Service. In addition to her current position as Joint Secretary and Financial Adviser (JS&FA), Ministry of Coal, Ms. Sujata Prasad is also the JS&FA of the Mines, Corporate Affairs, Youth Affairs and Sports Ministries. Earlier, she had held senior managerial positions in different Ministries and Departments of the Central Government. This includes her last stint as the Head of a Training /Research Institute of the Ministry of Finance, Government of India. She had spent five years with the Government of Bihar and an equal number of years as Senior Financial Adviser of All India Institute of Medical Sciences. Ms. Prasad has co-authored a book on Health Security, edited an International Journal on Public Policy and published several Research Papers on different aspects of gender, public health, poverty and development.

Ms. Sujata Prasad is also a Government nominee official Director on the Board of Coal India Limited, Hindustan Zinc Limited, Bharat Aluminium Company Limited. She does not hold any shares in HCL.

None of the Directors of the Company except Ms. Sujata Prasad is in any way concerned or interested in the resolution.

Item No.10

Shri S Nanda has been appointed as Director (Operations) of the Company in terms of Ministry of Mines' order No. 10(5)/2011-Met.III (Vol.II) dated 30.4.2013 and he joined with effect from 6.5.2013. It is now proposed to regularize his appointment at the ensuing 46th AGM of the Company in order to comply with the relevant provisions of the Companies Act, 1956.

Shri S Nanda is B.Tech from IIT, Kanpur, M.Sc (Engg.) and ADIM. Shri Nanda had worked in various capacities in L&T at their Iron & Steel Foundry from 1977 to 1986. He joined Nalco in 1986 when the Company was in its commissioning stage. In Nalco, Shri Nanda held key managerial positions in Smelter, Operations, Projects & R&D functions. Before joining HCL, Shri Nanda was General Manager (Projects) at Nalco Smelter Division.

Shri S Nanda does not hold directorship in other companies. He also does not hold any shares in HCL.

None of the Directors of the Company except Shri S Nanda is in any way concerned or interested in the resolution



Brief resume of directors who are retiring and eligible for reappointment furnished in terms of clause 49 of the listing agreement:

Shri Arvind Sahay

Shri Arvind Sahay, Professor, Indian Institute of Management (IIM), Ahmedabad was appointed as part-time non-official Director of the Company with effect from 7.2.2012 in terms of Ministry of Mines' order No. 10/2/2010-Met.III dated 7.2.2012.

Shri Arvind Sahay is PhD (University of Texas, Austin), PGDM (IIM, Ahmedabad), BTech (IIT, Kanpur). He joined IIM, Ahmedabad in June 2004 from London Business School where he had been teaching since his Ph.D. in 1996 from the University of Texas at Austin. Professor Sahay is the recipient of the University Wide Outstanding Dissertation Award from the University of Texas at Austin (for his Ph.D thesis), the Innovation in Teaching Award at London Business School and of the Dewang Mehta Best Teacher Award in Marketing Management in India. He has been a regular columnist for Outlook Business magazine on marketing strategy and also writes for the leading Indian business newspaper, Financial Express, on economics and business. He has been a visiting faculty at the College of William and Mary (USA), University of Texas at Austin (USA), IIM Lucknow, Asian Institute of Technology, Gordon Institute of Business Science, University of Pretoria (South Africa), S P Jain Institute of Management Research (Singapore, Dubai), Retail Alliance (Dubai) and Indian School of Business, Hyderabad. An author of a case book on marketing strategy "Cases in Pricing, Marketing Communications and Distribution", Professor Sahay has penned down more than 40 cases published in leading international journals and is currently writing a book on brand management.

Shri Arvind Sahay is a director on the board of Brandscapes Consultancy Pvt. Ltd. He does not hold any shares in HCL.

Shri Gyan P Joshi

Shri Gyan P Joshi, former IAS Officer & Ex-MD, GSFC was appointed as part-time non-official Director of the Company with effect from 7.2.2012 in terms of Ministry of Mines' order No. 10/2/2010-Met.III dated 7.2.2012.

Shri Gyan P Joshi is B.Sc. (Hons) BITS, Pilani, M.Sc. (Physics), Allahabad University, M.Sc.(MIDP) UMIST, Manchester. He was in the Indian Administrative Service during the period from July 1978 to December 2008. Apart from being in Manipur during the formative period of his service, Shri Joshi has also been with the Department of Economic Affairs, Government of India, during which he spearheaded crucial projects in power and irrigation sectors as well as international negotiations. Later he joined Gujarat State Financial Corporation as the Managing Director. Shri Joshi has also held faculty positions in the training institutes for senior administrative and defence service officers.

Shri Gyan P Joshi is a director on the Board of National Aluminum Co Ltd, Saraf Foods Ltd and Peaches and Pulps Resorts Pvt Ltd. He does not hold any shares in HCL.

Shri Puneesh Kumar Kapoor

Shri Puneesh Kumar Kapoor, Practicing Chartered Accountant, was appointed as part-time non-official Director of the Company with effect from 7.2.2012 in terms of Ministry of Mines' order No. 10/2/2010-Met.III dated 7.2.2012.

Shri Puneesh Kumar Kapoor did his Bachelor of Commerce from University of Delhi in the year 1985 and passed Final Examination of Chartered Accountancy and Company Secretary in the year 1988. A Fellow Member of the Institute of Chartered Accountants of India as well as a member of Income Tax Appellate Bar Association, New Delhi, Shri Kapoor has been a practicing Chartered Accountant for over 24 years providing consultancy in Finance, Accounts, Auditing, Taxation, Project Appraisal & Financing and advising to various clients in private and public sector including Societies and Trusts.

Shri Puneesh Kumar Kapoor does not hold directorship in other companies. He also does not hold any shares in HCL.