



CMD'S INDEPENDENCE DAY MESSAGE

15TH AUGUST 2021



*Dear friends,
Namaskar.*

It gives me immense pleasure to greet all the members of Tamra Parivar on the 75th Independence Day of our country as we observe "Azadi Ka Amrut Mahotsav" in celebration of the immortal bliss of freedom.

On this auspicious day, we pay homage to our freedom fighters and martyrs who laid down their lives so that we can live in Independent India of their dream. Their sacrifice will be remembered for generations to come and will always inspire us to build a nation – self-reliant, strong and resilient. The ethos of our freedom struggle shapes the identity of modern India.

Recently, with the ongoing pandemic, we have been going through one of the most trying times in history. We are indebted to doctors, nurses and other frontline workers who have continuously been at the forefront in our battle against the virus outbreak. We hail the contribution of the Corona warriors who have risked their lives to save our life and livelihood. On this occasion, I convey my heartfelt condolences to the employees and other members of the Copper family who have lost their near and dear ones to COVID-19. Meanwhile, HCL deeply appreciates the roll out of the free-for-all Covid-19 vaccination drive in India, the world's largest free vaccination campaign. The Company is committed to the cause and will strive hard to make this mission a success.

In the near future, the economy is sure to rebound propelling India into a phase of rapid industrial recovery in the post pandemic world. The mining sector of the country, which is next only to agriculture in terms of generating employment, will have a crucial role to play. The sector directly and indirectly employs around 1.1 crore people and sustains the livelihood of about 5.5 crore people in the country. Similarly, 1% growth in mining leads to 1.5% growth in industrial production. Its importance grows manifold when we consider other allied sectors that depend on it for their survival and existence.

Despite its huge potential, India's mining sector has lagged behind in the past years, owing to policy constraints. Over 17% of the nation's land area has mineral reserves while only 0.25% is being mined. Thus, the country has remained unexplored and the sector has failed to attract investments. However, the recent mining reforms come as an elixir to the mining industry with its thrust on long-term impact, immediate boost to mineral production, ease of doing business and focus on public welfare. This will take forward the idea of "Sabka Saath, Sabka Vikas" as the reforms delineate expanding participation, increasing production, and facilitating direct and indirect employment generation in the mineral-rich states.

In the days to come, with the nation healing from the Covid-19 outbreak, rapid growth is expected for the industries like power, electronics, telecommunication, transport, construction, defence, railways, etc, which will lead to manifold increase in Copper consumption. Additionally, Copper is pivotal to the green economy of the future. Some of the metal's new-age demand drivers are the clean energy sector including solar and wind energy, manufacturing of electric vehicles and 5G network. COVID-19 has reaffirmed Copper's usage in the healthcare industry by the virtue of its antimicrobial properties.

Further, projections state that there may be a huge shortage of Copper in the global market in view of its increased demand, limited growth potential of mine output and threat of downward trend of average Copper grade in ore to be mined. Thus there is indeed a genuine need for assessing copper ore potential on the country and enhancing Copper ore inventory by focused and systematic green field exploration, brownfield exploration and expansion of mines as well as developing new Copper mines in India judiciously.

In a bid to reduce the nation's dependence on imported Copper, lessen import bill and inch towards self-reliance in raw material supply system for the industries, HCL plans to expand its mining capacity through expansion of existing mines, reopening of closed mines and opening of new mines. This aligns with the Government's clarion call for 'Aatmanirbhar Bharat Abhiyan' and will go a long way in building the domestic Copper industry by ensuring efficient utilization of the country's Copper resources. HCL is committed to ensure complete adoption of sustainable mining practices, with focus on Environment, Economic and Community, Safety and Resource Efficiency.

India has a prolonged history of Copper mining and metallurgy, since the age of the Harappan civilizations. Earliest evidence of ancient Copper mining in India has been found in the Khetri region of Rajasthan, dating back to about the 3rd-2nd millennium BC. HCL, as the Copper miner to the Nation, has carried forward the glorious legacy.

Meeting our expansion deadlines and production targets are essential for the Company to stay profitable and sustainable. I am grateful to all the employees, Trade Union leaders, Officers Associations, and all other stakeholders for their support during these difficult times. Contribution of each individual of the Copper Family is crucial to the prosperity of the Company. Here and now, in celebration of "Azadi Ka Amrut Mahotsav", let us pledge to take the Company to newer heights and thus dedicate ourselves to the service of the nation. I acknowledge the contribution of every employee of the Company in achieving various milestones during last one year. For instance, your Company has turned around and has posted handsome profits despite the raging pandemic, has been the first non-banking CPSE to launch QIP successfully, signed an MoU with domestic custom smelter, released backlog pay revision arrear salary of employees, brought down loan burden significantly from a peak of around Rs 1650 crore in June 2020 to around Rs 900 crore presently, etc. Meanwhile, the MCP team has also been able to interconnect south and north underground mines in two levels. I am confident that with your continued support and co-operation, HCL will definitely scale great heights.

The identity of being an independent country brings about an onus to decide our destiny. India with its glorious past and a promising future has the power to change the world. The country has a lot to offer to the global community, especially for intellectual and spiritual enrichment and promotion of world peace. With this spirit, I will like to conclude with my prayers for your health and happiness, peace and prosperity.

Thank you. Jai Hind.

A. Shukla

(Arun Kumar Shukla)

Chairman and Managing Director

August 15, 2021