

HIGHLIGHTS for the Quarter

- Refined zinc production up 16% at 140,661 tonnes
- Silver production up 40% at 30,324 kilograms
- Expansion projects on track to make HZL the world's largest integrated zinc – lead producer at 1,065 kt by mid-2010.
- PBDT increased by 6% to Rs.122,381 lakh compared with corresponding prior quarter, primarily on account of higher sales volume & improved operational efficiency

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2009

(Rs. in lakhs, except as stated)

PARTICULARS	Quarter ended 30 th Sept		Half Year ended 30 th Sept		Year ended 31 st March
	2009	2008	2009	2008	2009
1. (a) Net sales / Income from operations	178,959	174,384	330,177	338,750	568,027
(b) Other Operating Income	2,873	4,662	4,312	7,775	14,179
2. Expenditure					
a) (Increase) / Decrease in stock in trade and work in progress	(1,627)	1,057	4,066	(2,112)	(2,440)
b) Mining and Manufacturing Expenses	45,539	51,857	89,852	95,550	193,004
c) Mining Royalty	13,854	10,182	23,050	20,394	36,424
d) Employees Cost	10,371	8,652	18,428	17,126	36,488
e) Depreciation & amortisation	7,710	7,040	15,189	13,904	28,527
f) Administrative, selling and other expenditure	6,147	9,093	13,318	16,478	31,136
g) Total	81,994	87,881	163,903	161,340	323,139
3. Profit from operations before Other Income, Interest & Exceptional Items	99,838	91,165	170,586	185,185	259,067
4. Other Income	15,371	18,072	33,392	35,897	78,944
5. Profit before Interest & Exceptional Items	115,209	109,237	203,978	221,082	338,011
6. Interest	538	712	858	1,398	2,187
7. Profit after Interest but before Exceptional Items	114,671	108,525	203,120	219,684	335,824
8. Exceptional items			-	-	-
9. Profit from ordinary activities before tax	114,671	108,525	203,120	219,684	335,824
10. Tax Expenses - Current (Net)	18,804	10,349	30,828	35,017	52,090
- Deferred	2,372	2,225	6,915	3,935	10,973
11. Net Profit from ordinary activities after tax	93,495	95,951	165,377	180,732	272,761
12. Extraordinary items(Net of tax expenses)			-	-	-
13. Net Profit for the period	93,495	95,951	165,377	180,732	272,761
14. Paid up Equity Share Capital (Face value Rs. 10/- each)	42,253	42,253	42,253	42,253	42,253
15. Reserves excluding Revaluation Reserve as per balance sheet					1,393,505
16. Basic and Diluted EPS (Rs.)	22.13	22.70	39.14	42.77	64.55
17. Public Shareholding					
Number of Shares	148,216,469	148,216,469	148,216,469	148,216,469	148,216,469
Percentage of shareholding	35.08	35.08	35.08	35.08	35.08
18. Promoters & promotor group Shareholding					
a) Pledged/Encumbered					
- Number of Shares	-	-	-	-	-
- Percentage of shares (as a % of total shareholding of promotor and promotor group)	-	-	-	-	-
- Percentage of share (as a % of total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of Shares	274,315,431	274,315,431	274,315,431	274,315,431	274,315,431
- Percentage of shares (as a % of total shareholding of promotor and promotor group)	100	100	100	100	100
- Percentage of shares (as a % of total share capital of the company)	64.92	64.92	64.92	64.92	64.92
Cash profit (PBDT)	122,381	115,565	218,309	233,588	364,351

NOTES:

- 1) The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 22nd October, 2009
- 2) Arising from the announcement of the Institute of the Chartered Accountants of India on 29th March 2008, the Company had decided to adopt Accounting Standard (AS) 30 - Financial Instruments : Recognition and Measurement effective 1st April, 2007.
- 3) Consistent with the treatment followed in earlier years, investment in equity shares of a power company has been considered as an intangible asset. This has resulted in an additional amortisation charge of Rs.234 lakhs for the half year ended 30th September 2009 (corresponding previous half year : Rs.234 lakhs) and the net profit for the half year ended 30th September 2009 being lower by Rs. 154 lakhs (corresponding previous half year: Rs. 154 lakhs). This treatment, being in preference to the requirements of Accounting Standards, has been reported by the auditors.
- 4) Investor complaints outstanding at the beginning of the quarter were nil, 1 number of complaint received and resolved during the quarter ended 30th September, 2009. Outstanding number of complaints at the end of the quarter was nil.
- 5) The auditors have carried out "Limited Review" of the above results.
- 6) Figures for the previous period have been regrouped / rearranged to correspond with current period figures wherever necessary.

SEGMENT WISE REPORTING REVENUE, RESULTS AND CAPITAL EMPLOYED.

(Rs. in lakhs)

PARTICULARS	Quarter ended 30 th Sept		Half Year ended 30 th Sept		Year ended 31 st March
	2009	2008	2009	2008	2009
	1. Segment Revenue (Net sales / Income from operations)				
- Zinc, Lead and Silver	176,791	172,124	325,707	333,984	560,297
- Others	2,168	2,260	4,470	4,766	7,730
Total	178,959	174,384	330,177	338,750	568,027
2. Segment Result					
- Zinc, Lead and Silver	99,249	90,682	169,347	184,159	256,773
- Others	682	724	1,390	1,608	3,320
Total	99,931	91,406	170,737	185,767	260,093
Less: Interest expenditure	538	712	858	1,398	2,187
Add: Other unallocable income net of unallocable expenditure	15,278	17,831	33,241	35,315	77,918
Profit before Tax	114,671	108,525	203,120	219,684	335,824
3. Capital Employed (Segment Assets – Segment Liabilities)					
- Zinc, Lead and Silver	597,941	433,610	597,941	433,610	495,232
- Others	48,018	52,982	48,018	52,982	50,228
- Unallocated	957,619	872,373	957,619	872,373	890,298
Total	1,603,578	1,358,965	1,603,578	1,358,965	1,435,758

Note :

The Company is engaged in the business of mining and smelting of zinc, lead and silver. The Company has also a wind energy business; however, its operations for the period are within the threshold limits stipulated under AS-17 "Segment Reporting" and hence it does not require disclosure as a separate reportable segment.

By Order of the Board

Date: 22nd October, 2009

Place: Mumbai

**Akhilesh Joshi
COO & Whole-time Director**