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minds AND **mettle**

MSPL NEWS BULLETIN



JAN-MAR 2006



MSPL first to breeze past the 100 MW mark

Total Installed Capacity of the group crosses 150MW

MSPL Limited, the flagship company of the Baldota Group is the single largest producer of wind energy in India. This March we commissioned a 20MW wind energy project at Dhule in Maharashtra and a 6.6MW windfarm at Harihar in Karnataka, to become the first Indian company to own over 100MW of installed capacity in the wind energy sector. We hitherto were operating three wind farms in Karnataka and Maharashtra with an overall installed capacity of 85.6MW, now we have an overall installed rated capacity of 110 MW.

The Dhule wind energy project comprising of 16 turbines of 1250KW each has been set up at a capital investment of Rs.100 crores. We have entered into a 13 year power purchase agreement with Maharashtra State Electricity Board for sale of power generated at the Dhule site. MSEB has contracted to purchase power at Rs.3.50 per unit for the first year and to give a 15 paise escalation for the remaining 12 years.

Pursuant to the Electricity Act 2003, electricity companies are required to sell a certain proportion of electricity generated from non-conventional energy resources, such as wind power. As a result, regulation has created a potential for additional markets.

Dhule & Harihar wind energy projects commissioned

As part of our commitment to sustainable development and balancing economic progress with environmental care and social responsibility, MSPL Limited will continue to invest in Wind Energy.



BALDOTA
GROUP

WIND POWER
INSTALLATIONS
IN INDIA

Satara, Maharashtra	Vanakuswade	1.50 MW	Vestas
Dhule, Maharashtra	Chakala	20.0 MW	Suzlon
Chitradurga, Karnataka	GR Halli	29.75 MW	NEG - Micon
	Jogimatti	11.25 MW	Suzlon
Bellary / Davangere, Karnataka	Sogi	42.50 MW	Suzlon
	Jajikallugudda	50.00 MW	Suzlon
Harihar, Karnataka	Basavapattana	6.6 MW	Vestas
		161.6 MW	

Today our group's total installed capacity is 161.6MW and growing multifold. We have ambitious plans to add another 50MW during the current year. We are also actively evaluating the Clean Development Mechanism (CDM) potential of our existing and future wind power projects. After our projects are registered with United Nation Framework Convention on Climate Change, we would be eligible to earn Certified

Emission Reduction (CER), which would provide an additional revenue source. We have completed documentation as per UNFCCC's requirements and the validation of the project has also been completed. The project is expected to be registered with UNFCCC shortly as the largest wind power CDM project in the world.

MSPL - On the fast track

In India, rail transportation has a substantial cost advantage over road transportation and thus is a key infrastructure link in the mining industry, where high volumes need to be transported. Augmentation of rail infrastructure strengthens logistics and enhances capacities to facilitate growth.

This quarter witnessed two significant events in this arena - MSPL established a private railway siding and acquired six railway rakes. The new infrastructure marks a 300% growth in our capacity to transport ore over the rail network and we expect it to cut logistics cost by around 30%.

>> MSPL ACQUIRES SIX RAILWAY RAKES TO AFFECT A QUANTUM JUMP OF 300% IN ORE MOVEMENT CAPABILITIES.



MSPL Limited took delivery of its first railway rake on 22nd February, 2006. This was the first of six such rakes procured by MSPL through the 'Own Your Wagon' (OYW) scheme of Indian Railways under the PPP model (Public Private Partnership), to augment our iron ore movement to ports in Goa and Paradeep.

Investment in this scheme guarantees priority clearance of investors' cargo over other pending demands by railways.

MSPL is acquiring 2 railway rakes with a carrying capacity of 3600 MT each, which will operate on the eastern sector and ensure faster evacuation to the Paradeep port.

MSPL - On the fast track

>> INAUGURATION OF MSPL AHB SIDING



On February 2nd, 2006, MSPL inaugurated a new private railway siding 'MSPL AHB Siding' at Ingali near Kariganur.

Shri Narendrakumar A. Baldota, CMD, MSPL Ltd., performed a pooja to mark the occasion. Mr. Shrenikkumar Baldota, Executive Director, MSPL Ltd., Shri. Meda Venkataiah, Executive Director-Mines, eminent guests from the South Western Railways, other dignitaries and several members of the MSPL staff also participated in the ceremony.

The siding is located adjacent to our EOU Unit II and has commenced commercial operations.



Drilling Equipment

A new Atlas Capco ROC F-7-1 I Top Hammer Hydraulic Drill, imported from Sweden, was commissioned in the month of Feb, 2006. It has a drilling capacity of 48 mtrs per hour.



Water Tankers

Three 16 KL Water Tankers were added to our fleet to reinforce the spraying operations on the haul roads.



Staff Bus

As a part of our ongoing endeavour to provide a progressive work ambience to all cadres, we acquired a new 58 seater bus for conveyance of our staff to the Mines.

Solapur gets a new breath of life

The Gas Division of the Baldota group enlarged its footprint in Maharashtra by commissioning a 100 cu.m per hour Oxygen plant in Solapur. Dr. Shirish Valsangkar, MD, MRCP (Neurologist) UK, Director of S. P. Institute of Neurology, Solapur inaugurated the plant on 2nd February, 2006.

The plant has been specially designed to cater to the demand for high quality medical oxygen by hospitals in and around Maharashtra. Over and above its core focus on Medical Oxygen, the plant also supplies industrial oxygen to industries based in the Solapur- Nashik belt.



Dr. Shirish Valsangkar inaugurating the Solapur Plant. Also seen are Shri. N. A. Baldota, CMD, MSPL Ltd., Shri. Raviraj, AGM (T&P) MSPL Gases Ltd., Smt. Rashmi S. Baldota, Partner, L. R. Industries, Shri. G. V. R. Raju, Vastu Pandit, Bellary and Shri. K. Prabhu, GM, MSPL Gases Ltd.

Smooth SAILing

During his VISL Plant visit on the 9th of February Shri. V. S. Jain, Chairman, Steel Authority of India Limited also visited our 50 ton per day "BOO" Oxygen Plant at Bhadravathi..

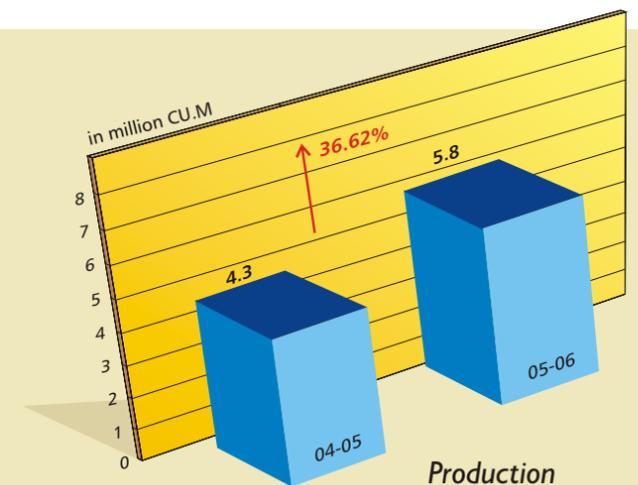
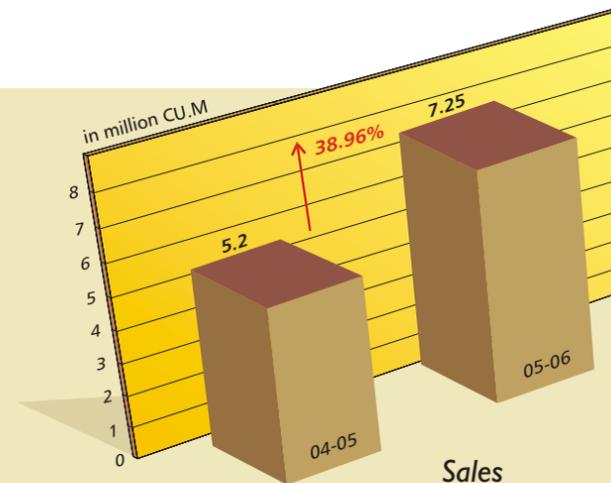
He expressed his appreciation on the accelerated pace of construction and installation. This captive plant is expected to be commissioned by June 2006. During this review Mr. Jain was accompanied by VISL and MSPL Officials.



Shri. K. Prabhu, GM, MSPL Gases Ltd., welcoming Shri. V. S. Jain, Chairman, Steel Authority of India Ltd.

Gas Division posts an impressive 38.96% growth

Keeping the tradition alive, even this year the Gas Division recorded notable growth. Sales (In Cu.m) grew by 38.96% and production too posted a 36.62% growth. The secret of this consistent growth even amongst the fiercely competitive gases industry scenario is our Gas Division's unflinching commitment towards delivering customer satisfaction in every transaction.



Committed to corporate social responsibility



Shri. N. A. Baldota, CMD, MSPL Limited attended the Sustainability Reporting G3 Sneak Peak Event organised by Global Reporting Initiative held at The Orchid Hotel, Mumbai on 28th March, 2006.

The objective of the event was to familiarise the Indian Industry to the benefits of Sustainability Report and its importance in Corporate Social Responsibility.

Medical Check-up

Rs. 5 lakhs were contributed towards a "Free Medical Check-up and Operation Camp" organised by the V. R. Deshpande Memorial Trust (started by former minister Sri. R.V. Deshpande). The camp was held on the 25th and 26th March 2006 at Community Health Center, Haliyal.

Eye Camp

Nearly 95 patients underwent eye screening and 48 of them operated for cataract in the Eye Camps organised by Netralakshmi Vaidyalaya under the aegis of Abheraj H. Baldota Foundation. The camps were conducted in Hospet from 11th-13th March, 2006.

Training

To enhance productivity in MSPL, the third batch of senior management officers participated in a training workshop on 'Effective Personal Productivity' conducted by Leadership Management International Worldwide, Mumbai. Its aim was to improve work culture by developing and enhancing the following aspects:

1. Prioritisation of work
2. Focusing on High pay of activities
3. Planning in Work
4. Goal Setting
5. Effective Delegation
6. Affirmation and Visualization Techniques
7. Communication Issues

Effective personal productivity programme



Skill Upgradation

New training programmes geared towards developing new skills and enhancing existing skills were initiated in the month of November, 2005 by Dr. Vinayak K. Naik, AGM (HRD). He was able to administer training to 427 employees in the schedule as against the set target of 250. The programmes included various category of employees like Drivers, Hyva Operators, Tatra Operators, Workers, Clerical Staff, Weighbridge Operators etc.

EQAS Training Program

Dr. Sulochana, Medical Officer and Mr. Badrinath Shetty, Technician of Smt. Vasantidevi Baldota Blood Bank, Hospet attended a training program of EQAS (External Quality Assurance) by VIMS - Vijayanagar Institute of Medical Science, Bellary on 27th March, 2006. The training was for VCTC, PPTCT & Blood Bank. The program included performance evaluation on EQAS of samples that laboratories encounter in HIV testing.

Education - The accelerator of social development

The combination of education and technology has been considered the key to human progress. Education feeds technology, which in turn forms the basis for education. At the Baldota group we strongly believe that education is the key to affect long term sustainable progress. We patronise and contribute to various educational causes which include recognising excellence, providing technology and educational aids, motivating and monetarily rewarding deserving students.



Mrs. Kapadia presenting the Gold Medal to the 1st Rank holder in B.Com Final Year Examinations - Ms. Wadia Farzana,



Mr. Rajesh Kapadia presenting the Gold Medal to the 4th Rank holder in HSC Board Examinations - Ms. Reenal Mehta.

ABF GOLD MEDAL Honouring Excellence

Abheraj H. Baldota Foundation awarded gold medals to six meritorious students, who achieved top rankings in final year B.Com and HSC Board Examinations.

The awards were presented by chief guests Mr. & Mrs. Rajesh Kapadia, Chairman, Indian Merchants' Chamber at a function held on Saturday, 28th January, 2006 at R. A. Podar College of Commerce & Economics.

Computer Distribution

In continuance of our support to primary education, MSPL Limited donated computers to Government Higher Primary School, Dhanapur on Republic Day January 26, 2006. Mr. K. M. Shivadevaiah, officer Administration, MSPL Limited is seen presenting the computers to Mr. B. S. Mruthunjaya, Headmaster and Mr. K. Anjinappa, S.D.M.C. President.



Uniform Distribution

As a part of our ongoing social welfare programs, MSPL Limited distributed 1000 school uniforms to the students of the state government mobile schools in 12 locations. The parents of these students are involved in unorganised mining activity around Hospet town.

Mr. Meda Venkataiah, Executive Director (Mines), MSPL Ltd., at the distribution function. Also seen are Mr. Venkanagaud Patil, Dy. Tahasildar, Mr. Mruthunjaya, Manager Admn, MSPL Ltd. and Revenue Inspector, T. M. Mallikarjunaiah.



Scholarships

MSPL Limited was the main sponsor for Priyadarshini Academy's "22nd Annual Literary Awards and Educational Scholarships Program" on March 23rd, 2006 at the Walchand Hirachand Hall of the Indian Merchants' Chamber in Mumbai.

EMPLOYEE OF THE MONTH

MSPL

VYASANAKERE IRON ORE MINES

JANUARY 2006



K. LINGESH

Mr. K Lingesh was recognized for his safe and accident-free driving. Apart from being a punctual driver, he also admirably shouldered other responsibilities which include preventive maintenance of the vehicle for a trouble-free operation.

FEBRUARY 2006



K. BHARMAPPA

Mr. K. Bharmappa executes the machinery work of desilting the check bunds & gully plugs. He also monitors the sowing of seedlings and nurturing of plants in an efficient manner. He was recognized for his commitment, sincerity and hard work.

MARCH 2006



VYASANAKERE SRINIVAS

Mr. Vyasanakere Srinivas, a Tamrock Operator was recognised for his versatility in operation of machines like ATLAS COPCO ROC F-7-11 Hydraulic Drill. and his ability to handle them efficiently within a very short period of time.

RMMPL

RAMGAD MINES AND MINERALS PVT. LTD.

JANUARY 2006



A. RAMAPPA

Mr. A. Ramappa, an Electrical Engineer was honoured for his excellence in supervising the pipeline work and the sprinkling arrangements at the plant. He was also recognised as one of the most sincere and punctual employees.

FEBRUARY 2006



B. MABHU

Mr. B. Mabhu, an electrician by profession was recognised for taking initiative during breakdown situations and for his ability to attend to and solve electrical related problems in HEMM & Volvo 290.

MARCH 2006



D. NAGARAJ

Mr. D. Nagaraj, a Heavy Vehicle Driver was acknowledged for his excellent performance during March. Apart from shouldering responsibilities towards safety & environment, he has also shown keen interest in learning several other aspects.

Welcome to the family

Mr. Srikar S. Bhattbhatt
Company Secretary

Mr. Srikar S. Bhattbhatt joined us as a Company Secretary on 17th February, 2006. He is a M. Com, LLB & FCS and a University Gold Medalist. He has 27 years of rich and varied experience in the areas of Secretarial Functions, Legal Affairs, Financial Management, Commercial Liaison and Administration.


Mr. Veerendra Agarwal
General Manager (Audit)

Shri. Veerendra Agarwal joined us as a General Manager (Audit) on 14th February, 2006. He is a M.Com and a CA with over 21 years of experience in various organisations.


Capt. B. W. Shirolkar
General Manager (Operations)

Capt. B.W. Shirolkar joined our organisation as General Manager (Operations) on 1st February, 2006. After completing his B.E. (Mech.) from Karnataka University and MBA from Pune University, he served as a Captain in Indian Army from 1978 to 1988. He has over 25 years of experience in various private and multinational companies. One of the significant milestones of his career has been an installation of a 125MW capacity Wind Turbine in Karnataka.



EMPLOYEE OF THE MONTH

PVS

PATHIKONDA IRON ORE MINE

JANUARY 2006



PRASHANTH KUMAR K.

Prashanth Kumar K., a weigh bridge clerk was recognized for his efficient planning, maintenance, recording and control of mineral dispatches.

FEBRUARY 2006



MOULA SAB B.

Moula Sab B., a Tatra truck operator was acknowledged for his outstanding performance and declared a role model in performing duties and maintaining the vehicle.

MARCH 2006



MEHABOOB BASHA

Mehaboob Basha, a technician with HEMM Maintenance was recognized for his major contribution in repairing, reconditioning and reassembling the damaged tipper.

IYLI

IYLI GURUNATH IRON ORE MINES

JANUARY 2006



MABU

Mr. Mabu, a sincere and regular employee has made significant contribution with his skillful, safe and fuel efficient driving to enhance efficiency and reduce maintenance cost.

FEBRUARY 2006



PATEL SAAB

Patel Saab has made commendable contribution towards fabrication and construction of oil room at the mine. He has played an active role towards replacement of screen cloths and fabrication of Blast Shelter.

MARCH 2006



D. MANJUNATH

Mr. D. Manjunath, demonstrated exemplary leadership and safety consciousness, and achieved a record production of 32.12 T in one shift (20.03.03, 11nd shift). He has also contributed towards infrastructure development and opening up of faces in the initial stage of mine opening.

MSPL is the flagship company of the Baldota Group.

Significant presence in iron ore mining and wind power generation in India.

One of India's leading exporters of high grade iron ore from the private sector.

*India's largest installed capacity for wind power generation.**

Winner of the coveted CAPEXIL Export Award consecutively for the last six years.

The company is certified for ISO 9001:2000, ISO 14001 and OHSAS 18001.

Adding value to nature's resources

Just like any successful relationship, our relationship with nature too needs to be cultivated with care, concern and commitment. At MSPL, all our products, be it iron ore or wind energy are vital resources for the economy and are derived directly from nature. It is this symbiosis of ecology and economy that has yielded us the fruits of success.



MSPL LIMITED

Nehru Co-operative Colony,
Hospet-583203, Karnataka, India.
www.mspllimited.com

BALDOTA

* Directory Indian Windpower 2005, CECL, as at March 31, 2005