



# Minds & Mettle

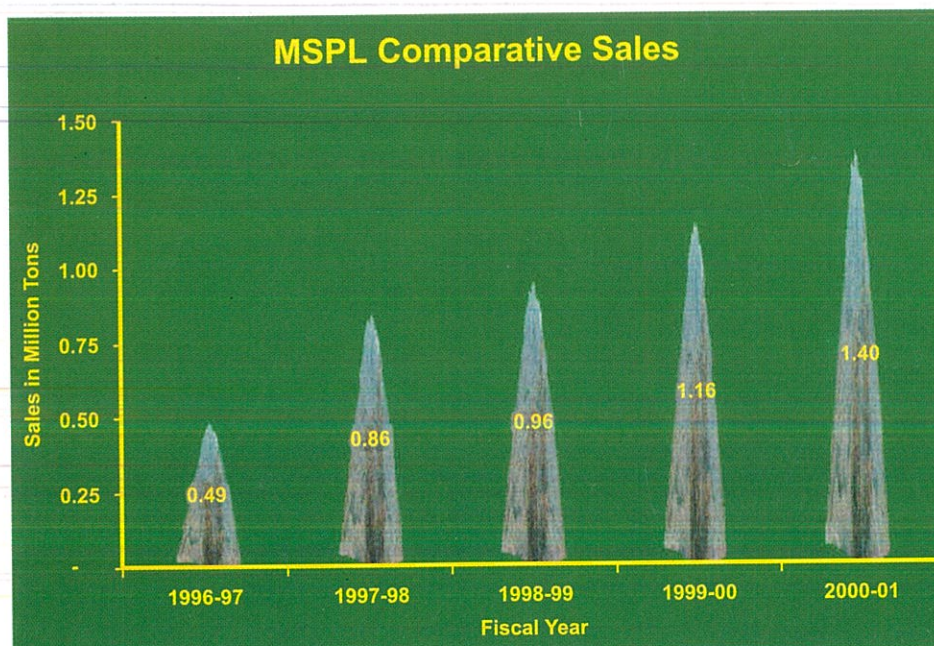
MSPL NEWS BULLETIN

Vol. 3 No. 1

January - March 2001

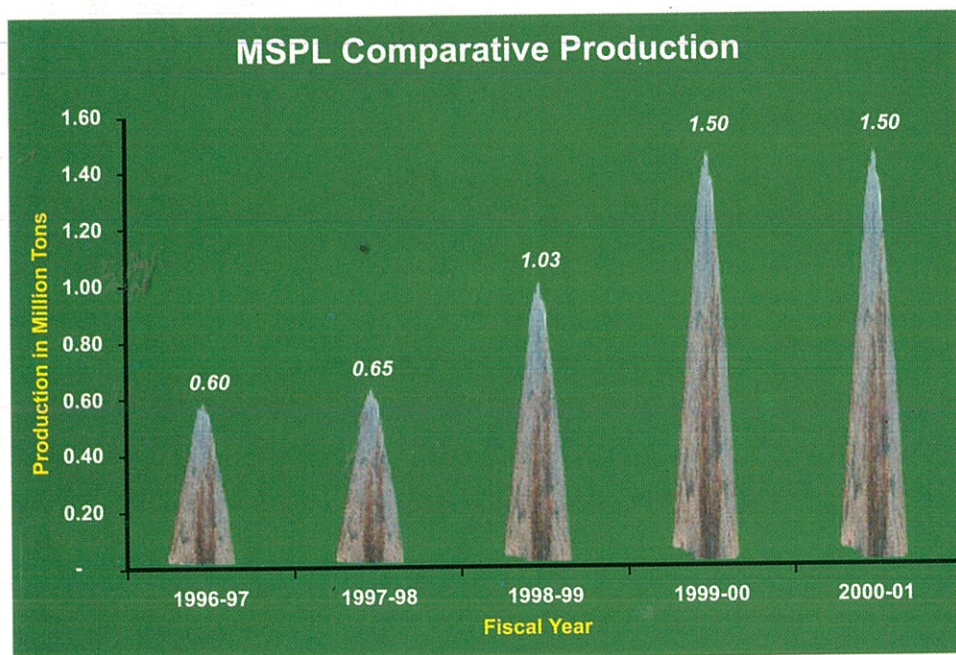
## Record Breakers

MSPL achieved a sale of 1.4 million tons during the year 2000-2001, a record as against the previous year's sale of 1.16 million tons. Thus we achieved a growth of 21%. The growth in sales is significant as the same was achieved in a recessionary scenario. Our capability to supply large quantities along with consistent quality has been well appreciated by our buyers. At MSPL we consider that this achievement in sales is way short of our capabilities. Sales were hampered due to non receipt of Export License from the Ministry of Commerce, Government of India. Logistics which pose a major hindrance to the growth of any bulk commodity-oriented business has been the strength of MSPL. With strong logistics support from experienced MSPL staff, we are poised for a big leap in the coming years. MSPL plans to achieve a sales turnover of 5 Million Tons by the year 2003-04.





Production at MSPL sustained at the 1.5 Million Tons mark. We thank our Buyers, Suppliers, Bankers, and all others for their cordial support and participation in MSPL's growth.



## More or less, after the Union Budget

The demand for Indian High Grade Iron Ore in the Chinese market is on the increase and the industry is expecting removal of quantitative restrictions in line with the economic liberalization policy of Government of India (GOI). Increased production costs due to rise in diesel prices in the Union Budget, coupled with recessionary trends since three years in the ore sector, might result in further hikes in production cost.

Frequent increase in diesel prices have been blunting the competitive edge of Indian mineral exports, and the industry is not able to compete globally. Quantitative restrictions, increased production costs and lack of infrastructure facilities have further impaired our operations.

While appreciating the steps taken by the Honourable Finance Minister towards liberalization, we believe that further support from GOI in providing infrastructure facilities will help the Iron Ore Industry to become globally competitive and face the challenges ahead in the open market scenario, which will ultimately result in sustained growth in FOREX earnings.



## VIP's Visit

MSPL is a premier customer of Indian Railways with a yearly freight bill of about Rs. 40 crores.

Mr. N. Krithivasan, General Manager, South Central Railway and Mr. Ghosh Dastidar, COM, on their inspection visit to Iron Ore loading stations in the Bellary-Hospet Sector visited Vyasakeri station. They were briefed by our Executive Director Mr. Rahul N. Baldota on the difficulties faced by MSPL in loading rakes at the station due to shorter sidings and non-availability of proper illumination facilities.



Mr. Krithivasan in discussion with Mr. Rahul N. Baldota

The General Manager agreed to take necessary measures to correct short comings at the station and smoothen rake loading.

## COMMENDATION

**MSPL receives commendation from Railways for the highest railment achieved.**



SOUTH CENTRAL RAILWAY  
No. H/T/ 485/MSPL

Divisional Office,  
Transportation Branch,  
Hubli, 10.5.2001.

Shri Rahul N. Baldota,  
Executive Director,  
M/s MSPL Limited,  
Co-operative Colony,  
HOSPET - 583 203.

Dear Sir,

Sub: Record Loading performance.

I am glad to inform you that Hubli Division has achieved a record loading performance of 6.615 Million Tonnes during the year 2000-2001, which is 27.21% more than the previous year, surpassing all the previous figures, after gauge conversion. The daily average loading in terms of number of wagons also increased to 769 wagons compared to 604 wagons during last year.

The total Iron Ore loading on the division during 2000-2001 was 3.112 Million Tonnes, of which the total Ore loading by M/s MSPL alone was 0.983 Million Tonnes which constitutes 32% of the total Iron Ore loading of the division.

Thus, M/s MSPL has emerged as one of the major contributors in the achievement of the division.

We, thank you for the co-operation extended in this regard and look forward for the continued support in achieving still better performance in the ensuing year.

Thank You,

Yours sincerely,

B. NAGYA  
(B. NAGYA)  
Sr. Divisional Operations Manager,  
S.C. Railway, HUBLI.



## Railway Budget - on track or out of track

There are exciting marketing opportunities for the iron ore sector across the globe. Major competition for iron ore production in Bellary-Hospet sector is faced from Australia and Brazil. Australian and Brazilian mining companies have large infrastructure facilities and concessionary tariffs for railway freight to boost up the mineral export industry.

Being landlocked, the iron ore from Bellary-Hospet sector is moved by rail. Railway freight constitutes around 65% of the realization, leaving very meagre margins to the producers. Brazil, a major iron ore exporter had reduced railway freight by 5% during 2000-01, facilitating the iron ore industry in that country to be more competitive. The trend of railway freight increase vis-a-vis iron ore prices during the period 1991-92 and 2000-01 has been stated below.

	1991-92	2000-01	% Change
Railway Freight (Hospet to Chennai)	INR 131.60/T	INR 403.80/T	306.80
Iron Ore Price (High grade fine)	US \$ 19.80/T	US \$ 16.71/T	- 18.60

It is evident from the above that the increase in railway freight for the past 10 years is exorbitant and a discouraging move to the Indian Iron Ore Industry. The Railway Ministry has announced an increase of 3% in the budget 2001-2002, which will further shatter the export efficiency of the Indian Iron Ore Industry. We are unable to compete with our competitor countries, Australia and Brazil in the open market scenario and hence require support from Indian Railways in competing with the world markets. The railway freight for movement of iron ore for a distance of 570 kms in India is close to US \$ 8.6/Ton as against railway freight of US \$ 3/Ton for a similar distance in Australia.



## MAN OF THE MONTH



For the month of January 2001

Mr. S. Kalander has been declared as the Man Of The Month for building new front bodies for vehicles which otherwise would have been done by subcontracting and would have incurred time delay and additional cost.

For the month of February 2001

Mr. Mahesh, Compounder has been declared as the Man Of The Month for his sincere and dedicated service and attending to emergencies at any time of the day. He is known for his interpersonal relationship with the labourers and staff.



For the month of March 2001

Mr. J. Nagappa, Driller has been adjudged as the Man Of The Month for his performance in achieving good drilling meterage and effective utilisation of drill equipments and machinery.

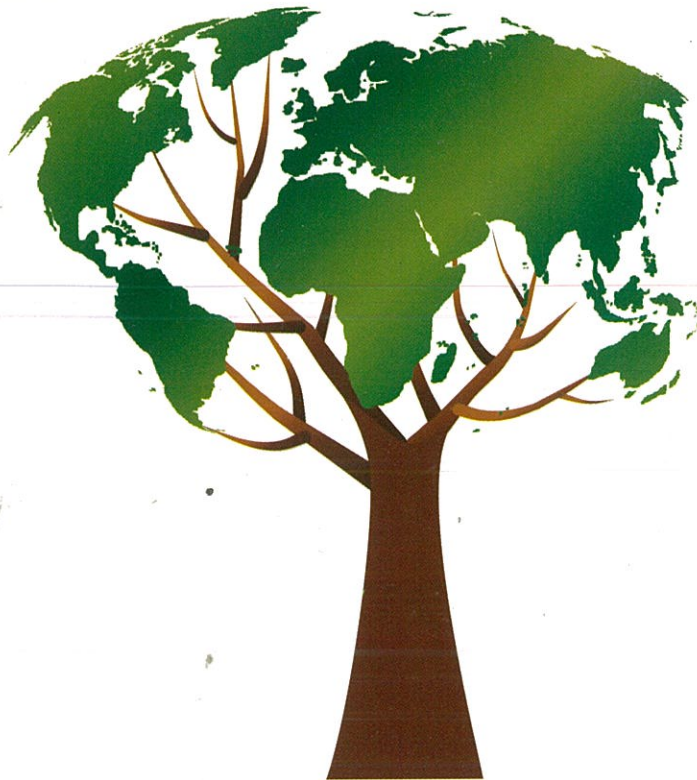
## The quake that shocked

The calamity came as a shock to the nation. When every Indian was taking pride in celebrating Republic Day, fate struck. The earthquake shook the whole of Western India taking its toll in thousands and wiping out whole cities and villages. The economy of the state of Gujarat came to a standstill. We at MSPL and other group companies shared the grief of our brethren in Gujarat and donated one day's salary towards the rebuilding of Gujarat. The Baldota group of companies donated Rs. 5 lakhs towards the cause.



Shri Narendrakumar A. Baldota (centre), Joint Managing Director presenting draft to Shri S. M. Krishna (left), Chief Minister, Karnataka  
Also seen Shri K. C. Kondaiah, M. P. (Rajya Sabha).





## ENVIRONMENT CARE... AT ITS BEST.

At MSPL, concern for the environment grows from a profound understanding that only a clean, green world can sustain the future. As part of this commitment to protect and preserve the environment, MSPL's afforestation initiative took roots as far back as 1962. Today, over 12 lakh trees of varied flower and fruit bearing species have transformed harsh mining terrain into a lush paradise, abounding with flora & fauna. Further, eco-friendly efforts like noise and dust control, resource management, rain water conservation, 0 waste management and soil erosion management systems pave the way for greener tomorrows. The coveted ISO 14001 certification awarded to MSPL's "Environment Management System" is a global endorsement of MSPL's eco-mission. A mission to make the world a better place to live in for our children.

**We care !**

## And now the weather report

The average weather for months of October, November and December has been pleasant.

	Avg. Wind Speed	Avg. Min. Temp.	Avg. Max. Temp.	Total Rainfall
January 01	4.56 kmph	20.4 °C	31.5 °C	0.0 mm
February 01	3.98 kmph	22.6 °C	34.8 °C	0.0 mm
March 01	3.48 kmph	24.0 °C	35.8 °C	0.0 mm



**MSPL LIMITED**  
(A BALDOTA GROUP)

**Head Office:** Co-operative Colony, Hospet - 583 203. Ph: Office: 28402. Mines: 28502. Grams: "HEMATITE" Hospet.  
Fax: (91) (8394) 24537, 25052. E-mail: [mspllimited@vsnl.com](mailto:mspllimited@vsnl.com)

**Regd. Office:** Baldota Bhavan, 117, Maharshi Karve Road, Mumbai - 20. Ph: 2030989. Grams: "MEMATITE"  
Fax: 022-4133799. E-mail: [mumbai.office@mspllimited.com](mailto:mumbai.office@mspllimited.com)