



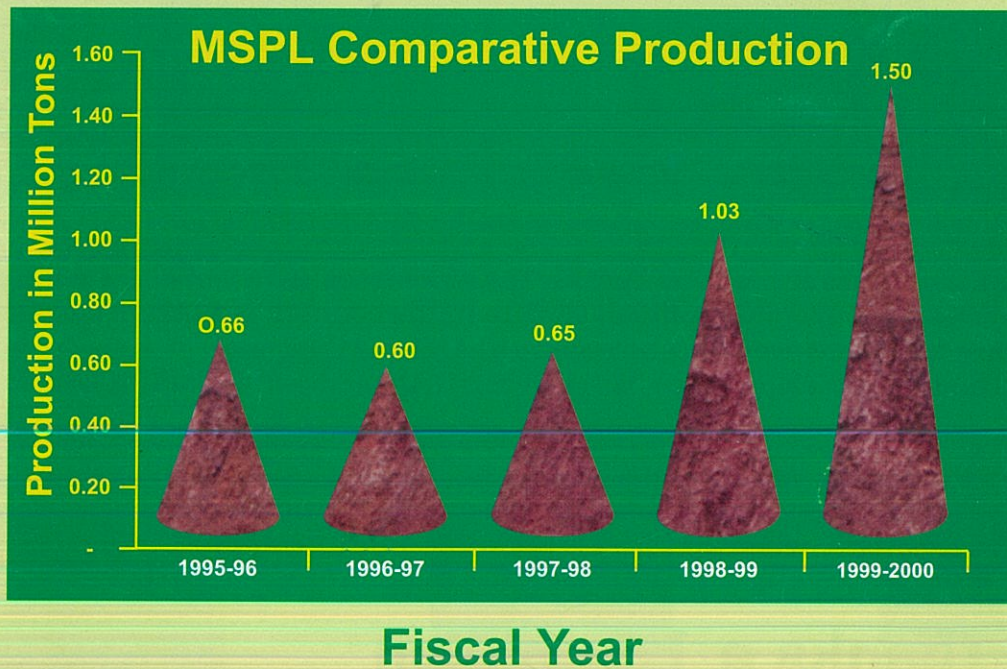
Minds & Mettle

MSPL NEWS BULLETIN

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The 1.5 Million Tons Millennium Resolution Achieved



Even as memories of the one million tons production milestone are still fresh, it's time for celebrations once again. We have achieved ONE POINT FIVE MILLION TONS. An achievement that marks an increase in production by as much as 50% from the previous year. An achievement that can only be ascribed to the minds and mettle that power a movement called MSPL. It's a time for celebration. Let's applaud the winning spirit, the vision that guides our efforts, the sense of oneness we share at this proud moment.

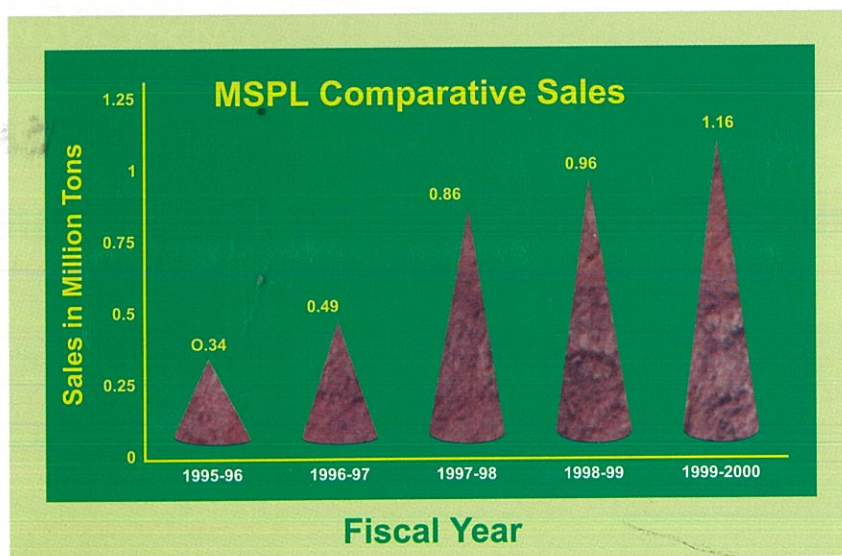
Unshakeable courage, enthusiasm, satisfaction and a will to do better permeates everyone at MSPL today. Let this spirit fill us to move forward and achieve even bigger things.

A big hand to the production team, support team, workers and all the mines staff on this truly commendable achievement.



Iron will and sinews of steel make the impossible possible. The MSPL team has demonstrated this by reaching the 1.5 million milestone in a short time since scaling the record 1 million mark. A consolidated group turnover of 1.76 MT along with Ramgad Minerals & Mining Pvt. Ltd has been achieved. An achievement, specially significant, considering the depressed global economic scenario. Not resting on the past, we are moving forward with a mission to accomplish even more. Our challenge for the year 2000-2001 is to secure Production of 2 million tons from the Vysanakere Iron Ore Mines and 2.5 million tons for all group mines.

MSPL Sales performance - 1999-2000



While production continues to scale new peaks, the planned sales target of 1.8 million tons has been scuttled by the unpredictable political climate in the country, resulting in a shortfall. The bye-elections saw to it that we did not receive the Export License in time to honour our commitments. Though the performance has been less than planned, the MSPL team is never one to be held back.

A renewed start this year with fresh zeal, vigour and professionalism will ensure that MSPL attains sales of 2.5 million tons comprising various grades of iron ore. This is no easy task, but proving the old saying right, when the going gets tough, MSPL gets going.

Thanks a 1.5 million

On the achievement of our outstanding production milestone, we share our success with our partners in business and thank them for helping us achieve the uphill task.

Thanks a lot...

Staff, Employees, Labourers, Contractors, Technical Advisors, Transporters, Bureau Veritas Quality International, M/s. BRV Goud & Co., Capexil, Chennai Port, Chinese Steel Mills, Director General of Mines Safety, Department of Mines and Geology, Essen, Federation of Indian Mineral Industries, Forest, GMMCO, Hindustan Computers Limited, Indian Bureau of Mines, Indian Institute of Chemical Technology, ICICI, Karnataka Power Transmission Corporation Limited, Kirloskar Ferrous Industries Limited, Kudremukh Iron Ore Company Limited, Karnataka State Small Industries Development Corporation, Mr. KC Kondaiah, Labour Department (C), MG Automobiles, Ministry of Surface Transport, Ministry of Commerce, MMTC Limited, Mitsubishi Corporation, Oil & Natural Gas Commission, Pollution Control Board, PF Department, Railways, Revenue Department, Regional Transport Office, Sundaram Motors, State Bank of India, State Bank of Mysore, M/s. SB Chhajer & Co., SGS, Telco, Tungabhadra Gramin Bank, Usha International and Welfare Cess.

Progress has little to do with speed, but much to do with direction.

R&D investments for future returns

Research and Development is the fresh infusion of ideas that sustains the growth of an organization. The force that ushers change and revitalizes growth. Realising the importance, MSPL has invested in cutting edge technologies that enable efficient and streamlined R&D efforts.

The Quality Control Center and R&D Laboratory is being equipped with advanced analytical instruments, along with the present Volumetric Analysis. As the volumes are increasing and keeping in view the need to develop new products, Atomic Absorption Spectrometer (AAS) and UV Double Beam Spectrometer have been acquired. The new instruments enable 100% accuracy in analysis of the ore content at a faster speed. Water analysis for environment monitoring is also being done.

As part of the plant-upgradation process following research, the existing crusher has been replaced with new technology Svedala Crushers, which ensure substantially enhanced operational efficiency.

New product development is a key focus area. We have invested in development of technology for extraction of redoxide pigment form hematite iron ore. The technology has been successfully transferred to MSPL after development.

Mining with Mother nature in mind

MSPL is committed to ensure that its mining operations and Mother Nature co-exist in perfect harmony. "Environment friendly Mining", in fact, is what we live by. Nurturing this commitment, we have commissioned extensive landscaping at the Vysanakere Iron Ore Mines. The lush landscaping around the office and residential areas, Laboratory, Temple and Children's park, has been brought alive by Dr. Jayaram (Horticulturist) from Bangalore. This effort is also part of the "Environment Management System" implemented under the ISO 14001 Certification. The green spaces enhance the aesthetics, while, even importantly, ensuring clean living and working conditions for the staff and residents at the Vysanakere Mining area.



Any body who thinks the sky is the limit has no imagination.

RMMPL inducts CAT 320 BL Excavator

To break new ground in productivity and improve efficiency, a new Caterpillar excavator with 1.1 cubic meter bucket capacity has been procured by Ramgad Minerals and Mining Private Limited. The induction of the CAT excavator, while enhancing performance will also boost operational quality at RMMPL, giving a phillip to its pursuit of ISO 9002 Certification for mining operations.



Volvo takes load off our mind

As we move ahead in productivity, we move greater loads. To keep pace with the increasing requirements, MSPL has decided to procure 30 ton capacity Volvo trucks with tipping mechanisms in the first phase. These trucks feature air-conditioned and ergonomically designed driver cabin for higher comfort levels, assuring enhanced productivity. The trucks are capable of effectively replacing three conventional tippers of TATA with a haulage capacity of 10 tons.

Where there's Vilox, there's a way.

Packing in the explosive power of Liquid Oxygen soaked fuel cartridges, Vilox Explosives make way for unhindered mining operations. A Class 8 explosive with a high VOD of 4500 - 5000 m/s, Vilox is manufactured and marketed by the Gas Division of MSPL. The division has a proven track record in employing Liquid Oxygen based Explosives since 1984 at MSPL's mining operations as well as in other mining companies.

Vilox is far superior to ordinary explosives on numerous parameters. It can be customized for use in shallow or deep holes with diverse and varying diameters, enabling a better explosive yield. It offers high safety assurance, being active only while the fuel cartridge is soaked in Liquid Oxygen. In the case of a misfire, for instance, the area needs to be cordoned for just a couple of hours, allowing the Liquid Oxygen to evaporate, making the explosive inactive.



Rigorous and continuous R&D is undertaken for customization and development.

Further, there is no requirement for customers to maintain inventory of explosives, as MSPL maintains it for customers. In fact, MSPL provides "Complete Blasting Service", bringing the explosives to the blasting site on call. This includes the services of qualified and highly experienced explosive experts who'll manage the blasting.

Eminent clients like NMDC, SMIORE among others endorse the superior performance of Vilox and the high quality of service offered by MSPL. Trials at other limestone mines have also been undertaken.

Failure to hit the bull's eye is never the fault of the target.

Budget undermines confidence

The Union budget presented on 29th February 2000 offered virtually no relief for the mining sector, while adding to the cup of woes. The input costs of mining in the form of spares, tyres and capital equipment are likely to increase, as Central Excise Slabs of 8% and 24% have been eliminated and a uniform slab of 16% has been fixed with a few exceptions. Further, a 2% Service Tax on the services rendered by transport operators and C&F agents has been imposed on the service-user with retrospective effect from 16th July 1997 to 1st August 1998.

Additionally, 20% of the export income will now come under the Income Tax cover along with retention of IT surcharge of 10%. This will hamper the profitability after tax in the industry, which is already facing an economic downturn. Aggravating the situation further, carry forward of depreciation and accrued business loss has been eliminated for calculation of Minimum Alternate Tax. The dividend tax has been increased from 10% to 20%.

Railway Budget derails growth

Though the Mining Industry contributes substantial might to keep the wheels of the nation moving, the relentless increase in Railway Freight has only contributed to a slowing down of growth. Numerous representations at various levels have been made by the Industry for reduction of freight from the present abnormally high levels. An alarming scenario where freight is more than 60% of the sales price. Despite the efforts and contrary to the need of the hour, the freight has been hiked again. If this trend persists, remaining competitive against formidable competition from Brazil and Australia will be a losing proposition.

Man of the Month



**FOR THE MONTH OF
JANUARY**

Mr Hanumantha

- Welder

Employed in the Fabrication unit, he is credited with efficiently executing alterations and new erections in the processing plant well within the time allotted for the task.



**FOR THE MONTH
OF FEBRUARY**

Mr H. Lingappa

- Ore Dressing Engineer

He is commended for effecting an increase in working hours of the Slurry System Plant. The plant recorded 335 and 382 working hours during January and February respectively, in comparison to earlier highest at 257 hrs.



**FOR THE MONTH
OF MARCH**

Mr A. SOLOMON

- Mines foremen

Mr. Solomon has been chosen for his leadership qualities in managing machines and tipper logistics at the mines. His active involvement and ability to co-ordinate work with other departments well are recognized.