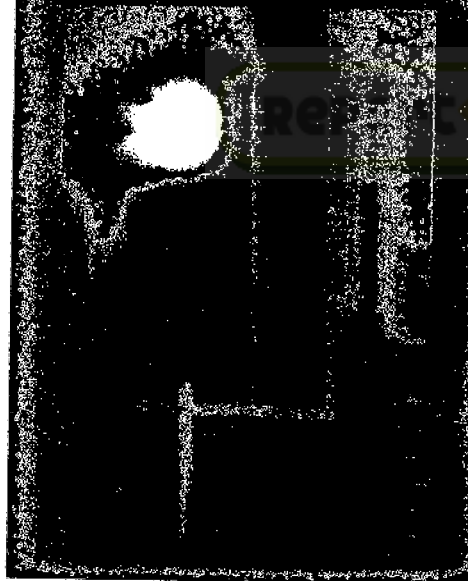




Pillars of strength



MSP GROUP
THERMEX 722 3A20

MSP STEEL & POWER LTD.

A N N U A L R E P O R T 2 0 0 7 - 0 8

MSP STEEL POWER LIMITED

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BOARD OF DIRECTORS

Chairman	:	Mr. Puranmal Agrawal
Managing Director	:	Mr. Suresh Kumar Agrawal
Non Executive Directors	:	Mr. Manish Agrawal
	:	Mr. Saket Agrawal
Independent Directors	:	Mr. Arvind Kumar Saraf
	:	Mr. Navneet Jagatramka
	:	Mr. Amit Mehta
	:	Mr. Niranjana Dash

OTHER CORPORATE INFORMATION

Company Secretary	:	Miss Pinky Gupta.B.Com (H), ACS
Auditors	:	M/s. Dwarka Ashok & Associates, Chartered Accountants
Bankers	:	State Bank of India ING Vysya Bank Andhra Bank UCO Bank Indian Overseas Bank State Bank of Mysore State Bank of Indore
Registered office	:	1, Crooked Lane, Kolkata- 700 069 Ph. No. (033)22483795 Fax No. 22484138
Corporate office	:	16/S, Block-'A', New Alipore, Kolkata- 700 053 Ph no. 24570038/3940 Fax No. 24582239 E-mail:- investor.contact@mspsteel.com
Share Registrars	:	Karvy Computershare Pvt. Ltd. 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500 034



Vision of Progress



Mr. P. M. Agrawal
Chairman

Our Vision is to focus on strengthening our core competencies to grow horizontally and vertically across the extended value chain, maximise shareholders value and generate wealth for the nation.

Mission of Success

To emerge as one of the leading producers of high quality, low cost steel in India. Also be an active partner in taking India forward as a self-sufficient steel industry in the global forum by manufacturing premium quality products from indigenous raw materials, and eventually contribute to the country's growing infrastructure.

Report  Junction.com

Chain of Success

Structural Rolling Mill

TMT Bars

Sms (Steel melting shop)

DRI (Direct reduced iron)

Pellet Plant

Coal Washery

Mining

MSP has complete integrated set up from mining to structural mill, which makes it one of the low cost producers of steel and establishes itself as a prominent player in the steel sector. The company has set up Pellets Plants as Backward Integration. Forward Integration includes entry into Specialised Steel, that will be used in the Automotive sector and Structural Steel, that will cater to build the infrastructure of the country.

Mines to Markets

MSP is involved in mining which is necessary for stability and security as it produces its own raw materials for steel making thus balancing the price-war fluctuations in the market, while assuring uniformity in quality. MSP is developing its coal mines and is expected to commission in 2010-2011. MSP is in its advanced stages of being allotted iron ore mines. Ultimately this will make MSP one of the lowest cost producer of steel. MSP is pursuing manganese ore and limestone mines for future diversification.

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Steel for Infrastructure

TMT BARS

MSP uses the advanced thermex technology to produce high grade TMT bars that exhibit high point, surface hardness, toughness, ductinity and weldability, conforming to the latest ISI standards. MSP is certified with ISO 1786-1985, and suppliers to all major infrastructure housing projects in India. The project also conform to international standards as the ASTM A615 Grade 60 of USA, BST 500 of DIN, 488 of Germany, BS 444 Grade 460 of GB among others.

STRUCTURAL ROLLING MILL

The company is setting up Structural Rolling Mill of 1'28000 Metric Ton p.a. to manufacture heavy and light structural steel.

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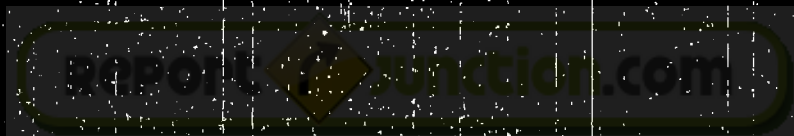
PELLETIZATION

MSP had visualized a crunch in the supply of Iron Ore due to high demand in international market and exorbitant prices and accordingly has taken steps to set up Iron Ore Pellet Plant. As a first step, pellet plant of 300000 MTPA has been undertaken and the same will start production by October 2008. Subsequently further expansion will be undertaken.

In the process of extraction as well as crushing of Iron Ore, dust and fines is generated, which is not suitable for steel making. Millions of ton of fines and dust is being dumped by the mine owners as wastes.

Further iron Ore containing Fe of less than 60, is not suitable in the DRI plants or in any steel making plant. Taking this in view MSP is setting up Iron Ore Beneficiation plant, wherein low grade of iron ores will be processed and upgraded to the higher grade. This upgraded ore, fines and dust will be used in the pellet plant and the resultant pellets will be used in the DRI plant. The cost of the whole process of buying & upgrading iron ore fines and converting into pellets, will cost around approx Rs. 2500/- per ton and this while substituting Sized Iron Ore, will bring in substantial cost savings.

REPORT JUNCTION



Efficiency in Energy

POWER

MSP generates 24 MW of Captive Power from waste heat, washery rejects and middling to meet its power requirements; thereby adding value through low fuel cost, that ultimately adds to its bottom line.

COAL WASHERY

MSP Coal Washery facilitates in improving the coal quality, thereby increasing productivity of the Sponge Iron Plant.

RAILWAY SIDING

MSP has its own Private Siding at Jamgaon for Captive purpose.

