
MSPL to set up two iron ore plants in Bellary

Thursday, 17 Sep, 2009

Bellary based iron ore mining company MSPL Ltd is planning to set up two iron ore beneficiation plants in the iron ore rich Bellary district of Karnataka. Both the plants, which will have 1.2 million tonnes capacity each, will be set up with an estimated investment of INR 650 crore.

Mr Meda Venkataiah ED mining of MSPL said that “We have already taken approval from the state high level clearance committee for our new investment proposal and the water required for plants from Alamatti dam across Krishna River. We are in the process of acquiring land from Karnataka Industrial Area Development Board for the proposed plants.”

He said the company will be raising funds from the financial institutions as well as from its own internal accruals to finance the proposed project.

He said the company will be setting up two iron ore beneficiation plants at an area spread over 500 acres at Waddarahalli and 450 acres at Nandibanda villages near Hospet in Bellary district. MSPL proposes to use Banded Haematite Quartzite which is low grade iron ore with 35% to 37% iron content, for extraction of iron ore fines. By removing silica from this ore, the company plans to separate iron ore fines and enrich it up to 64% iron.

The company proposes to utilize the iron ore fines as the basic raw material for its upcoming pellet plant at Koppal.

Mr Venkataiah told Business Standard that “We are currently extracting 5 million tonnes of iron ore and exporting it completely to our customers in China. Since we are setting up a pellet plant which will be operational by the end of 2010, we will fall short of iron ore for exports. With these beneficiation plans we plan to meet the shortage.”

Mr Venkataiah said that MSPL is currently storing BHQ ore at its existing mines in Vysanakere of Bellary district which will be used as raw material to extract iron ore fines. The company is expected to open another mine at P K Halli in Bellary district which it acquired from Dalmia group. From this mine, which has an iron ore reserve of 50 million tonnes, MSPL plans to extract 2.5 million tonnes additional iron ore every year.

The company is also in the process of doubling its iron ore output to 10 million tonnes per annum by 2012. Mr Venkataiah said that “We have taken on lease two more iron ore mines in Sandur area and currently waiting for the forest clearance. We expect to start mining in the next 3 to 4 months.”

(Sourced from Business Standards)

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