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Quote for the Quarter

Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.
- Andrew Carnegie



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From the MD

The world of business has become fiercely competitive, with global behemoths coming into India, investing in assets, people and gaining on their financial muscle. Leading Indian industrial houses are also making strategic investments to diversify, increase scale and size, thus becoming harder to contest with.

This raises a critical question for a group our size – how do we challenge the biggest, not only in India anymore, but also the world.

I am a firm believer that to achieve the required level of competitiveness, two critical factors are:

- Having the best people on board;
- The ability for remarkable execution, both of projects and services.

We have reached a stage in our existence where the quality of people shall make the difference on how successfully we move into a bigger scale of business. Good people do not come easy, and we do suffer from a severe shortage of the same in the Indian economy. But at Sara, we must promise to ourselves that we will not compromise in the quality of people we recruit, no matter how hard the search. Second best is not an option – we must fight to get the best and protect our finest.

Secondly, as we move up in the business world, both in terms of size and stature, we would be known by our ability to execute our commitments. **Execution** and **hands on control** should become keywords for us, so called “mantras”. Be it in manufacturing towels, loading bulk vessels with iron ore, sourcing for global retailers or supplying coal to a power plant! We need to know each and every detail of our business, all the time, consistently.

I hope that the above two principles will improve our way of doing business, and help us end the financial year on a strong note.

Last but not the least, as 2008 dawns on us, I would personally like to wish all our people, suppliers, customers and partners a very happy and prosperous New Year. A thing to always remember “Time is what we make of it”!!

D. P. Singh

Sara International Ltd

Ore and Minerals

The Minerals team crossed yet another landmark when we sold our material recently to the second largest private sector steel mill in China. We can now boast of being a direct supplier to the end user. The last quarter gone by was one with mild operations owing to the slow movement from the mines area, resulting in smaller shipments from the ports. Nonetheless in quantum terms the exports may match up the targeted upper six digit figures for each quarter. This includes the trading activity from our overseas office in Middle East. The quarter was also one where we improved on our customer ties by way of adding new suppliers as well. Two more new mines were added to our supplier list, thus enhancing our base in the mines region.



After the monsoons finally passing off, we can now look forward to the next quarter where we expect to move ahead with renewed vigor and wind up the financial year on a satisfactory note.

This quarter also marked the commencement of our operations for shipments out of Gopalpur Port. With about three rake loads of material already dispatched to Gopalpur Port we are now targeting our first shipment from this port during this month itself. We are quite hopeful that by the time this newsletter goes into printing, we should be loading our first vessel, which not only shall be a first for us, but also for Gopalpur Ports Ltd.

Sara International Ltd. would soon be venturing into new territories after having received the approval from Gopalpur Ports Ltd. for making its iron ore shipments through Gopalpur Port during this coming season. The feasibility study is already underway and completion is expected by Mid January 2008. We expect to sign an exclusivity contract with Gopalpur Ports Ltd. for iron ore exports from their port, very soon.

The project code named "Fire" that kick started in the last quarter is still in its nascent stage and is expected to take shape in the coming quarter. Watch out for details in the next bulletin.

Special Note

We also wish to congratulate our Barbil office for completing one year this month. It was in December 2006 that we had set up our Mines Office in Barbil. The formal office was inaugurated in March 2007.

We also take pride in completing the first year of our WIS Rakes, which were commissioned in December 2006, with an impressive 90 % Capacity Utilization.

We are proud believers that "Change is the only constant"

Steel and Metals

The steel team imported Sara's first order of galvanized steel coils, which arrived at Chennai port in the latter part of December. We are now looking at stainless steel imports into India.



Semi finished and mild steel continues to be a sluggish business out of China, and a lot of our focus is to begin sourcing out of the CIS countries.

Procurement of steel and brass forgings continues for one of our biggest customers in the USA. First stage trial samples have been dispatched, and on approval, we shall move into finished production.

Sara also obtained its first order of stainless steel screws from a large European customer, which not only adds to its product portfolio, but also takes the company further up the technical knowledge value chain.

Coal and Energy

Sara's first shipment of coking coal arrived on board MV Ikan Suji from Australia at Paradip port. This hard, prime quality coking coal was evidence of the big step Sara took towards becoming a supplier of coal and energy products into India.

We have entered in to an agreement to procure metallurgical coke from China, which is under loading as this issue of Sara Connect is being published. Owing to a shortage of coking coal in India, we believe that metallurgical coke shall be in short supply as well in the beginning of calendar year 2008.



Another trip to South Africa was undertaken to proceed with negotiations on procurement of thermal coal for next year. Discussions were positive, and we are confident of proceeding on the right track.

The team building process is under way, and as we go out on our search for the best, we continue to believe that the slow and steady, win the race!!!

Retail Sourcing

HRG - the new talk in town...is waiting to explode beyond proportions...nonetheless the last two months have demanded patient perseverance...

The recent trip to Hong Kong (HK) for attending a trends presentation was also an opportunity to meet the top guns in HK and formalize a strategy to increase the pace to move forward.

To begin with, we have been very successful in meeting HRG's expectations for finding alternative sources for their products and meeting the preset target of reducing their procurement costs as compared with their current source.

Going forward we see this division growing to USD 10 million in the next one year. We have added few good heads, and can expect exponential growth in the team size. First shipments are expected to begin from March 2008.

We look forward to source following product categories for HRG:

- Jewellery (gold, diamond and silver)
- Home textiles (carpets, curtains, cushion covers, throws to name a few)
- Ironmongery, brassware for doors
- Garden tools and accessories
- Furniture

It's a long journey and the day has just begun!!!



Sara Textiles Limited



This quarter, we expanded production volumes with the addition of 8 new dobby looms. These are 280 cm wide TSudokama Zax E machines. With this we completed our first phase of expansion and our current installed capacity has become 3150 MT per annum.

We are passionately pursuing our second phase of expansion in which our loom capacity shall increase to 48 looms. These looms shall be in house by the end of next quarter. In addition, we are also looking to add some more capacity in the dyeing department.

Sara Textiles Limited celebrated its Diwali function with lot of gaiety and fervor. The occasion was graced by a delegation from one of our oldest customers, Textil Promet, Croatia. The factory staff presented a cultural program and the best achievers from all the departments were adorned with special awards

The next quarter and new year starts with Heimtextil 2008 in Frankfurt from Jan 09 - 13, 2008. There shall be the display of our new range of products, designs and colors, which have been created with the help of overseas designers and the color forecast received from the Heimtextil team. We are located in the fair at Stand no. 10.0 B67

We are keenly looking at developments in the Indian retail industry and the home furnishings business. We are also actively pursuing to strengthen our presence in the Indian market as a strong home furnishing brand. With the joining of a new Marketing manager (Domestic), the team is looking further than the existing level of domestic business and evaluating new possibilities.

Gopalpur Port

For Gopalpur Port, the last quarter was filled with hectic development activities that led to the formal opening of the port on November 25th 2007. The first vessels started arriving at Gopalpur in the middle of December and since then the port has handled Ilemenite, Iron Ore and Fertilizer.

The major works that have been done in the last quarter include building of two groyne's (stone wall in the sea) to protect the approach channel. For this, we mined approximately 200,000 tons of stone and placed it in the sea. Along with this, dredging of the approach channel was also done to ensure that the required depth of the channel was achieved. Besides this, the preparation of the stack yards (30,000 m²), repair of godowns, restoration of roads, preparation of railway siding, installation of weigh bridge were among the many other things executed during this period.



Besides the above-mentioned words, SIL also purchased a 750-Ton barge (Tolani VIII) for operating at Gopalpur. Besides Tolani VIII, GPL has chartered two more barges – Ramal (1200 Tons) and Iqra (1000 Tons) for anchorage loading at Gopalpur.

On the planning front, the finalization of the port layout for the 1st phase has been done and various engineering and topographical studies are being done to freeze the most optimal designs of the berths, breakwaters, etc. We have new brochures for the company and also went live with our first website (www.gopalpurports.com). We welcome any comments or suggestions that you may have.

Ohio Learning Systems

As we are about to step into the New Year, we take with us beautiful memories of the previous year. This quarter has been a very pleasant one, both on the personal and professional front.

Professionally, we successfully implemented the Salary Slip application for the Finance department at Sara International Limited. OLS has bagged a couple of new projects from Sara Textiles and Sara International to automate their Order Management System. Rupan Gupta had a fruitful trip to the USA for working with SmartVM and helped in noticeably marking up their sales.

The activities of the IT Help Desk are consistently increasing with time. The growth has been recorded in the list of clientele in all the processes i.e. K-12, IEP and Law firms. Mukul Kukreja has joined the stream in Nov 07.

Congratulations to Mr. & Mrs. Vikas Saxena and Mr. & Mrs. Sandeep Arora, for being blessed with a baby boy each and Mr. & Mrs. Nihar Prasad Ratha for tying up the Neptunian knot on 5th Dec 07. We wish all the three couples a wonderful innings in their enhanced social status.

Magnum Resources

Magnum recently participated in FESPA WORLD EXPO-2007 held at Pragati Maidan - New Delhi from 07 to 09th December'07 with a newly added Walz Schenk Screen Printing Machine of Germany – a leader in this industry.

The following brands enlarged the ever-growing portfolio of Magnum – a company providing complete solutions to the Garment & Textile industries.

- Colour Matters USA – Designing & Marketing software.
- New Mec. Italy - Automatic folding & packaging machines.

Magnum is participating in Garment Technology Expo-2008 to be organized at NSIC, Okhla industrial Area, New Delhi from 18th to 21st January 2008.

Diwali Function

A colourful Diwali function was organized at the Sara Textiles Nalagarh factory premises.

The function was attended by more than one thousand people from Delhi, Chandigarh, Nalagarh and our special guests from Croatia.



The chief guest Mr. Simic along with our chairman Mr. Chandan Singh, Mrs. Abha Singh, Mr. Joginder Singh and other esteemed guests lit the lamp.

The function was a mixture of variety of programmes. Spectacular Giddha and Bhangra performances by our in-house workers and managerial staff boys was greatly applauded by the audience.

Young Children presented a unique fashion show of Sara Towels and even gave mesmerizing dance performances.

The best performers were felicitated with gold coins and several welfare schemes for the young children of workers were also announced.



Knowing Us

Mr. S. M. Dwiwedi *Director (Sara Textiles)*

Briefly describe your job at Sara

My role at Sara is a mammoth task of dealing with varied activities. Planning for new ventures, directing and executing production plans, marketing, interpersonal co-operation between various departments and powerful international business promotion are a few of my roles. Human Resource Development is another important role which I love doing because I love all the people who are associated with me and I value their contribution in the growth of this organization.



How do you see your future at Sara?

As a growing organization (SARA TEXTILES LTD.) brings with it greater responsibilities, so I perceive that future will provide greater opportunities in area of forecasting, planning, executing and organizational building.

What are your aims while in your current role?

Currently, we are aiming at 40% growth on year to year basis. My aim would be to develop a

- No-nonsense business acumen.
- Provocative business development.
- To increase operative efficiency in all spheres.
- A platform for employees where they can contribute with self esteem for their development. My constant endeavor would be to provide a great work environment for them to perform their best.

Your idol in life...and why?

My idol in life is my grandfather who inculcated honesty, dedication in my behavior, a vision, persistence, integrity and respect for superiors, subordinates, peers and self. He also taught me the rule of simple living by REDUCING YOUR NEEDS AND MANAGE IN ALL CIRCUMSTANCES.

According to you, what is the most critical element for corporate success?

I believe that in present era of competitiveness, only the fittest organizations will survive and grow. Therefore, the critical elements for any corporate success are:

- Quick decision making
- Financial discipline (Don't go over budget)
- Put the importance of Bright Idea and not the source or Idea
- Effective execution of plans
- A good managerial and worker team

New Joiners

Mr. Rajesh Sood
Head (Textiles and Soft lines) in Retail Sourcing

Mr. Amulya Jena
Ores and Minerals

Mr. Sandesh Wadekar
Sara Textiles

Ms. Ruchira Asthana
Manager (Hardlines) in Retail Sourcing

Mr. Mahinder Singh
Branch Incharge (Amritsar)

Mr. Debendra Pati
Branch Incharge (Paradip)

Mr. Sanjeev Kumar
G.M. Marketing (Coal & Energy)

Mr. RaviKant Bharti
Sara Textiles

Mr. Vishwajeet Dev Nath
Sara Textiles

Mr. Sumit Roy
Manager (Quality and Compliance) in Retail Sourcing

Sara Group

Sara House
A - 31 Haus Khas
New Delhi - 110016
Tel: 0091-11-2651 7128
Fax: 0091-11-4102 3362