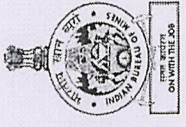




भारत सरकार/Government of India
खान मंत्रालय/Ministry of Mines
भारतीय खान ब्यूरो/Indian Bureau of Mines
हैदराबाद क्षेत्रीय कार्यालय/Hyderabad Regional Office



Phone No. : (040)-27539992/2753993
Fax No.(TF): (040)-27539991
E-Mail : ro.hyderabad@ibm.gov.in
No. AP/VSKP/MP/Semi.Pre-24/Hyd

Room No.603, 6th Floor,
CGO Towers, Kavadiguda,
Secunderabad – 500 080
Date. 28.01.2019.

To

Sri Beela Srinivasa Rao,
s/o. Suryanarayana,
Kota Veedhi,
Choudavaram (V) & (M),
Visakhapatnam District,
Andhrapradesh State.

Sub: Submission of Review of Mining Plan in respect of Pappusettipalem Semi Precious Stones Mine of Sri Beela Srinivasa Rao over an extent of 7.204 Hc. in Sy.Nos. 72/P,74/P and 75 of Pappusettipalem Village, Golugonda Mandal, Visakhapatnam district, A.P. submitted under Rule 17(2) of MCR, 2016.

Ref: Your letter no. nil dated. 28.12.2018 .


Sir,

With reference to your letter cited above on the subject, inspection of the mine was carried out on 18/01/2019 by Shri M.Pratap Reddy,AMG, accompanied with Shri. S.N.Suresha,QP and Shri Satya Rao, Geologist and found certain deficiencies as given in Annexure. The same scrutiny comments have already been forwarded to you and your Qualified Person on respective e.mail ids i.e., ramanapalla26@gmail.com and suresha.geologist@gmail.com.

02. You are advised to attend these deficiencies as per the annexure and resubmit the document, complete in all respects, in three bound copies along with soft copy in the form of CD (2Nos.). In this regard you are directed to submit the Financial Assurance in the form of Bank Guarantee for the area put on use for Mining and allied activities @ Rs.Two lakhs/hectare for category 'B' mines provided that the minimum amount shall be Rs.Five lakhs as per the provision of Rule 27(1) of MCDR, 2017 at the time of submission of final copies of the document within 15 (fifteen) days from the date of issue of this letter, failing which the document will be disposed without giving any further opportunity.

03. The para-wise clarification & the manner in which the deficiencies are attended should be given while forwarding modified document.

Yours faithfully,


(Shailendra Kumar)

Regional Controller of Mines

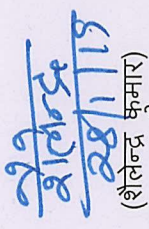
Copy Shri S.N.Suresha, QP for information and necessary action.



(Shailendra Kumar)
Regional Controller of Mines

मूल पति पर नहींकः

खान नियंत्रक (द), भारतीय खान ब्यूरो, बंगलुरु।


(शैलेन्द्र कुमार)

क्षेत्रीय खान नियंत्रक

Scrutiny comments on the Review of Mining Plan for Semi precious stones over an extent of 7.204 ha in Sy.nos. 72/P,74/P and 75 of Pappusettipalem Village, Golugonda Mandal, Vishakapatnam district,AP of Sri Beela Srinivasa Rao.

General:

1. The Cover page should display with the details like lease period (Grant & Expiry Date), Mine code, IBM registration no, proposed plan period, Lessee's Address, Qualified person's addresses including mail id and contact nos.etc.
2. The Review of Mining Plan is submitted for the period 2014-15 to 2018-19 with effective proposal of 2018-19 in which two months have been left out and moreover, it is a lapsed period. The "Review of the Mining Plan" be submitted for the ensuing five years period i.e 2019-20 to 2023-24 In this connection it is to say that the holder of a mining lease shall submit the mining plan to the competent authority for review at least one hundred and eighty days before the expiry of five years period for which it was approved on the last occasion, for mining operations for a period of five subsequent years. The lapsed period of the Review of Mining Plan be properly justified with the valid reason.
3. The Semiprecious stones occurring in the ML area be spelled out.
4. The lease sketch has not been authenticated with the Geo co-ordinates by the Competent State authority for its correctness. Accordingly all the Plans and sections should be in confirmation with the authenticated Sketch.
5. The mine opening notice has not been submitted. Monthly and Annual returns since beginning under rule 45(6) (a) and (b) of MCDR, 2017 have not been submitted.
6. A working in the form of a trench has been observed in the buffer zone under High tension power lines.
7. The ML area has not been connected with Ground Control points(GCPs).
8. The status of Environmental Clearance be spelled out.
9. The status of the ML under Rule 20 of MCR 2016 be spelled out.
10. The signature of the lessee does not confirm to signature done in the Plans & sections and Lease sketch.
11. The document contains lot of typographical errors.

Introductory Note:

12. The details of production done since commencement of mining operation be enclosed along with the Monthly and Annual returns.
13. No valid reason for non submission of Review of Mining Plan has been furnished.
14. Para 1.0 a) (Name and Address of the Lessee): Complete postal address of the lessee including the mail id and contact address be furnished. The proof of address along with Photo id of the lessee should be furnished.
15. Para 1.0 b) (Name of Qualified Person----): The annexure no. have not been properly addressed.
16. Para 1.0 e) (Minerals which the lessee---): The semi precious stones that are occurring in the area be mentioned.
17. Para 2.0 a) (Lease details): The Geo co-ordinates furnished in the document have not been authenticated by the Competent authority.

18. Para 2.0 (b): The Survey nos. be properly furnished as per the Government proceedings. The ML area mentioned to be adjacent to the subject ML area be checked once. The Latitude and Longitude mentioned in the details of lease area be checked for its correctness since they differ from the readings referred elsewhere. The infrastructure as mentioned be properly dealt with adequate inputs.
19. Para 3.0 (Details of Approved Mining Plan): The validity of the approved proposals be mentioned.
20. Para 3.3 (Review of approved Mining Plan): The earlier approved proposals of the various items of the mining plan may be reviewed on year wise basis in Tabular form. Besides, the review of approved proposals, the lapsed period also be reviewed with due justification for deviations if any. The total of year wise production be checked for its correctness. The litho units be distinctly spelled instead of in abbreviations.
21. Para 3.4 (Give status of compliance of violations----): The status of compliance of the Violations during the preceding five year period and current five years period has not been furnished in Tabular form with the relevant Violation letters and replies thereof in Annexure form. Violation of MCDR Rules and a Show cause notice was issued and on contrary, it is stated that no violation letter is issued.
22. Para 3.5 (Indicate and give details of any suspension----): The mining operations have been suspended in the year 2013. However, no such information has been furnished.

Part A

Geology and Exploration:

23. Para 1.a.) (Briefly describe the topography-----): A reference from which the MSL has been carry forwarded be mentioned. The topography of the ML area be dealt as per the ground conditions. Under vegetation it is stated that ML area is surrounded by barren land but Environment Plan and the ground conditions depict that there exists cultivable lands.
24. Para 1.b (Regional Geology): Regional Geology has not been dealt as per the guide lines and the formation has not been properly equated instead local geology has been furnished.
25. Para 1.c (Detailed description of geology-----): As per the field observation there is no incidence of Lepinite rock in the subject ML area. It may be clearly spelt out the two modes of incidence of Semiprecious stones viz 1) insitu form and 2) Colluvium form. These areas be distinctly marked on the Surface Geological Plan. The physical and chemical characters of semi precious stones each occurring (Cats eye, Chrysoberyl, Tourmaline etc) in the ML area be described separately. Based on the mode of mineralization/occurrence of Semi precious stones, the type of deposit be spelled out/defined.
26. Para 1.e (Details of prospecting/exploration---): The exploration so far carried out be defined in terms of grid density and MEMC Rules 2015. Further the scale of Geological exploration be marked as per the exploration done so far. The location of Trial pits be defined in terms grid values and proper run wise lithology be distinctly furnished in a order of sequence (vertically). Photographs of Trial pits showing mineralization should be furnished. With regards to Boreholes it is stated that 6 DTH holes have been done but as per the field observation, there is no such drilling done in the area. The bulk density and recovery test results furnished in Text are not acceptable. These field tests viz. Bulk density, Recovery test and Mineralogical study for Semiprecious Stones in subject ML area be carried out through an NABL accredited or Govt. lab.
27. Para 1.j (Broadly indicate the future programme of exploration---): The proposed exploration activity be divided in two parts Viz 1) Colluvium zone where Trial pits be proposed and 2) Pegmatite Zone where core drilling be proposed.

28. Para 1. J (Reserves and Resources-----):The Reserves/Resources are not furnished according to proper UNFC codification thereby mentioning cut off grades and threshold values considered for the estimation in terms of MEMC Rules(Minerals(Evidence of Mineral Content) Rules 2015. For the purpose of ascertaining the UNFC code following procedure may be adopted –

- (i) Identify the category of your deposit as per MEMC Rules(Minerals(Evidence of Mineral Content) Rules 2015 guidelines (out of category I to IV)
- (ii) Classify status of exploration based upon the parameters furnished under the specified table for Geological Axis i.e. G1, G2, G3, G4 etc. and also mark it on relevant plan & sections.
- (iii) Now based on the stage of your study identify status of Feasibility Axis as per the relevant table i.e. F1, F2 or F3. A proper feasibility or prefeasibility report having useful information on social ecological aspects, various clearances & permissions, statutory obligations, market sensitivity, cost variation, historical sale value data, cost analysis with cash flow, cost of production, sale value etc to assess economic viability is to be furnished.
- (iv) Based on the information contained in Prefeasibility or Feasibility study, furnish the cost benefit analysis for Economic Viability i.e. E1, E2 or E3.Under the Economic axis, the criteria under which a mineral may be considered as Semi-Precious Stones and methodology to achieve the required grade should be mentioned instead of cut off grade based on the size criteria.
- (v) Combining EFG axis will give the relevant UNFC code for reserve and resources.

Representative samples should be collected from the strategic locations within the applied area and complete mineralogical and chemical analysis conducted by an NABL accredited or Govt. lab should be furnished. It is further clarified that sample should not be picked up as a specimen but it should be a representative sample and the manner in which the said samples have been collected and prepared for analysis should also be described in the text portion. The location of all such samples should be clearly marked on Surface Geological Plan.

Mining:

29. Para 2 a)(Briefly describe the existing-----): Present status of working should be submitted incorporating, dimension of quarry, grid lines, top RL, bottom RL, No. of benches in ore & waste, bench height & width etc.
30. Para 2b(Indicate Year wise tentative excavation-----): The area demarcated for tentative excavation should be confined to G1/G2 areas only.
31. Para 2b i& ii (Development& Production): The area where the waste dump is likely to be dumped should be a non mineral bearing area. The areas of likely spreading/ dumping of top soil/ waste dump be defined in terms the grid values and the same be shown in relevant plans and sections.. The bench parameters, loading from pit and transportation from the pit to stock yard be discussed.
- 30 Para 2 c (Conceptual Mine Planning---): The Conceptual Plan be drafted to visualize the total exploration , development, waste generation upto the lease period in the remaining five year blocks of the balance lease period. It should be based on the long term design parameters of the mine covering all the mining and allied activities. All the activities should be

furnished with extent of area and quantity involved in the form of five yearly blocks upto the end of lease period.

Mine Drainage:

- 31. Para 3.0 b(Indicate Maximum and minimum depth---): The maximum depth of workings be checked once since the workings in pegmatite zone is likely to be extended deeper levels.
- 32. Para 3.0 d (Regional drainage pattern): The Regional drainage pattern needs to be elaborated. Use of Mineral and Mineral reject:

33. Para 5.0 d) Furnish the physical and chemical specifications stipulated by buyers and end-users vis-à-vis the grade of mineral, rom proposed to be excavated .

Processing of ROM and Mineral Reject:

34. Para 6.0(Processing of ROM-----): The detailed method of washing with feed weight and recovery% should be furnished. The tailings and recovery of saleable Semi precious stones also be spelled out.

35. Others: The manpower requirement and OMS arrived be clearly spelt out.

Progressive Mine closure Plan:

36. Para 8.1(Human Settlement): The distance of Pappustipalem village from the ML area be checked once for its correctness.

37. Para 8.3.1(Mined out land): The yearwise details of plantation to be undertaken mentioning the area to be covered and no. of saplings to be planted are not furnished. The proposals for plantation should be given keeping in view that 1/3rd of the area covered under mining and allied activities including already existing degraded area should be brought under plantation during the 5 years period

38. Para 8.3.2(Top Soil management): The year-wise top soil generation should be furnished in a tabular manner.

39. Para 8.3.5(Surface subsidence): the area to be degraded during the proposed five years planned period & in conceptual period and their reclamation / rehabilitation measures should be furnished should be furnished. supported with the following table and the same may be depicted on plans with proper reference in the text.

Reclamation And Rehabilitation Proposal of Mined out land						
Year	Pit No.	Mined out area at the beginning.	Additional area proposed during the year	Total area	Area Reclaimed & Rehabilitated during the year.	Mined out area at the end of the year.

40. Para 8.4 (Disaster Management and---): A proper Disaster Management Plan based on the risk assessment indicating the chain of actions to be followed in case of a disaster along with name, designation of the Key persons has not been furnished. The nearest fire stations, hospitals, Police station and other logistics/infrastructure should also be mentioned.

41. Para 8.6(Financial Assurance): Land put to use and the financial assurance be corrected in light of above comments

Annexure:

Annexure 1d: A proper feasibility report having useful information on social ecological aspects, various clearances & permissions & statutory obligations, market sensitivity, cost variation,

historical sale value data, cost benefit analysis with cash flow, cost of production, sale value, etc. to assess economic viability has not been furnished.

Annexure:1:BD&RT:(The bulk density and Recovery Test): The field tests viz. Bulk density, Recovery test and Mineralogical study for Semiprecious Stones in subject ML area be carried out through an NABL accredited or Govt. lab and copy of the same be enclosed.

Annexure-II and III be revised as per the comments at Para 1.e, 1.j and Annexure 1:BD&RT.

Complete demarcation report along with lease sketch has not been enclosed.

The Form-K, The Mining Lease deed has not been enclosed.

The disclosure of the production details done so far in ML area has not been furnished.

Plates:

1. Plate-I(Key plan): The Co-ordinates furnished in plan does not confirm to the Co-ordinates furnished in the Text. The Co-ordinates of extremities of lease area are not shown in the key plan. The features shown in the plate are also not indexed correctly.
2. Plate-II(Lease Plan): The Plan has not been authenticated with the Geo co-ordinates by the competent authority of the State Government. This Plan forms the basis for the rest of plans and sections.
3. Plate- III A (Surface plan): The date of survey, name and signature of surveyor are missing. There is hardly any relevance of the assumed bench mark, The mound that exists has not been properly depicted as exists on the ground. The boundary pillars have not been connected with at least 3 ground control points thereby mentioning bearing and distance of the nearest boundary pillars from these fixed ground control points. No proper boundary pillars exists on the ground. The photographs of the erected boundary pillars showing the Geo co-ordinates be furnished.
4. Plate-III B (Surface Geological Plan and Plate-III C (Geological sections): The influence of geological axis and the scale of exploration has not been depicted on geological Plan & Sections for the purpose of UNFC .
5. Plate-V(Environment plan): The Land use pattern be properly depicted. Approach road be shown. The contour lines have not been extended up to 60m buffer line.
6. Plate-IV(Working Plan and sections), Plate-VI(Financial assurance plan), Plate-VII(Conceptual Plan &Section) and Plate-VIII(Reclamation plan and section): The Plates be edited after classifying reserves according to MEMC Rules(Minerals(Evidence of Mineral Content) Rules 2015 guidelines and UNFC codification system.
7. Necessary corrections should be incorporated in all relevant plates accordingly.
8. The necessary certificate by the RQP on all the plates indicating that the “plans and sections are prepared based on the lease map authenticated by the State Govt.” has not been furnished.
