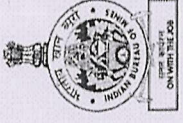




भारत सरकार/Government of India  
खान मंत्रालय/Ministry of Mines  
भारतीय खान ब्यूरो/Indian Bureau of Mines  
हैदराबाद क्षेत्रीय कार्यालय/Hyderabad Regional Office



Phone No. : (040)-27539992/2753993  
Fax No.(TF): (040)-27539991  
E-Mail : ro.hyderabad@ibm.gov.in  
No. AP/GNR/MP/Lst-76//Hyd

Room No.603, 6<sup>th</sup> Floor,  
CGO Towers, Kavadiguda,  
Secunderabad – 500 080  
Date. 15.3.2019.

To  
Sri B.V.P.S. Chowdary, Authorised Signatory  
M/s The KCP Ltd,  
At & PO.Macherla-522 426,  
Guntur district,  
Andhrapradesh State.  
[macherla@kcp.co.in](mailto:macherla@kcp.co.in)

Sub: Submission of Modified Mining Plan in respect of Mandadi Limestone mine over an extent of 4.274 ha in Sy.no.689/2-16 of Mandadi RF in Block-II of Macherla Range of Guntur Division,AP by M/s The KCP Ltd- Submitted under Rule 17(3) of MCR, 2016.  
Ref: Your letter no.KCP/Mines/D-1/IBM dated 21.02.2019

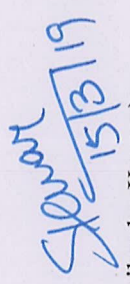
Sir,

With reference to your letter cited above on the subject, inspection of the mine was carried out on 8.3.2019 by Shri M.Pratap Reddy,AMG, accompanied by Sri V.Venkataramana Mining Engineer cum Qualified person and found certain deficiencies in the form of scrutiny comments as given in Annexure. The same scrutiny comments have been forwarded to you and your Qualified Person on e.mail id i.e., [mines.macherla@kcp.co.in](mailto:mines.macherla@kcp.co.in)


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,

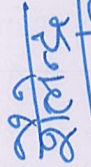
  
15/3/19  
(Shailendra Kumar)  
Regional Controller of Mines

Copy to Sri V Venkata Ramana, General Manager (Mines), H.No. 0-20, KCP Colony, The KCP Limited, Cement Unt-1, Mancherla (V), Mancherla (M), Guntur Dist, A.P. 522 426 for information and necessary action. [macherla@kcp.co.in](mailto:macherla@kcp.co.in)

  
15/3/19  
(Shailendra Kumar)  
Regional Controller of Mines

मूल प्रति पर नहींकथ

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

  
15/3/19  
(शैलेन्द्र कुमार)  
क्षेत्रीय खान नियंत्रक

Scrutiny comments of the Modified Mining Plan for Limestone over an extent of 4.274 ha in Sy.no.689/2-16 of Mandadi RF in Block-II of Macherla Range of Guntur Division,AP in respect of M/s KCP Ltd.

**Introductory Notes:**

1. The Cover page should display with the details like lease period (Grant & Expiry Date), Mine code, IBM registration no, proposed plan period with effective Plan period, Lessee's Address, Qualified person's addresses including mail id and contact nos.etc.
2. It is not quite understood whether the mining lease application for Polepally and Mandadi was a combined application for both the areas and area wise separate application. Pl. clarify. The copy of the ML application be enclosed.
3. The para nos and subheads be given as per the IBM manual on appraisal of Mining Plan 2014.
4. Photographs with the boundary pillars be appended to the document. The Geo coordinates displayed on the boundary pillars differ with that of the Geo Co-ordinates furnished in the Lease sketch. The Lease sketch enclosed along with the lease deed be furnished. All the Plans and sections should be in confirmation with the authenticated Lease Sketch.
5. The Plans and sections have not been updated as per the date of survey (12.6.2014) indicated on the Surface Plan. All the Plans and Sections be prepared on a scale of 1:1000
6. In the resolution, MCDR, 1988 has been mentioned which has been amended in the year 2017 and accordingly the changes be effected.
7. Title of the document be clearly be spelled out in the Certificates furnished in the document.
8. The photographs showing land use land use of the lease area be enclosed.
9. The details of Mining leases other than the subject lease held by the lessee be furnished.
10. No feasibility report is prepared and appended to the document.
11. The Environmental Monitoring Report enclosed with the document does not pertain to subject ML area.
12. The capacity of the Cement Plant vis-à-vis production and supply of Limestone from the various mines be discussed with grade constraint factor keeping in view of the enhancement of production of the subject mine.

**General:**

13. Para 1.0 a) (Name and Address of the Lessee): Name of the nominated owner be spelled out.
14. Para 1.0 b) (other leases held by the lessee---): At Sl.nos 4 & 5 of the Table, the status of approval has not been mentioned. Sl.no.3 be omitted since it is the subject document. Star(\*) mentioned at sl.no. 4 does not designate the subject area.
15. Para 1.0 e) (Name of the Recognised Person ---): The Rules be quoted as per the MCR, 2016
16. Para 2.0 (a) (Latitude/ Longitude): The Latitude and Longitudes be properly referred as displayed on the boundary Pillars and as certified by the competent State authority.

17. Para 2.0(b)(Details of the lease area): The sentence with regards to 'letter signed by the ADMG' be omitted.Pl. Check the extent mentioned under the Land details. The existence of the public road/Railway line and distance to the lease area be properly spelled out.
18. Para 2 C(Attach a general location plan-----): Briefly spell out about the Toposheet no. and forest area and approach to the ML area.
19. Para 3.1 (Date and reference of earlier approved MP): The validity of the approved proposals be mentioned and desired modifications for the balance period..
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 actual year wise basis in Tabular form with due justification for deviations if any. The exploration & production proposals have not been properly reviewed.
21. Para 3.4 (Give status of compliance of violations----): The violated rules status and compliance if any be furnished.
22. Para 3.6(in case of MP/SOM-----): The relevant amended Rules be mentioned.

#### Part A

#### **Geology and Exploration:**

23. Para 1.a.) (Briefly describe the topography-----): No reference from which the MSL has been carry forwarded is mentioned. The Latitude and Longitude be checked for its correctness. The relief with in ML area has not been mentioned. The temperature units be properly given.
24. Para 2b) (Regional Geology): The subject ML area formations have not been equated with the Regional Geological setup of Vindhyan type area (Semri Series).
25. Para 1.c (Detailed description of geology-----): Strike and dip of the formations has not been furnished. The thickness of the various litho units mentioned to be checked with the Borehole litho logs and actual thickness encountered to be furnished.
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 asper the exploration done so far. Exploration as proposed in the previous approved Review of Mining Plan has not been carried out. Geological mapping taken from the earlier approved mining plan is not correct. It needs to be updated with the ongoing mining activity and the output of recently carried out exploration. The term primary core sampling is not quite understood and the text furnished below the subhead is also not conveying any meaning. It is said that 10% of samples were analysed in NRDCS Lab and its credibility of NABL of the same is not been furnished. It is said that all the Boreholes have touched bottom shale but few have ended in Limestone itself.
27. Para 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.
- No Geophysical investigations have been carried out in the subject ML area and the information furnished under this head is irrelevant.
- The reserve has been computed without considering the recovery factor. It is evident from the lithologs that the core recovery of Limestone ranges from 50-99%. In view of this, Field recovery test in working pit be under taken and as per the result of field test, the reserve be estimated.

The actual grade of Limestone should be based on the analytical results.

28. Para k)( Furnish detailed calculation of reserves-----): In the subject ML area, Detailed Exploration has been carried out but it has been reflected as General Exploration. off grade the radicals viz.Cao/TC has not been spelled out. The cut off mentioned to be threshold value.

**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. The enhancement of proposed production vis-à-vis EC be discussed.
30. Para 2b (Indicate Year wise tentative excavation-----): The proposed production be defined with the grid lines/ coordinates and which should fall within G1 & G2 category.
31. Para 2b i& ii (Development& Production): The area where the waste dump is likely to be dumped should be defined in terms grid lines on make shift basis since the entire area is mineralized and the same be shown in relevant plans & sections and Text. The bench parameters, loading from pit and transportation from the pit to stock yard be discussed. The

Plan and Sectional areas should be in confirmation with the development and production figures displayed in the respective paras and Annexures.

32. Para 2d(Describe briefly giving salient-----): The OMS and other parameters be reviewed as per the para 2b.

33. Para 2 f (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:**

34. Para 3.0 b (Indicate Maximum and minimum depth---): Factual information may be furnished taking into account of the bore wells drilled for agriculture purpose in the surrounding areas.

35. Para 3.0 d (Regional drainage pattern): The Regional drainage pattern needs to be elaborated.

**Stacking of Mineral Rejects...:**

36. Para 4.0 (Stacking of Mineral Rejects-----): The location of stacks(Top soil & Mineral reject) and waste be spelled out.

**Use of Mineral and Mineral reject:**

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

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

**Progressive Mine closure Plan:**

39. Para 8.3.1(Mined out land): The year wise details of plantation to be undertaken mentioning the area to be covered and area degradation has not been furnished.

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

41. Para 8.3.5( Surface subsidence): the area to be degraded during the proposed two years planned period & in conceptual period and their reclamation / rehabilitation measures 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.

42. Para 8.4 (Disaster Management and---): In case of a disaster, the responsible person along with name, designation of the Key persons has not been furnished.

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

**Annexure:**

Annexures be properly arranged – Annexure-VI is repeated as Annexure XII.

In Core Bore Hole Litho- Chemical Log, Loss on Ignition is mentioned to be Loss.

Annexure –XV Category wise Reserve estimation: The reserve be reassessed as per the comment vide Para J. So also Annexure no.XVI and XVIII be revised.

Annexure no.XIX does not pertain to subject ML area.

No Pre-feasibility/Feasibility study report is enclosed though it is mentioned in the list of Annexures.

**Plates:**

1. Plate-I(Key plan): Approach road to the ML area has not been shown..
2. Plate-II (Lease Plan): Lease sketch enclosed along with the lease deed be submitted. The Geo coordinates furnished in the sketch does not reflect weather they are in WGS-84 or Indo Bangla System.
3. All the Plans sections be submitted in 1:1000 scale.
4. Plate- III (Surface plan): The date of survey is mentioned to be 12.6.2014. The date of Survey should not be more than six months. The signature of surveyor is missing.
5. Plate-IV (Geological Plan): Sub surface Geology has not been marked. Strike and dip has not been marked.
6. Plate-IVA (Geological Cross Sections): In the B-B' and C-C' section Clay has been marked but the formation is kankary formation with Morrum and pebbles. The scale of exploration has not been marked.
7. Plate-VA & VB: (Development &Production Plans): Waste dump be dumped on make shift basis since the entire ML area is mineralised.
8. Plate-VC(working sections), Plate-VI(Reclamation Plan), Plate VIII- (Conceptual Plan) & Plate VIII A (Conceptual Sections) : Modify the sections as per the comment vide Plate – VA & VB.
9. Plate-VII(Environment plan): The 60m buffer zone around the ML area be shown and the contour lines be extended up to 60m buffer line.
10. Plate-IX (Financial Assurance Plan): The contours on the South eastern part are missing. The land/area put to use has not been demarcated.The Financial Assurance table is missing.
11. Necessary corrections should be incorporated in all relevant plates accordingly.

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