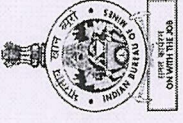




भारत सरकार/Government of India  
खान मंत्रालय/Ministry of Mines  
भारतीय खान ब्यूरो/Indian Bureau of Mines  
हैदराबाद क्षेत्रीय कार्यालय/Hyderabad Regional Office



Phone No. : (040)-27539992/2753993  
Fax No.(TF): (040)-27539991  
E-Mail : ro.hyderabad@ibm.gov.in  
No. AP/GNR/MP/Lst-74//Hyd

Room No.603, 6<sup>th</sup> Floor,  
CGO Towers, Kavadiguda,  
Secunderabad – 500 080  
Date. 15.04.2019.

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 KCP Limestone deposit-II of The KCP Ltd. an extent of 20.046 ha in Sy.no.656/11-B 8 in comp. No. 82 of Mandadi RF in Block-II of Macherla Range of Guntur Division,AP. Submitted under Rule 17(3) of MCR, 2016.

Ref: Your letter no.KCP/Mines/D-II/IBM dated 25.03.2019

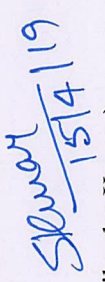
Sir,

With reference to your letter cited above on the subject, inspection of the mine was carried out on 14.04.2019 by Shri A.V.Ramesh kumar,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) and . It.[macher.a@kcp.co.in](mailto:macher.a@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.Three lakhs/hectare for category 'A' mines provided that the minimum amount shall be Rs.Ten 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.

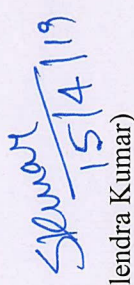
03. The para-wise clarification & the manner in which the deficiencies are attended should be given while forwarding modified document.

Yours faithfully,

  
15/4/19

(Shailendra Kumar)  
Regional Controller of Mines

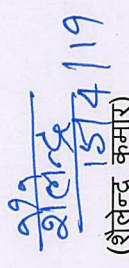
Copy to Sri V Venkata Ramana, General Manager (Mines), H.No. 0-20, KCP Colony, The KCP Limited, Cement Unt-1, Mancherla (V), Mancherla (M), Guntur Dist, A.P. 522 426 for information and necessary action.

  
15/4/19

(Shailendra Kumar)  
Regional Controller of Mines

मूल पति पर नहींकः

खान नियंत्रक (व), भारतीय खान ब्यूरो, बेंगलुरु ।

  
15/4/19

(शैलेन्द्र कुमार)  
क्षेत्रीय खान नियंत्रक



Scrutiny comments of the Modified Mining Plan for Limestone over an extent of 20.046 ha in Sy.no.656/11-B8 of Polepalli Village,Durgi Mandal,Guntur District,(Mandadi Reserve Forest,Compartment No.82 of Macherla Range)Andhra Pradesh in respect of M/s KCP Ltd.

**Introductory Notes:**

1. The G.O. mentioned on cover page to modified as G.O.Ms No.69 dated 16.05.2016.
2. In the introduction it was mentioned that a mining lease was granted in the year 1977 which creates a confusion as the present lease was granted in the year 2016.This needs to be clarified and other matter which is not relevant needs to be deleted.
3. 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.
4. All the tables to given a serial number.

**General:**

5. 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 up to 2018-19. The exploration & production proposals have not been properly reviewed.
6. Para 3.6(in case of MP/SOM-----): The reasons for modification are not specified properly, These reasons need to be spelt out clearly.

Part A

**Geology and Exploration:**

7. 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 to be marked as per the exploration done so far.
8. 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.

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

9. On page no.16 it was mentioned that the scale of exploration was done in G2 category, however, the actual exploration programme was carried out in G1 scale. This needs to be modified.

10. The reserves/resources figures prior to augmentation and post exploration programme need to furnished in a tabular form.

11. The reserves/resources need to be calculated as per the new threshold value notification issued by Indian Bureau of Mines dated 25.04.2018. The same should be mentioned in the criteria for reserve/resource estimation.

**Mining:**

12. 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.

13. 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.

14. Para 2b i & ii (Development & Production): The area where the waste dump is likely to be dumped should be defined in terms of grid lines on a make-shift basis since the entire area is mineralized and the same should be shown in relevant plans & sections and Text. The bench parameters, loading from the pit and transportation from the pit to the stock yard should be discussed. The Plan and Sectional areas should be in confirmation with the development and production figures displayed in the respective paras and Annexures.

15. Under para 2(b) the proposed production figures need to be given only for the ensuing period i.e. 2019-20 & 2020-21 only.

16. Para 2 f (Conceptual Mine Planning---): The Conceptual Plan should be drafted to visualize the total exploration, development, waste generation up to 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 up to the end of the lease period.

17. Others: The manpower requirement and OMS should be clearly spelt out.

**Progressive Mine closure Plan:**

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

19. Para 8.3.5 (Surface subsidence): The area to be degraded during the proposed two-year planned period & in the conceptual period and their reclamation / rehabilitation measures should be furnished and 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.

20. 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.

21. Under table-27, it was mentioned that afforestation will be carried out on backfilled area by planting 100 saplings. This is incorrect as there is no proposal for reclamation. This needs to be corrected.

22. In table-28 under area put to use, it was mentioned that an extent of 0.274 ha is covered under tailing pond, as there is no tailing pond in the lease this needs to be corrected.

23. Financial Assurance as calculated to be submitted along with final copies.

**Annexure:**

24. Annexures-1 & 2 are not related to present lease. As such they need to be deleted and other relevant annexures to be arranged in proper manner.

25. A copy of the execution of lease proceedings to be enclosed as annexure.

**Plates:**

26. Plate-I(Key plan): Approach road to the ML area has not been shown.

27. All the Plans and Sections be prepared on a scale of 1:1000

28. Plate- III (Surface plan): The signature of surveyor to be included.

29. Plate-IV (Geological Plan): Sub surface Geology has not been marked. Strike and dip has not been marked. The old boreholes and the 07 core boreholes made during the year 2016-17 to be marked with separate colors.

30. Plate-IVA (Geological Cross Sections): Section D-D' is not matching with Geological plan. The scale of exploration has not been marked whether it is under G1 or G2 scale

31. 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.

32. Plate-IX (Financial Assurance Plan): The contours are missing in the financial assurance plan. The Financial Assurance table is missing.

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