

**INDIAN BUREAU OF MINES  
MINERALS DEVELOPEMMENT AND REGULATION DIVISION**

**Inspection under SDF for star rating of mines REPORT**

**Bangalore regional office**

**Mine file No :** KNT/RCH/AU/1/BNG

**Mine code :** 27KAR16001

- (i) Name of the Inspecting : 130 ) PRASHANT S HEGDE  
Officer and ID No.
- (ii) Designation : Senior Mining Geologist
- (iii) Accompanying mine : Dr T.K. Abdul Rahim, Manager (Exploration) and Shri K  
Official with  
Designation
- (iv) Date of Inspection : 29/01/2019
- (v) Prev.inspection date :

**PART-I : GENERAL INFORMATION**

1. (a) **Mine Name** : HUTTI
- (b) **Registration NO.** : IBM/4362/2011
- (c) **Category** : A Fully Mechanised
- (d) **Type of Working** : Underground
- (e) **Postal address**
- State : KARNATAKA
- District : RAICHUR
- Village : HUTTI
- Taluka : LINGASUGUR
- Post office : HUTTI
- Pin Code : 584115
- FAX No. : 08537-275054 (F),
- E-mail : hygominhutti@bsnl.in
- Phone : 08537-275022 (O), 94822380
- (f) **Police Station** : HUTTI
- (g) **First opening date** : 19/12/1978
- (h) **Weekly day of rest** : SUN
2. **Address for correspondance** : At & Po- HUTTI,  
Tq- Lingasugur, Dist- Raichur  
KARNATAKA - 584 115
3. (a) **Lease Number** : KAR0589
- (b) **Lease area** : 528.35
- (c) **Period of lease** : 30
- (d) **Date of Expiry** : 19/12/2008
4. **Mineral worked** : SILVER Associated  
GOLD Main

## 5. Name and Address of the

Lessee : HUTTI GOLD MINES COMPANY LTD  
 At & Po- Hutti Tq-Lingsugur  
 584 115 RAICHUR KARNATAKA  
 Phone:08537-275025  
 FAX :08537-275054

Owner : Dr Richard Vincent D'Souza, IAS  
 MD of M/s Hutti Gold Mines  
 Co. LTD 3rd Floor, KHB  
 Shopping Complex National  
 Games Village, Koramangala  
 BANGALORE KARNATAKA  
 Phone: 080-25707380  
 FAX : 080-25710501

Agent : PRAKASH  
 M/s HGML, At & Po- HUTTI  
 Tq-Lingsugur RAICHUR  
 KARNATAKA  
 Phone: 08537-275034  
 FAX : 08537-275054

## Mining Engineer

Name : Somesh K V, Full Time  
 Qualification : BE(Mining)  
 Appointment/ : 23/02/2018  
 Termination date

## Geologist

Name : T.K. ABDUL RAHIM, Full Time  
 Qualification : M.SC. GEOLOGY & PH.D  
 Appointment/ : 01/04/2996  
 Termination date

## Manager

Name : SHANTH KUMAR  
 Qualification : Dip. in Mining, First Class  
 Appointment/ : 08/12/2011  
 Termination date

6. Date of approval of Mining Plan/Scheme of Mining	:	Existing rule 11 MCDR1988	01/12/1993
		Mining Scheme rule 12 MCDR1988	13/04/2000
		Mining Scheme rule 12 MCDR1988	11/09/2003
		Renewal under rule 24 MCR1960	18/08/2008
		Mining Scheme rule 12 MCDR1988	13/02/2014
		MP review under 17(1) MCR 2016	14/02/2017
		MP review under 17(1) MCR 2016	09/04/2018

## PART - II : OBSERVATION/COMMENTS OF INSPECTING OFFICERS

## Exploration :

Sl.No.	Item	Proposals	Actual work	Remarks
1a	Backlog of previous year	4 nos of trenches and 20 nos of underground BHs with 640 total meterage	NIL	Backlog of exploration already completed and reviewed in approved RMP dated 8/4/2018. Exploration for year 2018-19 was under progress and V/L issued for Rule 47.
1b	Exploration over lease area for geological axis 1 or 2	NIL	G-1 stage: 227.96 Ha G-2 stage : 147.72 Ha	NIL
1c	Exploration Agencies and Expenditure in lakh rupees during the year	NIL	NIL	NIL
1d	Balance area to be explored to bring Geological axis in 1 or 2	NIL	NIL	Besides underground developments, 18 nos Surface drilling with 2800 total meterage proposed during year 2018-23 for south of southern dyke and NE part of lease.
1e	Balance reserve as on 01/04/20	-----	10.46 million tonnes of ore with 5.12 g/t grade	Based on last approved RMP dated 8/4/2018.
1f	General remarks of inspecting officers on geology, exploration etc	-----	-----	Lessee had carried out 9022 meterage of surface drilling and 6080 meterage of underground drilling so far. The exploration for year 2018-19 is under progress and underground developments were made upto 26th level.

## Development :

Sl.No.	Item	Proposals	Actual work	Remarks
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2a	Location of development w.r.t. lease area	Mainly there are 3 shafts which forms entry into U/G mine. (1) Mallappa vertical Shaft (933.7 m depth) (2) Central vertical Shaft (871.86 m depth) (3) Village inclined shaft (552.9 m)	As per the proposals	Further, sinking of new circular shaft was completed upto 960m depth and decline was completed upto around 147 m length.
2b	Separate benches in topsoil, overburden and minerals (Rule 15)	NA	NA	Underground mine :Size of drives 3 m X 3 m, Level interval of 30m and deveopment made upto 26 th level.
2c	Stripping ratio or ore to OB ratio	NA	NA	Underground mine.
2d	Quantity of topsoil generation in m3	NIL	NIL	Not applicable as U/G Mine.
2e	Quantity of overburden generation in m3	NA	NA	Underground mine. 53,767 tonnes of black-rock/waste rock generated during year 2017-18 against the proposal of 40,000 tonnes
2f	General remarks of inspecting officers on development of pit w.r.t. type of deposit etc	-----	-----	More underground developments during year 2017-18 were reviewed in approved RMP dated dated 8/4/2018. The violation for more U/G development activities for year 2018-19 was pointed out on 5/2/2019.

### Exploitation:

Sl.No.	Item	Propasals	Actual work	Remarks
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3a	Number of pit proposed for production	Mechanised underground operation upto 26th level with incidental ore production from development and stope production.	As per the proposals	NIL
3b	Quantity of ROM mineral production proposed	569,755 tonnes of ore (9755 tonnes of development production+ 560,000 tonnes of stope production)	509,356 tonnes of ore (131,945 tonnes of development production+377,411 tonnes of stope production)	Same has been reviewed at approved RMP dated 8/4/2018.
3c	Recovery of sailable/usable mineral from ROM production	85 % recovery and 15 % dilution	As per proposals	NIL
3d	Quantity of mineral reject generation	NIL	NIL	NIL
3e	Grade of mineral rejects generation and threshold value declared.	NIL	NIL	Present Economic cut-off grade of ore was 2 gms/tonne.
3f	Quantity of sub grade mineral generation.	NIL	NIL	NIL
3g	Grade of sub grade mineral generation	NA	NA	NIL
3h	Manual / Mechanised method adopted for segregating from ROM	Mechanised method	As per the proposals	NIL
3i	Any analysis or beneficiation study proposed and carried out for sub grade mineral and rejects.	No such proposals	NIL	NIL

3j	Provision of drilling and blasting in mineral benches	Yes. Burn-cut drilling pattern and 57mm/ 115mm diameter ring type in stopes.	As per the proposals	NIL
3k	Provision of mining machineries in mineral benches	Ore proposed to be withdrawn by deploying LHD or pneumatic tyre mounted loaders, which lifts the broken ore from the mouth of the draw cross-cut and loads in the mine cars at the footwall haulage & hauled by battery operated locomotive to the nearest ore pass or grizzly.	As per the proposals.	NIL
3l	Whether height of benches in overburden and mineral suitable for method of mining proposed in MP/SOM	Level Interval: 30m Thickness of Rib pillar: 8m Thickness of sill pillar: 6-8 m Thickness of crown pillar: 6-8 m Size of stope block: 90m X 90 m ( based on NIRM report) Drive size: 3 x 3m	As per the proposals.	NIL
3m	Total area covered under excavation/pits	NA	NA	Underground Mine.
3n	Ore to OB ratio for the pit/mine during the year.	NA	NA	Underground Mine. 53,767 tonnes of black-rock generated during year 2017-18.

3o	Total area put in use under different heads at the end of year	Tailing Pond: 39.08 Ha Township: 90.34 Ha Infrastructure : 37.78 Ha Afforested area: 64.98 Ha Road: 6.96 Ha	As per the proposals	NIL
3p	Production of ROM mineral during the last five year period as applicable	2013-14: 548,386 2014-15: 553,768 2015-16: 561,588 2016-17: 583,678 2017-18: 569,755	2013-14: 489,502 2014-15: 468,718 2015-16: 522,901 2016-17: 538,396 2017-18: 509,356	Unit of ROM: in tonnes and Hoisting production.
3q	General remarks of inspecting officers on method of mining etc.	-----	-----	Mining method is being carried out as per the approved RMP dated 8/4/2018. V/L issued on 5/2/2019 regarding more U/G developments activities than the proposals.

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Solid Waste Management - Dumping:

Sl.No.	Item	Propasals	Actual work	Remarks
4a	Separate dumping of topsoil, OB and mineral rejects (Rule 32,33)	70 % black rock/waste rock generated will be utilised in U/G filling of empty stopes and rest will be hoisted & utilised as road ballast.	As per the proposals.	NIL
4b	Location of topsoil, OB and mineral reject dumps	NA	NA	Underground mine.
4c	Number of dumps within lease area and outside of lease area	2 tailings dumps within ML	2 tailings dumps within ML	NIL

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4d	Location of dumps w.r.t. ultimate pit limit (Rule 16)	North western side	North western side	NIL
4e	Number of active and alive dumps.	one	one	Tailings dump.
4f	Number of dead dumps.	one	one	Tailings Dump.
4g	Number of dumps established.	one	one	tailing dump by plantation.
4h	Whether Retaining wall or garland drain all along dumps are there.	Bund and garland drain proposed	Carried out as per the proposals.	NIL
4i	Length of Retaining wall or garland drain all along dumps	NIL	Retaining wall: 200 m and garland drain: 900 m	NIL
4j	Number of settling ponds	NIL	One	NIL
4k	Specific comments of inspecting officer on waste dump management	-----	-----	Management of tailing dams/dumps are being carried as per approved RMP.

#### Solid Waste Management - Backfilling:

Sl.No.	Item	Propasals	Actual work	Remarks
5a	Status of part or full extraction of mineral from mined out area before starting backfilling.	70 % of black rock & around 18 to 20 % tailings are proposed to utlised for stope-filling/sand stowing.	Carried out as per the proposals.	NIL
5b	Area under backfilling of mined out area	NA	NA	Underground Mine. About 102,364 tonnes material reported to be used for stope filling during year 2017-18
5c	Concurrent use of topsoil for restoration or rehabilitation of mineral out area (Rule 32)	NA	NA	Underground Mine.



5d	Total area fully reclaimed and rehabilitated	NIL	NIL	Underground Mine.
5e	General remarks of inspecting officers on backfilling and reclamation etc.	-----	-----	(i) Shrinkage method of stoping upto 15th level and below 15th level the stoping was by cut & fill method in this mine. (ii) During earlier plan period (2013-14 to 2017-18) 8 nos of stopes completely filled and 3 nos of stopes partially filled.

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Progressive Mine Closure Plan:

Sl.No.	Item	Proposals	Actual work	Remarks
6a	Whether Annual report on PMCP submitted on time and correctly. Rule 23 E(2).	1st July of every year	Submitted on 24/5/2018	NIL
6b	Area available for rehabilitation (ha) .	NA	NIL	Underground Mine.
6c	afforestation done (ha).	2 Ha	2 Ha	Tailings dumps area.
6d	No. of saplings planted during the year	3000 nos	3000 nos	On tailings dumps
6e	Cumulative no .of plants	41,000 nos of saplings	80,200 nos of saplings	NIL
6f	Any other method of rehabilitation	NIL	NIL	NIL
6g	Cost incurred on watch and care during the year	Not specified	NA	NIL

6h	Compliance on reclamation and rehabilitation by backfilling (i) Voids available for backfilling ( Lx B x D	Shrinkage method of stoping upto 15th level and below 15th level the stoping was by cut & fill method in this mine.	As per the proposals	NIL
6i	Compliance on reclamation and rehabilitation by backfilling (ii) Voids filled by waste / tailings	70 % of black rock & around 18 % to 20 % tailings are proposed to utilised for stope-filling/ sand stowing.	Carried out as proposals.	NIL
6j	Compliance on reclamation and rehabilitation by backfilling (iii)Afforestation on on backfilled area	NA	NA	Underground Mine.
6k	Compliance on reclamation and rehabilitation by backfilling (iv) Rehabilitation by making water reservoir	NA	NA	Underground Mine.
6l	Compliance on reclamation and rehabilitation by backfilling (v)any other specific means.	NA	NA	Underground Mine.
6m	Compliance of rehabilitation of waste land within lease (i)afforestation	3000 nos of saplings in colony	2900 nos sapling	Shortfalls completed as on date inspection.
6n	Compliance of rehabilitation of waste land within lease (ii)Area rehabilitation (ha)	2 Ha	2 Ha	NIL
6o	Compliance of rehabilitation of waste land within lease (iii)Method of rehabilitation	Afforestation.	Afforestation.	NIL

6p	Compliance of environmental monitoring (core zone and buffer zone)	Season-wise environmental monitoring of ambient air quality, water quality, dust fall rate, soil sample analysis and noise level.	Season-wise environmental monitoring of ambient air quality, water quality, dust fall rate, soil sample analysis and noise level are being carried out and all parameters are within limit.	NIL
6q	General remarks of inspecting officers on PMCP compliance and progressive closure operations etc.	-----	-----	PMCP implementation is being carried out as per approved RMP.

#### Mineral Conservation:

Sl.No.	Item	Propasals	Actual work	Remarks
7a	ROM Mineral dispatch or grade-wise sorting within lease area	Underground mine & proposed to hoist 569,755 tones of ore	Underground mine & 509,356 tones of ore hoisted	NIL
7b	Method of grade-wise mineral sorting i.e. manual or mechanical.	Mechanised underground operation.	Mechanised underground operation.	NIL
7c	Different grade of mineral sorted out at mines.	Economic cut-off grade of ore proposed + 2 g/t of Au.	Carried out as per the proposals.	NIL
7d	Any beneficiation process at mines .	ROM/Ore is being passed through SAG & Ball mill in the metallurgical process unit. The capacity of plant is 2000 TPD with average feed grade of Au ore is 2.96 gms/t and Au content in tailings is 0.3 gm/tonne.	Carried out as per the proposals.	NIL

7e	General remarks of inspecting officer on Mineral conservation and beneficiation issues	----- ---		Mineral conservation and beneficiation are being carried out as per approved RMP.
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Environment:

Sl.No.	Item	Propasals	Actual work	Remarks
8a	Separate removal and utilization of topsoil (Rule 32)	NA	NA	Underground mine.
8b	Concurrent use or storage of topsoil	NA	NA	Underground mine
8c	Separate dumps for overburden, waste rock, rejects and fines (Rule 33)	Separate dumping of tailings towards NW side of ML proposed.	Carried out as per the proposals.	Underground mine.
8d	Use of overburden, waste rock, rejects and fines dumps for restoring the land to its original use	No such proposals	NIL	Underground mine
8e	Phased restoration, reclamation and rehabilitation of lands affected by mining operations (Pits, dumps etc)	Such proposals	NIL	Safety and environmental measures viz. geo-textiles, plantation, garland drain etc are being carried for management of tailings dumps/ponds out as per the approved RMP.
8f	Baseline information on existence of plantation and additional plantation done (Rule 41)	6000 nos of sapling proposed during year 2017-18 within ML	5900 nos planted during the year.	80,200 nos of cumulative plantation carried out.
8g	Survival rate	50 %	50 %	NIL

8h	Water sprinkling on roads to control airborne dust	Water sprinkling proposed on roads, plant area and tailings dumps.	Carried out as per the proposals.	NIL
8i	General remarks of inspecting officer on aesthetic beauty in and around mines area	-----	-----	Aesthetic beauty in and around mine area is good as the environmental protective measures are being carried out as per approved RMP.

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Compliance of Rule 45:

Sl.No.	Item	Propasals	Actual work	Remarks
9a	Status of submission of Monthly and Annual returns	Annual return 2017-18 & MR upto Dec-2018 received.	Submission of AR & MRs were regular.	NIL
9b	Scrutiny of Annual return for information on Mining Engineer, Geologist and Manager	Sri Shanthakumar, Mines Manager Sri, K.V. Somesh, Mining Engineer. Dr T.K. Abdul Rahim, Geologist	Actual as same.	NIL
9c	Scrutiny of Annual return on land use pattern for area under pits, reclaimed area, dumps etc.	Waste/tailings disposal area: 37 Ha Area occupied by plant, building, residential, welfare buildings & roads: 308.35 Ha	the surface area utilization figures were not matching with latest approved Review and updation of Mining Plan dated 9/04/2018	V/L issued on 5/2/2019.
9d	Scrutiny of Annual return on afforestation	5,900 nos	Actual also same.	NIL
9e	Scrutiny of Annual return on mineral reject generation (Grade and quantity)	NIL	NIL	Au content in tailings is 0.3 gm/tonne.

9f	Scrutiny of Annual return on ROM stock and/or graded ore	ROM/ore stock: Actaul also reported to 33,760 tonnes based on breaking tonnage in U/G.	be same.	NIL
9g	Scrutiny of Annual return on sale value, Ex. Mine price and production cost	Cost of production of one tonne of Ore: Rs 8252/- -- Ex-mine price: Rs 7219/--- 1515.57 kg of Gold and 160.27 Kg of silver generated during year 2017-18. 28.95 lakhs Rs per Kg of Gold.	Ex-mine price shall be per unit cost of production in case of captive mines as per rule 45 (8) (V). Cost of production and sale value appears to be same.	V/L issued on 5/2/2019.
9h	Scrutiny of Annual return on fixed assets	Rs 11,72,671 in online retrun	Figure appears to be very less.	V/L issued on 5/2/2019.
9k	Scrutiny of Annual return on mining machineries	Only 2 Nos of Air Compressor at on-line return.	Actual nos of list of U/G machineries (viz. loaders, Battery Loco, drilling machines, crushers, pumps, , winders etc) submitted manual form.	V/L issued on 5/2/2019.

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**Details of violations observed during current inspection and compliance position of violation pointed out**

Violation observed				Show cause position		
Rule NO.		Issued on	Compliance on	Rule NO.	Issued on	Compliance on
MCDR17	Rule 11(1)	05/02/2019	01/04/2019			
MCDR17	Rule 35(2)	05/02/2019	13/05/2019			
MCDR17	Rule 45(7)(a)	05/02/2019	13/05/2019			
MCDR17	Rule 47(a)	05/02/2019	13/05/2019			

**Date :**

**(PRASHANT S HEGDE)**

Indian Bureau of Mines