

भारत सरकार /GOVERNMENT OF INDIA

खान मंत्रालय/MINISTRY OF MINES

## भारतीय खान ब्यूरो /INDIAN BUREAU OF MINES

ग्वाहाटी क्षेत्रीय कार्यालय/GUWAHATI REGIONAL OFFICE

क्षेत्रीय खान नियंत्रक का कार्यालय/OFFICE OF THE REGIONAL CONTROLLER OF MINES

दूरभाष सं.:/फॅक्स सं:.0361 2656184,

Tel/Fax - 0361-2656184

ईमे.ल: ro.guwahati@ibm.gov.in

E-mail -ro.guwahati@ibm.gov.in

House No. 216, 3<sup>rd</sup> Floor, Above IDBI Bank Chandmari, Post – Bamunimaidan, Dist – Kamrup (M), Guwahati, Assam-781021

Date: 23/08/2017

No:- IBM/GHY/MEG/EKH/LST-3

To Shri Shivesh Kr. Sinha(Nominated Owner Nongtrai Limestone Mine M/s Lafarge Umiam Mining Pvt. Ltd. East Khasi Hills, Meghalaya

Sub:- Violation of provisions of Mineral Conservation and Development Rules, 1998 under Rule 45 in respect of your Nongtrai Limestone Mine over an area of 100.00 Ha. Of M/s Lafarge Umiam Mining Pvt. Ltd.

Sir,

While examination of Annual Return for the year 2013-14, 2014-15, 2015-16 and 2016-17 following discrepancies were observed:

i) In the Annual Return for the year 2013-14 the ex-mine price has been mentioned as Rs. 1006.33 per ton, cost of production is Rs. 440.36 per ton, transport cost is Rs. 19.45 per ton and FOB value is given as Rs. 1025.78.

ii) Annual Return for the year 2014-15 the ex-mine price has been mentioned as Rs. 1017.21 per ton, cost of production is Rs. 244.58 per ton, transport cost is Rs. 20.94 per ton and FOB value is given as Rs. 1038.16.

iii) Annual Return for the year 2015-16 the ex-mine price has been mentioned as Rs. 1051.36 per ton, cost of production is Rs. 545.53 per ton, transport cost is Rs. 34.05 per ton and FOB value is given as Rs. 1051.36 per ton..

iv) Annual Return for the year 2016-17 the ex-mine price has been mentioned as Rs. 722.79, cost of production is Rs. 454.77, transport cost is Rs. 49.74 per ton and FOB value is given as Rs. 1005.77.

2. As mentioned above in limestone mine for the purpose of cement manufacturing the ex-mine value is almost equal to the cost of production or slightly higher to cost of production. But in your case the cost of ex-mine price is more tham twice of the cost of production as mentioned in above para. Therefore, major difference between cost of production and ex-mine price need to be justified with relevant documents.

3. For the year 2016-17 ex-mine price is suddenly reduced from Rs.1051.36 to Rs. 722.79 per ton without any reason. The decrease of the cost of production need to be justified with relevant document.

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4. In the Meghalaya State the cost of production of other mechanized limestone mine is less than Rs. 300/- per ton and your cost of production is appears to be very high as compared to other mechanized mines in the Meghalaya State.

5. The limestone produce from your mine is entirely used in your own cement plant situated in Bangladesh, no limestone produce from your mine is being sale in the open market. Therefore, the ex-mine value given in above para appears to be very high and manufacturing of cement by the limestone at the rate of Rs. 1000/- per ton is appears to be impractical as compared to other cement plant.

Therefore, you are advised to submit the justification regarding cost of production, ex-mine price and manufacturing of the cement by use of limestone at the rate of more than Rs. 1000/- per ton within 30 days from the date of issue of the letter.

In this connection, it is brought to your notice that the above violations constitute an offence punishable under Rule 58 of Mineral Conservation and Development Rule, 1988.

Yours faithfully

G.C.Meena)

Regional Controller of Mines

Copy to:

1) The Controller of Mines(EZ), IBM, Kolkata.

2) The Director, DMR, Meghalaya

(G.C.Meena)

Regional Controller of Mines