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GOVERNMENT OF INDIA
MINISTRY OF MINES
INDIAN BUREAU OF MINES
OFFICE OF THE REGIONAL CONTROLLER OF MINES, GOA

File No.- GOA/Fe/79 Fatorda, Margaon, Goa – 403 602
Date: 08.08.2017

To,
Shri. Kaustubh V. Sawkar , Partner
M/s Lithoferro
Khalap Chamber, Market Road
Mapusa, Goa
Pin code: 403 507

Sub: Violation of provisions of Mineral Conservation and Development Rules, 2017 (MCDR, 2017) in respect of Calsanichomato De Oilomol Iron Ore Mine (T.C. 89 of 1952), lessee- M/s Lithoferro, over an area of 36.2202 Ha. in North Goa District of Goa State.

Sir,

The following provisions of Mineral Conservation and Development Rules'2017 were found violated in your above said mine during inspection on 18/05/2017 by the undersigned in the presence of Mr. Narayan Prasad, Agent & Mr. Vijaykumar D Kelkar, Mines Manager of your mine and the same were communicated to you vide this office letter of even no., dtd. 26.05.2017.

Rule No.	***Nature of Violation***
11 (1)	Mining operations have not been carried out in accordance with the Modification of Mining Plan (MMP) approved vide letter no.- MMP/MECH-19/GOA/2015-16 Vol-I, Dated:- 08/02/2017 to the extent indicated below:- **(i)** The exploration proposed for the year 2016-17 i.e. 02 BHs (140m) were not carried out. **(ii)** As per approved MMP, excavation/development of pit was approved to be carried out by formation of regular benches of height 6 m and width more than its height (width of benches to be 10 to 12m). However, It was observed during inspection that, benches were merged in irregular manner and width of benches were not maintained as approved at the places; and thus resulted in collapse of lower benches in southern side of pit (near ML boundary pillar no.- BP-5 to BP-7). This is against the systematic and scientific mining.
45	**(i)** In Monthly Returns submitted for your mine from April 2016 to April 2017; details reported under Part-II, w.r.to the Ex-mines price is given as below: Iron Ore (Lumps)- 55% to below 58% Fe (fe content) grade: Rs. 623.60 (Rs. per te) Iron Ore (Lumps)- 58% to below 60% Fe (fe content) grade: Rs. 623.60 (Rs. per te) Iron Ore (fines) - 55% to below 58% Fe (fe content) grade: Rs. 623.60 (Rs. per te) *Whereas, Average Sale Price of minerals by Grades, Published by IBM for March 2017 in respect of Goa State was as follows:* *Iron Ore (Lumps)- 55% to below 58% Fe (fe content) grade: Rs.1430 (Rs. per te)*

	Iron Ore (Lumps)- 58% to below 60% Fe (fe content) grade: Rs. 2027 (Rs. per te) *Iron Ore (fines) - 55% to below 58% Fe (fe content) grade: Rs.1310 (Rs. per te)* *and, Average Sale Price of minerals by Grades, Published by IBM for April 2016 in respect of Goa State was as follows:* *Iron Ore (Lumps)- 55% to below 58% Fe (fe content) grade: Rs. 926 (Rs. per te)* *Iron Ore (Lumps)- 58% to below 60% Fe (fe content) grade: Rs. 1824 (Rs. per te)* *Iron Ore (fines) - 55% to below 58% Fe (fe content) grade: Rs. 933 (Rs. per te)* From above, it is evident that Ex-mines price of ore reported by you is incorrect and un-realistic.

02. The compliance reported by you, vide your letter no. Nil, Dtd-07.07.2017 in response to violation letter, dtd. 26.05.2017 has been duly considered; but found **unsatisfactory** for the reasons as mentioned below:-

Rule 11(1):

i) *Aforementioned exploration work has not been carried out so far. Also, commitment/ undertaking to complete the exploration in time bound manner has not been submitted.*

ii) *Rectification of pit benches has not been carried out so far. Also, commitment/ undertaking to complete the rectification work in time bound manner has not been submitted.*

Rule 45: *Regarding anomaly pointed out in the Annual return, it is submitted that matter is sub-judice and royalty is being paid in terms of Hon'ble High Court Order dated 22.03.2011 (as continued by the Hon'ble Supreme Court Order dtd. 08.05.2013. However, said order of Hon'ble Supreme Court Order dtd. 08.05.2013 is not enclosed as evidence.*

03. In this connection, it is brought to your notice that the above violations constitute an offence punishable under Rule 62 of MCDR, 2017. *Besides, inability to comply with the provision of Rule 11 (1) is also liable for suspension of mining operations according to the provisions of Rule 11 (2) of MCDR, 2017; and non-compliance of Rule 45 may attract action according to provisions of Rule 45(7) of MCDR,2017.*

04. You are therefore directed to **show cause within a period of 30(thirty) days** from the date of issue of this letter as to why you should not be prosecuted for the above offence and/or the mining operations should not be suspended in accordance to Rule 11 (2) of MCDR, 2017.

05. Please note that no further notice will be given to you in this regard.

Yours faithfully,

(P. PRAKASH)
Dy. Controller of Mines

Not On Original

Copy to :

(1) The Controller of Mines (SZ), Indian Bureau of Mines, Bangalore

(2) The Director, Directorate of Mines & Geology, Government of Goa, Panaji – Goa

(P. PRAKASH)
Dy. Controller of Mines
For Regional Controller of Mines