

भारत सरकार
खान मंत्रालय
भारतीय खान ब्यूरो
क्षेत्रीय खान नियंत्रक का कार्यालय

No. MPM/OTFM/03-ORI/BHU/2016-17/971

Plot No. 149, Pokhariput
Bhubaneswar – 751 020
Date: 12.07.2016

To

Shri M D. Rustagi,
Director & Nominated Owner
M/s Rungta Mines Ltd.
Rungta Office, Main Road,
Barbil, Keonjhar, Odisha – 758035

Sub: Approval of Modification of approved Mining Plan of Kolmong Manganese Mine along with Progressive Mine Closure Plan (PMCP), over an area of 218.53 Ha. in Sundargarh district of Odisha State, submitted by M/s Rungta Mines Ltd under Rule 17(3) of MCR, 2016.

Ref: - i) Your letter No. RML/ED/GEO/2016-17/465 dated 08.06.2016.
ii) This office letter of even no. dated 13.06.2016.

Sir,

This has reference to the letter cited above on the subject. The draft of Modification of approved Mining Plan along with Progressive Mine Closure Plan (PMCP) has been examined in this office based on site inspection carried out by Shri Dilip Jain, Junior Mining Geologist on 17.06.2016. The deficiencies observed are enclosed herewith as Annexure I.

You are advised to carry out the necessary modifications in the draft Modification of approved Mining Plan along with Progressive Mine Closure Plan in the light of the comments vide Annexure I and submit **two (2) firm bound and two (2) soft copies of the document text in CD in a single MS Word file (the drawing/plates in Auto CAD compatible format or JPG format in resolution of 100x100 pixels on same CD)** within 30 (thirty) days from the date of issue of this letter, for further necessary action. If the total page of annexures exceeds 50 (Fifty) then it should be submitted as separate volume. But reference of these annexures must appear in the Modification of approved Mining Plan document. The plates are also to be submitted in separate volume.

The para-wise clarifications and the manner in which the deficiencies are attended should invariably be given while forwarding the modified copies of the Modification of approved Mining Plan along with Progressive Mine Closure Plan. It may be noted that no extension of time in this regard will be entertained and the Modification of approved Mining Plan along with Progressive Mine Closure Plan will be considered for rejection if not submitted within above due date . It may also be noted that if the deficiencies are not attended completely, the submission would be liable for rejection without further correspondence.

भवदीय / yours faithfully,

(M BISWAS)

क्षेत्रीय खान नियंत्रक / Regional controller of Mines

15/7/16
14-7-16

Scrutiny comment on Modification of Mining Plan including PMCP in respect of KOLMONG Manganese Mine of M/s Rungta Mines Limited over an area of 218.53 Hectare in Sundergarh district of Odisha State.

Date of Inspection: 17.06.2016

GENERAL:

- (1) The status of the lessee, whether, private company, public limited company, partnership firm etc. to be mentioned in para 1.b. Further, the communication address with email id and mobile number of nominated owner to be mentioned in para 1.a.
- (2) Self-attested copies of qualification & experience certificates as required for qualified person to prepare mining plan under MCR'2016 should be enclosed.
- (3) The quantity of Manganese Ore Production and waste to be generated during 2015-16 mentioned in 3.3 does not match with the approved Scheme of Mining. Verify and rectify.
- (4) From office record it is observed that mine was suspended by IBM, however the details of same has not given in para 1.5. The details along with documentary evidence in respect of same to be given.
- (5) The extent and nature of surface right being held by the Lessee to carry out mining activities be indicated with documentary evidence.
- (6) Grammatical mistakes are found to exist at many places, which needs to be corrected. Further, it is observed that at many places "Scheme period" is mentioned instead of "Plan Period". Needs to be rectified.

GEOLOGY & RESERVES:

- (7) The details of all the BH drilled to be submitted in form J and K as prescribed in MCDR, 1988. The same should be signed by the Geologist appointed under Rule 42 of MCDR, 1988.
- (8) Depth continuity of mineralisation should be considered upto the depth of direct evidence of mineralisation. As per Minerals (Evidence of Mineral Content) Rule, 2015 dated 17/04/2015, no extrapolation is allowed in depth direction. Hence, in view of the Minerals (Evidence of Mineral Contents) rules, 2015, reserve and resource estimation may be revised and detail section wise estimation calculation of reserve and resource may be given. Accordingly, area mentioned for G1 and G2 level of exploration in table presented on page 13 and 14 to be revised.
- (9) The dimensions like Length, width, top mRL and Bottom mRL of existing quarry mentioned in table presented on page number 11 and 24 does not match with the surface plan. Needs to be verified and rectified.
- (10) As per "IBM manual on appraisal of Mining Plan 2014" at least 10% of total samples to be analyzed in accordance to BIS and reports from NABL accredited/Government Laboratory. Accordingly, BH wise sample details to be given and 10% of total samples to be analyzed from NABL accredited/Government Laboratory. The details of same to be submitted.
- (11) Exploration proposal should be given for entire lease area, apart from explored area and the same should be completed within this plan period as per directive of ministry of mines vide letter number 10/75/2008-MV dated 23rd Dec 2010. An undertaking to complete exploration in time bound manner should be enclosed.
- (12) The recovery of 80% of ROM ore from total ore zone excavation to be justified with documentary evidence. The recovery should be based on time series data.

MINING:

- (13) The width of the proposed benches mentioned on page number 23 and 30 is different from each other. To be verified and rectified.
- (14) The details of exploration already carried out and mentioned on page number 57 does not matches with exploration details given in Geology chapter. To be verified and rectified.
- (15) **Mine Drainage:** A drainage plan may be submitted showing the drainage pattern of the lease area, catchment area and final discharge point of surface water during rainy season.

STACKING OF MINERAL REJECT/SUB GRADE AND DISPOSAL OF WASTE:

- (16) Page 68: Dump-1 is proposed to be re-handled, however, the detail calculation i.e. yearly quantity of waste to be re-handled, recovery of Mn Ore, waste generation etc. has not been given. Further, it is mentioned that Sub grade stocks namely SG-1, SG-2 and SG-3 are present in Mine, however, same has not shown on surface plan.

PROCESSING OF ROM AND MINERAL REJECT:

- (17) Give a material balance chart with a flow sheet or schematic diagram of proposed processing/screening plant of 80TPH capacity, procedure indicating feed, product, recovery, and its grade at each stage of processing.

PROGRESSIVE MINE CLOSURE PLAN

- (18) As discussed during field visit afforestation proposal may be given for worked out benches.

FEASIBILITY STUDY REPORT:

- (19) In the UNFC Pre-feasibility study: Economic evaluation of the project is not carried out properly. Thus following important parameters are to be dealt with:-
 - a. Assessment of IRR (Internal Rate of Return) and NPV for the project life.
 - b. IRR based on operating cost, reclamation/ rehabilitation cost, closure cost and other important parameters as per UNFC guidelines for the life of the project on the basis of ore body geometry, i.e., depth, width, length etc. as estimated and considered for reserve/ resource estimate.
 - c. Cash flow statement for the period considered for assessment of IRR.
 - d. Sensitivity analysis on cash flow due to market changes, i.e., cost of operation, sale price etc.
 - e. Market assessment has not carried out properly; it should include demand and supply, consumption trend and factor likely to affect the demand and supply into the future.

PLATES:

- (20) General: All plans and sections should be signed with date by certified Surveyor, RQP, Mine Manager, Mining Engineer and Mining Geologist as per provisions of Rule 30 of MCDR, 1988 and Rule 66 of MMR, 1961.
- (21) Location of proposed and existing mineral stack yard to be shown in relevant plan.
- (22) **Surface Plan:** Information of surface drainage system may be furnished on surface plan/geological plan etc. Along with UTM coordinates, Latitude and longitude of all ML boundary points should be mentioned on surface plan.
- (23) **Geological Plan & Section:** Are explored under G1, G2 etc. level is not properly visible in plan. Direction along which geological section have been drawn to be depicted on the sections.
- (24) **Development sections:** Existing bench mRL to be mentioned in the development sections.
- (25) **FA Plan:** Area mentioned in FA table does not math with the FA Plan. Needs to be verified and rectified.

ENCLOSURE

- (26) Annual return for the year 2015-16 may be enclosed.

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