



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

CGO Tower, Room No-603,6th Floor,
Kavadiguda, Secunderabad – 500 080

Dated: .08.2018

File No. AP/VZNR/MN-121/HYD

To,
M/s ASV Prasad Mining (P) Ltd,
C/o-SGX Minerals Pvt. Ltd.
401, Unique Tower, Off SV Road,
Goregaon (West),
Mumbai-400062.

Sub: Violation of provisions of Mineral Conservation and Development Rules- 2017 in respect of your of Sri Krishna Manganese Ore Mine over an extent of 15.61 hecets in D.Gadabavalasa village, Terlam mandal, Vizianagaram dist., Andhra Pradesh.

Sir,

The following provisions of the MCDR, 2017 were found violated in your above mine during the inspection on 19.06.2018 by the undersigned. in presence of your representative Shri Shiv Prasad, Manager (Mines) and Sri Sudhakar D and also on scrutiny of this office record.

Rule No	Rule Position	Nature of Violations observed
Rule No-11(1)	No holder of a mining lease shall commence or carry out mining operations in any area except in accordance with the mining plan approved, modified or reviewed by the Indian Bureau of Mines or prepared and certified in accordance with the system established by the State Government pursuant to the proviso to clause (b) of sub-section (2) of section 5.	<p>A) However it has been noted that the review/ modification of mining Plan approved vide letter No AP/VZNR/MS/Mn-75/Hyd dated 29.07.2016 was approved without prejudice to any other law applicable to mining lease area from time to time made by Central government or the State Government.</p> <p>As per MCDR 2017, the revised rate prescribed for Financial assurance is three lakh rupees for Category 'A' mines and two lakh rupees for Category 'B' mines, per hectare of the mining lease area put to use for mining and allied activities; subject to a minimum of ten lakh rupees for Category 'A' mines and five lakh rupees for Category 'B' mines.</p> <p>Further as per rule 27(2) of the Mineral Conservation and Development Rule 2017, you were supposed to submit the difference amount of bank Guarantee due as on the date of commencement of these rules within 90 days from the date of notification of these rules which is 27/3/2017.</p> <p>But despite the obligation to submit the revised Bank Guarantee to this office, you have not submitted the said amount as per rule till now, which constitutes an offence.</p> <p>B) The bench height and width was proposed to be maintained at 1.5m and 2 m respectively. During inspection it was observed that the heights of benches were ranging from 3m to 8m with width ranging from is less than 1m to 2m. In the working pit the NW and North Central, Western side benches are standing as high wall.</p> <p>C) In 2016-17 it was proposed to construct a retaining wall of 295.13m X 0.5m X 1m for environmental protection of Dump-1 and further it was also proposed to construct a check dam of dimension 5m X 3m X 4m, whereas the retaining wall and check dam has not been constructed.</p>
26(2)	The holder of mining lease shall submit to the competent authority a yearly report as per the format specified by the Indian Bureau of Mines, before 1st day of July every year setting forth the extent of protective and rehabilitative works carried out as envisaged in the approved mine closure plan, and if there is any deviation, reasons thereof.	The yearly report for the year 2017-18 setting forth the extent of protective and rehabilitation work carried out as envisaged in the approved scheme of mining, has not been submitted to the Regional controller of mines, Indian bureau of Mines, Hyderabad.
31(4)	The plans and sections required under these rules shall be maintained up to date within three months in case of category 'A' mines as referred to in clause (a) of	During inspection it was observed that plans and sections required under these rules have not been maintained updated.

	sub-rule (2) of rule 55, and within twelve months in the case of any other mine.	
45(7)	<p>If it is found that the holder of a mining lease or the person or company engaged in trading or storage or end-use or export of minerals, as the case may be, has submitted incomplete or wrong or false information in daily or monthly or annual returns or fails to submit a return within the date specified; then,—</p> <p>(a) in the case of mining of minerals by the holder of a mining lease, the Regional Controller of Mines may advise the State Government to,—</p> <p>(i) order suspension of all mining operations in the mine and to revoke the order of suspension only after ensuring proper compliance;</p> <p>(ii) take action to initiate prosecution under these rules;</p> <p>(iii) recommend termination of the mining lease, in case such suppression or misrepresentation of information indicates abetment or connivance of illegal mining;</p>	<p>On verification of annual return for 2017-18, following discrepancies have been observed –</p> <p>Under part-I the Lease area utilisation as at the end of year is 6.068 Ha but as per Scheme of mining it should be minimum of 9.1436 Ha.</p> <p>Under Part V, Point 3 for Reserves and Resources estimated at the end of the year has not been reported correctly. The reserves mentioned under (111) category is 61413 tonnes and resources under 221 categories are 34842 tonnes. But while subtracting the production from the reserves/resources as approved in the scheme of mining it is found to be 69351.35 tonnes(under 111 category reserves) and 41737.95 tonnes (under 221 category resources).The deviation observed be clarified.</p> <p>Under Part-IV, the waste generated is reported as zero where as in part-v ,point 4.2 the Quantity disposed of in external dumps is reported as 64660 tonnes. There is deviation observed in reporting of quantity of waste generated and waste disposed off in out side dump be clarified.</p> <p>Under part-V section 4(Mineral Rejects for Manganese Ore) the quantity of mineral reject is mentioned as 140 tonnes but the grade is only 6% of Mn. It may be clarified whether it is a waste or mineral reject.</p> <p>Under Part - VI (Production, Dispatches and stock) point 3- the deduction claimed for ex mine Price has been reported as zero but the ex-mine price has been mentioned as Rs 3258.02 instead of 3285.02. Further in part-VI ,point 4- the Registration number allotted by the Indian Bureau of Mines to the buyer has not been mentioned. The total quantity of Manganese ore sold (point 2) is not matching with the total quantity of Manganese ore despatched from mine head (in tonne) at point 4 which is due to repetitive entries at point 4 thus the repetition of entries at point -4 be avoided.</p> <p>Under part-VII (Cost of Production) Royalty and dead rent per tonne are reported as Rs 175.00 and Rs 65.00 respectively but taking the total royalty paid Rs 1165115.00 for 4395 tonnes of manganese ore despatch, total dead rent paid Rs 65708.00 for production of 4242 tonne of production, the royalty per tonne is coming to be Rs 265.10 and dead rent per tonne is Rs 15.49 respectively. The deviation observed be clarified.</p>
55(1) (3)(iii)	Every holder of a mining lease shall employ, in case of category 'A' mines, a whole-time geologist.	During inspection of the mine it was observed that a whole-time Geologist were not appointed.

02. In this connection, it is brought to your notice that the above violations constitute an Offence punishable under Rule 62 of Mineral Conservations and Development Rules, 2017.

03. You are advised to rectify the above violations immediately and intimate the position to this office within 45 (Forty Five) days from the date of issue of this letter.

Yours faithfully

(Subrata Kumar Muduli),
Junior Mining Geologist

NOO:

Copy forwarded to :

1. खान नियंत्रक (दक्षिण क्षेत्र), भारतीय खान ब्यूरो, बँगलोर.
2. The Director, Department of Mines & Geology, Government of Andhra Pradesh.
3. The Assistant Director of Mines & Geology-Vizianagaram, Government of Andhra Pradesh.

(सुब्रत कुमार मुदुली),
कनिष्ठ खनन भूविज्ञानी