



भारतसरकार / Govt. of India
खानमंत्रालय / Ministry of Mines
भारतीयखानब्यूरो / Indian Bureau of Mines
हैदराबादक्षेत्रीयकार्यालय / Hyderabad Regional Office



Phone No.: (040)-29555603/29554603
E-mail: ro.hyderabad@ibm.gov.in
No. AP/NLR/Fels-22

Room No.603, 6th Floor,
CGO Towers, Kavadiguda,
Secunderabad – 500 080.
Date:10.07.2023

To

Sri. K. Suresh Kumar Reddy, Managing Partner
Gangamma Gani Mica Mine
M/s. Sadhana Minerals
1-195, 2nd Floor,
Pebble Towers, Honda Showroom,
Upstairs, Sai Baba Temple Road,
Gudur, SPSR Nellore District,
Andhra Pradesh.

Sub: Violation of provisions of Mineral Conservation and Development Rules, 2017 in respect of your Gangamma Gani Mine (41APR15109) over an extent of 5.419 ha. situated in ChaganamVillage, Sydapuram Mandal, SPSR Nellore District, Andhra Pradesh State.

Sir,

The following provisions of Mineral Conservation and Development Rules, 2017 were found violated in your above mine during MCDR inspection on 20.06.2023 in the presence of Sri. V.Sivarami Reddy, Partner & Sri. R.Puneeth Abhishek, Geologist.

RuleNo.	Nature of Violation observed
11 (1)	<p>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> <p>Mining operations are not carried out in accordance with the proposals given in approved Modification of Mining Plan vide letter No. 659(514)/MC/2004/NLR dated 10.08.2021 to the extent indicated below.</p> <p>Open Cast Mining:</p> <p>i. It was proposed to make trenches of dimension 6m(L)x2m(W)x2m(D) in the year 2021-22 - 01 No. & in 2022-23 – 01 No. During inspection it was observed that no trenches were made as per proposal.</p> <p>ii. It was proposed to generate topsoil of 272 cu.m in the year 2021-22 & 134 cu.m in the year 2022-23, whereas no topsoil generation were made.</p> <p>iii. It was proposed to excavate ROM of 1575 metric tonnes in the year 2021-22 & 900 metric tonnes in the year 2022-23, whereas only 400 tonnes production reported in the year 2021-22 and 425 tonnes in the year 2022-23.</p>

1/12770/2023	<p>Underground Mining:</p> <p>i. It was proposed to carry out development by drives, cross cuts, inclined shaft, raises and winzes of 224 meters in the year 2021-22 & 254 meters in the year 2022-23, whereas only 142 meters development in 2021-22 & 148 meters of development in 2022-23 achievement reported during field inspection.</p>
26 (2)	<p>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:</p> <p>Yearly report setting forth the extent of protective and rehabilitative works carried out as envisaged in the approved mine closure plan for the year 2021-22 not submitted to RCOM, IBM Hyderabad.</p>
27(2)	<p>A financial assurance shall be furnished by the holder of the mining lease, for due and proper implementation of the progressive mine closure plan contained in the mining plan or the final mine closure plan, as the case may be, which shall be an amount of five lakh rupees for Category 'A' mines per hectare of the mining lease area put to use for mining and allied activities.</p> <p>The difference amount of Financial Assurance as per the rate contained in the MCDR, 2017 on 3rd November 2021 for the area proposed to be put in use for the block period of 2021-22 to 2024-25 has not been submitted so far to the authorised officer.</p>
31 (4)	<p>The plans and sections required under these rules shall be maintained up to date showing also the respective proposal of approved mining plan for various activities pertaining to that year, within three months in case of category 'A' mines as referred to in clause (a) of sub-rule of rule 55, and within twelve months in the case of any other mine.</p> <p>During inspection it was observed that plans and sections required under these rules were not maintained upto date as per statute.</p>
34A (1)	<p>Every lessee shall carry out a drone survey of the leased area and upto hundred metres outside the lease boundary in the month of April or May every year and submit the processed output [digital elevation model (DEM) and Orthomosaic] images obtained from such survey or any other format as may be specified by the Indian Bureau of Mines in this regard to the Controller General on or before 1st day of July every year.</p> <p>Digital aerial images of the mining lease area have not been submitted as per the Standard Operating Procedure prescribed by Indian Bureau of Mines. The deviations are as follows:</p> <ol style="list-style-type: none"> 1. One GCP constructed outside the lease area. 2. Resolution of DEM is more than 15cm. 3. GCP co-ordinates submitted in UTM. 4. Shape files of mineral storage, sub grade dump, waste dump, afforestation not submitted. 5. Number of boundary pillars submitted in excel sheet are mismatching w.r.t to DGPS lease sketch. 6. Data submitted in Annexure-I is incomplete.
54	<p>The holder of a mining lease shall maintain the labour attendance register, production and dispatch register, royalty assessment register, sub-grade or mineral reject stack register, OB stack register.</p> <p>However, during inspection it was noticed that ROM production and dispatch register, topsoil generation register, overburden generation register, sub-grade or mineral reject stack register along with grade and plantation/progressive mine closure activities register were not maintained.</p>

1/12770/2023

03. In this connection, it is brought to your notice that the above violations constitute an offence punishable under Rule 62 (1) of MCDR. Further, inability to comply the provision of Rule 11(1) is liable for suspension of Mining operations under 11(2) of MCDR, 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

**Signed by Madhusudhan
Yadav.m**

Date: 10-07-2023 17:05:16

(Reason Approved v. M)

Assistant Controller of Mines

Copy for information:

1. खाननियंत्रक (दक्षिणक्षेत्र), भारतीयखानब्यूरो, बेंगलोर.
2. The Director of Mines & Geology, Govt. of Andhra Pradesh, Sri Anjaneya Towers, D.No.7-104, B-Block, 5 & 6th Floors, Ibrahimpatnam, Vijayawada, Andhra Pradesh - 521456.
3. The Assistant Director of Mines & Geology, D.No.26-4-11, Opposite LIC scanning center building, Near Vedayapalem police station, Vikram Nagar, Nellore - 524004.

मधुसुधनयादव.एम (Madhu Sudhan Yadav. M)

सहायक खान नियंत्रक/ Assistant Controller of Mines



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Sir,

The following provisions of Mineral Conservation and Development Rules, 2017 were found violated in your above mine during MCDR inspection on 20.06.2023 in the presence of Sri. V.Sivarami Reddy, Partner & Sri. R.Puneeth Abhishek, Geologist.

Rule No.	Nature of violation observed
45(7)	<p>If it is found that the holder of a mineral concession or the person or company engaged in trading or storage or end-use or export or import of minerals, as the case may be, has submitted incomplete or wrong or false information in monthly or annual returns or fails to submit a return within the date specified; The following deficiencies were observed in the Annual Returns (2021-22):</p> <p><u>Part-I:</u> The lease area utilization submitted in the annual returns are not matching with the field conditions.</p> <p><u>Part-IIA:</u> In the Capital Structure, the value of fixed assets, building and machineries are submitted as NIL.</p> <p><u>Part-IV:</u> Overburden removed details not submitted.</p>

I/12773/2023

	<p><u>Part-V:</u> Section 3: i. Reserves and Resources details submitted as NIL.</p> <p>Section 4: i. Total ROM production details not submitted. ii. Details of benches not submitted. iii. Plantation details not submitted.</p> <p><u>Part-VI:</u> i. Vermiculite sold to the parties who are not registered with the India Bureau of Mines under Rule 45 of MCDR 2017. ii. Sale value is less than the cost per tonne.</p> <p><u>Part-VII:</u> i. Exploration cost per tonne is submitted as Rs.239.02/-, whereas no exploration work carried out during the year 20221-22. ii. In the cost of production details, royalty and dead rent paid are not consistent with the values reported in other parts of the annual returns.</p>
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02. In this connection, it is brought to your notice that continuing contraventions of the provision of these rules by submitting late returns also attracts the action as per the provision of rule 62 of MCDR, 2017.

03. Your attention is invited to clause (ii) of Rule 45(7)(a) of MCDR, 2017, by which, non-submission or incomplete/wrong/false information in the annual returns by due date attracts action which may be:

- i. Suspension of all mining operations;
- ii. Prosecution;
- iii. Recommend for termination of the mining lease;

You are therefore, directed to show-cause within a period of 30days as to why aforesaid action as stipulated under Rule 45(7)(a) is not to be taken against you.

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

Yours faithfully,

(Madhu Sudhan Yadav. M)
Assistant Controller of Mines

Copy for information to:

1. **खाननियंत्रक (दक्षिणक्षेत्र), भारतीयखानब्यूरो, बेंगलोर.**
2. The Director of Mines & Geology, Govt. of Andhra Pradesh, Sri Anjaneya Towers, D.No.7-104, B-Block, 5 & 6th Floors, Ibrahimpatnam, Vijayawada, Andhra Pradesh - 521456.
3. The Assistant Director of Mines & Geology, D.No.26-4-11, Opposite LIC scanning center building, Near Vedayapalem police station, Vikram Nagar, Nellore – 524004.

**Signed by Madhusudhan
Yadav.m**

Date: 10-07-2023 17:08:47

Reason: Approved

मधुसुधनयादव. एम(Madhu Sudhan Yadav M.)
सहायकखाननियंत्रक/ Assistant Controller of Mines