

SHOW-CAUSE NOTICE  
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भारत सरकार  
GOVERNMENT OF INDIA  
खान मंत्रालय  
MINISTRY OF MINES  
भारतीय खान ब्यूरो  
INDIAN BUREAU OF MINES  
क्षेत्रीय खान नियंत्रक कार्यालय  
OFFICE OF REGIONAL CONTROLLER OF MINES  
29, इंडस्ट्रियल सबर्ब, II स्टेज, तुमकुर रोड,

गोरगुंटापाल्या येशवंतपुर,  
बेंगलुरु -560022

दूरभाष: (080) 39505368 /

29720499

Email ID: ro.

bangalore@ibm.gov.in

No: MCDR-MiFLOFE/13/2022-BNG-IBM\_RO\_BNG Mine-code: 30KAR03139 Dated: \_/11/2023

To,

Dr. Meda Venkataiah,

Nominated Owner & Director

Iyli Gurunathappa iron ore Mine

M/s. Ramgad Minerals & Mining Limited

Baldota Enclave, Abheraj Baldota Road

Hospet, Vijayanagara District-583 203

Karnataka

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[lohith.kumar@rmml.in](mailto:lohith.kumar@rmml.in)

विषय/Subject: **Violation of provisions of MCDR 2017 read with MCDR(Amendment),2021 in respect of your Iyli Gurunathappa Iron ore mine, ML 2593 over an extent of 20.23 ha, in Ramgad Village, Sandur Taluk , Ballari District of Karnataka State.**

Sir,

The following provisions of the Mineral Conservation and Development Rules, 2017 read with Mineral Conservation and Development (Amendment) Rules, 2021 were found violated in your above mine during inspection on 19.10.2023 by the undersigned in presence of Shri Vishwajit Ghosh, General Manager-Mines, Shri Lohith Kumar D R, Geologist and other mine officials:

Rule	Nature of Violations observed
45 (7)	<p>The online Annual return for the year 2022-23 has been submitted by the Lessee; Following discrepancies are noted in the submitted copy as observed during site inspection.</p> <p>a) <b>Part-I:</b> -The Surface KML/KMZ file for the year 2022-23 attached have not been prepared correctly. Also, total no. of plants existing within the lease area is not matching with the figures as reported in Part-V (5) of AR 2022-23, in the attached PMCP table</p> <p>b) <b>Part-II A(Capital Structure):</b> The depreciation during the year as reported under Total column in Part-II A(1)(Rs 2765904/510830 tons= Rs 5.41/ton) is not matching with the Depreciation cost/ton as reported in Part-VII -Cost of production(Rs 6.19/ton).</p> <p>c) <b>Part-VI:</b> i) The Ex-mine price for 55-58 % Fe grade fines could not be verified in Part -VI 3(ii) as there is no corresponding sales-despatches reported for the above grade in Part-VI (5). It is mentioned under Reasons Part-VI(7)-"Export grade material fines qty 23994 MT with 55-58 % Fe slab was moved to our port yard for export purpose (Not sold/Exported) hence it was not reported in Sales-Despatch section" . As such the basis for considering Ex-mine price of above grade is not clear.</p> <p>ii)The Ex-mine for 58-60 % Fe fines have not been reported correctly w.r.t the corresponding sales-despatches reported for the above grade in Part-VI (5). The sale for 58-60 % Fe fines to MSPL Limited/MSPL Pellet plant is between related parties and is not on arms' length basis, &amp; such sale shall not be recognised as a sale for the purposes and in such case the average sale price published monthly by the Indian Bureau of Mines for that mineral grade for a particular State to be reported</p>

as per Rule 45(8)(b)(III) of MCDR 2017.

**d) Part-VII:** There is error in per ton cost reported for Overhead cost (arriving to Rs. 512.09/ton as per the figures reported in Part-III(6)(i)), Depreciation (arriving to Rs 5.41/ton as per the figures reported in Part-II A (1)) and subsequently total Cost of production.

02. The Mining operations and dispatches may be suspended and any action under subrule (7) of Rule 45 of MCDR 2017 read with MCDR (Amendment), 2021 may be initiated.

03. The fine may be imposed for submitting incomplete/ wrong/ false information in monthly & annual return, as per Schedule-II of MCDR (Amendment) Rules, 2021

04. In this connection, it is again brought to your notice that this violation also constitutes an offence punishable under Rule 62 of MCDR (Amendment), 2021.

**05. You are, therefore, directed to show cause within a period of thirty (30) days from the date of issue of this notice, as to why action under sub rule (7) of Rule 45 and Rule 62 of MCDR 2017 read with MCDR (Amendment), 2021 shall not be taken against you.**

06. You are herewith given 30 days-time for reply and rectification of the violation from the date of issue of this notice. Please note that no further notice will be given to you in this regard.

भवदीय/Yours faithfully,

(Sandeep Kumar Singh)  
Senior Assistant Controller of Mines  
Indian Bureau of Mines

Copy for kind information to:

1. The Controller of Mines (SZ), Indian Bureau of Mines, Bangalore.
2. The Director, Dept. of Mines & Geology, 49, Khanij Bhavan, Race Course Road, Bangalore-560 001

(Sandeep Kumar Singh)  
Senior Assistant Controller of Mines  
Indian Bureau of Mines