MINING PLAN

by

Chief Controller of Mines I/c

INDIAN BUREAU OF MINES
Subject Themes

- Mining Plan
- Sustainable Mining
- Reporting of Production and Sale
- Sustainable Closure
Why Mining Plan?

- Doon Valley Litigation in 1987

- Amendment of Act, MCDR, MCR
  - Mining Plan introduced
  - Preparation by RQP/ QP
  - Mining operation as per Mining Plan
  - Environment protection
  - Filing returns and reports
REQUIREMENT OF MINING PLAN

- Basic document for EC, FC etc for grant of a ML.
- It connects the mine with all stakeholders.

- It’s a guide book for -
  - implementation for the lessees, and
  - monitoring tool for regulatory authority.

- It’s a techno-legal document for -
  - Systematic and scientific development of mine for conservation of minerals; and
  - Progressive closure for protection of environment.
Section 5(2)(b) of the MMDR Act - no mining lease shall be granted unless there is a duly approved mining plan.

Rule 13(1) of MCR-2016 - no mining operations shall be undertaken except in accordance with Mining Plan.

Rule 11(1) of MCDR, 2017 - no holder of a mining lease shall commence or carry out mining operations except in accordance with mining plan approved by IBM.
Mining Plan in Mine Development and Production Agreement (MDPA)

**Rule 10 of Mineral Auction Rules – “Grant of Mining Lease”**

- Sub rule (3): Preferred bidder shall be considered to be the “successful bidder” upon satisfying the conditions specified in section 5(2)(b) of the MMDR Act – requirement of mining plan.

**MDPA - “Mining Plan”** means a mining plan drawn in accordance with section 5(2)(b) of the MMDR Act.
SCIENTIFIC PLANNING

- Resource /reserve as per UNFC
- Exploration plan
- Year-wise excavation plan for 5 years :-
  - Method of mining,
  - Requisition of minimum area.
- Mineral processing & upgradation.
- Simultaneous Reclamation/Rehabilitation to minimize the need for external dumps.
**SCIENTIFIC ISSUES**

- Determination of site and its capacity for disposal of waste; solid and liquid.
- Re-handling of waste dumps, if necessary.
- Protection of environment:
  - Afforestation program.
  - Control of ground vibration, air pollution.
  - Drainage and water pollution.
- Final Mine Closure at the end of Mine life.
Mining Plan Disposal

- Mining plan is prepared as per manual of IBM in line with SDF Principles.
- It is submitted to IBM with processing fee.
- IBM is required to dispose mining plan within a period of 90 days from the date of submission.
- For expeditious disposal, a time limit of 45 working days has been set internally.
SUSTAINABLE DEVELOPMENT FRAMEWORK

Star Rating of Mines

**System**

- In built compliance mechanism for environment safeguards

**Validation**

- Two Layer --
  1. Self Evaluation
  2. Validation by IBM
  - Provision for suspension / Show cause

**Benefits**

- A demonstrable system of evaluation of mining footprints.
- A transparent mechanism to disseminate information.
- Creation of a healthy competitive spirit/ exchange of the best practices
- A tool for social licensing for mining.
- A system to establish credibility amongst various stakeholders

**Star Rating System**

- Five Modules
- 1-5 Star Rating
- Bench Mark 4

**Evaluation Templates**
# AUCTION BLOCK MINING PLAN

(As on 06.07.2018)

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Need for timely & Proper Reporting

- Reserves / Resources and its quality in national perspective for development planning.
- Quantity and quality of mineral production for raw material requirements of industry.
- Cost of production and Sale value for calculation of Average Sale Price (ASP) :
  - Sale value and Ex-mine price are the basis for calculation of ASP published by IBM every month.
  - ASP is the determining factor for Royalty.
  - Reserve Price for Auction of Mineral Block is fixed on the basis of ASP.
  - Correct and timely filing of return is IMPORTANT.
Need for Final Mine Closure Plan

- Abandoned mines are liability.
- Thus, the systematic and scientific mining is expanded beyond mining operations to **Closure of Mines**.
- The concept revolves around Planning for Closure, before commencement of mining; even before wining the FIRST ton of ore/mineral.
- **Mine Closure Plan** has been introduced in 2003.
- The concept is further strengthened through Sustainable Mining under rule 35 of the MCDR-2017.
Thank You...