

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:5356

ANSWERED ON:23.04.2001

GOLD RESERVES IN KARNATAKA

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**Will the Minister of MINES be pleased to state:**

- (a) whether exploration for the gold reserves in Karnataka have shown any positive result;
- (b) if so, the quantity of gold yielded from Kolar, Hatti and Ramagiri gold mines during the year 2000-2001;
- (c) whether the Geological Survey of India has pointed out that total indigenous production of gold is quite minimal in contrast to the huge demand; and
- (d) if so, the extent to which the new explorations are likely to enhance indigenous gold production?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI JAYSINGRAO GAIKWAD PATIL)

- (a) Geological Survey of India has estimated the total reserve of 9.863 million tonnes of gold ore in different blocks of Karnataka with a grade from 0.89 gm/tonne onwards.
- (b) The production of gold during the year 2000-2001 from Kolar, Hatti and Ramagiri gold mines was 65 Kg, 1476 Kg (upto Feb., 2001) and zero Kg respectively.
- (c) Monitoring of indigenous production and estimating demand of gold in the country are not the accredited functions of Geological Survey of India. However, there are no firm estimates of demand of gold in country. Very rough estimates suggest that the annual demand of gold in the country is about 600 tonnes whereas the average indigenous production during the period 1997 - 2000 was of the order of 2.9 tonnes. However, total indigenous production of gold in country during 2000-01 has declined in comparison to this average .
- (d) The exploration / exploitation of the gold deposits is governed in accordance with National Mineral policy, 1993 and Mines and Minerals (Development and Regulation), Act, 1957. According to this Policy, gold which was hitherto reserved for exploitation by the Public Sector, has been thrown open for Private Sector participation, both domestic and foreign..The Mines and Minerals (Development and Regulation) Act, 1957 was amended in December, 1999 to make the provisions more investor friendly.