

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:5371

ANSWERED ON:27.04.2015

GOLD MINING

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Will the Minister of MINES be pleased to state:

- (a) the details of operational gold mines and production done by them in the country during each of the last three years, mine-wise;
- (b) whether the Government proposes to liberalise the Reconnaissance Permit (RP) for survey and exploration of the gold in the country;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) the quantum of gold required to be kept with the Union Government for various official purposes and the quantum of gold imported during each of the last three years; and
- (e) the steps taken by the Government to enhance the gold production in the country?

Answer

THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)

(a) The production of Gold during the last 3 years from the mines is given below :

(in Kilograms)

Name of the Producer	2012-13	2013-14	2014-15
Hutti Gold Mines Co. Ltd., Karnataka	1582	1555.45	1429.58
Manmohan Industries (P) Ltd., Jharkhand	5	8	9

(b)& (c) As per newly inserted Section 10 C vide MMDR Amendment Act, 2015, non-exclusive reconnaissance permit for the gold may be granted subject to such terms and conditions as may be prescribed by the Central Government. The holder of such non-exclusive reconnaissance permit shall not be entitled to make any claim for the grant of any prospecting licence-cum-mining lease or a mining lease.

(d) Section 33 of the RBI Act 1934 prescribes the requirements of holding gold by them. The relevant sub-sections are as below :-

Sub-section (1): The assets of the issue Department shall consist of gold coin, gold bullion, foreign securities, rupee coin and rupee securities to such aggregate amount as is not less than the total of the liabilities of the issue Department as hereinafter defined.

Sub-section (2) : The aggregate value of the gold coin, gold bullion and foreign securities held as assets and the aggregate value of the gold coin and gold bullion so held shall not at any time be less than two hundred crores of rupees and one hundred and fifteen crores of rupees, respectively. Sub-section (5) : Of the gold coin and gold bullion held as assets, not less than seventeen-twentieths shall be held in India, and all gold coin and gold bullion held as assets shall be held in the custody of the Bank or its agencies.

The gold held with RBI as on 30.06.2014 is 557.7 metric tonnes amounting to Rs.1240.02 billion.

The overall quantum of Gold imported during each of the last three years as intimated by Directorate General of Foreign Trade, is as follows:

Year	Quantity in thousand kgs
2012-13	1013.72
2013-14	661.71
2014-15 (April-Feb)	782.10

(e) The Hutti Gold Mines Company Limited (HGML) has taken the following steps to increase gold production:-

1. Hutti Gold Mines: Mnd phase mine construction and Circular Shaft Sinking is in process.

2. Hira-Buddinni & Uti Gold Mines: IInd phase of mining by shaft sinking and mine development is in progress.