Syllabus subtopic: Distribution of Key Natural Resources across the world (including South Asia and the Indian sub-continent)

Prelims and Mains focus: about the details of the findings; about India’s gold reserves

News: The Geological Survey of India (GSI) has discovered gold deposits to the tune of around 3,000 tonnes in Sonbhadra district of Uttar Pradesh,

Details

• The gold deposits were found in Son Pahadi and Hardi areas of Sonbhadra district.

• Work on finding gold reserves in Sonbhadra was started almost two decades back in 1992-93 by the Geological Survey of India. The auctioning of these blocks through e-tendering would start soon. The deposits in Son Pahadi is estimated to be around 2,943.26 tonnes, while that at Hardi block is around 646.16 kilogram, the official said.

• It is estimated to be almost five times India’s current reserve of the yellow metal. Besides gold, some other minerals have also been found in the area.

India’s Gold reserves

• As per the World Gold Council, India currently has 626 tonnes of gold reserves. The new reserves are almost five times that amount and estimated to be worth nearly Rs 12 lakh crore.

• The British reportedly were the first to initiate the process of finding gold reserves in Sonbhadra region, which is more in news for being a Naxalism-hit area.

• Interestingly, Sonbhadra – the second largest district of Uttar Pradesh –
is the only district in the country which shares borders with four states — Madhya Pradesh to the west, Chhattishgarh to the south, Jharkhand to the south-east and Bihar to the east.

- Currently, India has only three producing gold mines Hutti, Utti mines (both in Karnataka) and Hirabuddini mines (Jharkhand) and the domestic production has almost stagnated at about 2.8 tonnes annually.

- Karnataka has an estimated 17 to 18 tonnes of gold reserves and the state is the major gold producer state in India i.e 88.7% of total gold production in India.

- After the closure of Kolar Gold Fields Mines of BGML in 2001, the Hutti Gold Mines Limited (HGML), a government of Karnataka enterprise has become the sole producer of primary gold in the country.

- The main problem with the Hutti mines is the low grade of ore. The mine reopened in 1948 and has been operating irregularly since then. The principal mine, Hutti and two other units viz Hira Buddini and Utti are all underground mines located in Raichur district of Karnataka.