

Over a period of years the stature of the Director General has steadily declined with financial and administrative control being tightly held by persons sitting in Delhi. Even the Central Programming Board, consisting of technical men charged with the task of drawing up a programme of geological work for the country, is presided over by the Secretary to Government and not by the Director General.

The organisation has become overstaffed and huge and has lost itself in a maze of administration. The budget allocation to the Department, we understand, is barely sufficient to meet the salaries of the staff and very little is left for developmental research. The organisation is reduced to a state where most people are content to do routine work with no enthusiasm for research. Leadership is not missed giving the impression that any one can manage the show. This should not happen. The Survey should be directed by men with vision, administrative ability and professional excellence. It should be allowed to continue as "a great engine of research". All right minded men should do everything in their power to prevent further erosion in values.

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## GOLD SCENE IN INDIA AND CHINA

### DIFFERING PERCEPTIONS

We have been crying hoarse these last two years in a vain attempt to draw the attention of those who are in seats of power to the imperative need for developing our mineral resources. We welcomed the abolition of the gold control order which had stifled all developmental activity for nearly twenty years and urged the Government to take immediate follow-up action by the appointment of a Gold Commission, charged with the task of stepping up exploration and bringing to a stage of production at least some of the promising occurrences of gold in the country.

*Picture presented by India*

Till date, we have seen no sign of even a perception of the need for an early action. Instead, production has been allowed to steadily decline with hardly any step initiated to reverse the trend. Kolar, which had produced more than 750 tonnes of gold during the last hundred years of its operation and in its hey-day had produced 25 tonnes of gold per year is now, through years of neglect and

bad management, reduced to a miserable position. It continues to operate at enormous loss, producing less than 500 kg a year. A massive establishment is allowed to exist irrespective of whether the mine produces gold or not. For nearly forty years, there has been no exploratory development especially in the upper levels where considerable quantities of lower grade ore must have been left behind in the early years as being uneconomical. Even if such exploration had been carried out, there is no published record of the result of such investigations.

The Bharat Gold Mines Ltd is also operating a gold mine at Ramagiri in Andhra Pradesh for the past 15 years or so. The mine is maintaining a steady production of about 250 kg a year. Information on the tonnage treated, ore reserves developed and the grade of ore is, however, not available. What surprises us is the total lack of interest by the Bharat Gold Mines in further developing the property and stepping up production.

The Indian Bureau of Mines continues to show an average monthly production of about 25 kg (annual production of 300 kg) by the Hindustan Copper Ltd at their unit in Bihar. There is still no information about the mine which has produced this gold, the tonnage treated and its gold content. Our plea that the copper mine from which this gold originates should be identified to facilitate further investigation into the possibility of adding significantly to the production of gold from this new source has had no positive response.

On the exploration side, Government agencies are continuously busy planning on paper with no thought of bringing even one occurrence into a stage of production. The results of their investigation too are kept as closely guarded special secrets. The amount spent on such exploration year after year too is not known.

This is the sad picture which our country presents in the gold scene today.

#### *The picture presented by China*

Let us take a look at what is happening in our big neighbour China. This country had remained an enigma till recently and nothing definite was known about what was happening there. Information, however, has started slowly trickling down now. A recent article in the Engineering & Mining Journal (April 1992, pp.26-32) reviews the fast expanding production of gold in resurgent China. Production of gold has registered a spectacular increase, touching an estimated figure of 100 tonnes in 1992. Most gold mines in China are underground mines. The larger of these produce 3 to 4 tonnes per year. But the bulk of the production comes from a number of small mines producing 250 to 500 kg of gold per year. There are a few opencast mines around alluvial operations. Capacity of many of the producing mines is being doubled and even trebled. Chinese mining engineers are conscious of the hidden costs of over-manning and low productivity and have opted for the most modern equipment and

highly mechanised mining. The emphasis is on more and more production and the gold mining industry has received special priority. China National Gold Corporation has been formed centralising all gold-related activities from prospecting through mining to refining and marketing.

In planning for this rapid development, foreign companies, mainly Australian and Canadian, have been associated to provide the necessary foreign exchange and technological skills. Gold production had nearly doubled. Investment in the gold mining industry in the current plan period 1991-1995 is expected to touch 1500 million dollars (about Rs.4800 crores). The target of production aimed at is 200 tonnes by the year 2000, i.e., double the production in 1990. An annual growth rate of 10 to 15 per cent is planned. This has been made possible through infusion of adequate funds and technological improvements both in exploration and production, together with effective coordination of the various units and operations by a single central organisation - the China National Gold Corporation.

#### *Lessons to Learn*

We have presented here these two pictures of the gold mining industry. In one, a short-sighted management policy, imposition of gold control at a crucial time in its history and a total lack of interest, has stifled all production, to say nothing of expansion. The result is a continuous decline in output, and a bleak and inglorious future. The other picture is that of a resurgent nation, bubbling with energy, full of confidence, setting a goal for itself, pumping more money into the industry and surging ahead with determination and an indomitable will.

The lessons to draw from this comparison are clear. Without infusion of adequate funds and effecting technological improvements in exploration and development, nothing significant is possible. The time now is for action, for taking bold decisions and exerting ourselves - management as well as labour, to our utmost in order to attain higher goals of production. We repeat our suggestion made on earlier occasions for the creation of a Gold Commission with sufficient funds and manned by men with vision, to take the country forward. Can we hope for a change in the attitude of Government towards gold mining industry?

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