

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:7298
ANSWERED ON:13.05.2005
MINING OF DIAMONDS
Singh Shri Chandrabhan Bhaiya

Will the Minister of MINES be pleased to state:

- (a) whether mining of diamonds is being done in the Panna district of Madhya Pradesh;
- (b) if so, whether the auction sale of diamonds is being done in some other States instead of Madhya Pradesh;
- (c) if so, the reasons therefor;
- (d) whether any scheme/proposed for the development of this area from the income received through diamonds is under consideration of the Government;
- (e) whether the condition of diamond mines is in pitiable condition; and
- (f) if so, the details thereof and the steps taken by the Government for its improvement?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (Dr. DASARI NARAYANA RAO)

The information as received from Ministry of Steel is as under:-

- (a) Yes, Sir.
- (b) Diamonds produced by the National Mineral Development Corporation (NMDC) are sold in Madhya Pradesh at Panna as well as at Mumbai (Maharashtra).
- (c) The quantum of diamonds to be sold is around 84,000 carats per annum of all categories. The diamond market for rough diamonds in Panna District of Madhya Pradesh is much smaller in comparison to that of Mumbai. Thus the auction sale of diamonds is also conducted at Mumbai in addition to Panna. Mumbai offers a better market and attracts bigger merchants which ultimately results in better price realization and more royalty to the Government of Madhya Pradesh.
- (d) Medical facilities, drinking water, education, free transport facilities are being extended to nearby villages by NMDC.
- (e) & (f) The NMDC mines at Majhgawan, Panna is fully mechanized and is being worked systematically. NMDC has its own township with the required facilities for its employees.