



NATURAL RESOURCES DEPARTMENT

POLICY NOTE 2025 – 2026

DEMAND No. 55

DURAIMURUGAN

MINISTER FOR WATER RESOURCES



**Government of Tamil Nadu
2025**

NATURAL RESOURCES DEPARTMENT
POLICY NOTE
2025-2026
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NATURAL RESOURCES DEPARTMENT

POLICY NOTE

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1. DEPARTMENT OF GEOLOGY AND MINING

CHAPTER-1

The Geological formations in the State of Tamil Nadu vary in age roughly from 3,500 million years ago to recent times. The ancient land mass of the State is endowed with spectrum of major minerals such as Iron Ore, Bauxite and Magnesite in the hill areas of Salem and Namakkal Districts, Crystalline Limestone in the District of Coimbatore, Fossiliferous Limestone in Ariyalur District and Tiruchirappalli District, Lignite in the Neyveli area of Cuddalore District, Mineral Oils such as Crude Oil and Natural Gas in the deltaic Districts of Tiruvarur, Thanjavur, Nagapattinam and Mayiladuthurai, Graphite in Sivaganga District, Atomic Minerals such as Monazite, Rutile,

Leucoxene, Sillimanite, Zircon, Illmenite and Garnet, in the coastal areas of the Kanniyakumari, Tirunelveli and Thoothukudi Districts, Minor Minerals such as Granite both Black and Multi Coloured in Madurai, Dharmapuri, Krishnagiri Districts, Quartz, Feldspar, Silica Sand in many Districts.

In 1983, the Geology and Mining Department was formed for exploration of the minerals for commercial utilization and administration of minerals. The mineral concessions for major minerals are granted by following the Mines and Minerals (Development and Regulation) Act, 1957 and Central Rules, and concessions for minor minerals are granted as per the Tamil Nadu Minor Mineral Concession Rules, 1959.

Through grant of mineral concessions, the revenue generated has been increased from Rs.1,212.87 crore during FY 2021-2022 to Rs.1,704.14 crore during FY 2024-2025. For management of abandoned mines and quarries, a dedicated fund, named Green Fund was created in 2022. Lessees of minor minerals have been contributing to the Green Fund. Statutory contributions made by the lessees of minerals under District Mineral Foundation Trust are used for taking up public-welfare projects in the mines affected areas. A total of 3,237 projects have been taken up at a cost of Rs.1,034.68 crore. Statutory contributions made by the lessees of major minerals under the National Mineral Exploration Trust are used for taking up exploration of major minerals in the State. A sum of Rs.2 crore was granted under this fund, for

purchase of chemical equipment for analysis of rock samples collected during the exploration of minerals.

Landslide prone areas in the hill areas of Kodaikanal in Dindigul District and the Nilgiris District, are being periodically studied by Geo-Technical cells, landslide prone maps are prepared and remedial measures are suggested. The Geo-Technical cells are issuing technical clearances on the suitability of the terrain in the hilly areas for construction of buildings.

The mining and quarrying of minerals and its transportation without lawful authority are being monitored by the flying squads functioning in the regions of Madurai, Tiruchirappalli, Viluppuram and Salem. Due to effective enforcement, during the FY 2024-25 (upto February 2025), 3,741 four

and above wheeled vehicles transporting minerals without valid transport permit were seized and criminal cases have been filed.

1.1 Vision

The vision of this Department is to strive to attain a leadership position in the management of mineral wealth by becoming future ready to meet the rising demand for minerals for sustainable industrial growth.

1.2 Objectives

- (i) Use of modern technologies for the exploration and estimation of minerals.
- (ii) Augmentation of revenue through effective and efficient administration of minerals.
- (iii) Generation of employment opportunities.

- (iv) Prevention of illegal mining and transportation of minerals by improving enforcement using modern technologies.
- (v) Implementation of projects for the welfare of the society in the areas affected by mining activities using District Mineral Foundation Trust Fund.

1.3 Functions

- (i) The primary function of the Department is mineral administration, i.e., grant of mineral concessions, regulating the production and transportation of minerals. Mineral concessions are granted to applicants who could be individuals, partnership firms, private companies or Public Sector Undertakings. Public

Sector Undertakings such as Tamil Nadu Minerals Limited, Tamil Nadu Magnesite Limited, Tamil Nadu Cement Corporation Limited, Neyveli Lignite Corporation India Limited, Indian Rare Earths (India) Limited have been granted leases for minerals such as Granite, Magnesite, Dunite, Limestone, Lignite, Graphite, Heavy Minerals like Zircon, Illmenite, Garnet, Rutile, Monazite, Leucoxene and Sillimanite.

- (ii) Revenue is collected in the form of levies such as royalty, surface right compensation from the lessees of major minerals; seigniorage fee, dead rent, area assessment, annual brick mineral fee are being collected from the lessees of minor minerals.

- (iii) Exploration of new mineral deposits is being carried out through the Geological Survey of India, notified agencies such as Mineral Exploration Corporation Limited, Kudremukh Iron Ore Corporation Limited, Tamil Nadu Cements Corporation Limited, Tamil Nadu Magnesite Limited and Tamil Nadu Minerals Limited.
- (iv) For effective control of illicit mining and transportation of minerals, apart from inspections by District level officials, flying squads operating in the regions of Madurai, Tiruchirappalli, Viluppuram and Salem are regularly monitoring the mining, quarrying areas and vehicles transporting minerals.

(v) In view of the sensitive eco-system, mining activities are not permitted in the hill areas of the Nilgiris District and Kodaikanal in Dindigul District. These areas are prone to landslides and hence Geo-technical Cells have been mapping the hilly areas for identification of vulnerable zones in these Districts. The Geo-technical Cells suggest remedial measures to the District administration to mitigate the impact of natural hazards. Besides, the Geo-technical Cells are processing the applications made by individuals and Government bodies, the Assistant Director examine the safety and suitability of the areas, furnish technical feasibility report for construction activity in the hill areas.

CHAPTER – 2

1.4 Mineral Resources

Tamil Nadu is endowed with major minerals, critical minerals, atomic minerals, minor minerals and mineral oils. These minerals are detailed below:-

A. Major Minerals

I. Limestone:

It is used in the manufacturing of lime, cement, chemicals, fertilizers and in metallurgical industries. It is of two types: -

- (a) Crystalline Limestone, which mainly occurs in Salem, Tiruchirappalli, Karur, Dindigul, Madurai, Virudhunagar, Coimbatore and Thoothukudi Districts.

(b) Non-Crystalline Limestone or Fossiliferous Limestone occurs predominantly in Ariyalur, Tiruchirappalli and Perambalur Districts. Totally 56 leases are under operation over an extent of 3611.73.50 hectares.

II. Lignite:

This energy mineral is found in three areas namely Neyveli, Mannargudi and Ramanathapuram. The total reserves of Lignite in these areas are estimated at 34,764 million tonnes. The Neyveli Lignite Corporation India Limited has been mining Lignite in Neyveli over an extent of 25,900

hectares in Cuddalore District.

III. Marl:

Marl is a sedimentary rock consisting of Carbonate minerals, Clay and Silt. It is used in the industries for manufacturing of fertilizers and cement. It occurs as a sedimentary deposit in association with fossiliferous Limestone in Ariyalur District.

IV. Magnesite:

It is a Magnesium Carbonate mineral. It finds wide use in refractories as flux in sintering, blast furnace, conditioners, ceramic filters and abrasives. One of the World's best Magnesite deposit occur in the Chalk hills of Salem District. Two

leases are under operation over an extent of 96.52.0 hectares.

V. Vermiculite:

It is a Micaceous mineral, which appears brownish yellow in colour. It is used as insulators and in manufacture of vermitiles. TAMIN has been mining this mineral over an extent of 23.70.5 hectares in Sevathur Village, Tirupathur District.

VI. Bauxite:

The metal Aluminium is extracted from this ore. Bauxite is also used in refractory, cement, chemical, paint industries and in refining petroleum products. The Shervaroy hills in Salem District and

Kolli hills in Namakkal District contain good deposits of Bauxite.

B. Critical Minerals

I. Graphite:

It is a naturally occurring crystalline Carbon used in crucible industry, insulators, electrode, atomic reactors and foundry units. Graphite occurs mainly in Sivaganga and Madurai Districts. One lease is granted to TAMIN over an extent of 237.40.0 hectares in Poovandhi Village of Sivaganga District.

II. Molybdenum

Molybdenum occurs mainly in Dharmapuri and Krishnagiri Districts. It is used to make alloys to increase strength, hardness,

electrical conductivity and resistance to corrosion and water.

III. Platinum Group of Elements:

The Platinum Group of Elements are Osmium, Iridium, Ruthenium, Rhodium, Platinum and Palladium. They occur in Namakkal District. They are most valued for their wide range of industrial, medical and electronic applications. Platinum is probably the most recognized because of its use in jewellery, but its main application is in the manufacture of catalytic converters.

IV. Tungsten:

Tungsten is a rare metal found naturally on Earth almost exclusively as compounds with other

elements. Tungsten occurs mainly in Madurai District. It is used in many electrical and electronic applications. It is used in the form of Tungsten Carbide for very hard and tough dyes, tools, gauges and bits. Tungsten steels is used in the aerospace industry to fabricate rocket- engine nozzle, throats and leading-edge re-entry surfaces.

C. Atomic Minerals

Beach Sands in Tirunelveli, Thoothukudi and Kanniyakumari Districts contain atomic minerals such as Monazite, Garnet, Ilmenite, Rutile, Sillimanite, Zircon and Leucoxene. Beach sand minerals are

used as abrasives, semi-conductors and in atomic reactors. The Indian Rare Earths (India) Limited has been mining these minerals in Kanniyakumari District. Garnet also occurs as placer deposit in Tiruchirappalli District and as rock forming deposit in Madurai District. The Ministry of Mines, Union Government, vide order dated.01.03.2019 notified the threshold value of Monazite occurring in beach sand minerals and other placer deposits as 0.00%. Henceforth, any mineral concession of beach sand minerals shall be granted to a "Government Company or Corporation owned or

controlled by the Government” under the provisions of the Atomic Minerals Concession Rules, 2016.

D. Minor Minerals

I. Granite:

Tamil Nadu contains rich deposits of Granite. The hard crystalline rocks that are amenable to cutting and polishing are called Granite. The Tamil Nadu is one of the leading State in quarrying of Granite in India. Granite which are produced in different sizes such as monuments and tiles has huge market in the foreign countries, earning substantial foreign exchange. Black Granite occurs in the Districts of Krishnagiri, Dharmapuri,

Salem, Viluppuram and Tiruvannamalai. Granites of various shades occur in the Districts of Krishnagiri, Madurai, Virudhunagar, Salem and Dindigul. Some of the most popular commercial varieties in Tamil Nadu are Kunnam black, Zebra white, Paradiso, Red wave, Tiger skin, Desert brown and Kashmir white. A total of 36 black Granite and 76 multicoloured Granite quarries over an extent of 391.37.98 hectares are under operation in Tamil Nadu.

II. Fire Clay:

The main use of Fire Clay is in refractory, ceramic articles, cement industries

and as decorative tiles. It is found in the Districts of Ariyalur, Perambalur and Cuddalore. 10 leases are in operation over an extent of 26.46.80 hectares.

III. Quartz and Feldspar:

The Districts of Salem, Karur, Dindigul, Namakkal, Tiruppur and Dharmapuri have good deposits of Quartz and Feldspar. It is mainly used in glass, refractory, foundry, ceramic, electrical, abrasives and paint industries. 15 leases over an extent of 29.14.60 hectares are under operation in the above Districts for quarrying these minerals.

IV. Silica Sand:

It is mainly used in glass industries and in foundries as moulding

catalysts. It occurs in the Districts of Viluppuram, Nagapattinam, Chengalpattu, Thanjavur and Cuddalore. 4 leases over an extent of 14.12.10 hectares are under operation in the above Districts for quarrying these minerals.

V. Soapstone:

It occurs mainly in the Districts of Salem and Namakkal. It is used in the manufacture of Talcum powder and Decorative articles. Leases have been granted for mining Soapstone over an extent of 3.28.5 hectares in Salem and Namakkal Districts.

VI. Gypsum:

Gypsum is used in the manufacture of Plaster of Paris and in industries such as cement, fertilizer and pesticides. A total of 13.89.50 hectares of land in Coimbatore, Perambalur and Tiruppur Districts have been leased out for quarrying Gypsum.

E. Mineral Oils Crude Oil and Natural Gas

The Oil and Natural Gas Corporation has been producing Crude Oil and Natural Gas in the Districts of Cuddalore, Thanjavur, Tiruvarur, Nagapattinam, Pudukkottai, Mayiladuthurai, Ariyalur and Ramanathapuram.

CHAPTER – 3

1.5 Production and Revenue from the Minerals

The details of production of major minerals, minor minerals, 31 minor minerals and mineral oils and revenue from these minerals for the period from April 2024 to February 2025 are tabulated below: -

Table – 1

Production and Revenue from Major Minerals

| Sl. No. | Mineral | Production (Lakh Metric Tonnes) | Revenue (Rs.in crore.) |
|----------------|-----------------|--|-------------------------------|
| 1. | Limestone | 209.07 | 188.69 |
| 2. | Lignite | 191.86 | 237.41 |
| 3. | Marl | 3.78 | 2.45 |
| 4. | Graphite | 2.44 | 0.63 |
| 5. | Atomic Minerals | 1.00 | 3.40 |
| 6. | Magnesite | 0.47 | 1.29 |
| Total: | | 408.62 | 433.87 |

Table – 2

Production and Revenue from Minor Minerals

| Sl. No. | Mineral | Production (Lakh cbm) | Revenue (Rs.in crore) |
|----------------|------------------|------------------------------|------------------------------|
| 1. | Roughstone | 513.39 | 456.00 |
| 2. | Gravel | 52.33 | 30.47 |
| 3. | Earth | 51.53 | 60.55 |
| 4. | Coloured Granite | 0.71 | 22.03 |
| 5. | Black Granite | 0.15 | 8.15 |
| 6. | Pebble | 0.16 | 0.42 |
| Total: | | 618.27 | 577.62 |

Table – 3

Production and Revenue from 31 Minor Minerals

| Sl. No. | Mineral | Production (Lakh Metric Tonnes) | Revenue (Rs.in crore) |
|----------------|----------------|--|------------------------------|
| 1. | Lime Kankar | 11.38 | 17.08 |
| 2. | Fire Clay | 2.76 | 1.00 |
| 3. | Silica Sand | 1.97 | 3.17 |
| 4. | Clay | 1.30 | 0.63 |

| | | | |
|---------------|-----------|--------------|--------------|
| 5. | Feldspar | 0.86 | 1.09 |
| 6. | Quartzite | 0.28 | 0.29 |
| 7. | Quartz | 0.17 | 0.51 |
| 8. | Dolomite | 0.11 | 0.14 |
| 9. | Calcite | 0.08 | 0.11 |
| 10. | Ball Clay | 0.06 | 0.06 |
| Total: | | 18.97 | 24.08 |

Table-4

Production and Revenue from Crude Oil and Natural Gas

| Sl. No. | Mineral | Production (Lakh) | Revenue (Rs.in crore) |
|----------------|-------------------|--------------------------|------------------------------|
| 1. | Crude Oil (M.T) | 3.12 | 180.17 |
| 2. | Natural Gas (Cbm) | 9421.64 | 198.11 |
| Total | | | 378.28 |

During the FY 2024-2025, ending February 2025, an amount of Rs.1,413.86 crore was collected by way of levies on minerals, through e-auction of rough stones, an amount Rs.115.44

crore was realized, an amount of Rs.80.89 crore under Green Fund was collected, an amount of Rs.60.74 crore was imposed as penalty and miscellaneous revenue of Rs.33.21 crore. Thus, totally Rs.1,704.14 crore has been collected for the above-said period.

CHAPTER – 4

1.6 Mineral Trust

1.6.1 District Mineral Foundation Trust

In the year 2017, the District Mineral Foundation Trust was established in all the Districts except Nilgiris. For the leases granted before 12.01.2015, 30 percent on royalty or seigniorage fee is collected from the lessees for the trust. Lessees who are granted leases after 12.01.2015, are contributing at the rate of 10 percent on royalty or seigniorage fee. The fund is used for the implementation of the Pradhan Mantri Khanij Kshetra Kalyana Yojana. Under this scheme, public welfare schemes are being implemented in the mine affected areas. So far, Rs.1,681.97 crore has been contributed by the lessees as on 28.02.2025.

Projects such as physical infrastructure, health, drinking water, education, sanitation, welfare of aged and differently abled people, welfare of women and children, skill development, environment, pollution control and ecology are categorised as high priority sectors. Out of the total fund, 60% of the fund have to be invested in high priority sectors.

Projects such as irrigation, energy and watershed development and others are categorised as other sectors.

During 2017 to 28.02.2025, a total of 3,237 projects have been taken up at a cost of Rs.1,034.68 crore. Out of these projects, 2,634 have been completed at a cost of Rs.778.04 crore. The details of projects under the two sectors are given in the tables below:-

Table-5**Projects under High Priority Sectors**

| Sl. No. | Sectors | Projects taken up | Cost (Rs. in crore) | Projects completed | Cost (Rs. in crore) |
|----------------|--|--------------------------|----------------------------|---------------------------|----------------------------|
| 1. | Physical Infrastructure | 906 | 239.97 | 726 | 166.73 |
| 2. | Health | 677 | 95.63 | 575 | 58.36 |
| 3. | Drinking Water | 541 | 329.66 | 459 | 278.37 |
| 4. | Education | 530 | 97.81 | 373 | 47.69 |
| 5. | Sanitation | 168 | 12.18 | 142 | 7.81 |
| 6. | Welfare of aged and differently abled people | 114 | 1.79 | 111 | 1.69 |
| 7. | Welfare of Women and Children | 77 | 7.29 | 66 | 6.04 |
| 8. | Skill Development | 36 | 5.15 | 30 | 4.05 |
| 9. | Environment, Pollution Control and Ecology | 42 | 17.46 | 31 | 2.70 |
| Total: | | 3,091 | 806.94 | 2,513 | 573.44 |

Table-6**Projects under Other Sectors**

| Sl. No. | Sectors | Projects Taken Up | Cost (Rs. in crore) | Projects completed | Cost (Rs. in crore) |
|--|----------------------------------|--------------------------|----------------------------|---------------------------|----------------------------|
| 1. | Irrigation | 60 | 210.69 | 53 | 191.45 |
| 2. | Energy and watershed development | 42 | 12.86 | 30 | 9.51 |
| 3. | Others | 44 | 4.19 | 38 | 3.64 |
| Total: | | 146 | 227.74 | 121 | 204.6 |
| Grand Total (High priority sectors + Other sectors) | | 3237 | 1,034.68 | 2,634 | 778.04 |

1.6.2 National Mineral Exploration Trust

A trust for carrying out exploration of major minerals was set up in accordance with the Mines and Minerals (Development and Regulation) Act 1957, amended in 2015. This trust is known as National Mineral Exploration Trust. For the trust, the lessees of major minerals have been

contributing 2% on royalty paid for major minerals. An amount of Rs.95.90 crore has been collected till 28.02.2025.

Exploration of major minerals has been taken up with thrust on strategic and critical minerals, surveys through geo-physical, geochemical and aerial surveys over mineral bearing areas, adoption of modern scientific and technological methods for extraction of minerals for the development of mineral resources. The fund is also used for capacity building programs.

CHAPTER – 5

1.7 New Initiatives

1.7.1 DGPS and Drone Survey Technology

Differential Global Positioning System Survey was conducted in 113 mines and 1,756 quarries through 23 empanelled agencies and boundaries of lease hold areas were fixed. This helps in confining the mining and quarrying activities within their lease hold areas.

In the first phase of the FY 2024-2025, drone survey was conducted in 203 quarries through 13 empanelled agencies to assess the quantum of minerals excavated from the quarries. Quarrying of minerals in excess of quantity of minerals permitted in the mining plan was found out in 160 quarries. A sum of Rs.68 crore is levied as penalty for 55 quarries and Rs.7.26 crore was collected.

In the second phase of the FY 2024-2025, a total of 116 quarries have been taken for drone survey.

1.7.2 Restoration of Old abandoned mines and quarries, for public utility

With the objective of reclamation, restoration and rehabilitation of abandoned mines and quarries, Green Fund was created, vide, Government Order in 2022. Lessees transporting minerals within the State have been contributing at the rate of 10 percent of seigniorage fee and lessees transporting minerals outside the State have been contributing 50% of the seigniorage fee. An amount of Rs.198.07 crore has been collected as Green Fund upto 28.02.2025.

Using Green Fund, efforts are being taken to bring the abandoned mines and quarries in the State to public utility. Presently, 348 abandoned quarries in Government land were handed over to

the Local Bodies, Chennai Metropolitan Water Supply and Sewerage Board and Tamil Nadu Water Supply and Drainage Board.

1.7.3 Farmer's Welfare Scheme

A scheme on desiltation of tanks and reservoirs was inaugurated by the Hon'ble Chief Minister on 08.07.2024. Under this scheme, farmers and potters have been permitted to remove Silt, Clay and Earth from the tanks and reservoirs under the control of Water Resources Department, Rural Development and Panchayat Raj Department at free of cost for agricultural and pottery purposes. Farmers and Potters have been applying through e-seva centres getting online permission lifting required minerals from the water bodies. This scheme ensures nutrient rich soil for agriculture, besides increases the storage

capacity in the water bodies without any expenditure to the Government.

As on 28.02.2025, 21,073 tanks and reservoirs with 4460.89 Lakh cubic metres of Silt, Clay and Earth have been notified in the web portal tnesevai.tn.gov.in created for the purpose. A total of 55,923 farmers and potters granted permission for removing 68.82 lakh cubic metres of Silt, Clay and Earth for agriculture, pottery and domestic purposes.

1.7.4 Conservation of Geo- Heritage Site and Fossil Museum

Preservation of ancient geological sites have been accorded much importance for understanding the history of the landmass that helps the research scholars, school and college students for the academic pursuits. A fossiliferous area covering an extent of 9.72.0 hectares in

Karai Village in Perambalur District is preserved as a Geo-Heritage Site at a cost of Rs.8.93 crore with facilities such as Museum and Watch Tower in 2024-2025.

1.7.5 e-Services

(i) e-Auctioning of Major Minerals

A total of ten blocks of Limestone deposit over an extent of 961 hectares were identified in Ariyalur and Cuddalore Districts. These areas were notified for auction under the Mines and Minerals (Development and Regulation) Act, 1957 amended in 2015 and Minerals (Evidence of Mineral Contents) Rules, 2015. This will augment the supply of Limestone to cement manufacturing industries, generate substantial revenue to Government and ensure transparency in allotment of blocks to bidders.

(ii) e-Auctioning of Minor Minerals

Tamil Nadu Minor Mineral Concession Rules, 1959 is amended by insertion of Rule 8 for e-auction of minor minerals and grant of leases through Government order dated 31.07.2024. Auction of Roughstone was conducted through e-platform in the Districts of Vellore, Tiruvannamalai, Dharmapuri, Krishnagiri, Dindigul, Salem, Kallakurichi, Theni, Viluppuram in 2024-2025. Mining rights in a total of 45 areas covering an extent of 75.01.3 hectares were auctioned for Rs.125.30 crore.

(iii) e-Bulk Permits

The lessees of major minerals and minor minerals are being issued bulk permits through e- services in all Districts with effect from January 2025.

(iv) e-Despatch Slips

Since February 2025, the lessees of major minerals and minor minerals in the Districts of Ariyalur, Perambalur, Kanniyakumari, Karur, Dindigul, Tenkasi, Salem, Virudhunagar, Tiruppur, Coimbatore, Krishnagiri, Tiruvannamalai, Chengalpattu, Kancheepuram, Pudukkottai, Tiruvallur and Tirunelveli are being issued e-permits for transporting minerals from mines and quarries to their destinations. The other Districts will be brought under the e-services in a time bound manner.

(v) e-Transit Pass and e- grant of minor mineral concessions

Will be introduced in the State in a phased manner.

2. TAMIL NADU MINERALS LIMITED

Tamil Nadu Minerals Limited (TAMIN), a Government of Tamil Nadu Undertaking, established during April 1978, has completed more than four decades in mineral development. The main purpose of the organization is to quarry, process and market granite raw blocks, granite products, major mineral and minor mineral based products.

TAMIN is quarrying prudently the available natural resources, processing and marketing them profitably. TAMIN is producing minor minerals like black and multicolour granite blocks, granite value added products and major minerals like Graphite and Limestone. TAMIN is the only authorized supplier of Indian Standard Sand popularly known as Ennore Sand which is used as a reference

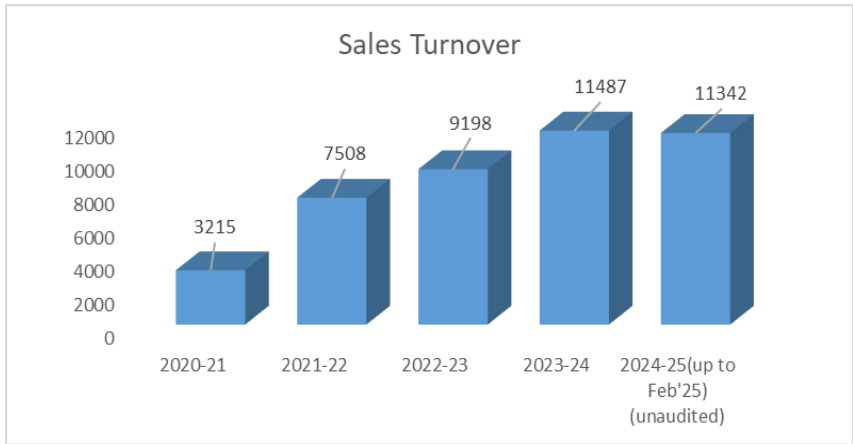
material for quality testing by every cement company in India.

After a period of 7 years, TAMIN stepped into profitability during the Financial Year 2023-2024 with a revenue generation of Rs.114.87 crore and a net profit of Rs.1.09 crore.

2.1 Financial Performance

(Rs.in.lakh)

| Financial Year | Turnover | Profit before tax | Net Profit |
|---|-----------------|--------------------------|-------------------|
| 2020-2021 | 3214.89 | -4028.94 | -3959.65 |
| 2021-2022 | 7507.56 | -1628.60 | -1600.49 |
| 2022-2023 | 9197.96 | -480.72 | -466.36 |
| 2023-2024 | 11,486.67 | 250.35 | 109.33 |
| 2024-2025 (up to February 2025) unaudited | 11,341.87 | 274.42 | 125.42 |



2.2 Vision

Aspire to be top in the mineral sector by adopting, scientific and sustainable mining.

2.3 Mission

To create new business and help existing business to expand.

2.4 Lease Details (as on 01.03.2025)

| Sl. No. | Minerals | No. of leases available | Extent (in hecets.) | No. of leases in operation | Extent (in hecets.) |
|---------|-------------------------------------|-------------------------|---------------------|----------------------------|---------------------|
| 1 | Black Granite | 22 | 489.15.2 | 07 | 105.35.0 |
| 2 | Colour Granite | 08 | 96.43.5 | 03 | 42.89.5 |
| 3 | Minor Minerals (other than Granite) | 04 | 11.78.5 | 04 | 11.78.5 |
| 4 | Major Minerals | 06 | 282.59.0 | 02 | 246.79.5 |
| | Total | 40 | 879.96.2 | 16 | 406.82.5 |

2.5 Employees Details (as on 01.03.2025)

| | |
|------------------|------------|
| Staff & Officers | 233 |
| Workers | 242 |
| Total | 475 |

2.6 Production & Sales Performance during the year 2024-2025 (unaudited)

| Description | | Production in Quantity Up to Feb'2025 | Sales in Quantity Up to Feb'2025 | Value (Rs. in lakh) Up to Feb'2025 |
|--|-------|---------------------------------------|----------------------------------|------------------------------------|
| (I) GRANITES – RAW BLOCKS | | | | |
| 1. Black Granite | CBM | 3,152.98 | 3,358.97 | 3,047.99 |
| 2. Multi Colour Granite | CBM | 3,236.67 | 1,312.28 | 309.47 |
| (II) GRANITES – FINISHED PRODUCTS | | | | |
| Granite slabs | Sq.ft | 1,27,914.31 | 5,92,129.85 | 1,288.73 |
| (III) MINERALS – ORE | | | | |
| Silica Sand, Graphite ore. | MT | 58,651.47 | - | - |
| (IV) MINERALS– FINISHED PRODUCTS | | | | |
| 1. Graphite Flakes | MT | 5,492.13 | 5,813.84 | 3,098.52 |
| 2. Indian Standard Sand | MT | 1,460.75 | 833.90 | 1,385.43 |
| 3. Limestone | MT | 1,44,240.00 | 1,44,240.00 | 1,790.31 |
| 4. Quartz | MT | 3,756.00 | 4,215.45 | 202.38 |
| 5. Fireclay and Laterite | MT | 6,211.76 | 7,000.00 | 10.82 |
| 6. Tailings waste | MT | - | 5,108.00 | 5.11 |
| 7. Others-Paver Blocks, Sawn Blocks, Granite waste etc., | Nos | - | 11,100.00 | 20.71 |
| Total | | | | 11,159.47 |

TAMIN targets to achieve a sales turnover of Rs.125 crore in the Financial Year 2024-2025 and earn a net profit of Rs.2.50 crore.

2.7 Achievements

The revenue generated during the Financial Year 2024-2025 up to February 2025 is Rs.113 crore (unaudited).

However, with a major turnaround, TAMIN expects improved financial performance for the Financial Year 2025-2026.

TAMIN achieved the highest sales value of Rs.13.85 crore for the Financial Year 2024-2025 (up to February 2025 unaudited) in sale of Indian Standard Sand from its inception.

TAMIN proposes to reach a sales turnover of Rs.155.00 crore in the year 2025-2026.

2.8 New Initiatives:

- (a) TAMIN has signed a MoU with IREL on 09.01.2023 for mining, processing and marketing of beach sand minerals. The Joint venture agreement was signed on 27.11.2023. New JV Company namely IREL TAMIN Ltd has been incorporated on 28.06.2024. Two Heavy Mineral deposits (Sathankulam & Kuthiraimozhi) have been identified in Thoothukudi District (Approx. 52.77 million tonnes as per the report of Atomic Mineral Directorate (AMD). The field teams constituted for survey of land areas demarcated the boundaries of both deposit areas and prepared the Land Schedule classifying the land as

Government Land, Patta Land and Forest Land.

- (b) TAMIN has floated a tender to fix Mine Developer cum Operator (MDO) to set up a new graphite processing plant with a capacity to produce 25000 MT graphite flakes and convert it into uncoated spherical purified graphite to cater the demand for making electrical vehicles batteries. As no bid was received, modification of tender conditions and other possibilities are being explored.

- (c) TAMIN has identified Rough stone quarries in Thiruvallur, Ranipet, Villupuram, Perambalur, Namakkal, of which team of TAMIN inspected

quarries in Thiruvallur, Ranipet and Perambalur Districts. TAMIN proposes to identify some good rough stone quarries, and generate revenue.

- (d) CMRL has placed orders for supply of granite material for 35 stations so far (Approx order value of Rs.35 crore). Out of above, 10 station materials for Rs.10 crore have already been supplied. Balance supply of material is in progress.

2.9 Product Promotion:

TAMIN has displayed its stone products in the **STONA 2025**, an International Stone Fair held in Bengaluru, India and promoted its products to both inland & foreign buyers.

2.10 Corporate Environment Responsibility Activities:

- (a) In its efforts to be a model sustainable mining company, TAMIN has spent Rs.112 lakh in 2022-2023 and Rs.17.5 lakh in 2023-2024 towards Corporate Environment Responsibility activities. Hon'ble Minister for Water Resources inaugurated TAMIN's mega plantation project at Mahimandalam Quarry in Vellore District to plant 10,000 saplings. At present 10000 saplings are planted and maintained.
- (b) The overhead tank 60,000 litre capacity was constructed at Rendadi Village, Ranipet District at the cost of Rs.22.30 lakh.

3. TAMIL NADU MAGNESITE LIMITED

Magnesite Mineral ore is an essential raw material for manufacturing Refractory materials used by Steel Industry. India ranked 9th among the Magnesite producing countries in the world. Salem Magnesite Reserve is famous for its molecular structure and is suitable for manufacturing refractory bricks. Tamil Nadu Magnesite Limited (A Government of Tamil Nadu Undertaking) was formed in the year 1979.

3.1 Divisions

The Company has been functioning with three Divisions namely, Mines Division, Shaft Kiln Division (SKD) and Rotary Kiln Division (RKD).

3.2 Products

The excavated Raw Magnesite is captively consumed for manufacturing of Dead Burnt

Magnesite (DBM) at Rotary Kiln Division and Lightly Calcined Magnesite (LCM) at Shaft Kiln Division and selling to the customers directly. Dunite is a co-existing mineral with Raw Magnesite and sold to customers directly.

3.3 Mining Division

The Magnesite Mine located at Kurumbapatty Village, in Salem District is being operated under lease issued by the Environment and Forest Department with an extent of 96.34 hectares (238 acre) for a period of 20 years from 12.08.2008 for the production of approximately 1,33,000 MT of Raw Magnesite and 1,06,000 MT of Dunite per year.

TANMAG has open cast and semi-mechanised mines. The recovery of magnesite from blasted earth is about one in twenty.

The process of mining Raw Magnesite involves selection and preparation of site, drilling, blasting, picking, dressing, sorting, stacking and removal of rejects to spoil bank.

3.4 Rotary Kiln Division (RKD)

TANMAG manufactures Dead Burnt Magnesite (DBM) from Raw Magnesite in its Rotary Kiln Division using Furnace Oil as fuel. The installed capacity is 30,000 Metric tons per annum. The Raw Magnesite is sintered at a temperature of 1750°C using Furnace Oil to produce Dead Burnt Magnesite. About 2.7 Metric ton of Raw Magnesite and 220 litres of Furnace oil are required to produce one Metric ton of DBM.

DBM is used for manufacturing Refractory Bricks as well as Monolithics required for Steel Industries.

3.5 Shaft Kiln Division (SKD)

TANMAG manufactures Lightly Calcined Magnesite (LCM) in its Shaft Kiln Division. Raw Magnesite using Furnace oil as fuel. The installed capacity is 19,500 Metric tones per annum. Lightly Calcined Magnesite (LCM) is produced from Raw Magnesite which is Calcined in Shaft Kiln at a temperature range of 1000°C to 1100°C using Furnace oil. About 2.20 Metric ton of Raw Magnesite and 140 litres of Furnace oil are required to produce one Metric Ton of LCM.

This Lightly Calcined Magnesite (LCM) is used for manufacturing Emery stones as grinding wheel, polishing abrasives for granite and marble polishing, adhesives for Ball mill to fix the grinding stones, Pharmaceuticals, Agro feeds, Animal feeds.

3.6 Share Capital

The authorized share Capital of the Company is Rs.50.00 crore consisting of 50.00 lakh shares of Rs.100/- each and the paid up capital is 16,65,000 shares of Rs.100/- each amounting to Rs.16.65 crore.

3.7 Action plan for the year 2024-2025 & 2025-2026

TANMAG has been a profit making organization. The profit earned during Financial Year (2022-2023) was Rs.17.70 crore. The profit for the Financial Year 2023-2024 is Rs.36.93 crore.

It is proposed to produce 40,000 MT of Raw Magnesite, 9,000 MT of Dead Burnt Magnesite, 6,000 MT of Lightly Calcined Magnesite and 1,05,488 MT of Dunite during 2025-2026. It is

estimated that TANMAG may achieve a total income of Rs.117.77 crore by selling 9,000 MT of Dead Burnt Magnesite, 6,500 MT of Lightly Calcined Magnesite and 1,09,488 MT of Dunite during 2025-2026. Further, it is estimated that TANMAG may achieve profit before tax Rs.57.29 crore during 2025-2026.

Since the mineable ore reserves are approximately 23.05 lakh MT of Magnesite and 20.48 lakh MT of Dunite, the mining operations could be carried out continuously for 20 years. The mining operations is providing employment & livelihood opportunity for around 200 people directly and 1000 people indirectly.

3.8 The Production and Sales Details for Financial Years 2023-2024 & 2024-2025

(Qty. in MT)

| Particulars | 2023-2024 | | 2024-2025 | |
|----------------------------|------------|--------|------------|----------|
| | Production | Sales | Production | Sales |
| Raw Magnesite* | 37,136 | 500 | 29,023 | 2,919 |
| Dead Burnt Magnesite | 7,336 | 4,193 | 4,269 | 5,243 |
| Lightly Calcined Magnesite | 4,044 | 3,881 | 5,769 | 5,694 |
| Dunite | 1,01,765 | 99,426 | 1,06,856 | 1,11,272 |

* Captive consumption

3.9 Sales Details

(Rs. in lakh)

| Particulars | 2023-2024 | 2024-2025 |
|----------------------------|-----------------|------------------|
| Dead Burnt Magnesite | 1,435.71 | 1,617.35 |
| Lightly Calcined Magnesite | 1,164.37 | 1,708.21 |
| Dunite | 6,165.52 | 7,033.36 |
| Others (RM, etc.,) | 43.45 | 237.58 |
| Total | 8,809.05 | 10,596.50 |
| Other Income | 643.51 | 773.12 |
| Total Income | 9,452.56 | 11,369.62 |
| Profit Before Tax | 4,580.73 | 5,933.84 |

3.10 Financial performance

(Rs. in lakh)

| | 2023-2024 | 2024-2025 |
|-------------------|------------------|---------------------------------|
| Income from sales | 8,809.05 | 10,596.50 |
| Other Income | 643.51 | 773.12 |
| Total Income | 9,452.56 | 11,369.62 |
| Profit Before Tax | 4,580.73 | 5,933.84 |
| Dividend | 572.70 | 249.75 (Interim Dividend) |

3.11 Dividend for the year 2023-2024

TANMAG paid Dividend of Rs.572.70 lakh to the Government of Tamil Nadu for the year 2023-2024 at 34.4% of the paid up share capital of Rs.16.65 crore and handed over to the Hon'ble Chief Minister of Tamil Nadu on 08.11.2024.

3.12 Interim Dividend for the year 2024-2025

TANMAG paid Interim Dividend of Rs.249.75 lakh to the Government of Tamil Nadu for the

year 2024-2025 at 30% of 50% of the paid up share capital of Rs.16.65 crore on 07.01.2025.

3.13 Corporate Social Responsibility

TANMAG paid Rs.15.90 lakh to Block Development Officer (BDO), Omalur for the construction of cement concrete Check dam in Thekkampatty Panchayat for the year 2023-2024 and paid Rs.20 lakh to District Forest Officer (DFO), Salem for planting saplings under the Nagaravanam Project for the year 2024-2025.

DURAIMURUGAN

MINISTER FOR WATER RESOURCES

